

Responsible Investment Policy for FSN Capital Partners

We are decent people seeking to make a decent return in a decent way.

FSN Capital seeks to act with the highest level of integrity, taking a responsible approach when interacting with our portfolio companies, our advisors, our investors, local communities and the environment. FSN Capital publish an annual ESG report.

With our investment approach, FSN Capital doesn't see a need for a responsible investment policy that is treated separately from our general investment strategy. Our policy for responsible investments and our investment philosophy are intertwined and in fact two sides of the same coin; tools we apply to ensure that we over time get the best possible combination of controlling risk and enhancing value.

Compliance with UN's Principles for Responsible Investment (UN PRI)

FSN Capital became a signatory to the United Nations-backed Principles for Responsible Investment on September 14, 2012.

UN PRI promotes integrating ESG perspectives into the investment process and active ownership policy. For FSN Capital, being a signatory falls naturally within our investment approach and being compliant with these six UN PRI principles is a natural part of an investment strategy to safeguard and enhance return of our portfolio investments:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.

4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

FSN Capital's exclusion criteria

We shall not invest in companies that:

1. Have contributed to systematic denial of human rights.
2. Demonstrate a pattern of non-compliance with environmental regulations.
3. Show a pattern of engaging in child labour or forced labour.
4. Have an unacceptable high greenhouse gas footprint and have failed to take reasonable steps to reduce these emissions.
5. Produce weapons that through their normal use may violate fundamental humanitarian principles (eg Anti-personnel land mines, Production of cluster munitions, Production of nuclear arms).
6. Are directly related to the following industries:
 - a. Adult entertainment
 - b. Tobacco
 - c. Gambling
 - d. Alcohol

This policy will be reviewed and amended as appropriate from time to time.

Revised October 2019