



MERGENCE

Sustainability Policy

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A. OUR COMMITMENT

The development of a Sustainability Policy confirms the Mergence Group's commitment to develop an environmentally responsible culture in our own operating environment and all the parties with whom we have a business association.

We recognise environmental management and conservation as an important area of corporate performance which supports our commitment to Environmental, Social and Governance (ESG) principles and supports sustainable development.

While the nature of our operational business activities may not have a substantial impact on our environment, the effective implementation of this Policy nevertheless requires the co-operation and involvement of staff at all levels and in all areas.

B. VISION

We believe in creating shared value and hence a better future for all - where social wellbeing prospers and where natural resources continue to flourish in our ecosystem while meeting our needs.

C. PRINCIPLES

Our approach to business is guided by commitment to the following principles: Leadership, Inclusivity, Transparency, Integrity, Stewardship and Continuous Improvement.

D. IMPORTANT ISSUES

The Mergence Sustainability Policy covers our comprehensive business operations and endeavours to reduce the impact of our business activities on the environment to the minimum.

We are thus committed to effectively managing the impact that our operations may have on the environment. This extends to the areas of property and facilities, corporate buildings and facilities, energy, waste, carbon footprint and procurement.

The management programme includes but is not restricted to:

- Reduction in carbon emissions
- Responsible energy and water consumption
- Recycling and waste management
- Procurement from sustainable sources

E. OUR ABILITY AND DUTY TO ACT

We believe in using the Earth's resources wisely.



We also believe we have the power to make a positive human impact on the diverse people we touch.

Our attention to environmental, social and economic responsibility includes working within the law and voluntarily exceeding legal requirements in order to be innovative and demonstrate leadership on the issues that are important to us and our stakeholders. As an investment management company, we have an opportunity to advise clients and make considered investment decisions in line with our fiduciary duties that support sustainable development and the growth of a restorative economy.

F. OBJECTIVES

1. Minimise environmental impacts in the areas of waste, water, energy, air quality and resource use.
 - **Waste recycling:** Increase overall recycling (*paper, general & printer cartridges*) by 25%.
 - **Water usage:** Reduce overall water usage by 10%.
 - **Electricity usage:** Reduce electricity usage at the office by 10%.
 - **Carbon emissions produced by staff travel (vehicles & air travel):** After obtaining our carbon footprint, we will assess whether we would be able to reduce the firm-wide carbon emissions by being more prescriptive and to reach a carbon-neutral status by offsetting our emissions through various initiatives such as financing essential renewable energy, forestry and resource conservation projects etc. which generate reductions in greenhouse gas emissions.
2. Give back to communities by volunteering and donating resources.

Mergence staff and the company as a whole, strives to provide mentoring, financial and support in the way of donating equipment to underprivileged communities, where possible.
3. Develop sustainable procurement guidelines to ensure our supply chain has responsible social and environmental practices.
 - Percentage of vendors used who meet company minimum sustainability guidelines: 2% of vendors compliant
 - Create innovative approaches to minimise negative environmental impacts, improve the economic bottom line and integrate social elements into our business deliverables

G. REPORTING

The Sustainability Task Team, as policy drivers, are responsible for making all Mergence employees aware of the contents of this Policy. The actions they are expected to take in terms of this Policy will be clearly communicated to them.

We will externally report on our progress against these goals once per year.

Internal senior reviews will be held at least once per year.

Management reviews will be conducted quarterly.



H. REVIEW

The policy must be reviewed at least annually.

Aspects of environmental control in the Sustainability Policy are addressable under the Occupational Health and Safety (OHS) Act and the National Environmental Management Act as well as an existing OHS Program that has been implemented for the Mergence Group on a national basis.

Environmental matters will be incorporated in the OHS function that will be known as the Environmental & Occupational Health and Safety Programme (EOHS). The OHS structure will be applied to manage an Environmental Programme for facilities and staff.

I. EDUCATION AND AWARENESS

The Mergence Group will ensure ongoing environmental education and awareness among its staff, clients and suppliers and will foster openness and dialogue with its employees and the public.

An education and awareness campaign will be launched to formally introduce the Environmental Management Programme to management and staff. A clear understanding of all relevant processes and the EOHS concept will be important to the success of the programme.

Training will be integrated with the existing OHS curriculum that will support the EOHS.

Focused environmental risk training will be undertaken for departments whose business is particularly affected by environmental issues such as the credit, property and project finance departments.

The implementation results of the Sustainability Policy will be analysed and evaluated against applicable national and international legal requirements, as well as best practices in the finance sector such as the Equator Principles Analysis. Reporting of results will take place on an annual basis.

