



Fearnley Securities

Sustainability Policy

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1.0 Background

Fearnley Securities promotes the climate transition and sustainable finance for a greener and more inclusive world. By focusing on the most material ESG factors we can integrate our purpose into all business processes in our Firm thereby ensuring long-term sustainability for our external and internal stakeholders. Integrating our purpose and sustainability focus in the overall strategic risk management and governance structure will benefit the external as well as the internal environment creating added value for those involved interested parties.

2.0 Purpose

As the focus on Environmental, Social and Governance (ESG) principles, continues to be awarded increased attention, Fearnley Securities seeks with this Policy to demonstrate its adherence and commitment to these principles. This ensures that the needs and expectations of both external- as well as internal interested parties are considered in the process towards increased dedication for sustainability. Where applicable, our business activities and processes are linked to the UN Sustainable Development Goals (SDG) in line with the ten principles for human rights, labour, environment, and anti-corruption as set forth in the UN Global Compact.

3.0 Responsibility and implementation

Personal Responsibility

As an Fearnley Securities employee, you shall strive to exercise good judgment, care and consideration. You are expected to familiarize yourself with this policy and perform your duties in line with the principles set forth herein.

CEO and Manager Responsibility

All Managers of Fearnley Securities shall ensure that employees are aware of and comply with this Policy or any other Policies that adequately addresses the principles herein.

If you are a Manager, you have additional responsibilities that go beyond the basic requirements of all employees: Managers are responsible for communicating the requirements in this Policy to all their direct reports. Managers are also responsible for promoting and monitoring compliance with the Policy within their respective area of responsibility.

4.0 Guidelines

4.1 Climate impact and inclusive growth

Fearnley Securities expresses its support to the transition to a low-carbon economy. Hence, reducing the internal and external environmental footprint in all business activities is a prerequisite for ensuring long-term sustainable and resilient business operations.

By further building on our purpose to create an inclusive and diverse workplace with equal opportunities for our employees, both the environment and the social aspects of sustainability are naturally integrated in our Firm.

Environment

Fearnley Securities shall lower the carbon footprint in all business activities and:

- Minimize the use of paper and default print two-sided
- Ensure proper waste management including recycling
- Encourage employees to use public means of transportation to- and from work to minimize the carbon footprint where applicable
- Where applicable use video conferences to minimize the negative externalities from travelling
- Our kitchen shall offer healthy and sustainable food with pure, natural ingredients

Suppliers

- Fearnley Securities shall expect energy efficiency from the buildings we rent
- The data centers where we store our data are expected to lower their environmental footprint and use of energy
- Fearnley Securities shall be able to demonstrate sound, risk mitigating, processes for procurement and address environmental issues with our business partners
- Main suppliers shall adhere to the same standard of sustainability as set forth in this Policy

Healthy workplace

- Fearnley Securities shall care for each and everyone's health and wellbeing by providing opportunities to work out and to gather in social settings
- Fearnley Securities shall offer means of relevant insurance for our employees
- Fearnley Securities shall have an inclusive and diverse workplace and focus on gender equality

Professional development and inclusive growth

- Fearnley Securities shall have established robust on- and eventually offboarding procedures to ensure that the employee lifecycle is managed in the best manner possible
- Fearnley Securities cares for its talented employees. Professional development is safeguarded through internal- and external seminars and courses, awareness training sessions
- Fearnley Securities welcomes summer interns to work with us
- As we believe gender diversity is a prerequisite for a sound, healthy and motivating working environment. We have dedicated focus on hiring women to work in Fearnley Securities

4.2. Sustainable finance and growth opportunities

Fearnley Securities recognizes that integrating ESG factors into its business operations promotes sustainable growth opportunities. Fearnley Securities shall therefore:

- Consider investors' green preferences when required in the investment process and when providing investment advice
- Advocate sustainability financing initiatives by focusing on the renewables sector, including clean tech and companies having integrated ESG criteria in their business models and companies that demonstrate they can reduce their carbon footprint
- Research coverage and methodology of the companies being analyzed shall integrate relevant ESG metrics and be transparent about the methodology used for assessing these companies
- Actively engage with our issuers to address how they can reduce their environmental footprint

5.0 Reporting under the Policy

Reporting on ESG factors

Pursuant to demonstrating adherence to this Policy, all Managers are expected to report its ESG undertakings to their superior and to ensure compliance with the principles set forth herein. Our dedicated work to promote sustainable finance and inclusive growth shall be disclosed in the ESG report.