



8F ASSET MANAGEMENT
RESPONSIBLE INVESTMENT AND IMPACT POLICY

PURPOSE AND SCOPE

8F Asset Management and its group companies (“8F”) are committed to delivering attractive risk-adjusted investment returns through responsible investment practices that consist of thoroughly considering the impact of our investment decisions on society and on the planet, throughout the investment process. The aim is to achieve a wide range of positive financial, social and environmental outcomes for investors.

The purpose of this Responsible Investment and Impact (“RII”) Policy is to:

- Articulate the three pillars of 8F’s Responsible Investment and Impact framework.
- Outline 8F’s commitments to key, global and relevant RII and sustainability principles and initiatives.
- List the sectors in which 8F will never invest.
- Define the environmental, social and governance (“ESG”) standards that we expect and drive our portfolio companies to adopt.
- Provide a guide for an effective integration of ESG analysis and the incorporation of positive impact targets, throughout our investment process and across our investment portfolios.
- Confirm 8F’s commitment to reporting on material ESG issues and progress towards impact objectives.

This 8F Responsible Investment and Impact Policy has been adopted by the Partners of 8F and will be implemented by the relevant Investment Committees of the funds and vehicles managed or advised by 8F.

8F RESPONSIBLE INVESTMENT AND IMPACT FRAMEWORK

8F’s Responsible Investment and Impact (RII) framework is grounded on the following three pillars:

1. Seeking investment opportunities that can contribute towards the United Nations’ Sustainable Development Goals (“UN SDGs”).
2. Conviction that fully integrating a thorough analysis of ESG factors into investment mandates, strategies, objectives and processes is key to identifying and mitigating material ESG risks, and therefore effective in delivering superior risk-adjusted returns.
3. Further leveraging on ESG analysis in order to identify and capture investment opportunities that intentionally target environmental and societal changes through solutions that deliver demonstrable and measurable positive impacts for the world.

COMMITMENTS TO GLOBAL RESPONSIBLE INVESTMENT AND SUSTAINABILITY PRINCIPLES AND INITIATIVES

8F believes that alignment, collaboration and commitment to globally respected responsible investment and sustainability principles and initiatives is of the utmost importance in order to lead by example to enhance positive impacts for the world.

In line with this conviction, 8F seeks to align its portfolio companies to contribute towards relevant UN SDGs, and 8F is a signatory of the UN backed Principles for Responsible Investment (“PRI”) as well as a Founding Signatory of the Sustainable Blue Economy Finance Principles (“SBEFP”).

Alignment with UN SDGs

The UN SDGs provide a comprehensive and broadly recognised framework with a set of meaningful and pragmatic objectives towards which 8F seeks to steer its investments. 8F believes that portfolio companies which aim to advance towards one or more of the UN SDGs will be better positioned to deal with global challenges deriving from the reality that the world’s resources are limited, that stricter regulations are required to mitigate climate change related risks, and that facing these challenges, key stakeholders including end consumers are becoming



rapidly and increasingly demanding regarding sustainable development issues. As an active owner, 8F supports and encourages its portfolio companies to thoroughly consider and enhance their positive contribution towards reaching the UN SDGs that are relevant to their activity and sector.

Signatory of the UN backed Principles for Responsible Investment

The Principles for Responsible Investment is the world's leading proponent of responsible investment. Supported by the United Nations, the PRI works to understand and promote the investment implications of the analysis and integration of ESG factors and how to incorporate these factors into investment and ownership decisions. The six principles of the PRI are:

1. Incorporate ESG issues into investment analysis and decision-making processes.
2. Be active owners and incorporate ESG issues into our ownership policies and practices.
3. Seek appropriate disclosure on ESG issues by the entities in which we invest.
4. Promote acceptance and implementation of the Principles within the investment industry.
5. Work together to enhance our effectiveness in implementing the Principles.
6. Report on our activities and progress towards implementing the Principles.

Founding Signatory of the Sustainable Blue Economy Finance Principles

The Sustainable Blue Economy Finance Principles (SBEFP) were developed by the WWF, the European Commission, the Prince of Wales's International Sustainability Unit (World Resources Institute), and the European Investment Bank, and are supported by the United Nations Environmental Programme's Finance Initiative. The SBEFP recognise the importance of compliance, transparency and disclosure, as well as the specific challenges of investment in the context of the ocean economy. They are designed to support the UN SDGs, in particular SDG #14 ("Life Below Water") the key objective of which is to "Conserve and sustainably use the oceans, seas and marine resources for sustainable development". The SBEFP consist of the following 14 Principles: Protective, Compliant, Risk-aware, Systematic, Inclusive, Cooperative, Transparent, Purposeful, Impactful, Precautionary, Diversified, Solution Driven, Partnering and Science-led.

EXCLUSIONS

8F will never invest in any of following industries and sectors:

- Weapons
- Gambling
- Tobacco
- Alcohol
- Fossil fuel production

ESG STANDARDS

8F promotes sustainable practices in its portfolio companies and has established the following ESG standards and objectives which we expect and drive our portfolio companies to work towards.

Environmental

- Creating value from environmentally friendly and sustainable approach in all aspects of its business.
- Adopting a solution-driven approach to environmental issues to protect the planet, including the oceans.
- Limiting consumption of environmentally scarce, non-renewable resources and seeking to preserve natural capital and protect biodiversity.
- Seeking to use renewable energy to the extent possible and practicable.
- Limiting emissions of harmful substances and harmful waste, including greenhouse gas emissions.

Social

- Promoting diversity and having a zero tolerance against any type of discrimination.
- Establishing positive involvement with all stakeholders, both internal and external, e.g. employees, customers, suppliers, and investors, as well as the communities in which they operate in order to solve social challenges.
- Respecting employees' and contractors' rights to decent working conditions, e.g. minimum wages, working hours, health and safety and right to collective bargaining.
- Addressing all customers' concerns and interests proactively.
- Comply with international conventions on human rights, including supporting the elimination of child labour and modern slavery in their own operations as well as throughout their supply and distribution chains.

Governance

- Maintaining a high level of business ethics in all types of transactions and interactions.
- Complying with applicable and relevant laws and regulations, as well as being aware of future regulations, in markets where they operate.
- Establishing a defined and documented corporate governance structure with clear responsibilities and procedures and appropriate internal control mechanisms.
- Establishing and implementing ESG and sustainability principles, standards and policies.
- Integrating material ESG and sustainability factors into the company's business strategy and operations.
- Reporting transparently and accurately in a meaningful and relevant manner on all financial as well as extra-financial aspects of the business.

INTEGRATION OF ESG ANALYSIS AND POSITIVE IMPACT OBJECTIVES

8F integrates ESG analysis and incorporates positive impact objectives throughout its investment process, from pre-investment due diligence to post-investment monitoring through active ownership.

Pre-investment due diligence

The pre-investment due diligence process for an investment under consideration includes:

- A thorough analysis and review of ESG risks and opportunities within the investment opportunity.
- The signalling of any critical 'red flag' issue(s) that exist within an opportunity's current or future business model which would be in conflict with 8F's ESG standards and which are believed cannot be overcome.
- The determination of whether the opportunity is or can be aligned with one or more relevant SDGs.
- An appropriate action plan to mitigate material ESG risks.
- A mapping of positive environmental and social impact objectives that the business can aim for.

Should the pre-investment assessment deem there to be unacceptable or critical levels of ESG risks that will remain high, and cannot be controlled or mitigated, then the investment will not proceed. If an opportunity is accepted for investment, then the target company will be required to commit to implementing 8F's ESG standards and incorporate pre-defined impact objectives within their business plans.

Post-investment monitoring and active ownership

Post-investment 8F will actively monitor portfolio companies concerning the implementation of ESG standards and will ensure that progress towards agreed positive impact targets are in line to be achieved, by:

- Working closely with management teams of portfolio companies to provide guidance and support to ensure that the required ESG and positive impact frameworks are constructed, implemented and monitored.
- Taking an active ownership role to influence through constructive dialogue and, if necessary, take steps to implement measures in cooperation with management, to ensure that the agreed upon ESG standards and positive impact targets are met.
- Ensuring effective monitoring by requiring portfolio companies to report on:
 - The establishment and implementation of ESG standards.
 - The integration of ESG analysis and impact objectives within business plans.

- The progress made towards reaching the agreed positive impact objectives.
- The progress made towards contributing to identified and relevant SDGs.

TRANSPARENCY AND REPORTING

8F commits to reporting to its investors and other relevant stakeholders, transparently and in a meaningful and relevant manner on material issues related to its RII policy and ESG practices as well as on progress made towards reaching its positive impact objectives. Such reporting will be based on recognised and accepted reporting standards and frameworks.

8F will aim to produce such reports at least on an annual basis. In addition, 8F may provide verbal, public or investor-only updates on such matters. As a signatory of the PRI signatory, 8F is also committed to report to the PRI on an annual basis.

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