



**ARCTIC**

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# ESG Report 2022



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# 2022 at a glance

~35

In-house renewable energy specialists



13

Corporate finance  
deals within  
renewables in 2022

6+

Bn NOK

Raised for  
renewable energy  
projects

19

Countries  
represented  
(group)

Norway, Sweden,  
Denmark, Australia, UK,  
USA, Germany,  
Netherlands, Italy, China,  
Thailand, France, Namibia,  
Venezuela, Bulgaria, Iran,  
Brazil , Japan & Poland

28% ↑

Women in total

# Words from our CEO

At Arctic, we are conscious of the impact our activities have on the environment. Sustainability is becoming embedded in the market. New sustainability standards demand that we are highly adaptable.

While we – and the financial industry at large – have previously focused on ESG considerations and understanding regulation, we now see a significant shift towards implementation and execution.

As a leading investment bank, Arctic has an important role to play as a responsible advisor and transaction manager enabling sustainable growth. The transition towards a net-zero economy demands significant effort and capital, whilst also representing new and exciting investment opportunities for our clients.

Our team at Arctic is highly committed to meet the new sustainability standards and continue to be a competent and valuable partner for companies and investors within this field.

In short, we actively engage and contribute where we can make a real difference.



**Mads H. Syversen**  
CEO

# A leading provider of financial services

Arctic delivers leading financial services that enable innovation and long-term growth - increasingly involving sustainable projects. We are built on an entrepreneurial spirit driving positive change, crafting superior market opportunities for our clients.

## **We do this with:**

- Absolute commitment
- Exceptional expertise
- Extensive experience
- Global presence

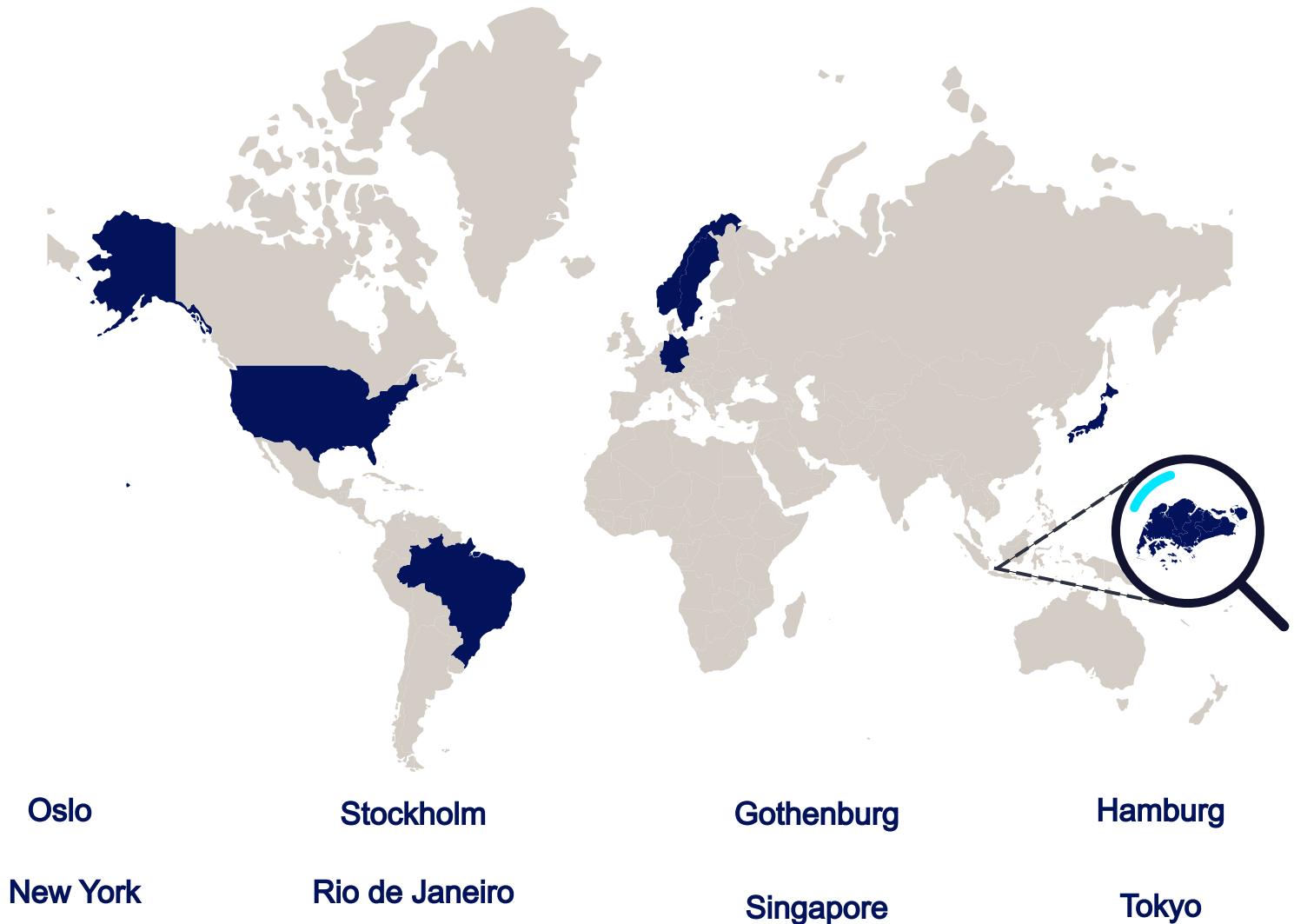
We have an absolute commitment to integrity, quality, and our clients to whom we guarantee excellence in execution in everything that we do. It is through embodiment of this maxim that we have built uncompromising trust and lasting relations as we continuously craft attractive market opportunities for those around us.

Our maxim is in many ways a promise, which also entails that our employees are held to the highest standards. It is through work with our long-standing partners that we have experienced how excellence in execution is reciprocal; how working with the best clients brings out the best in us.



# Norwegian heritage, global reach

Our clients include international institutions and investors looking to partake in the Nordic markets. We also bring our Norwegian heritage to the world, where we advise clients in their domestic markets from our regional offices.



# Our approach to ESG

Arctic is a leading investment bank. Hence, our most important contribution is to encourage more capital to flow to greener activities – for a more sustainable future. We strive to be a good advisor and partner for our clients and investors within sustainable investments.

We will continue to implement environmental, social and governance measures into our business to ensure long-term sustainable development and growth.

## **Our approach to and work within ESG largely builds on the following pillars:**

- Environmental impact (Scope 1, 2, 3 and 4) and specifically how our operations contribute to reach the UN Sustainable Development Goals.
- Social responsibility and entrepreneurship; partnering with social initiative takers and grassroot organizations to make an impact in local communities
- Best practice routines for Corporate Responsibility & Governance.

Furthermore, Arctic fully respects and provides fundamental human rights and decent working conditions. We act in accordance with the Transparency Act, which entered into force on July 1, 2022.

# ECO Lighthouse

Arctic Securities is certified by the Eco-Lighthouse foundation, fulfilling the foundation's requirements within:

- Health, safety and the environment
- Procurement
- Energy use
- Transportation
- Waste management
- Aesthetics
- Bank and Finance



The Eco-Lighthouse certification scheme is the most commonly used environmental management system in Norway.

Read more about the environmental certification scheme at [www.miljofyrtarn.no](http://www.miljofyrtarn.no)

## Have your say

Any suggestions to help us further improve our environmental and climate impact? You are welcome to get in touch with us.

Please contact Sindre Fjærtøft: [sindre.fjaertoft@arctic.com](mailto:sindre.fjaertoft@arctic.com)

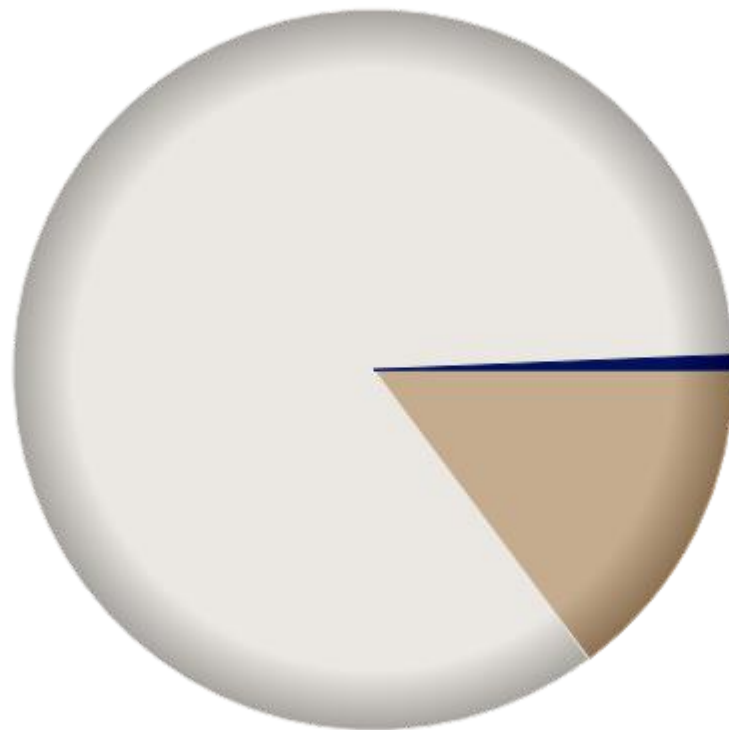


# Key emission figures 2022

SOURCE OF EMISSION	CONSUMPTION	CO2E CONVERSION	CO2 EMISSIONS
Energy consumption - electricity	1106701kWh	0.0429kg CO2e/kWh	47.48 tonnes CO2
Energy consumption - heating	377982kWh	0.155kg CO2e/kWh	58.59 tonnes CO2
<b>SUM SCOPE 2</b>	<b>106.06 tonnes CO2</b>		
Flight travel	596.7 tonnes CO2	1 tonne	596.70 tonnes CO2
Waste	17200 kg	0.225 CO2e/kg	3.87 tonnes CO2
Organic waste	5260 kg	0.015 CO2e/kg	3.87 tonnes CO2
Paper and pulp	9151 kg	0.061 CO2e/kg	0.56 tonnes CO2
Glass and metal	2642 kg	0.031 COe/kg	0.08 tonnes CO2
Plastic	1529 kg	0.05 COe/kg	0.08 tonnes CO2
EE- waste	442 kg	0.068 CO2e/kg	0.03 tonnes CO2
Driving allowance	33422.1 km	0.27 COe/kg	9.02 tonnes CO2
<b>SUM SCOPE 3</b>	<b>610.42 tonnes CO2</b>		

Total CO2 emissions = 716.48 tonnes

# CO2 emissions 2022



■ Energy 14.80% ■ Transport 84.54% ■ Waste & Consumption 0.66%

# Business operations and the environment

## **Energy-use in buildings**

We are working to limit the scope 1 and 2 emissions associated with the use of our office premises. In addition to Eco-Lighthouse measures, taking steps to ensure that we rent offices with good energy performance is prioritized. We monitor electricity consumption for our HQ office premises and we take measures to save electricity through efficient energy management.

## **Energy-use in transport**

We are working to reduce scope 3 emissions associated with transportation. Arctic offers state of the art video conference equipment to conduct efficient digital meetings from all workstations and meeting rooms. We always consider our need for business travelling carefully and on a case by case basis. Our offices are centrally located and close to public transportation.

## **Equipment and consumables**

Our employees are encouraged to use our recycling facilities. We reduce our environmental impact to a minimum when disposing of redundant equipment. As a purchaser, we prefer products with a low environmental impact and avoid the use of disposable products whenever possible.



# A framework to navigate ESG

We use the UN's Sustainable Development Goals as a framework to navigate our ESG oriented business development practices. This means that we, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption, although we aim significantly higher than these thresholds. Our aim is to enact these values and principles wherever we have a presence.

We are incorporating the Ten Principles of the UN Global Compact into our policies and procedures.



# Integrating UN Global Compact's 10 principles

## Principle 1

Support of internationally proclaimed human rights

We demand responsibility, integrity and high ethical standard from our employees. Our governance and corporate ethics standards are unnegotiable across all our regional offices and extends to all suppliers. The underlying requirements for all business undertakings and for the personal conduct of all individual employees are described in our Code of Conduct.

## Principle 2

Non-complicit in human rights abuses

We engage in dialogue with our suppliers and partners to make sure that we do not indirectly partake in any human rights abuses across our operation. We aim to uncover any associated violations through our client onboarding and Know Your Customer procedures, in accordance with the Transparency Act.

## Principle 3

Freedom of association and collective bargaining

We respect the right of all workers to form and join trade unions of their choice without fear of intimidation or reprisal, in accordance with national law. We have initiated non-discriminatory policies and procedures with respect to trade union organising, union memberships and other associated activities.

## Principle 4

Elimination of forced labour

Arctic is headquartered in Norway and adheres to the Norwegian Working Environment Act, the Social Security Act and the Transparency Act. In accordance with regulations, the employees' health, environment and safety is followed up systematically by the working environment committee and by safety officers. For employees in jurisdictions outside of Norway, local regulations shall be followed as a minimum.

## Principle 5

Abolishment of child labour

We make sure to research all our partners and clients thoroughly through our client onboarding procedures, Know Your Customer and Anti Money Laundering checks, in accordance with principles outlined in the Transparency Act.

## Principle 6

Elimination of work  
discrimination

We always remain professional and respectful towards all employees, clients and suppliers. We regard our employees as our most valuable assets and work to ensure a healthy working environment with a zero tolerance policy for discrimination. We support social initiatives locally to promote equal opportunities.

## Principle 7

Precautionary approach  
to environmental issues

We aim to facilitate our employees in reduction of their personal carbon footprint through internal measures and policies. We have enhanced our competence and knowledge of sustainable business practices to be a responsible employer and secure a competitive advantage.

## Principle 8

Promoting environmental  
responsibility

We seek to reduce our environmental footprint by acting as a responsible purchaser, a responsible consumer and a responsible tenant. We rent modern and energy-efficient offices with recycling facilities and in proximity to public transport hubs, and we refrain from using suppliers when it is unclear whether they meet our standards on social and environmental performance.

## Principle 9

Development of eco-  
friendly technologies

We have invested in energy-efficient "Virtual Desktop Infrastructures" and audio-visual equipment that enable telephone and video conferences, and we promote development of eco-friendly technologies as a financial advisor through our corporate finance renewable energy department.

## Principle 10

Work against corruption  
in all forms

We take measures against corruption through our client onboarding procedures, Know Your Customer and Anti Money Laundering checks. Our whistleblower policy is in place to ensure a protective environment for whistleblowers and we are committed to our open door policy that encourages employees to share their questions, concerns, suggestions and complaints.

# Expectations

**How we meet our fundamental ESG responsibilities  
– and what we expect from our clients and suppliers.**

## Arctic and its employees

Arctic seek to reduce its environmental footprint by being a responsible and reliable purchaser, business partner and consumer. We always act in the best interest of our clients and ethically and responsibly towards society.

We use the UN's Sustainable Development Goals as a framework to navigate our ESG oriented business development practices. At a minimum, we will meet fundamental responsibilities in the areas of human rights, labor, environment, and anti-corruption.

We have implemented an in-house recycling system, and we expect and encourage our employees to choose environmentally friendly modes of transportation. We have installed equipment to ensure efficient digital meetings and we run our own professional studio for web- and podcasts.

Arctic promotes the well-being of our employees. We have a flexible working day, and our working environment is considered healthy.

Arctic is committed to following relevant legal requirements, regulations, and industry standards. We work tirelessly to ensure that all governance procedures are in line with best practices and the relevant regulations. Our internal Code of Conduct framework is updated regularly.

## Clients and suppliers

Arctic is a responsible purchaser and business partner, and we expect nothing less from our clients and suppliers. We expect our clients and suppliers to be highly aware of and to address challenges presented by environmental and social issues.



# Environmental Responsibility

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As a leading investment bank, promoting and raising capital for renewable energy initiatives is an integral part of our environmental responsibility. Arctic is experiencing significant interest from both existing and new clients for renewable energy projects. We are highly motivated to meet this demand and work relentlessly to assist our clients within sustainability.

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**Harald von Heyden**  
**Head of Energy & Infrastructure**



# Integration in service offerings

**Arctic provide a range of products and services within the financial markets. Our services meet the demands and expectations from our clients within sustainability.**

## **Working with clients and other companies**

To reduce scope 4 emissions we will advise our business relations on their potential to benefit from engaging with sustainability-linked projects, as well as assist companies operating in sectors such as recycling, renewable energy and clean technology in raising capital for investment and expansion.

## **Working with investors**

We will facilitate investors seeking to make sustainable investments with introductions and research, and will include environmental and other related risks in our investment research. We will provide reviews on potential earnings implications where appropriate.

As part of our strategic focus on renewables, Arctic acquired 35.7% of the shares in energy certificate broker Cleanworld AS, and 12.48% of the shares in the research company Veyt AS - a specialist in analysis and data from the green certificate market.

# Financing the green transition

## **Where we can make a difference**

Emissions avoided through the use of a particular product or service are referred to as "scope 4" emissions. It is by this parameter we best capture how financial institutions can contribute; our advisory services, including capital raises, may ensure that the right companies are provided with the capital they need to make a difference. This does not mean that we refrain from providing financial services to companies on other missions, but rather that we take pride in how our team of 35 dedicated in-house renewables specialists work towards a more sustainable future.

## **Arctic Renewables**

Our corporate finance renewables team executed 13 transactions totaling NOK 6+ bn in 2022. These transactions include capital raises within hydrogen, solar energy, offshore wind and ammoniac amongst other industries, facilitating the transition to renewable energy. The Arctic Renewables corporate finance team is one of the largest of its kind in the Nordics, and is ready to assist legitimate players looking to contribute in the green transition.

# In-house expertise



Cleanworld is a leading brokerage firm for environmental commodities. With 15 dedicated experts they give insight into the opaque energy certificates markets, focusing especially on renewable electricity. Yearly transaction volume exceeds 162 TWh of green electricity, on top of significant volumes in carbon offsets, renewable gas, biofuels and feedstocks. Their brokers cover a broad range of products, most of which are traded OTC between professional parties. Many of the products are transferred via electronic registries; however, coverage extends to brokering of fuels and feedstocks that are transferred physically across Europe.



Veyt is a research company providing price transparency and market outlook services related to various green certificate products. Their mission is to assist leading European energy companies in monitoring the Guarantees of Origin markets to drive the profitability of their green certificate portfolios. Veyt's products and services include a web-based platform that enables Guarantees of Origin trades, access to price data, news & legal updates, data-driven analysis for PPA's and other tailored services for investors with interest in renewable energy projects.





# ESG implementation in Research

Arctic's research desk has established a framework for incorporating ESG in its analysis, a direct response to the increasing impact this field has on capital markets. The goal was to capture the most important ESG factors for each company under coverage; and for the findings to be presented in a concise format. The framework was implemented across equity and credit research in 2022.

The ESG analyses highlight the companies' positioning based on relevant ESG metrics for any given sector. With the ongoing implementation of EU's Action Plan for Sustainable Finance, the ESG framework seeks to uncover the latest developments on taxonomy eligibility and alignment for the companies' activities.

# Sustainability in Real Estate

Arctic Real Estate Management provides corporate- and real estate asset management, advisory and accounting services to investment- and project companies (SPV's). The real estate portfolio consists of over 40 projects and over 1,000,000 sqm of commercial real estate under management in Norway and Sweden, with a property value of NOK ~46 bn.

Through our clients, we are making sure existing buildings are the preferred choice for tenants, considering sustainable refurbishment options over newbuilds where possible. Implementing new energy efficient solutions, a refurbished building has a considerably lower environmental impact.

## **Energy efficiency**

- Energy efficiency analysis is obtained for all buildings
- Several BREEAM IN USE certification projects ongoing
- Process for implementing Energy Monitoring Systems in all buildings have been initiated
- One of Norway's largest solar panels projects has been initiated

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**The real estate industry is responsible for substantial emissions globally. Arctic helps real estate investors to reduce their environmental footprint. Energy efficiency affects real estate value, tenant attractiveness and interest from financing institutions – which is why sustainability is at the core of our strategy.**

”

**Kristan Nordtømme**  
CEO  
Arctic Real Estate Management

# Our responsibility

We will, through our position as asset manager, seek to influence:

- **Investors:** provide relevant information so that the investors can make well-considered decisions.
- **Partners:** put sustainability on the agenda in collaboration with our partners.
- **Suppliers:** set sustainability-relevant requirements to the suppliers on behalf of the companies under management.
- **Tenants:** focus on sustainability in interaction with the tenants in the properties we manage.

# Our contribution

Through sustainable management of buildings we can contribute to better health, clean energy, and responsible consumption and production. We can contribute by reducing the negative environmental impact linked to our properties and services.

For us, sustainable building operation means ensuring the longest possible lifetime of products and materials and that the buildings are operated as energy-efficiently as possible.

The work with sustainability must pay off - both for the environment and the investors.





# Looking for tomorrow's winners

We understand how various ESG issues increasingly impact businesses. Companies causing environmental damage are facing fines, loss of operating licenses, tarnished reputations and lower revenues. Companies adapting to ESG factors and demands - and those finding new and sustainable solutions to environmental degradation - will be tomorrow's winners.

Sustainability will continue to be an integral part of our fundamental, bottom-up investment process. We conduct internal ESG scoring, and we use clear sustainability KPI's for every company. A cautious approach is rewarded with a higher company evaluation and score, which makes investment more likely.

At the same time, investing in companies with poor corporate governance, known environmental issues and lacking social responsibility is highly unlikely.



**Lisbeth Gyland**  
CEO and Partner  
Arctic Asset Management

# Social Responsibility



**Hege Marthinussen**  
Deputy CEO

“

Our business enables long-term value creation in our society. We have a significant role to play in promoting sustainable projects, and our most important contribution to a sustainable future is to encourage capital to flow in a green direction. At the same time, we support initiatives to bring about positive social development.

A key factor in reaching our goals is our highly skilled people. We strive to increase diversity in and attract more female talent to Arctic. Diversity is increasingly critical to how we operate as a leading investment bank with an international reach. I am confident that our efforts within the field will be paramount to the continued success of Arctic.

”





# Our people and working environment

Arctic's working environment is built on fair employment practices where effort and performance is recognized and valued. We adhere to the Norwegian Working Environment Act and the Social Security Act that regulates compensation, maximum working hours and other employee rights. In accordance with regulations, our employees' health, environment and safety is followed up systematically by the working environment committee and our safety officers.

We are always looking to attract the best and brightest minds, which is reflected in our diversity and inclusivity policies. We prioritize the health and wellbeing of all employees and encourage a sensible work-life balance for all.

## Equal opportunities

We believe that adaptiveness is derived from diversity and complementary traits. Attracting, developing and retaining the best employees, regardless of gender, age, nationality, cultural background, sexual orientation or religion, ensures that we benefit from variety in perspectives, more informed decision making, and that our workforce mirrors our clients and the world at large for a more comprehensive perspective.

# Gender Diversity

We work to ensure equal representation of genders across our organisation and we strive to play our part in the recruitment of women to the financial industry.

Women remain underrepresented in the financial services workforce—particularly at senior management level—which we acknowledge as both a general truth and something we recognize in our own operation.

We are taking steps by cooperating with universities and other institutions of higher education to take an active role in communicating what it is like to work in our industry. By doing so, we hope to make the financial industry more relatable, less intimidating, and increasingly attractive for everyone.



**There are two women in Arctic's executive management and one woman on the Board of Directors.**



**As of 31 December 2022, women accounted for 28 per cent of all employees.**



# Partnering up with Embla Invest

As the very first female fund management group at the Norwegian University of Science and Technology (NTNU), Embla has had a positive impact on the financial environment at the university.

– Embla has increased the enthusiasm for finance among young women. Arctic has played an important role in offering opportunities for networking and knowledge sharing, says Marte Mina Gravdal, leader of Embla and master student in economics and administration. – Arctic has contributed with capital and given us the opportunity to manage our own fund.

Lisbeth Gyland, CEO in Arctic Asset Management, is pleased to see an increasing interest in finance from female technology students:

– The rapid development and digitalization of our industry is opening for new positions and skillsets. We hope that our partnership with Embla Invest can be an inspiration and steppingstone to explore the many opportunities within finance, Gyland says.

Founded in 2022, Embla encourages female students to pursue a career within finance. Arctic is Embla's main partner and adviser.

“

**The Embla team is grateful for Arctic's contribution, and we look forward to continuing our successful cooperation.**

”





# Social initiatives

"Throughout 2022, we have continued to support our local communities where sports and physical activity have been made more accessible to children and youngsters. The Zuccarello Foundation has continued to deliver on its mission to promote grassroots sports for all. The Grorud Arctic Match arena continues to be at the center of a community resurgence in Groruddalen.

Our enthusiastic employees at Arctic have shown their support. As we strengthen our corporate social responsibility, we are motivated by how our initiatives are paying off across the entire Arctic organisation."



**Hilde Wathne von Krogh**  
Marketing, Event &  
Corporate Access Manager

# Grorud IL

**Grorud IL is a community - driven professional football club from Groruddalen in Oslo, home to immigrant families as well as those who have lived there for generations.**

More than just a football club, Grorud IL has demonstrated how sports can bring people together and transform communities for the better. Football has always been a popular sport in Groruddalen, which has historically been lacking the resources to fund and support athletic youth programmes. This is beginning to change, as the social - and even commercial - opportunities the club represents have begun to show.

Their home ground, Grorud Arctic Match arena, was constructed with sustainability as an uncompromisable requirement. Opting for a far more environmentally friendly pitch than required by regulation is only half the story; the field is constructed in a way that allows for year-round use based on geothermal heat.



# Enabling young talent

Identifying talent has always been incremental to Arctic's success. Although our work with professional athletes creates more attention, significant resources have historically been allocated to development of young talent. One example is Arctic Ambassador and tennis player Casper Ruud.

Arctic has been Casper's main sponsor since he was 16, and we have followed him from the local courts at Snarøya to elite level at the ATP Tour. In 2022 Casper reached the final in two Grand Slam tournaments, the French and US Open, which earned him a #2 ATP ranking.

Personality, demeanor, and on-court success have made him one of Norway's most popular athletes and an inspiration to young talents everywhere. As a long-standing partner, we have repeatedly experienced how Casper embodies our slogan, Excellence in Execution, in every way.





# Making sports accessible

In addition to enabling young talents, removing barriers to participation is part of our social mission. In 2016, Arctic Ambassador Mats Zuccarello started The Zuccarello Foundation to ensure that underprivileged youth in Norway would have access to sports, with the goal that none should be left on the sideline. The aim is not to foster the next professional athlete or superstar, but rather to ensure that anyone who wants to participate in sports will have the opportunity to do so without being stopped by financial hurdles.

In 2020, Zuccarello and Arctic started the “Match Mats” campaign where enlisted sponsors, alongside Mats himself, donates NOK 1,000 for every goal or goal contribution he makes. Mats holds the record for most money raised for charities by an athlete in Norway. Mats has always been a great ambassador for Arctic and the way he leverages his fame is commendable. We are proud to be associated with him and his work.



# Governance



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To stay ahead of market trends, we continuously develop our internal procedures. The internal Code of Conduct framework in Arctic is updated regularly. Our employees have demonstrated great engagement and we are often challenged with interesting questions and problems. Our compliance team is working tirelessly to ensure that all governance procedures are in line with 2023 best practices and the relevant regulations.

”

**Christian Falkenberg Kjøde**  
Chief Compliance Officer



# Human rights and working conditions

**Arctic is subject to the Transparency act and is required to carry out due diligence assessments of its supply chain, business partners and its operations.**

The purpose of the Transparency Act is to promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and provision of services.

In 2022-2023, Arctic has established guidelines and instructions describing how we address our obligations under the Transparency Act. This includes guidelines for due diligence assessments, publicly account for the due diligence assessments and provide information about due diligence upon request.

The Transparency Act is risk based. We have acquired and implemented a supplier contract system, allowing Arctic to identify suppliers with a high associated risk of human right breaches and/or with a risk of breach of decent working conditions.

We have also conducted a risk assessment of our own operations. We believe that the overall risk of our operations contributing to a material adverse impact of fundamental human rights or decent working conditions is low. We acknowledge that some projects may have a higher risk, and we therefore assess each new corporate finance project individually.

Going forward, we will focus on further implementing the obligations under the Transparency Act in our operations.

A full report on how we comply with the Transparency Act is available at [arctic.com](https://arctic.com).



# Managing and reducing risk

Our risk management procedures are derived from both internal and external requirements. We always act in compliance with relevant legal requirements, regulations and industry standards, as well as our internal policies on employee conduct.

**Three specific control functions have been implemented in this regard:**

- Risk Management
- Compliance
- Internal Audit

Risk Management and Compliance functions supervise risk management and regulatory compliance. The Internal Audit function is outsourced to PwC which reports directly to the Board of Directors.

Having robust surveillance mechanisms in place, as well as frequent reviews of internal and external regulations, is of high priority for the Board of Directors.

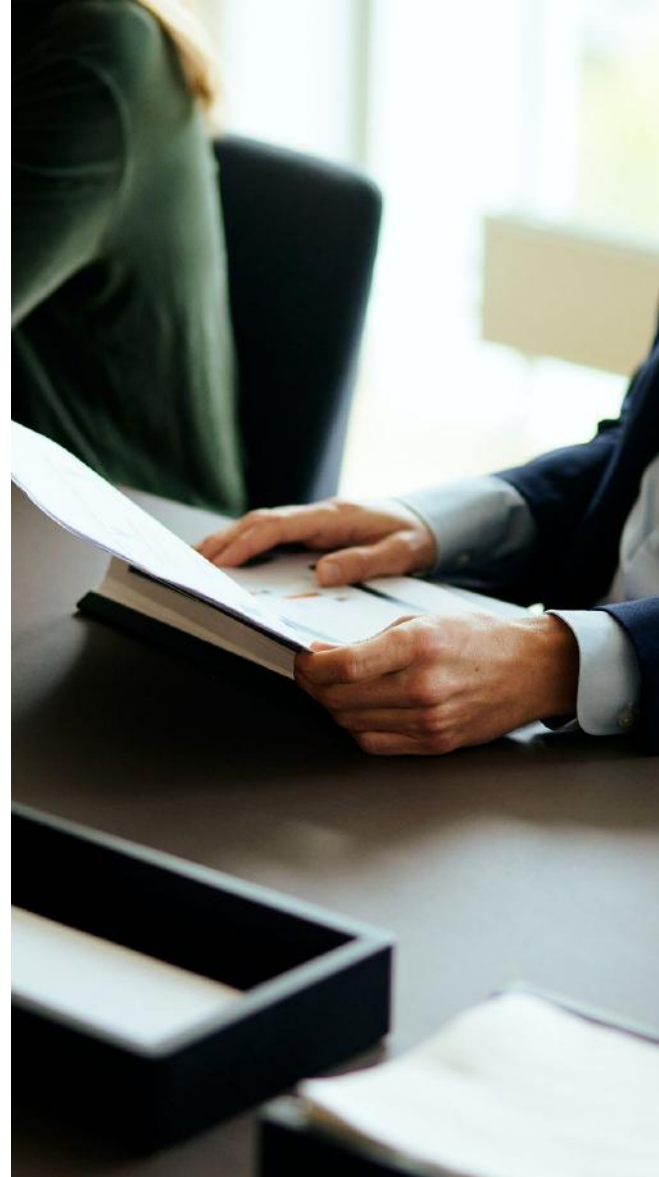
# Anti money laundering

We recognize our responsibility to help protect the integrity of the global financial system. In order to enact on that responsibility, we work actively to prevent, detect and report transactions that could in any way be related to the proceeds of criminal acts or connected to the financing of terrorism.

**The Anti Money Laundering and counter terrorist financing framework is based on managing client risk, which includes:**

- Know Your Customer (KYC)
- Ongoing follow-up (monitoring)
- Duty to investigate
- Duty to report

Our employees, board members and others who carry out services or functions on behalf of Arctic are given training to be familiarised with all applicable laws, rules and regulations in this regard.





## Anti-corruption

Arctic has a zero tolerance approach towards anti-corruption. All reasonable measures against corruption are in place, and business is to be conducted diligently. The prohibition against corruption applies to all individuals acting on Arctic's behalf, and all associated partners are expected to adhere to ethical standards in line with our own.

Our employees must not do anything that might hinder objective behavior by the company's customers, suppliers, authorities or other business connections. Our anti corruption guidelines forbid employees from giving or offering any undue benefit, as well as demanding or receiving them in any form.

We will continue to work on anti corruption and conduct our business in a way that promotes trust in our operation. Ethics and anti corruption receive further attention in Arctic's Code of Conduct as well as in our Instructions on preventing corruption.

## Whistleblowing

We have an open door policy and encourage employees to share their questions, concerns, suggestions or complaints with their supervisor. If an employee is not comfortable speaking with their supervisor or they are not satisfied with the supervisor's response, the employee may speak to the CEO of the relevant entity or call the "whistleblower hotline" operated by BAHR.

Those with concerns or complaints may also submit their concerns orally or in writing directly to the organization's compliance department, employee representatives or safety officer.

Notifications may be submitted on a confidential basis by the complainant.

# Conflict of interest

Our corporate finance department is separated from our brokering desk with both digital and physical barriers to ensure that the flow of information between them is strictly administered.

Each corporate finance assignment is to be approved by our Engagement Committee which will assess all engagements in light of risks of conflicts of interest. In the event that we are familiarised with information that could be regarded as inside information, only those employees considered to be relevant will have access and insider lists are maintained.

There is a general duty of confidentiality related to all information that our employees become acquainted with in their work. This general confidentiality extends to all employees and contractors.

Our employees' personal relationships of notable interest are to be disclosed to the company. This extends to notable appointments and business interests. Securities trades and equity positions require prior consent from our committee, who monitors transactions and duly maintains appropriate records.

Remuneration is set in accordance with regulations and our remuneration policy. Our systems and control functions are reviewed regularly.



# Operational resilience

Considerable efforts are dedicated to ensuring operational resilience through known and unknown events. Arctic has business continuity plans and emergency readiness plans that provide clear guidance to employees, management and business functions on how to respond to critical incidents. Regular reviews are conducted to keep these plans up to date, incorporating any changes and improvements necessary.

The strategy behind our operational resilience aims to withstand disruptions and recover swiftly, and by doing that ensure the ability to deliver critical services and products to our clients.

# Privacy and data security

Our data is a valuable and we treat it accordingly. We have opted for multifaceted approach to securing both our data and its various points of access due to the multitude of ways it may be lost or compromised.

**This means focusing on three key areas:**

**Data Protection:** The process of safeguarding important information from corruption, compromise or loss.

**Data Security:** The defense of digital information against both internal and external malicious threats.

**Data Privacy/Information Privacy:** The processes where an organisation or individual determine what data they may share with third parties

# IT Resource Management

Ensuring alignment between IT and other areas of our operations is something that requires significant IT resources and the continuous development of new systems and technologies accentuates the need for informed resource management. We manage our IT resources with energy efficiency, operational integrity and security in mind.

## IT Records

We keep records of client conversations, meetings and promotional activities as a form of governance as we believe these measures to be within our legitimate interests when providing our services to our clients.

Similarly, we use and store the personal data of individuals within suppliers' organisations in order to facilitate the reception of services. We have deemed these activities to be within the range of legitimate interests as a recipient of our suppliers' services.

## Data Storage

Arctic will seek to store external data with data centres that operate using renewable energy and reuse of excess heat. We work with highly professional third-party vendors with data centres in secure countries.