

**VEF**

**Sustainability Policy**

## 1. Introduction and purpose

VEF's purpose is to create long term sustainable value for our shareholders by investing in the future of finance across the emerging world. Our investment decision making process is driven by a strong belief in: (1) sustainability as a fundamental part of business and (2) the power of active shareholding, to ensure strong governance and responsible business practices.

VEF's business is conducted in accordance with several internal policies adopted by the Board of Directors, including a Code of Conduct, Information- and Insider Policies, Investment Policy, Anti-corruption Policy and Sanctions- and AML Policy. This Sustainability Policy combines relevant aspects of these various internal policies and together with the Responsible Investment and Shareholding Policy sets out the core of our sustainability practices.

The purpose of this policy is to set out VEF's values and principles and a framework for our sustainability standards and work. Through active shareholding, we strive to instill to the extent possible these values and guidelines in portfolio companies as well as in our own operations. All employees at VEF are bound to follow these policies.

## 2. VEF core values

At VEF, we live by a set of core values that form the basis for this policy and our business conduct:

- 1. Stewardship:** We are an active and responsible shareholder and we take corporate governance very seriously, both with regards to how we conduct our business and how portfolio companies conduct theirs.
- 2. Integrity in everything we do:** We are transparent, open, honest, fair and ethical towards all stakeholders: our investors, employees, investments, suppliers and the communities served.
- 3. Respect for people and diversity:** We seek diversity of thought and background and respect the individual. Innovation and success, come out of bringing people together from different backgrounds, with different ideas, strengths and experiences.
- 4. Positively impact the world:** We strive to make returns by positive social impact – participate in the creation of economic opportunities for those without, advance new technologies and business models that are sustainable and improve financial intermediation.

We aim to conduct our business in a socially responsible manner and are committed to being a responsible member of the communities in which we operate and recognize the mutual benefits of engaging and building relationships with these communities. We aim to be commercial and fair, to maintain our integrity and professionalism and to respect the needs of shareholders, employees, suppliers, the local community and the businesses in which we invest.

## 3. Sustainability principles

With our core values at the forefront, we have further established the following sustainability principles which all employees at VEF shall live by.

### 3.1 Good business ethics and integrity

VEF believes in always maintaining good business ethics in all its dealings and all employees of VEF are to behave accordingly. Good business ethics mean honesty and integrity, with respect for society as a whole. VEF is committed to comply with the laws, regulations and rules applicable to the business and to conduct business in accordance with established best practice in each of the countries in which VEF operates.

### 3.2 Respect for people and human rights

VEF respects human rights and is committed to following the UN Guiding Principles on Business and Human Rights. Respect for people is one of our core values and we commit to offering a safe and healthy work place with fair and reasonable working conditions and to ensure non-discrimination and no harassment of any form.

VEF rejects all forms of forced or child labor.

### 3.3 Diversity and inclusion

VEF prides itself on being an equal and diverse workplace where there is no tolerance for any type of discrimination and with the ambition to have the highest level of respect and trust. One of VEF's core values it to seek diversity of thought and background and respect the individual. Innovation and success, come out of bringing people together from different backgrounds, with different ideas, strengths and experiences. VEF recruits, promotes and compensates based on merit, regardless of gender, ethnicity, religion, age, nationality, sexual orientation, union membership or political opinion.

### 3.4 Responsible investment and shareholding

One of VEF's core values is Stewardship, meaning that we are an active and responsible shareholder and we take corporate governance very seriously, both with regards to

how we conduct our business and how portfolio companies conduct theirs. Working actively on sustainability and environmental, social and governance (ESG) matters is key to high and sustainable profits. The observance of good ESG practices is essential if companies are to be run in the shareholders' best interests over the long-term. VEF's sustainability goals are ambitious and the bar is set high for both VEF and portfolio companies.

You can find VEF's Responsible Investment and Shareholding Policy on the company's website, [www.vef.vc](http://www.vef.vc).

### **3.5 Anti-corruption, bribery, money laundering and trade controls**

VEF observes high standards of ethical and business conduct and has zero tolerance for any corrupt or fraudulent business practices.

VEF shall comply with applicable trade control and sanctions laws and regulations in relation to each country in which VEF does business. In addition, VEF shall not directly or indirectly enter into business relationships with parties that could potentially be engaged in money laundering and/or terrorist financing.

VEF has adopted specific policies related to corruption, trade controls, sanctions and money-laundering.

### **3.6 Information sharing, transparency and confidentiality**

VEF recognizes the importance of communicating openly with shareholders, potential investors, and the general public, as well as other stakeholders. VEF shall provide accurate, reliable and timely information, and abide by laws and regulations applicable to a company listed on Nasdaq First North Growth Market.

VEF is fully committed to communicating in a transparent way and will not restrict public disclosure of information, except where the information is of a commercially sensitive or confidential nature.

VEF has clear and extensive information policies and adequate processes to ensure highest quality when it comes to information sharing, transparency and confidentiality. VEF also has insider- and information policies to ensure compliance with applicable laws and regulations and to ensure VEF's continued good reputation with the public and the capital markets.

Employees of VEF are regularly confined with confidential information related to the business of the company, such as financial reports, strategies, business plans, information related to portfolio companies, financial position etc. All employees are bound by strict confidentiality agreements and are obligated to keep confidential information secure.

### **3.7 Financial risk management**

VEF is bound to strict accounting principles and standards and to report financial information and issue financial reports timely as a company listed on Nasdaq First North Growth Market. VEF shall have accurate and complete accounting and reporting that complies with applicable laws, regulations, accounting standards and norms. VEF therefore must have appropriate and adequate internal controls and processes to ensure compliance with all applicable accounting and financial reporting laws and regulations. It is key for VEF to maintain flawless practices in this regard to uphold the confidence and trust of all stakeholders.

VEF works closely with the company's auditors to constantly improve the processes and to ensure continuous high level of quality in the accounting and financial reporting.

### **3.8 Privacy and data protection**

VEF recognizes the importance of data protection and is committed to always maintaining appropriate safeguards as required by applicable law to ensure the integrity and security of personal data. VEF has a specific policy in relation to privacy and data protection, which you can find on the company's website, [www.vef.vc](http://www.vef.vc). Employee and third-party personal data shall be kept confidential and secure in compliance with applicable data protection laws and regulations.

### **3.9 Respect for the environment**

VEF is committed to reduce its environmental impact. Given the nature of the business, the impact on the environment is deemed low. However, VEF commits to make efforts to contribute positively to the environment.

All employees at VEF shall comply with any applicable environmental laws and regulations.

## **4. Global initiatives and guidelines**

At VEF, we recognize the importance of following international standards for business conduct and specifically the principles of the UN Global Compact, but also the OECD Guidelines for Multinational Enterprises, the ILO's core conventions and the UN Guiding Principles on Business and Human Rights. We specifically also take into consideration the United Nations Sustainable Development Goals when investing in portfolio companies as further set out on our website and in the Responsible Investment and Shareholding Policy.

## **5. Breaches of the policy and our sustainability principles**

VEF commits to investigate all reports of suspected misconduct made in good faith. VEF prohibits all forms of intimidation or retaliation against a reporting person.

Any employee who knows or has a reason to believe that misconduct has occurred is responsible for immediately notifying his/her immediate supervisor, the CEO or the Chairman of the Board of Directors. It is expected that employees will fully co-operate during the course of investigations and make all reasonable efforts to be available to assist with any investigations.

The Board of Directors has primary responsibility for the investigation of all suspected misconduct.