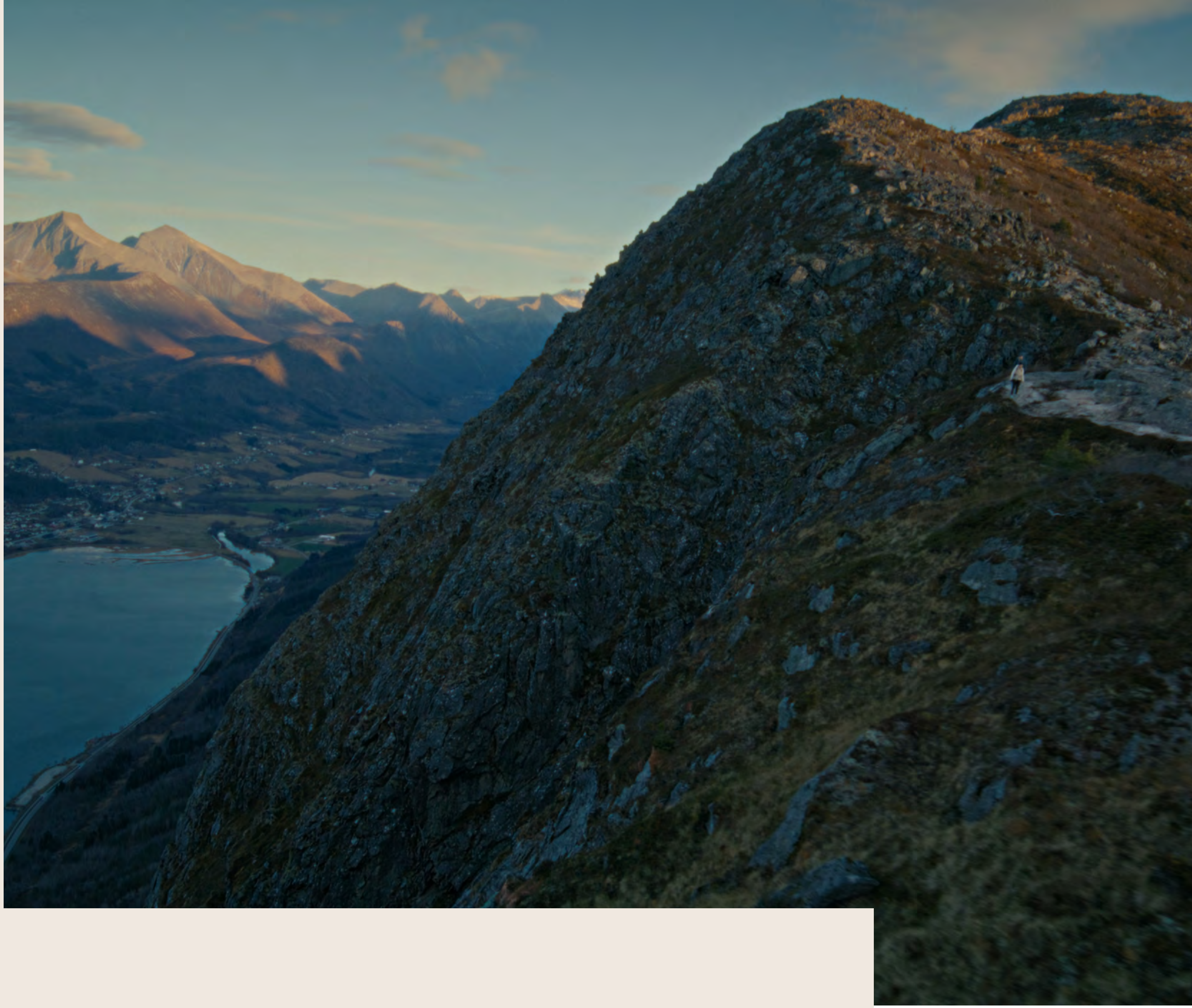
Sustainability Report 2023

Contents



This report shows how we approach sustainability, the footprints we leave behind, and where we are headed.

Highlights in 2023

- The publication of our first sustainability report for the entire group, including a climate account (Scope 1, 2 and 3), has provided a better overview of our sustainability results.
- We have created the position "Head of Sustainability", to provide increased resources for sustainability initiatives across the group.
- We have integrated sustainability considerations more closely into Ferd Capital's investment evaluations and ownership practices, utilising a new methodology developed in 2022.
- More stringent reporting requirements for our largest portfolio companies have enabled us to establish baseline figures in areas such as greenhouse gas emissions. This offers valuable insights for shaping owner agendas in the future.
- We have provided increased support for our portfolio companies through the establishment of a sustainability network for sharing best practice.
- We have noted a generally positive trend in sustainability initiatives in our portfolio companies, with an increasing number of companies focusing on sustainability-related business opportunities.
- Ferd Real Estate has carried out a double materiality analysis to deepen understanding of material sustainability topics. Following the analysis, four strategic focus areas have been identified, for which the business area will set targets and implement measures in 2024.
- We are continuing to focus on the energy transition, through the establishment of the Energy Transition industry group at Ferd Capital and External Managers' "green transition" portfolio.
- Ferd Impact Investing successfully completed its first portfolio realisation. The new owner's ambitions and an additional capital injection for the company NeXtWind will provide even greater potential for a positive climate impact in the future.
- Ferd Social Entrepreneurs' portfolio company Unicus and auticon were merged. The merger unites two innovative, social enterprises into a single global player in the IT industry. A total of 436 of the employees in the new company are on the autism spectrum, and the company generated revenue of EUR 35 million in 2023.
- The Oslo Initiative has initiated several collaboration projects with the aim of reducing social inequality in some of the most disadvantaged areas of the Norwegian capital.

2023 was yet another year marked by dramatic events: war in Europe and the Middle East, an increasingly volatile geopolitical situation, and a macroeconomic shift with high inflation and a sharp increase in interest rates both in Norway and abroad. This profound and somewhat unsettling backdrop significantly impacted global markets and individuals throughout the year, and Ferd was no exception.

Despite the challenging external backdrop, we took a number of important steps to further develop the group's sustainability efforts, and we continued to set clear requirements and expectations for our portfolio companies.

Although we saw improvements in the group's sustainability initiatives and underlying portfolio in 2023, we still have work to do in several areas. Key focus areas include our group sustainability strategy, integration of sustainability in the organisation, and improved expertise. We will continue our sustainability journey in 2024 and the years to come, to ensure that we deliver on our vision of creating enduring value and leaving clear footprints.

2023 in figures

NOK 45.8 bn
in value-adjusted equity for the group as a whole

75
employees in the parent company

1,713
tCO_2e greenhouse gas emissions in the parent company

~NOK 58 bn[1]
revenue in our largest portfolio companies[2]

~12,400
employees in our largest portfolio companies

1.74 million
tCO_2e greenhouse gas emissions in the portfolio (ownership-adjusted)

NOK 1,182 m
invested in impact funds and privately owned companies

NOK 1,260 m
allocated to "the green transition" (equity funds)

2,500
tCO_2e avoided emissions (ownership-adjusted, Ferd Impact Investing's portfolio)

5,000
people have experienced a life-changing impact (Ferd Social Entrepreneurs' portfolio)

1 Operating revenue is included on a 100 per cent basis and according to the company's own GAAP.
2 We define our largest portfolio companies as our portfolio of private companies in which we have an ownership stake of more than 30 per cent (throughout 2023), as well as the listed company Elopak, in which we have a 60 per cent ownership stake.

About us

Ferd is a family-owned investment company owned by the fifth and sixth generations of the Andresen family. Our investment company is called Ferd (Norwegian: journey) because, in the true sense of the word, we are on a 'journey without an end'.

Our wide-ranging activities encompass active ownership and corporate development in private and listed companies, real estate development, investments via external managers, impact investing and social entrepreneurship.

Our vision is to create enduring value and leave clear footprints. Our vision describes what we should all strive for.

Creating enduring value is about creating ownership environments, companies, organisations and system changes that contribute to the development of society – and that stand the test of time.

Leaving clear footprints is about making an impact through bold and timely initiatives, whose impact can be felt or measured, and of which we can be proud. Sustainability considerations are a natural part of our vision, and shape Ferd's development as an owner, investor and corporate citizen. We continuously strive to integrate sustainability more holistically into the group's overall activities.

As an active owner, we have the influence to create sustainable change. As an active investor, we set clear sustainability expectations. Our impact investments help shorten the pathway to achieving the UN's Sustainable Development Goals.

At Ferd, we have a team of 75 employees who all pull together to achieve our vision. We are organised into five business areas: Ferd Capital, Ferd Real Estate, Ferd External Managers, Ferd Impact Investing and Ferd Social Entrepreneurs. We also have a group function with specialist expertise in subject areas such as sustainability, law and tax, financing and financial management. These all help strengthen the group's overall value creation.

VISION
We will create enduring value and leave clear footprints

VALUES

Credibility
Spirit of adventure
Teamwork
Long-term view

NOK 45.8 bn
in value-adjusted equity for the group as a whole

Ferd

Business areas

Capital	Real Estate	External Managers	Impact Investing	Social Entrepreneurs
Direct investments in private and listed companies	Real estate development and management, housing and industry	Fund investments	Fund and direct investments in energy transition, sustainable cities and oceans	Fund and direct investments in social entrepreneurs
Capital: NOK 31.700 m **Employees**: 21	**Capital:** NOK 4,300 m **Employees:** 19	**Capital:** NOK 7,500 m **Employees:** 3	**Capital:** NOK 615 m **Employees:** 3	**Capital:** NOK 382 m **Employees:** 8
Active owner		Active investor	New solutions	

A word from the owner

Do you want to start with the good news or the bad news? Let's start with the bad news. Not a lot of people will tell you this. This is because the authorities, civil society and other well-intentioned actors do not want to scare you into believing that there's no point acting to stop climate change, and thereby save the planet. The thing with climate change – which pretty much governs and overrides everything else on the planet – is that we constantly talk about average temperatures. The Paris Agreement commits us to keeping global warming to below 2 degrees Celsius. Right now we are roaring up to and set to go far beyond that target – the average that is. It's bad news, but nothing you haven't heard before. The really bad news consists of two deeply problematic and related phenomena.

The first is taking place in our oceans. The globe is made up of approximately 70 per cent water, which does the best it can to "absorb" global warming. You surely don't think that it's a coincidence that the temperature in the Oslofjord reached 23 degrees before the 1st of July last year? Or that they now catch mackerel in Iceland? Or that Isfjorden on Svalbard has scarcely been covered with ice over the last two decades? People are not just moving to Portugal for the favourable tax regime, but also because they can now comfortably swim in the Atlantic.

The second phenomenon is of course occurring on land. I was in Longyearbyen at the beginning of July last year, and it was warmer than in Paris. A glacier in the Kongsfjorden had retreated three kilometres since I was there with my father 40 years ago. On land, the higher temperatures are only marginally absorbed by water. This means that the average temperature increase is higher than in the sea, causing everything from the thawing of permafrost to the melting of ice in Greenland and in the Arctic.

The good news is hardly news either. But it's simply that all good deeds count, no matter what.

We don't notice that the average temperature is increasing because we think that it is just weather fluctuations that are causing huge forest fires and unimaginable amounts of snow, rain and floods. This is something we are addressing in this part of the world. In other places, people can't cope and are fleeing – or dying.

So unless you live on a boat out in the ocean, you will encounter the average temperature you hear about on land as a violent force, where all global temperature increases are by definition above the average. That's why I'm not talking about a 2 or 2.5 degree increase, I'm talking about a 4, maybe up to 6 degree increase, above and on land – where you live. So it will be much, much hotter, wetter and wilder, even if we manage to keep to an average global increase of 2 or 2.5 degrees. That was the bad news.

The good news is hardly news either. But it's simply that all good deeds count, no matter what. Because even if we are on the wrong course globally, even the smallest reduction in CO_2 emissions, any species that is saved, each piece of litter you pick up on the beach, every cardboard box you recycle, each boot you mend, and every time you brush and air your clothes rather than wash them, makes a difference. Ironically, it may be precisely because CO_2 emissions are rising so much in other parts of the world, where people are struggling to drag themselves out of poverty and approach our standard of living, that what we do here will have a significant impact. It's important to set an example, and every decimal point counts.

The sad fact is that Ferd's biggest contribution in the short term would have been to stop all operations in all companies. Stop building houses, stop selling tents, stop producing cardboard boxes. But we know you would still want these products, and that you would only buy them from someone else. Furthermore, we have a significant responsibility as an employer and value creator. What we must do is to act more responsibly in all our activities and report on what we do.

Climate change is an immense challenge for all of us, including our suppliers and customers. This report marks a small and necessary beginning to our endeavours. But at least we've made a start.

Johan H. Andresen
Board Chair, Ferd

CHAPTER 2

Group

In this chapter, you can read about our group-wide sustainability efforts – and the results we have achieved to date.

Our sustainability journey

Selected sustainability milestones since our establishment in 2001.

2001

Establishment of Ferd and our vision
Ferd is established with the vision of creating enduring values and leaving clear footprints.

2007

First social entrepreneur
John H. Andresen finds and supports his first social entrepreneur.

2008

AblerNordic
AblerNordic (formerly NMI) is established to strengthen financial inclusion in developing countries, with Ferd as the initiator.

2009

Ferd Social Entrepreneurs
Ferd Social Entrepreneurs is established to develop innovative solutions to social problems.

2012

BREEAM certification
Ferd Real Estate develops the first office building in Norway to receive BREEAM certification ("Very Good" rating). The building is Hagaløkkveien 28 in Asker, where Aibel is the tenant.

2015

The Council on Ethics
John H. Andresen becomes Chair of the Council on Ethics for the Government Pension Fund Global.

2015

First offshore platform
Aibel delivers DolWin beta, its first offshore power conversion platform for wind power, which is installed in the German sector. This is the first physical delivery Aibel makes in wind power, marking an important milestone in the company's transition to renewable energy. Ferd has owned the company since 2007.

2016

Compliance programme
Ferd introduces a compliance programme across the business areas and portfolio companies, with heightened requirements around the companies' internal guidelines, procedures and ethical standards.

2018

Group-wide sustainability project
We initiate a project to strengthen the way Ferd works with sustainability. The focus is on opportunities and risks relating to sustainability, as well as helping individual business areas and the portfolio companies find an approach adapted to their business.

2018

Science Based Targets
Elopak decides to use the Science Based Targets initiative's (SBTi) framework to reduce the business' greenhouse gas emissions in line with the goals of the Paris Agreement. In 2022, Elopak becomes one of the world's first companies to have its updated targets approved in line with SBTi's new net-zero standard.

2019

Ferd Impact Investing
Ferd Impact Investing is established to invest in companies and funds that tackle climate and environmental challenges.

2020

"The green transition"
Ferd External Managers expands its thematic focus to include a dedicated portfolio for fund investments that contribute to, and are positioned to benefit from, the transition to a greener society.

2020

The Ferd factor
Immediately after the pandemic breaks out, Ferd employees are given the opportunity to provide financial support to sports teams and organisations particularly close to their heart.

2020

End of production and sale of fluorinated ski wax
Swix ceases all production and commercial sales of fluorinated ski wax. It also actively promotes a ban on fluorinated ski wax in elite international cross-country skiing.

2022

The Oslo Initiative
The Oslo Initiative is established to work with school dropout, living conditions challenges and exclusion.

2022

Sustainability strategy project at Ferd Capital
Ferd Capital carries out its first materiality analysis for the entire business area, selecting focus areas across the portfolio and setting new requirements for sustainability reporting and strategy initiatives for its privately owned portfolio companies.

2023

Read more here:
Highlights in 2023

Our approach to sustainability

Since 2001, Ferd has been guided by a vision of creating enduring value and leaving clear footprints. Our broad perspective on what constitutes value creation has been a cornerstone for the group and is the foundation of our work on sustainability.

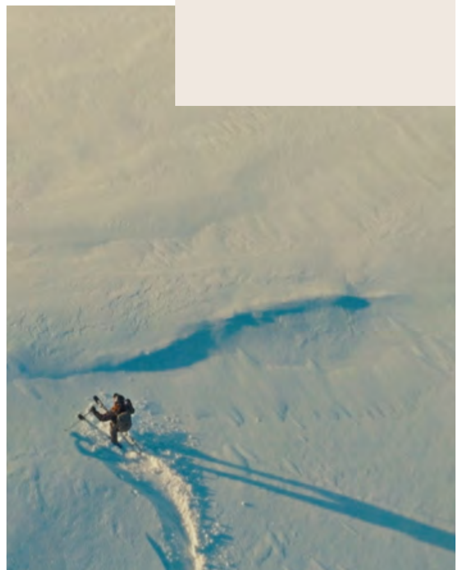
We need to work systematically with sustainability in order to achieve our vision.

The social and environmental challenges we face not only represent a challenge from a societal perspective, but also constitute a financial risk for us as an investor and active owner. A transition to an equitable low-emission society that respects nature and people will require a fundamental restructuring of the economy. While this transition entails uncertainty and risk, it also offers significant investment opportunities.

Our vision is about more than financial return, it is also about contributing to improve society. To do this effectively, we refer to the goals and road maps the world has drawn up to address the social and environmental challenges we are facing, for example the Paris Agreement and the Sustainable Development Goals. We need to take responsibility as owners to align our portfolio with the needed transition, and to manage the consequences this may have for our companies and employees. We need to gain a better understanding of how economic activities in the companies we own impact the climate, nature, people and society, and how we as investors and owners can work systematically to reduce negative, and strengthen positive, footprints.

We also know that our ability to work holistically and systematically with sustainability plays a key role in attracting the right employees, partners and investment opportunities. All of these conditions must be met in order to achieve our vision.

Over the years, the connection between our vision and sustainability has become clearer.



Our investment mandates

The main focus of our work with sustainability is our investments. This is where we believe we can make the biggest difference. We also work to systematically integrate sustainability internally, among our 75 employees. You can read more about this in "Our internal sustainability results".

The vision is the task that Ferd's employees have been assigned by our owners, and it underpins Ferd's development and investment activities. We have five different business areas, each of which is assigned one or more investment mandates with clear expectations set out by group management. The business areas implement their mandates based on an adopted strategy. They receive assistance from the central group functions with specialist expertise in subject areas such as law and tax, financing, sustainability and financial management.

Our five business areas have diverse mandates, each balancing differing financial risk and return objectives alongside impacts on people and the environment. For three of our business areas (Ferd Capital, Ferd External Managers and Ferd Real Estate), this entails both avoiding negative impacts and striving to create positive impacts on people and the environment. The other two business areas (Ferd Impact Investing and Ferd Social Entrepreneurs) are assigned an impact mandate, with a clear aim of investing in solutions for social and environmental challenges, respectively.

Ferd Capital is a long-term, flexible and value-creating partner for Nordic companies, with two investment mandates: privately owned companies and listed companies.

Ferd Real Estate is a responsible and long-term real estate developer that develops, sells and leases out properties, mainly in the Oslo area.

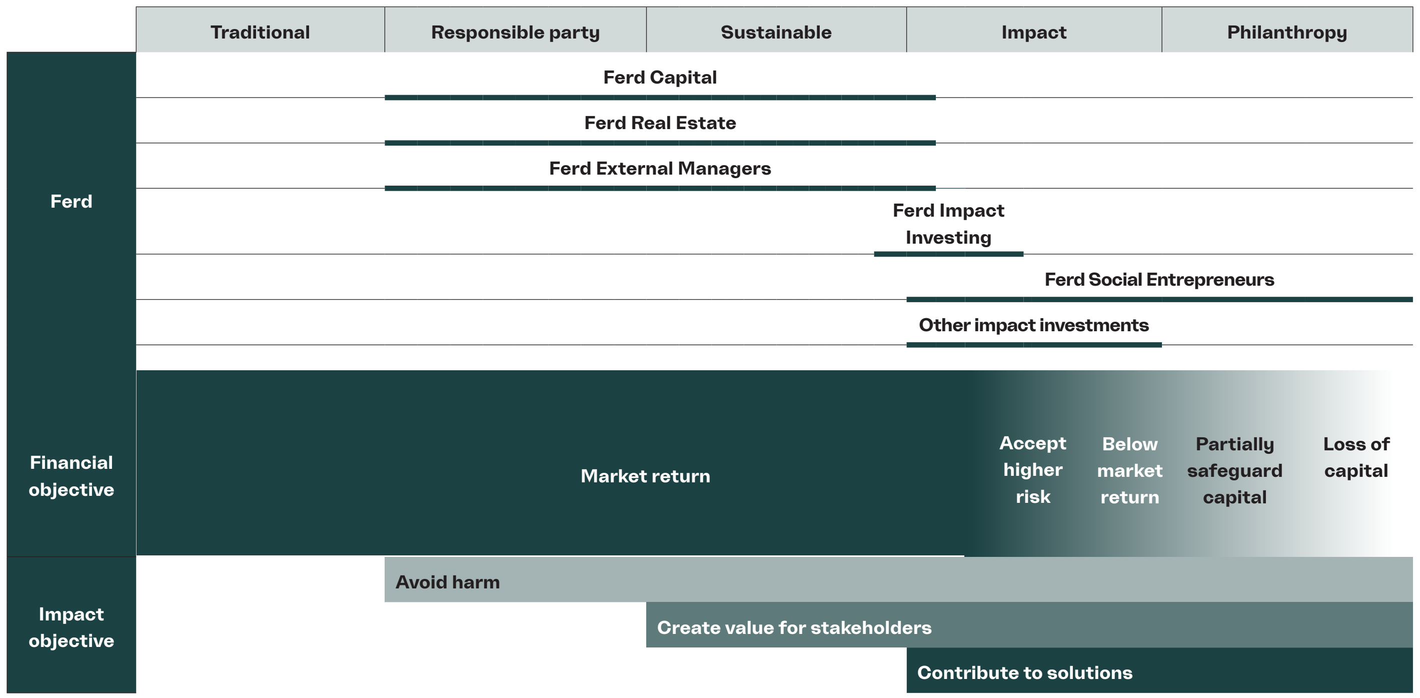
Ferd External Managers invests in external funds, in markets that complement the areas where Ferd invests directly.

Ferd Impact Investing invests in early-stage companies that have the potential to both deliver a positive impact on the climate and environment and generate a solid risk-adjusted return.

Ferd Social Entrepreneurs works to create measurable social outcomes by investing in social entrepreneurs and strengthening their markets. The company employs the entire capital spectrum, from financial investments to grants.

You can see how capital is distributed between our business areas in About us and read more about their work and results in Our business areas.

The business areas' investment mandates



The overview is based on the Impact Management Project and The Rise of Impact report issued by the UK National Advisory Board on Impact Investing.

How we work to improve sustainability in our portfolio

As a family-owned company, we have a different risk tolerance, flexibility and degree of predictability to many other investors. This facilitates different ways of thinking and making choices that support long-term value creation.

Overall, we use three tools to influence and develop our investment portfolio in a sustainable direction:

Active ownership
We promote sustainable value creation in our portfolio companies and properties

New solutions
We take the initiative for new solutions for sustainable development

Selection/allocation
We prioritise investments that make positive contributions to sustainability

We use these tools in different ways in our business areas. For instance, active ownership constitutes a central component of Ferd Capital and Ferd Real Estate's operations, whereas selection is a more important tool for Ferd External Managers.

Overall, active ownership is a fundamental element of our business and part of our DNA. The majority of our capital is directly invested in companies where we are the majority shareholder or can exert significant influence. Ferd also indirectly invests in companies through funds, where we typically have low, indirect ownership stakes, and limited influence. In addition, we both own and develop real estate. This means that our ability to positively influence companies and properties will vary, though for a significant portion of the overall portfolio, our influence is substantial.

We believe that our greatest contribution to sustainable development occurs when we, as active owners, drive sustainable value creation, and when we pioneer the development and financing of new solutions for social and environmental challenges.

Another important tool in our sustainability work is collaboration – both within the company and with external partners. Internally, we constantly strive to create synergies across the business areas. In this context, Ferd Impact Investing and Ferd Social Entrepreneurs are particularly important, as they serve as carriers of culture and expertise for environmental and social sustainability, respectively.

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You can read about how we, as an active owner, have been a driving force for sustainable value creation in the case study on Aibel. In recent years, Aibel has transitioned from a pure-play oil and gas service company to a leading supplier to the offshore wind industry.

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Examples of external collaborations include Abler Nordic, the Refugee Impact Bond and the Oslo Initiative. You can read more about these under Other impact investments and initiatives.

What we expect from our investment managers

While each business area has to balance different objectives, some fundamental expectations apply across all our business areas.

Each business area is expected to embed sustainability considerations throughout their investment processes, from identifying investment opportunities and conducting analyses, through the ownership period, right through to realisation. By sustainability considerations, we mean assessing both the impact an investment has on social aspects, the environment and climate, as well as the business risks and opportunities relating to sustainability. What we consider to be important sustainability aspects will differ among the various business areas.

Any significant negative impact or financial risk relating to sustainability identified in investment cases must be thoroughly investigated and plans devised for how to address it. The same principle applies to conflicts between different types of sustainability-related aspects and/or conflicts between sustainability-related aspects and commercial aspects.[1]

Transition is a key word in this context and a core area of our ownership agenda. Transition work is demanding and requires systematic and focused efforts with a long-term perspective. Despite our long-term philosophy, we maintain a sense of urgency and expect key sustainability initiatives to be prioritised and implemented alongside strategic development, growth initiatives and profitability improvements.

We have also chosen to avoid some industries and types of companies in order to steer clear of investments with a negative impact on social aspects, the climate and the environment, or investments with a high sustainability-related risk.

1 Conflicts of interest can arise between different types of sustainability impacts (for example: an investment that generates new jobs but has a detrimental impact on the environment) or between positive sustainability impacts and risk/return (for example: capital-intensive investments in a company to reduce greenhouse gas emissions that can negatively affect the company's financial position).

We believe that our greatest contribution to sustainable development occurs when we, as active owners, drive sustainable value creation and pioneer the development and financing of new solutions for social and environmental challenges.

Measurement, reporting and transparency

To ensure that we create enduring value and leave clear footprints, we are dependent on a good overview of our portfolio's sustainability results. In total, we own around 30 companies where we are the majority shareholder or can exert influence, and we have indirect exposure to more than 850 companies. These in turn perform many different economic activities that leave thousands of footprints – large and small, positive and negative.

Due to the lack of standardised sustainability reporting, and the fact that many of our investment portfolio companies are not subject to statutory reporting requirements, we have raised reporting expectations from companies we own in recent years. We require our largest portfolio companies to report on selected indicators relating to climate, social aspects and corporate governance based on a materiality analysis carried out by Ferd Capital. Since 2022, all our business areas have been required to report greenhouse gas emissions, to enable us to prepare our first climate account at group level.

It is also important that we measure the success of our sustainability efforts. The business areas are expected, as a minimum, to report to group management annually on the development of sustainability initiatives in their area. Management reports collectively to Ferd's Board of Directors.

We also want to be transparent about our work with sustainability and the footprints we leave behind. This sustainability report is the first we have published for our external stakeholders. In addition, Ferd Social Entrepreneurs and Ferd Impact Investing publish their own impact reports. The former was published for the first time as long ago as 2010.

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You can read more about the requirements we have set for sustainability reporting for the funds and companies we own in the section 'Portfolio results' in the respective business area chapters.

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Impact rerporting is expected from select business areas. You can view the latest reports from Ferd Social Entrepreneurs and Ferd Impact Investing here.

Annual summary and the road ahead

Highlights in 2023

In 2023, we implemented several important measures to further develop the group's sustainability efforts.

- We created the position of "Head of Sustainability" to serve as a strategic resource for sustainability work across the group.
- The publication of Ferd's first sustainability report for the entire group reflects improved measurement of our sustainability results across the portfolio.
- We have prepared a climate account for the entire group, including our investments (Scope 1, 2 and 3) with a coverage ratio of 83 per cent.
- Ferd has organised a sustainability forum for CEOs and sustainability officers in our portfolio companies, in which we clearly conveyed our sustainability expectations.
- We have established a sustainability network for our portfolio companies to share practical insights and best practice and to raise the profile of sustainability efforts throughout the portfolio.
- Ferd has commenced a strategic process to develop a clearer group sustainability strategy.
- Reporting initiatives in accordance with the EU directive for sustainability reporting (CSRD) are underway, including internal skills development measures.
- Ferd employees have received training in areas such as: climate accounting, climate and nature risk, double materiality analyses and CSRD.

The road ahead

Although we have undertaken numerous significant initiatives in the past and have worked to systematise our sustainability efforts, there are still internal areas where further work is needed.

The business areas are at varying stages of maturity in their sustainability work. Several of them still have significant strides to make in fully integrating sustainability practices into their day-to-day operations. Key areas include the need for increased expertise, clearer strategic priorities and increased implementation of sustainability considerations in practice. Better integration of sustainability is important to enable us, as an active owner and investor, to be a clear driver of sustainable value creation in our portfolio. The establishment of the role of "Head of Sustainability" in 2023 will enable group administration to play a more proactive role in shaping sustainability efforts in the future.

We have initiated a process to formulate a clearer group strategy for sustainability. As part of this process, we have developed clearer guidelines, starting with how we should conduct responsible investment activities within Ferd. We believe that establishing clearer expectations and strategic objectives will provide an important foundation for our business areas, as well as for the companies we own. We also want to develop a better understanding and an overview of the sustainability risks and opportunities we face. As mentioned at the outset, a transition to an equitable low-emission society that respects people and the environment will require a significant restructuring of the economy. It is impossible to predict exactly how this transition will unfold, but having a solid expertise base is crucial to ensure we effectively navigate the path forward.

Better measurement of sustainability results – which is necessary to know that we are moving in the right direction – will be a further important priority going forward. This report marks a significant stride in the right direction. Today, we have an overview of some of the footprints our investments leave behind, but we are a long way from where we want to be. In the future, more companies will be required to report in accordance with the CSRD. We welcome this regulation, as it will provide us with significantly better sustainability information as investors. Ferd is also subject to the Directive, and we will continue to develop our reporting in accordance with the CSRD in the period leading up to 2026.

In parallel with the work described above, we expect new initiatives to develop bottom-up in both the portfolio and the organisation. We will continue to explore, develop and finance new ideas and initiatives that can contribute to a more sustainable society.

Portfolio results

Climate

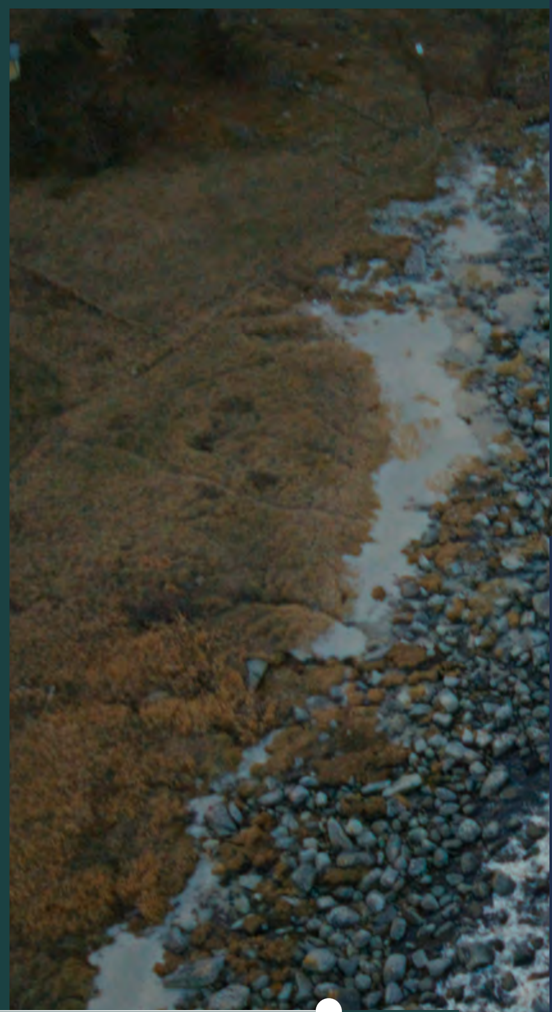
Emissions from the portfolio[1]

Adjusted for our ownership, measured in tCO_2e

Scope 1
85,000
(2022: 86,000)

Scope 2
23,000
(2022: 27,000)

Scope 3
1,630,000
(2022: 1,608,000)



Total portfolio emissions are equivalent to

111,000
Norwegian households' climate footprints[2]

11 million
flights from Oslo to London[3]

1 Greenhouse gas emissions from Ferd's investment portfolio, adjusted for our ownership stake. The account has been prepared in accordance with the GHG Protocol. Here we present the figures in Category 15 Investments, which are emissions from the companies in our portfolio. The rest of our emissions are presented separately under Our internal sustainability results. You can view the complete climate account in the Appendix.
2 The estimated emissions per household total 15.7 tonnes CO2e. Source: The Carbon Footprint of Norwegian Household Consumption, Kjartan Steen-Olsen et al. 2021.
3 Estimated emissions per flight from Oslo to London: 156 kg CO2e. Source: Klimatsmartsemester.se, developed by Chalmers University of Technology.
4 Ferd Capital has a high coverage ratio for CO_2 reporting compared to Ferd External Managers, which is the second-largest business area in Ferd in terms of market value. Ferd Capital's share of total emissions (91%) would probably be lower if we achieved a 100 per cent coverage ratio across all our business areas.
5 We are satisfied with a coverage ratio of 83 per cent of the portfolio (measured at market value) for our second set of climate accounts, but want to increase both the coverage and quality of reported figures in the future. In total, 68 per cent of the figures reported this year were reported directly to Ferd, 23 per cent were obtained from externally available reports (listed investments) and 9 per cent are based on ESG data (fund investments).

The portfolio's carbon footprint

tCO_2e/NOM m value-adjusted equity

Scope 1 and 2
2.9
(2022: 3.2)

Scope 1, 2 and 3
45.8
(2022: 48.4)

91%
Ferd Capital's share of the total portfolio's emissions[4]

2,500 tonnes
Avoided emissions from Ferd Impact Investing's fund portfolio (ownership adjusted, CO2e)

83%
coverage ratio. Reported figures from 34 direct investments and 25 funds[5]

Four companies are responsible for
78%
of the emissions in the Ferd Capital portfolio. Three of these four have joined the Science Based Targets initiative

About the figures

The portfolio companies emit substantial greenhouse gas emissions, which entails a major responsibility for us as an owner. The majority of emissions originate from companies over which we exert control or significant influence.

Four companies are responsible for 78 per cent of Ferd's total emissions. These companies operate in industries which unsurprisingly have high emissions: construction materials, packaging production, offshore service and industrial equipment. On the upside, three of these companies have joined the Science Based Targets initiative (SBTi), and two have had their targets approved. SBTi is a framework for setting emissions reduction goals in line with what climate science indicates the world needs to achieve the goals of the Paris Agreement, where individual companies' goals are independently verified.

The majority of the portfolio's emissions are in Scope 3, which comprises indirect emissions from the companies' upstream and downstream value chains. While the quality of Scope 3 figures has improved from last year, we know that there are still a number of estimates and uncertainties relating to Scope 3 reporting. Irrespective of this, we believe that it is important to maintain an overview of these figures, and to ensure that our companies work to reduce emissions where possible.

The change in total emissions from last year is relatively small. The carbon footprint (emissions per NOK invested) has fallen slightly. We monitor the portfolio's overall development, but are aware that the most important thing we do is to influence the companies we own to achieve genuine emission cuts. The portfolio's total emissions will be impacted by the purchase/sale of companies, as well as organic growth and acquisitions among the portfolio companies. We recognise that our portfolio also impacts the environment in ways other than through greenhouse gas emissions, and we aim to work on measuring these impacts going forward.

Social aspects

Employees in our largest portfolio companies (Ferd Capital portfolio)

~12,400 FTEs in our largest portfolio companies

Although the number of full-time equivalents tells us something about our contribution to value creation, we are aware that this in itself is not a good indicator of social aspects – people must be happy at work! We expect the companies we own to measure employee satisfaction, as we believe this is an important parameter for capturing social aspects. 12 out of 13 of our largest existing portfolio companies measure employee satisfaction. In addition, we measure and follow up gender balance in several different areas in the companies we own.

FTEs	Company
4,957	Aibel
298	Aidian
814	Interwell
262	Brav
2,019	Elopak
218	Norkart
630	FjordLine
404	Fürst
315	Simployer
1,369	Mestergruppen
377	mnemonic
407	TRY
328	Servi

About the figures

The maturity of reporting of social outcomes varies significantly across our portfolio. While some companies report "traditional ESG indicators" such as the number of women on the board, other companies provide impact reporting, making efforts to measure results at "outcome level". In practice, this means that they measure whether the company's target group has experienced a change, rather than simply counting the number of people the company has reached, or the number of activities the company has carried out. Companies that adopt the latter approach include Abler Nordic, which measures changes in quality of life for its customers, and Unicus, which measures changes in the mental health of its employees on the autism spectrum.

On these pages, we have tried to extract some aggregated figures from the portfolio. We will work to improve the way we measure social aspects across the portfolio. We hope to be able to gain a better overview of this area in the coming years, in particular for less mature areas of the portfolio.

Aggregate results for the companies in Ferd Social Entrepreneurs' portfolio. Read more in their latest performance report. →

Social impacts in Ferd Social Entrepreneurs' portfolio companies

83,100
The number of people the companies in our portfolio have had a positive impact on

78,100
people have experienced a life-enhancing impact

5,000
people have experienced a life-changing impact

Effect distributed by focus area:

51,290
Preventing School Dropout

28,880
Seniors

1,160
Neurodiversity

1,770
Work inclusion

Financial inclusion in Abler Nordic's portfolio companies

12.8 million
customers reached since establishment in 2008

92%
of **6.8 million** current customers are women

70%
of **6.8 million** current customers live in rural areas

Aggregate results for the companies in Abler Nordic's portfolio. Read more in the Impact Report Q3 2023. →

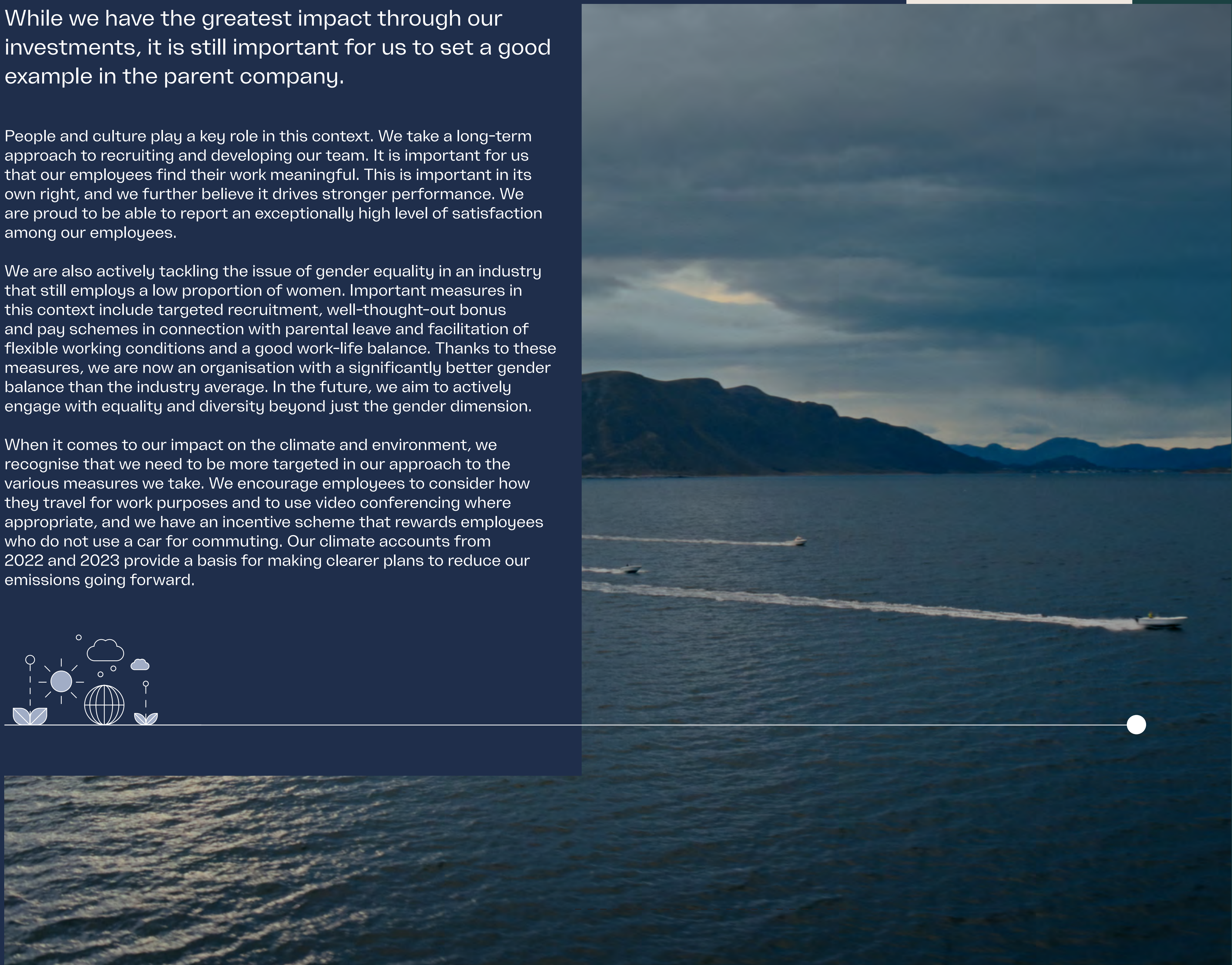
Our internal sustainability results

While we have the greatest impact through our investments, it is still important for us to set a good example in the parent company.

People and culture play a key role in this context. We take a long-term approach to recruiting and developing our team. It is important for us that our employees find their work meaningful. This is important in its own right, and we further believe it drives stronger performance. We are proud to be able to report an exceptionally high level of satisfaction among our employees.

We are also actively tackling the issue of gender equality in an industry that still employs a low proportion of women. Important measures in this context include targeted recruitment, well-thought-out bonus and pay schemes in connection with parental leave and facilitation of flexible working conditions and a good work-life balance. Thanks to these measures, we are now an organisation with a significantly better gender balance than the industry average. In the future, we aim to actively engage with equality and diversity beyond just the gender dimension.

When it comes to our impact on the climate and environment, we recognise that we need to be more targeted in our approach to the various measures we take. We encourage employees to consider how they travel for work purposes and to use video conferencing where appropriate, and we have an incentive scheme that rewards employees who do not use a car for commuting. Our climate accounts from 2022 and 2023 provide a basis for making clearer plans to reduce our emissions going forward.



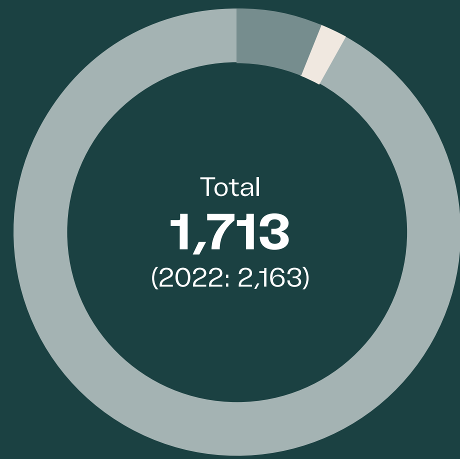
Climate

Internal emissions at Ferd measured in tCO_2e

Scope 1
0
(2022: 0)

Scope 2
339
(2022: 275)

Scope 3
1,374
(2022: 1,888)



Greenhouse gas emissions per employee[1]
23
(2022: 34)

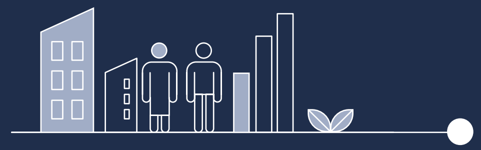
360 flights
(of which 71% in the Nordic region)
(2022: 395, of which 80% in the Nordic region)

140 train journeys[2]
(2022: 30)

63% of employees
made use of our "Not commuting by car" incentive scheme[3]
(2022: 47%)

In 2023, we have access to our first comparative figures for our internal climate footprint. Scope 2 emissions are slightly higher due to higher electricity consumption at our premises in Vika, while Scope 3 emissions have fallen, mainly due to reduced purchases of services (which reduce cost-based emissions in Category 1 in Scope 3). We have welcomed 15 new colleagues during 2023, which means that the climate emissions are distributed over a broader base than before. There was a notable increase in the number of employees using the train for business trips this year compared to last year, and more employees chose not to drive to work.

1 Greenhouse gas emissions per employee are calculated based on our internal greenhouse gas emissions excluding Category 15 in Scope 3.
2 Excluding train journeys to airports.
3 Incentive scheme where employees receive NOK 1,000 in compensation each month they use a means of transport other than a car to travel to work for more than 20 working days.



Social aspects

75 employees

39 women and 36 men

The investment teams consist of 14 women and 19 men

The business areas' management team comprises 4 women and 3 men

Group management consists of 3 men

The Board of Directors consists of 3 women and 4 men

On average, women earn 66% of what men earn[2]

On average, women earn 90% as much as men earn in Ferd's business areas[2]

62% of all new recruits have been women in the last four years

80% of our employees

actively promote and would recommend Ferd as an employer to a friend.[1]

Corporate governance

We are a family-owned company with a board consisting of both owners and external board members. We believe that the composition of the board facilitates good decision-making processes, accurate risk assessments and correct decisions for the company as a whole. Group management reports annually to the Board of Directors on regulatory compliance at Ferd.

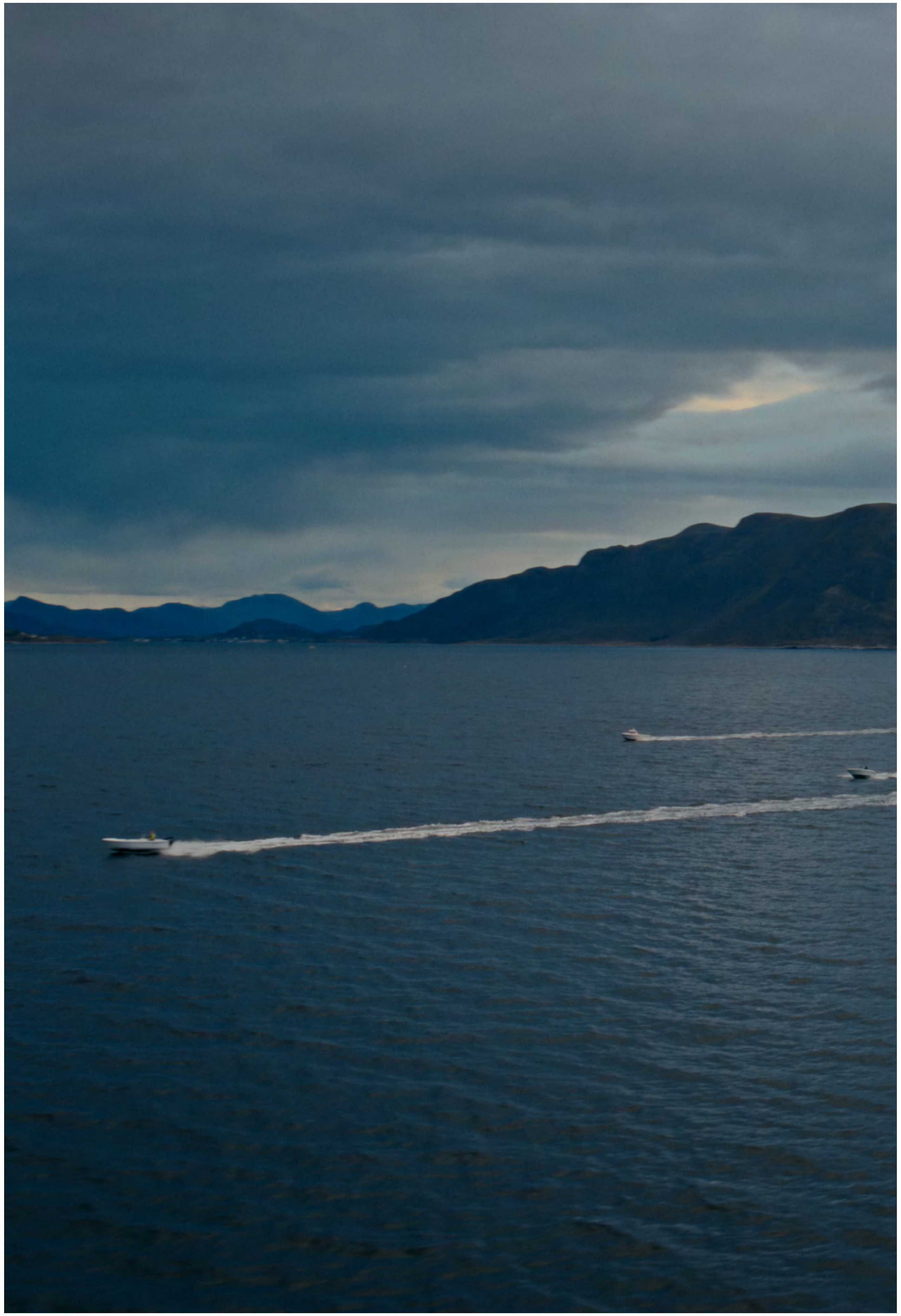
In 2023, we:

Received no reports of violations of Ferd's ethical guidelines (including our Anti-Corruption Policy).

Based on procedures introduced in 2022 for follow-up of the Norwegian Transparency Act, in 2023 we carried out due diligence on our suppliers, without uncovering any violations. You can read more about this work here.

No reports of potential violations of our ethical guidelines from third parties or employees through our external whistleblowing channel.

1 Measured in October 2023 as part of the Employee Net Promoter Score (eNPS).
2 Differences in salaries are due to the fact that the proportion of women in some of the business areas is lower than in the administration. Salaries are competitive in terms of the market, the experience and skills required for the roles and the challenges involved in recruiting for such positions.



FERD

CHAPTER 3

Our business areas

In this chapter, we describe how we work with sustainability in our various business areas – and the results we have achieved to date.

Ferd Capital

Ferd Capital is a long-term, flexible and value-creating partner for Nordic companies. We have two investment mandates: privately owned companies and listed companies.

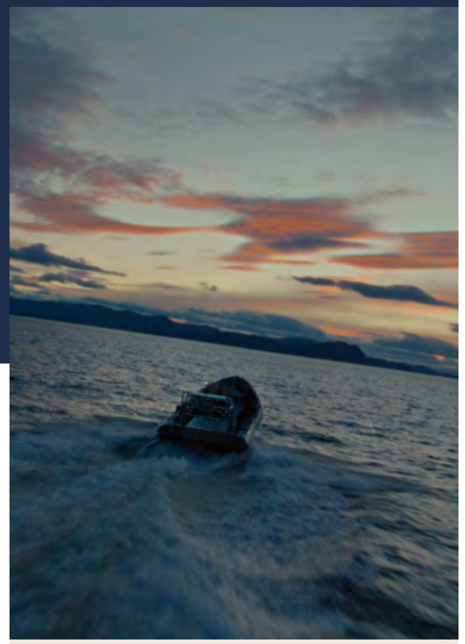
21 employees

Read more about us →

Geography: Nordic region

Sector: Broad exposure, including technology, industry, consumer goods, aquaculture, health and energy transition.

Portfolio: Our core investments consist of 14 privately owned companies and seven listed investments.



We aim to build future-proof companies. We achieve this by blending a long-term outlook with proactive and responsible ownership. For us thinking sustainably means thinking long-term – and equipping our portfolio companies for the future. As a long-term and active owner, it is important for us to incorporate sustainability assessments into investment analyses and decisions, as well as to clearly communicate our expectations to the companies we own.

We view sustainability through a double materiality lens. This means that we emphasise both how the companies we own impact people and the environment, and how sustainability factors impact their ability to create long-term value. We own companies across a wide range of industries – from information security to construction materilas and ski wax manufacturers. The footprints these companies leave behind vary significantly, as do the sustainability risks and opportunities they face. Considering this backdrop we expect all companies in our portfolio to carry out their own materiality analyses, and to use these to prioritise their sustainability initiatives.

At the same time, there are some sustainability topics that we consider to be important for the whole portfolio. In 2022, Ferd carried out its first materiality analysis. We used this analysis to establish our prioritised focus areas for our entire portfolio, and to set reporting requirements.

→

You can read more about our largest portfolio companies and their work with sustainability in the chapter Our largest portfolio companies.

How we integrate sustainability throughout the investment cycle

Investment sourcing and analysis
We actively seek out companies within areas we believe offer major opportunities in the area of sustainability, and we aim to identify sustainability factors that could influence the value of a company early in the process. We also have well-defined guardrails outlining what we do not invest in.

Investment decision
Assessments regarding the most important sustainability factors for the company, the level of maturity of sustainability efforts and hypotheses on how sustainability can enhance the company's value in the future, are key in our investment decision-making process and shape the priorities within our ownership agenda.

Active ownership
As owners, we aim to establish clear expectations while providing support and fostering growth within our companies. Based on the company's maturity and key sustainability topics, we set an ownership agenda together with the companies we own.

Exit
We focus on sustainability throughout the ownership period rather than only when a project is approaching sale. We are confident that the companies best equipped for the future are also the most valuable ones.

Key sustainability focus areas across the portfolio

Environment	Social	Governance
We proactively contribute to safeguarding the environment for future generations	We actively promote an attractive, safe & inclusive work environment for all employees	We drive strong governance through our ethical standards & processes irrespective of local regulation
Key topics		
Decarbonisation	Talent Attraction and Retention	Ethical business practices
Resource stewardship	Health and safety	
	Diversity, inclusion and equality	

Portfolio results

Our reporting requirements

Many of the companies we own have not historically been subject to sustainability reporting requirements. Therefore, since last year, we have required our largest portfolio companies to report selected indicators relating to the climate, social aspects and corporate governance.[1] The indicators that have been selected are based on sustainability topics that we believe are important for our entire portfolio, as described on the previous page. In addition, we want the companies to report indicators that are relevant to their business, based on their own materiality analyses. The companies we impose direct reporting requirements on account for NOK 23.5 billion of the NOK 31.7 billion of our invested capital. Regardless of the more stringent reporting requirements, we are still working with the companies in the same way. The companies' boards are responsible for ensuring that they achieve expected progress, which includes sustainability progress.

In addition to requiring direct reporting from our largest portfolio companies, we collate climate reporting (Scope 1–3 emissions) from the rest of the portfolio where this is available.

Environment

Ferd Capital's ownership-adjusted emissions amount to 1,574,000 tCO_2e, which accounts for as much as 91 per cent of Ferd's total ownership-adjusted emissions. These emissions are 24,000 tCO_2e (1.5 per cent) lower than in 2022. Of this reduction, 13,000 tCO_2e are due to changes in the portfolio – company exits, new investments and minor changes in ownership stakes. The remaining 11,000 tCO_2e reduction is attributable to lower emissions from our portfolio companies.

Total emissions from companies we own amount to 5,208,000 tCO_2e. This represents a reduction of 228,000 tCO_2e (4 per cent) against 2022. While emissions have increased from 2022 to 2023 in the majority of our portfolio companies, a significant decrease at the company Nilfisk resulted in a net overall reduction in emissions. Regardless of the changes from 2022 to 2023, both the ownership-adjusted and total emissions are substantial, and entail a great responsibility for us as active owners.

If we look more closely at the ownership-adjusted emissions, five companies account for 91 per cent of the emissions. These companies operate in industries which unsurprisingly have high emissions: construction materials, packaging production, offshore services, industrial equipment and ferry operations. On the positive side, three of these companies, Elopak, Aibel and Nilfisk, have signed up to the Science Based Targets initiative (SBTi), and Elopak and Nilfisk have had their goals approved. SBTi enables companies to establish emission reduction targets aligned with climate science, in accordance with the global objectives of the Paris Agreement. The individual companies' goals are independently verified. The remaining two companies have set targets for emission reductions.

1 We define our largest portfolio companies as our portfolio of private companies in which we have an ownership stake of more than 30 per cent (throughout 2023), as well as the listed company Elopak, in which we have a 60 per cent ownership stake.

Coverage ratio and data quality

The core portfolio reported Scope 1–3 emissions for the first time for the year 2022. This means that we now have our first set of comparative figures (for 2022 and 2023).

We are satisfied with a coverage ratio of 90 per cent for the entire portfolio,[1] given that this type of reporting is new to many and the fact that Scope 3 reporting in particular can be demanding. In general, there has been an increase in Scope 3 reporting this year compared to last year. Several of our companies received support in compiling their reports during the past year.

Going forward, some of our portfolio companies will need to work on improving the quality of their Scope 3 reporting. This could impact our aggregate emissions figures in the future.

Moving forward, we will support and challenge our portfolio companies to set clear and ambitious targets for emissions reductions. The priority is to influence the companies to achieve actual emission reductions, rather than optimising for the lowest possible emissions from the aggregated portfolio. The portfolio's emissions will be impacted by the purchase/sale of companies, as well as organic growth and acquisitions among our portfolio companies. The Ferd Capital portfolio of the future will not be optimised for the lowest possible emissions – for example, we will be able to invest in a company with a large carbon footprint if we believe we are the right owner, who can have a positive impact and help achieve reductions.

Emissions from private and listed Ferd Capital portfolio

Adjusted for our ownership stake, measured in tCO_2e

Scope 1
64,000
(2022: 62,000)

Scope 2
15,000
(2022: 15,000)

Scope 3
1,495,000
(2022: 1,520,000)

The portfolio's carbon footprint

tCO_2e/NOK m value-adjusted equity

Scope 1 and 2
2.8
(2022: 2.9)

Scope 1, 2 and 3
55
(2022: 60)

The portfolio's carbon intensity

tCO2e/NOK m revenue

Scope 1 and 2
2.6
(2022: 2.8)

Scope 1, 2 and 3
40
(2022: 53)

20%
of the portfolio has signed up to the Science Based Targets initiative[1]

61%
of reported emissions are included in the Science Based Targets initiative

90%
coverage ratio climate accounts[2]

1 Measured at market value. These are companies that have joined the Science Based Targets initiative (SBTi). The following portfolio companies have also had their targets approved by SBTi: Elopak (long-term net zero target) and Nilfisk (short-term target).
2 In addition to obtaining reporting directly from our privately owned portfolio companies, as well as listed companies in which we hold a more than 50 per cent ownership stake, we map greenhouse gas emissions from our listed investments using their external reporting. In total, this results in a coverage rate of 90 per cent for the reporting of greenhouse gas emissions for Ferd Capital's portfolio, measured at market value.

Social

We actively strive to promote a safe and inclusive workplace for all our employees. Our companies are significant employers – in total more than 12,000 full-time equivalents work in our largest portfolio companies. Although the number of full-time equivalents tells us something about our contribution to value creation, we are aware that this in itself is not a good indicator of social aspects – people must be happy at work! We expect the companies we own to focus on employee satisfaction and to ensure that this is measured to the extent they deem most suitable. We are pleased that 12 out of 13 companies regularly measure employee satisfaction and that all the companies work in a structured manner to be a good employer.

We focus on improving the gender balance in both our boards and management groups. We still have work to do in this area and this will remain a high priority going forward.

Governance

We uphold strong corporate governance by promoting high ethical standards and processes, irrespective of local regulations. Ferd Capital's Compliance programme establishes guidelines for what we consider to be best practice in corporate governance. The programme consists of an overview of recommended governing documents. These include compliance documents such as our Whistleblower Policy, Code of Conduct, Supply Chain Policy and Anti-Corruption Policy, HR-related documents such as personnel handbooks, sustainability-related documents such as our ESG Policy and reporting in accordance with the Norwegian Transparency Act.

All companies in our core portfolio comply with the minimum requirements set out in our Compliance programme, and we constantly strive to improve our internal processes and assist the companies in following up on new laws, regulations and standards.

→

Read more about the portfolio's results

You can read more about our companies' activities, work with sustainability and sustainability results in Our largest portfolio companies.

A complete overview of the reporting of sustainability indicators for both 2022 and 2023 can be found in the Appendix Sustainability indicators for our largest portfolio companies.

1 We define our largest portfolio companies as our portfolio of private companies in which we have an ownership stake of more than 30 per cent (throughout 2023), as well as the listed company Elopak, in which we have a 60 per cent ownership stake.

Sustainability indicators for our largest portfolio companies as of 31 December 2023 [1]

Key information	Aibel Energy	Aidian Health care	Brav Consumer Discretionary	Elopak Industrials	Fjord Line Transport	Fürst Health Care	Interwell Energy	Mestergruppen Industrials	mnemonic Technology	Norkart Technology	Servi Industrials	Simployer Technology	TRY Media/Business Services
Ferd's ownership[2]	49.9%	31.0%	100.0%	60.0%	50.0%	40.0%	64.8%	72.7%	41.9%	95.9%	99.7%	74.1%	56.9%
Operating revenue[3]	15,776	724	1,161	12,667	1,469	945	3,220	17,538	1,063	474	872	565	1,259
Employees (FTEs)	4,957	298	262	2,019	630	404	814	1,369	377	218	328	315	407
Environmental aspects													
Total CO_2 emissions[4]	412,199		17,557	725,636	133,809	15,864	34,163	547,390	609	1,557	12,826	434	446
Total CO_2 emissions adjusted for Ferd's ownership	205,687		17.557	435,382	66,905	6,346	22,141	397,952	255	1,493	12,787	321	254
Scope 1 (tCO_2e)	3,373		1,765	4,731	95,055	351	613	2,045	6	0	191	7	0
Scope 2 (tCO_2e)[5]	7,569		180	987	52	26	1,832	7,026	76	50	723	45	4
Scope 3 (tCO_2e)	401,257		15,612	719,918	38,702	15,486	31,718	538,319	527	1,507	11,912	382	442
All significant Scope 3 categories are included[6]	✗		✓	✓	✓	✓	✗	✓	✓	✓	✗	✓	✓
CO_2 emissions per NOK m revenue	26		15	57	91	17	11	31	0.6	3.3	15	0.8	0.4
Social aspects													
Measures employee satisfaction[7]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗
% women employees	20%	64%	45%	21%	38%	81%	15%	40%	14%	26%	15%	45%	57%
% women in executive management	43%	22%	71%	10%	17%	45%	43%	33%	0%	33%	17%	33%	66%
% women on the Board of Directors	40%	14%	20%	43%	20%	50%	38%	11%	33%	40%	25%	20%	50%
Average salary for women as a percentage of what men earn[8]	102%	96%	94%	89%	88%	78%	91%	86%	86%	95%	100%	99%	96%
Corporate governance													
Follows Ferd Capital's Compliance programme	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

1 We define our largest portfolio companies as our portfolio of private companies in which we have an ownership stake of more than 30 per cent (throughout 2023), as well as the listed company Elopak, in which we have a 60 per cent ownership stake.
2 Ownership is reported net regardless of the underlying group structure.
3 Operating revenue is included on a 100 per cent basis and according to the company's own GAAP. The revenue is not equity-adjusted.
4 All portfolio companies report in accordance with the GHG Protocol.
5 Scope 2 is calculated using the market-based method.
6 Many of the companies reported on Scope 3 for the first time in 2022 and will include more categories as more data becomes available.
7 The companies measure employee satisfaction according to each company's needs, at least annually.
8 The salary differences are due to variations in gender balance across departments at some companies. For further details, see the individual companies' reports on gender equality (likestillingsredegjørelse). Ensuring equal pay for equal work is a high priority for both boards and management.

A fluoro ban finally becomes a reality

The 2023/24 season marked a milestone for cross-country skiing worldwide: For the first time, the use of fluorinated products has been banned in cross-country skiing. Swix has been an advocate of a ban and has actively worked to develop alternative products.

Fluoro waxes have been used for many years, both in international skiing competitions and by amateurs, to improve the glide and performance of skis and snowboards. In recent years, it has become clear that fluoro waxes have negative environmental impacts and harmful health impacts from long-term exposure.

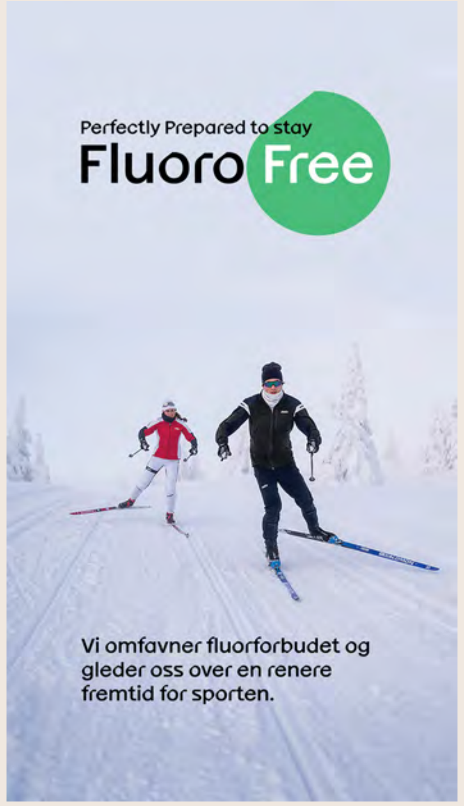
Clear position
Swix ceased all production and commercial sales of fluoro waxes in 2020 and has been a keen advocate of a fluoro ban in elite international cross-country skiing. The company was an early developer and marketer of fluoro-free alternatives and has attracted attention this season with its "Perfectly prepared to stay fluoro-free" campaign.
"It's great to see an organisation take such a clear and unequivocal responsibility for a challenge, as Swix has done here. This is in stark contrast to how many others have reacted to the ban," says professional long-distance cross-country skier Petter Skinstad.

Successful campaign
Swix has also taken on responsibility for recycling the now banned fluoro waxes. In the winter of 2021/22, the company launched a campaign to collect old fluoro waxes, regardless of the manufacturer. Everyone who took part in the campaign received a "thank you" in the form of a NOK 500 gift card to use as they choose in the company's online store.

The response was overwhelming: More than three tonnes of environmentally harmful ski wax was collected from 7,500 private individuals. Swix's Head of R&D, Christian Gløgård, explains that they collected enough wax to prepare skis for approximately 930,000 skiing trips – or enough to cover the needs of all the entrants in the Vasaloppet cross-country skiing race for the next 13 years.

Early investment now paying off in the form of trust
Being a first mover with such a clear position was tough. While Swix visited all ski races last year with a suitcase full of fluoro-free ski wax, there was still a demand for fluorinated products. However, over the last two years sales of these products have declined and significant investments have been made in research and development in fluoro-free ski wax. Today, Swix enjoys a high degree of trust among consumers.

Swix's commitment has not gone unnoticed in the industry. In August 2022, Swix was named "Social Actor of the Year" at Sports Industry Day. In September 2022, their fluoro-collection campaign received the "Sustainability Initiative of the Year" award at the Sustainability Awards, which are presented by the Business Intelligence Group.



→ Watch the video Swix Fluoride Free – Over 3 tonnes of fluoride removed from ski trails!

→ Swix is one of several brands owned by Brav. Brav is wholly owned by Ferd. You can read more about Brav here.

Aibel was an early mover in offshore wind

Over a decade ago, Aibel and Ferd decided to invest in offshore wind and the construction of converter platforms. The new strategy was followed up with direct investments and recruitment of specialist expertise within the field. As a result of this investment, in just a few years Aibel has become an important supplier to the offshore wind industry.

Aibel delivered its first HVDC converter platform (DolWin beta) as long ago as 2015. The platform was a pioneering project. Prior to 2022, Aibel had four platforms under construction: one for the DolWin 5 project off the coast of Germany and three for British sector of the North Sea for Equinor, SSE and Vårgrønn for the Dogger Bank Offshore Wind Farm.

Multi-billion green contract for Aibel

In July 2022, Aibel received a large order from the Danish company Ørsted, a leading global player in offshore wind. This increased the proportion of green projects in Aibel's order book to over 50 per cent.[1]

The agreement between Aibel and Ørsted includes two converter platforms for the Hornsea 3 project in the British sector of the North Sea. The Hornsea-3 offshore wind field will be one of the largest in the world and is expected to supply enough electricity to cover the consumption of three million British households.

The contract sum has not been disclosed, but each of the platforms constitutes "a very large contract", according to Aibel – which uses this wording for agreements with a value of at least NOK 2.5 billion. The converter platforms, called Hornsea 3 Link 1 and 2, are critical infrastructure that will receive power from up to 231 wind turbines. The electricity generated by the offshore wind farm will be converted from alternating current to direct current on the converter platforms. This conversion of power will significantly reduce transmission losses where facilities are located a long distance from land and will be a decisive factor in the economic viability of the offshore wind farms.

Important recognition

The Danish company Ørsted is a world leader in offshore wind that has gained wide recognition for its transition from coal and oil to green energy. Ørsted's decision to engage Aibel is a confirmation of the progress the Norwegian supplier company has made in adapting to the green transition, with solutions that are preferred by the largest and most prominent players in offshore wind.

Positive development through 2023

The company continued its positive development in 2023, and now 55 per cent of its order book consists of renewable energy and electrification projects. The success of these projects is testament to Aibel's successful implementation of strategic measures in the green transition.

→

Aibel is one of Norway's largest service companies within upstream oil and gas and renewable energy. Ferd has a 50 per cent ownership stake in Aibel. You can read more about Aibel here.

1 Aibel defines green projects as offshore wind and electrification projects.

Annual summary and the road ahead

2023 highlights

Capital's sustainability work received a major boost in 2022, and in 2023 we continued to build upon the solid foundations we laid in the previous year.

- For the first time, our portfolio companies reported common KPIs, based on Ferd Capital's materiality analyses.
- We used our newly developed sustainability methodology to conduct all business reviews and investment analyses throughout the year.
- We established a voluntary sustainability network for all our portfolio companies, where the first meeting focused on double materiality analysis in light of the new CSRD requirements.
- We have conducted training on CSRD and climate reporting, and held a separate strategy meeting on people and culture.
- We have also established investment frameworks and a strategy for the Energy Transition industry group. The frameworks and strategy are based on Capital's expertise in active ownership and Ferd Impact Investing's industry experience.

The road ahead

Improved reporting has provided us with a deeper insight into impacts, opportunities and risks relating to sustainability. Going forward, we will apply this insight to our ownership agendas. For example, enhanced quality of Scope 3 emission figures will help us become a better sparring partner for our companies and support ambitious decarbonisation goals.

We have received positive feedback from members of our sustainability network, and we will continue work on this initiative in future. Our goal is to create an arena for learning, sharing best practice and conducting frank discussions around the challenges and dilemmas associated with sustainability work. We aim to organise 3–4 gatherings annually. Implementation of the EU's Sustainability Directive (Corporate Social Responsibility Directive – CSRD) will be resource-intensive for several of our portfolio companies. We therefore plan to support the companies through a number of network initiatives.

Knowledge and competence development have always played an important role in enabling Ferd Capital to be the best owner for our companies. Sustainability took on a more prominent role in 2023, and we will continue with this focus in 2024.

We established the "Energy Transition" industry group in 2023 in order to leverage Ferd's position as an active owner and the expertise of Ferd Impact Investing. In 2024, the group will analyse the market to identify potential investment opportunities in our defined investment areas.

Going forward, Ferd Capital is looking forward to forging stronger ties within the Ferd group. This applies in particular to Ferd Social Entrepreneurs and Ferd Impact Investing, which are both working actively with sustainability issues. Better collaboration will make it possible to leverage synergies across the investment and ownership cycles.

Ferd Real Estate

Ferd Real Estate is a responsible and long-term urban real estate developer. We develop, sell and lease out properties, mainly in the Oslo area.

19
employees

Read more about us

Real estate value: NOK 11.5 bn

Geography: Norway – Oslo region

Sector: Real estate development, commercial and residential

Number of properties in operation: 3

Number of projects: 14

Gross area under management and development/zoning: 43,000 sqm and 112,000 sqm

Number of residential units under construction and development/ zoning: 142 and 3,000

For Ferd Real Estate to succeed in becoming a leading urban developer, it is essential to deliver on sustainability. This makes integrating sustainability throughout the entire investment and project cycle a key consideration, both in order to take responsibility and to ensure financial profitability.

Being part of the real estate sector, which is responsible for as much as 40 per cent of total global greenhouse gas emissions, entails a major responsibility. Real estate development also leads to significant loss of nature and impacts social sustainability along multiple axes. This means that our industry has a significant impact on the achievement of our shared sustainable development goals. Tenants, buyers and the authorities are aware of this, and the real estate industry is subject to more stringent sustainability requirements. These requirements impact profitability and financial risk in our projects.

Historically, we have worked in various ways with sustainability in our projects, but we are currently developing a comprehensive sustainability strategy that systematically integrates sustainability considerations into the development, construction and operational phases of our business.

Development

Construction

Management

Our properties under management

We have a good overview of relevant indicators such as greenhouse gas emissions and energy consumption, as well as waste and water consumption for our three properties in operation.

The total greenhouse gas emissions from these three properties amounted to 107 tonnes of CO_2e in 2023. This represents a reduction of 12 per cent against 2022 (122 tonnes CO_2e).

Sustainability indicators as at 31 December 2023 for buildings in operation

	Brynsveien 14			Blåswixvegen 5			Hieronymus Heyerdahls gate 1		
	2023	2022	% Change from 22–23	2023	2022	% Change from 22–23	2023	2022	% Change from 22–23
Total greenhouse gas emissions (tCO_2e)	30	29	3%	45	56	-20%	32	37	-14%
Greenhouse gas emissions ($kgCO_2e/m^2$)	2.55	2.42	5%	2.88	3.58	-20%	2.49	2.88	-14%
Energy use (kWh/m^2 UFS)	164	146	12%	149	158	-6%	204	208	-2%
Waste (kg/m^2)	6.2	7.4	-16%	6.3	9.2	-32%	4.8	5.8	-17%
Waste, sorting rate (%) weighted	51%	66%	-23%	87%	90%	-3%	44%	31%	42%
Water consumption (m^3/year)	2,450	2,918	-16%	3,893	7,521	-48%	4,049	4,870	-17%

The emission factor for electricity is calculated applying the Norwegian mix and is in accordance with NS 3720. The emission factors for district heating are determined by the mix of energy sources in the district heating supply for the previous year, and vary from year to year.
Brynsveien 14: Increased energy use is due to higher activity levels in the building in addition to increased district heating consumption due to colder weather during the year.
Blåswixvegen 5: Lower energy and water consumption in 2023 is due to reduced plastic consumption, as well as a change in activity from the previous year (2022), when large quantities of fluorinated products were destroyed in the factory.
Hieronymus Heyerdahls gate 1: Variations compared to last year are due to the fact that the project has been undergoing refurbishment work, which was completed in autumn 2023.

REHABILITATION

Hieronymus Heyerdahlsgate 1

Hieronymus is a commercial property at Rådhusplassen in Oslo. The building has undergone extensive rehabilitation work, which was completed in 2023. In 2021, the company set itself ambitious environmental goals when it started refurbishing the property, which was constructed in 1936. The brick façade has been rehabilitated, and all the windows have been replaced. Durable materials were emphasised in the rehabilitation with the aim of generating significant energy efficiencies. Plans also included a staff restaurant, gym, bicycle parking and waste management. New control systems and lighting have also been installed, which together are expected to facilitate energy savings of 40 per cent when the property is in use. The building will be environmentally certified to BREEAM In-Use Very Good and has moved from energy class E to C.

Our construction projects

As a developer, we bear a major responsibility for ensuring that our partners comply with requirements for decent work and take account of our climate and environmental considerations. Consequently, we set clear requirements for our contracting parties in procurements. Our focus areas in construction projects include:

Health, safety and the working environment: Everyone who works on our construction projects must enjoy a safe working environment. This makes measures relating to safety, health and the working environment (OHS) our foremost concern on the ground. In addition to clearly stating OHS requirements for all our suppliers, we actively engage in OHS initiatives on the construction site.

CO_2: We conduct CO_2 analyses in our construction projects, and we have set a goal of reducing CO_2 in relation to reference projects.

Resource consumption: On the construction site, our projects must achieve a sorting rate of at least 95 per cent, and not generate more than 25 kg of waste per sqm of usable floor space. We also want to test out various solutions that facilitate increased reuse of materials. In collaboration with Sirken, we have located a mobile warehouse near near our project, Humlehagen at Ensjø, where suppliers can return surplus goods, erroneous orders etc., rather than disposing of them as waste.

PROJECT UNDER CONSTRUCTION

Humlehagen

Humlehagen is a residential project at Ensjø in Oslo. The project to construct 133 apartments and nine row houses will be completed in the first half of 2024.

From the start of the project, we have placed a strong emphasis on environmentally friendly and resilient solutions. Through targeted measures, we will reduce greenhouse gas emissions by an estimated 38 per cent during the construction phase compared to the reference building in NS 3720:2018. This corresponds to a reduction of approximately 1,700 tonnes of CO_2 equivalents. The use of low-carbon concrete and the establishment of a fossil-free construction site are the most important measures, which together will contribute to a reduction of approximately 700 tonnes of CO_2 equivalents.

Humlehagen will be BREEAM certified with the classification "Very Good". We have emphasised environmentally friendly material choices and functionality. We have also set a goal that no more than 25 kg of waste should be generated per sqm of built area. These measures will contribute to lower resource consumption and emissions compared to the industry average. We have also implemented a number of social measures, including the provision of common areas and prioritising good working conditions throughout the project.

Projects under development

We have developed a model for sustainable urban development that we use in our development projects. The first step is to understand the place and its challenges and attributes by inviting people who live and work in the area to share their views with us. We then establish a vision for the project and a main objective. This is supported by various success criteria within selected focus areas. These criteria are determined in collaboration with experts and are measured during the development process. The model was first prepared for Marienlyst. We also use the model in other development projects such as Trekanttomten, Vitaminveien, Kleven gård and Høyda.

Marienlyst – environmental sustainability

Our largest urban development project, Marienlyst, is now in the development phase. By prioritising greenhouse gas calculations as part of the decision-making process, during the year, we decided to conserve more existing building stock than we initially planned. This includes a significant area of Kringkastingshuset (the Norwegian Broadcasting Corporation's oldest building at Marienlyst) and another building on the western side of the site. Preliminary calculations indicate that conserving the existing buildings could reduce greenhouse gas emissions by 25 per cent compared to similar newbuilds. Conservation will also protect nearby valuable areas of nature, including old oak trees and other important natural assets.

Social sustainability and public participation

We have set ambitious goals for social sustainability. We involve the local community, actors and stakeholders in the development phase, and want to help tackle the social challenges we can influence.

In collaboration with LÉVA Urban Design, in 2023 we engaged more than 1,000 people in public participation processes for the Høyda, Vitaminveien, Trekanttomten and Marienlyst projects, with a view to gathering insight and documentation.

Petersborg – a community hub for social activities

The community centre aims to become Ensjø's most vibrant hub for the local community, with various activities and offerings. The primary target group is children and young people, although all generations are welcomed. The centre is run by The Church City Mission. In 2023, an average of 150–200 people attended the various activity days. The centre has 90 permanent volunteers and employs 42 young people in paid positions.

Community needs assessments at Marienlyst

In 2023, together with LÉVA Urban Design, we carried out a community needs assessment to concretise our commitment to social sustainability in the Marienlyst project. The needs assessment involves a thorough exploration of research findings on the causal links and impact factors that contribute to social value creation as well as improved health and quality of life. The project also included a sociocultural place analysis to understand local needs and challenges.

Temporary urban area on the Trekanttomten (3KT) site between Aker Brygge and Vika In Oslo

We have set up a temporary urban area at 3KT, serving as both a collaborative hub for the project and a social meeting place offfering various activities. Through 3KT, we have established social connections between people, while also creating new job opportunities. 3KT has given us a clearer understanding of the potential and functionality of the spaces on the urban ground floor. By testing various collaborations, suppliers, and activities, we have succeeded in reaching user groups we usually do not reach. Most of the activities are free and aim to reach a broad target group of all ages. A total of 50,000 people visited 3KT between April and September in 2023. Over 100 events were held, and we were nominated for this year's City Life Project at the OMA Awards.[1]

1 The OMA Awards honours people and companies that make Oslo a better city to visit, work and live in.

Annual summary and the road ahead

Highlights in 2023

In 2023, Ferd Real Estate implemented various initiatives aimed at enhancing its sustainability expertise and collaboration across the team. We have done the following:

- Performed a double materiality analysis, laying the groundwork for an expanded strategy process.
- Organised health, safety and workplace environment courses for everyone at Ferd Real Estate.
- Entered into a framework agreement with Kvist Solutions to use their documentation tools in four of our development projects by the end of 2024. In 2023, we initiated two pilot projects.
- Prepared a strategy for sustain-able urban development for Trekanttomten and Vitaminveien.

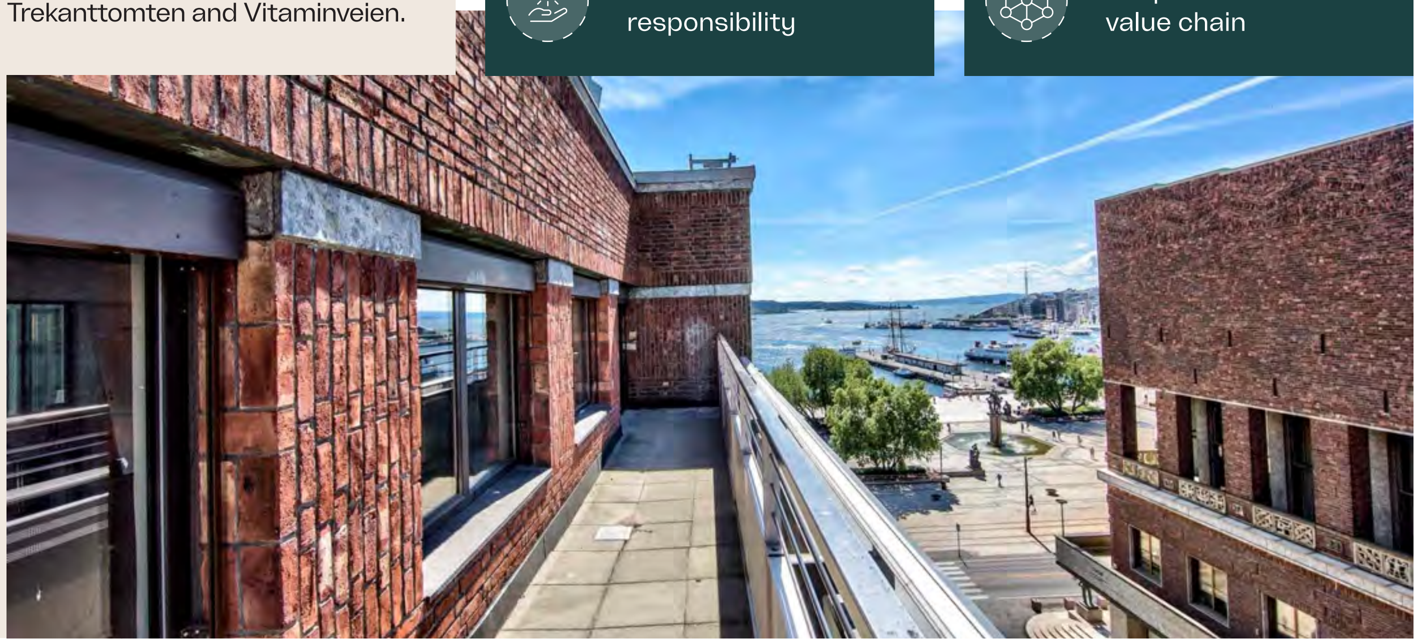
The road ahead

Ferd Real Estate is aware of the substantial challenges and opportunities facing the real estate industry when it comes to sustainability. During 2023, we started work on establishing and concretising a new sustainability strategy. As part of this process, we engaged external consultants to assist us in conducting a double materiality analysis.

This analysis, which is based on the EU Sustainability Reporting Directive (CSRD), has enabled us to thoroughly evaluate how we impact and are impacted by various sustainability topics. Through an in-depth review of our value chain activities and other relevant insights, we have mapped Ferd Real Estate's impacts, risks and opportunities relating to each topic.

As a result of this process, we have identified the sustainability topics that are important to us, and further defined four strategic focus areas that will drive our sustainability efforts forward in future. In 2024, we will focus our attention on establishing goals and measures in each focus area.

- Climate-friendly and resilient buildings
- Resource use and nature
- Social responsibility
- Responsible value chain



Ferd External Managers

Ferd External Managers invests in external funds, in markets that complement the areas where Ferd invests directly.

3 employees

Read more about us →

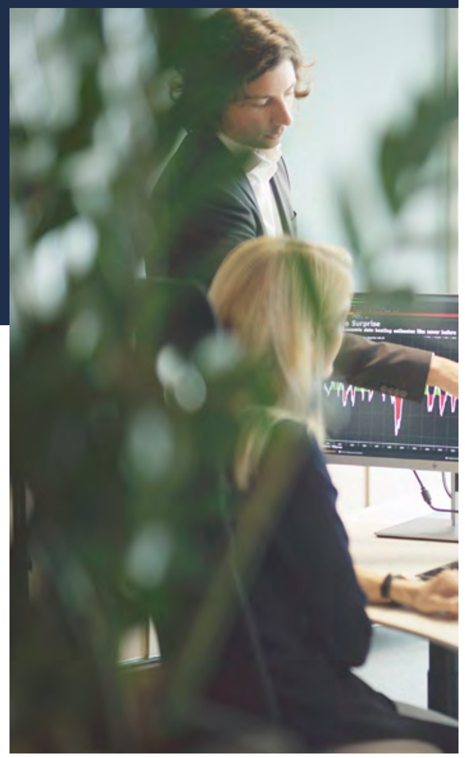
Geography: Global

Sector: Widely diversified

Two different mandates: Global Equity and Global Fund Opportunities

Number of asset managers/funds: 15/23

Number of companies in Global Equity: 593 companies



We consider sustainability to be an important aspect in both the selection and follow-up of fund investments, not only from a risk perspective, but also due to the opportunities and competitive advantages this offers. We want to help drive positive change by engaging with our managers. Given that we invest globally, the managers we select may approach sustainability in differing ways. There are also major differences in the footprints, as well as the sustainability risks and opportunities we encounter in underlying investments.

Our two investment mandates have different degrees of transparency, i.e. we have differing degrees of insight into the companies the funds own. In Global Equity, we have full transparency, which gives us a solid basis for making ongoing assessments around sustainability. In Global Fund Opportunities, we have good insight into some of our portfolio funds, but two of the funds (hedge funds) do not share such information with their investors. Transparency is important to ensure that our asset managers deliver on accountability and sustainability in practice, which means that we face challenges with funds that do not give us this insight. In such cases we evaluate the managers' systems for safeguarding sustainability in their asset management, and challenge them to make improvements if we deem it necessary.

We want to contribute to positive change by engaging with our managers.

Going forward, Ferd External Managers will continue to focus on transparent equity funds under the Global Equity mandate. If it becomes relevant to assess new funds with limited transparency, sustainability-related aspects will be a particularly important assessment criterion.

In Global Equity, we invest in four different themes, where "the green transition" most clearly directs capital towards sustainable development. Within this topic, we invest in companies that contribute to the transition to a sustainable low-emission society.

We expect our asset managers to take sustainability into account in their investment process.

Integration of sustainability when selecting and following up funds

When selecting new funds, we make an assessment of the asset manager and their organisation as well as their investment strategy and processes. At the manager level, we consider corporate governance in particular. Examples of relevant aspects include: segregation of duties in the manager/fund structure, independence of the fund's board, incentive systems, portfolio pricing, operational structure and ownership structure.

We expect our asset managers to take sustainability into account in their investment process. This is both part of our assessment of new funds and part of the follow-up during the investment period. We work to identify the managers' attitudes to social aspects and the management philosophy of the companies they invest in, including how they exercise their voting rights as a shareholder. We also want to influence the managers to address and report on climate aspects of their investments.

We actively follow up our asset managers' work and progress within sustainability during the investment period through meetings and measurements. We map the managers' dedicated sustainability resources, their reporting and support for various initiatives in the asset management industry, such as UN PRI and the Net Zero Asset Managers Initiative. We also regularly review the Global Equity portfolio, based on NBIM's exclusion list, which we use as a starting point to identify companies that are not considered responsible. We make individual assessments of companies that are in a transition – for example from fossil fuels to green energy. If a dialogue around a company on the exclusion list does not provide satisfactory answers, we will consider withdrawing from the fund.

Because the managers we evaluate and invest with operate in very different markets, the specific dialogue is adapted to the relevant market. For example, it is especially important to discuss the standard of corporate governance with asset managers investing in Asian markets, since the governance structures of many companies in this region are weaker than in many western countries. Risks linked to social and environmental aspects are also considered to be higher. We summarise our funds and initiatives on an annual basis.

Portfolio results

We measure sustainability status on two levels:
- Manager (across the entire portfolio)
- Underlying portfolio, i.e. companies that we indirectly own (primarily under our Global Equity mandate, since we only have partial transparency on ownership positions under the Global Fund Opportunities mandate)

All of our twelve mutual funds in Global Equity have an ESG policy and have signed up to the United Nations' Principles for Responsible Investment (UN PRI). Eleven out of twelve asset managers also have dedicated resources for ESG. The manager who does not have dedicated resources is American, and we know that developments in the US are generally lagging slightly behind those in Europe. Four of our six managers in the Global Fund Opportunities mandate have an ESG policy. Four also have dedicated resources for sustainability. The two managers who do not have an ESG policy are based in the USA and in Hong Kong, respectively.

We have been reporting on the managers' ESG work since 2019 and have noticed a significant improvement among the managers we have invested with throughout this period. This applies in particular to our US partners. Several have established an ESG policy, employed dedicated ESG resources, published sustainability reports and joined relevant initiatives that oblige investors' focus on sustainability and engagement with the managers has made a meaningful contribution to this change.

All our 12 mutual equity managers in Global Equity have an ESG policy and have signed UN PRI.

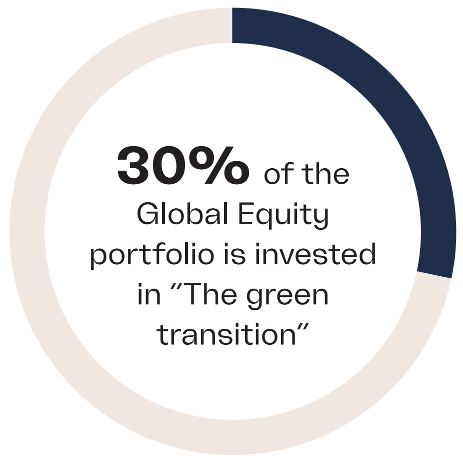
Status of sustainability at our asset managers

	Funds	Has an ESG policy	Dedicated ESG resources	UN PRI signatory	Net Zero AMI signatory	SFDR classification of the fund	Annual policy/ ESG report	Proxy voting
Global Equity	A	✓	✓	✓	✓	Article 8	✓	✓
	B	✓	✓	✓	✓	Article 6	✓	✓
	C	✓	✓	✓	✓	Article 8	✓	✓
	D	✓	✓	✓	✓	Article 8	✓	✓
	E	✓	✓	✓	✓	Article 8	✓	✓
	F	✓	✗	✓	✗	Article 8	✗	✓
	S	✓	✓	✓	✗	Article 8	✓	✓
	H	✓	✓	✓	✓	Article 8	✓	✓
	I	✓	✓	✓	✓	Article 9	✓	✓
	J	✓	✓	✓	✓	Article 9	✓	✓
	S	✓	✓	✓	✓	Article 8	✓	✓
	L	✓	✓	✓	✓	Article 8	✓	✓
GFO	M	✗	✓	✗	✗	N/A	✗	✗
	N	✗	✗	✗	✗	N/A	✗	✗
	O	✓	✗	✗	✗	N/A	✗	✗
	P	✓	✓	✗	✗	N/A	✓	✓
	Q	✓	✓	✗	✗	N/A	✓	✓
	R	✓	✓	✓	✗	N/A	✓	control investments*
	S	✓	✓	✗	✗	Article 6	✓	control investments
	T	✓	✓	✓	✗	N/A	✓	control investments
	U	✓	✓	✗	✗	Article 6	✗	control investments
	V	✓	✓	✓	✗	N/A	✓	control investments
	W	✓	✓	✗	✗	Article 6	✗	control investments

*control investments: investments where the manager, through ownership, exercises control over the assets/companies in which they invest.

The green transition

The total market value of investments in "The green transition" as at 31 December 2023 was NOK 1,260 million, which equates to 30 per cent of the Global Equity mandate and 16.8 per cent of the assets under mangement for Ferd External Managers. This is distributed between three different funds/managers.



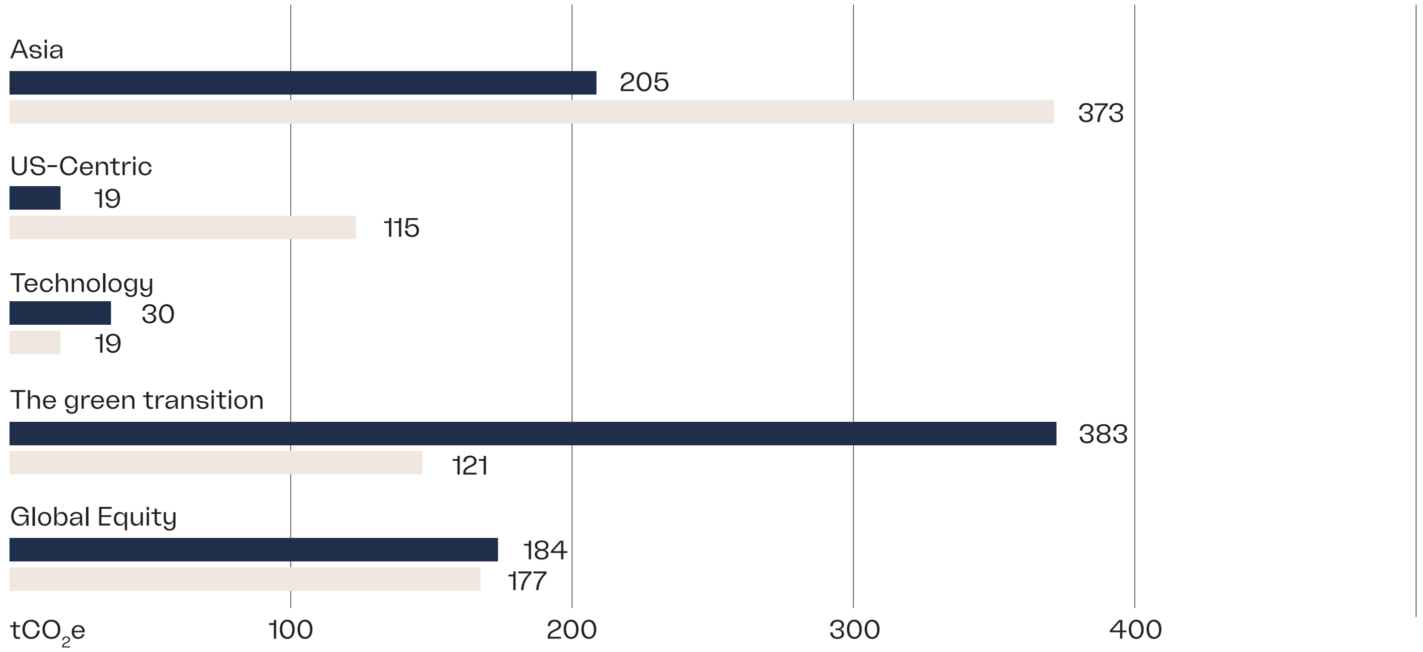
The Global Equity portfolio's carbon intensity

At the end of 2023, Scope 1 and 2 emissions per USD 1 million in revenue for the Global Equity mandate as a whole were 184 tonnes. This is slightly higher than the weighted average for the comparable markets in which the underlying funds operate. The difference is mainly attributable to the investments within "The green transition", which, in the absence of a separate "green" universe, are compared to MSCI World. Since our funds within this topic invest in solution companies that mainly produce physical products for use within the green transition, these portfolios' emissions are expected to be higher than the market.

We have also found that emissions from our investments in technology are higher than the market. This is mainly because one of the funds does not just invest in the technology sector and the fact that a few individual companies in this fund drive up the total. The emissions from our investments in Asia and the US-Centric topics, on the other hand, are significantly lower than in their underlying markets. This is to be expected given the funds' investment profile: The managers hold more quality and growth companies than the underlying markets.

Greenhouse gas emissions per MUSD revenue

Our funds Market index



Introduction Group Business areas Other initiatives Portfolio companies Appendices

Ferd Capital / Ferd Real Estate / Ferd External Managers

Annual summary and the road ahead

Highlights in 2023

In 2023, we became better acquainted with the available sustainability data and gained a clearer overview of our green investment universe. We have done the following:

- Continued mapping the investment universe for funds within the topic "The green transition". The mapping now covers 400 companies and provides a clear overview of the universe's value chains. This provides useful knowledge for further investments in the area of Ferd External Managers and the rest of the group.
- Completed measurement of the portfolio's total greenhouse gas emissions for the first time (Scope 1–3).
- Familiarised ourselves with the sustainability data we have available both through Bloomberg and Morningstar. We have used Morningstar in our reporting for 2023.

The road ahead

We will continue to develop our understanding of our portfolio's greenhouse gas emissions and how to meaningfully assess development over time. In this context, we encounter several methodological challenges that make it difficult to compare year-on-year figures. This is in part due to the varying composition of the portfolio as a result of changes in the managers' investments, and in part due to any changes in Ferd's desired allocation to the various investment topics.

There is also a general need for increased sustainability expertise in the business area. In the first instance, we will orientate ourselves towards comparable investors who are clear leaders in their field. We will also use internal resources for guidance. The lead responsible for individual investments will be responsible for following up sustainability with the asset manager. The business area manager will have overarching responsibility for sustainability – and for ensuring that the entire team has the necessary knowledge to work with sustainability as a topic, both with existing and potential asset managers.

Ferd Impact Investing

Ferd Impact Investing invests in early-stage companies that have the potential to deliver both a positive climate and environment impact and a solid risk-adjusted return. We primarily invest through funds, but also make some direct investments.

NOK 615 m

3 employees

Read more about us →

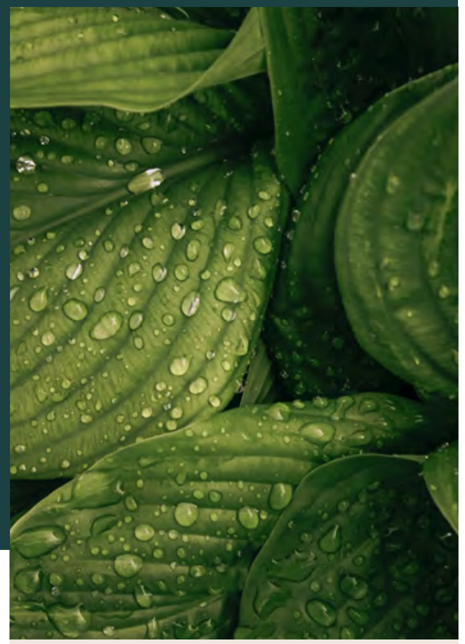
Focus areas: Energy transition, sustainable cities and communities and life below water

Geography: Europe and North America

Funds: 12 funds, total commitment NOK 560 million, total market value of invested capital NOK 235 million

Direct investments: 13 companies, market value NOK 380 million

Realised investments: 1 company



We are facing a climate and nature crisis that requires swift action. Fortunately, the majority of the world's largest economies have set themselves a goal of achieving net zero emissions by 2050, which should limit global warming to "only" 1.5 degrees. The transition to a low-emission society requires a massive restructuring of all sectors of the economy. Unfortunately, we are not in a very good position – according to the UN Climate Panel (IPCC), annual climate investments need to be increased sixfold compared to their current level if we are to achieve the 1.5 degree target. Venture capital (risk capital for early-stage companies) can help us achieve this, by investing in new technology specifically designed to accelerate emission reduction.

Ferd Impact Investing invests in solutions for the climate and environmental challenges currently facing the world. We are measured both by our ability to achieve a financial return, and to create positive climate and environmental outcomes. We see no conflict between these two goals.

In practice, we invest in early-stage companies, mainly through funds. We also actively co-invest with our fund managers in their portfolio companies.

→

You can read more about our approach to impact and our results in our impact report

Our focus areas

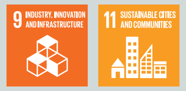
We mainly invest in three areas with significant climate and/or environmental potential, ideally where Ferd has a strong position and expertise:

Energy transition

The global energy sector must transition from fossil-based energy to zero emissions by the second half of this century. We invest in new technologies and business models to achieve this goal.

Sustainable cities and communities

Our cities are responsible for around 70 per cent of the world's total greenhouse gas emissions. We invest in sectors that need system changes to make our cities greener, such as real estate construction and management, mobility and waste management.

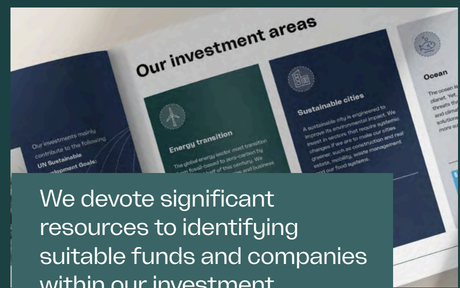


Life below water

Our oceans are the heart and lungs of our planet but face existential threats in the form of overfishing, pollution and climate change. We invest in solutions that can help save our oceans and ensure more sustainable aquaculture solutions.

We also invest opportunistically in other areas with significant climate and/or environmental potential.

How we assess climate and environmental impacts throughout the investment cycle



We devote significant resources to identifying suitable funds and companies within our investment mandate. We keep up to date through newsletters, articles and research updates, actively engage in climate-related events to expand our networks and regularly hold meetings with both new and established asset managers. We have established ourselves as proactive impact investors, gaining access to promising investment opportunities.

We employ a structured assessment process with predefined criteria, including evaluation of the potential for climate and environmental impacts. We have developed a scorecard inspired by reputable impact investors and Impact Frontiers to assess the climate and environmental impact of both our funds and companies. We use these scorecards to evaluate whether there is adequate climate and environmental potential for us to invest.

Throughout the ownership period, we require all our investments to work with, and report on, climate and environmental impacts. In 2023, we also introduced greenhouse gas reporting across the portfolio.

Portfolio results[1]

We require all our funds and companies to report on climate and environmental results. The level of reporting among funds and companies in the portfolio varies. We encourage and assist funds with less mature reporting with further development in this area.

We aggregate and summarise results from the portfolio in our annual impact report, which we published for the second time in October 2023. This was therefore the first year in which we could compare results over time. For example, avoided greenhouse gas emissions have increased by 250 per cent from 2021 to 2022.

In addition to specific sustainability indicators per investment, we also measure impact across the portfolio in other ways. For example, we measure the portfolio's alignment with the UN's Sustainable Development Goals, how our investments impact the sectors with the greatest potential for achieving emission reductions by 2030, as well as how our investments contribute to building knowledge and an ecosystem that are considered to enhance the attractiveness of climate investments.

During 2023, we introduced reporting on greenhouse gas emissions across the portfolio. Approximately 90 per cent of our value-weighted portfolio now reports on greenhouse gas emissions. We are naturally delighted with this, given the early stage of the companies' development. Our share of our portfolio's total emissions is approximately 165 tonnes CO_2e.

Below, we present our portfolio results. You can read more about results at fund and company level in our impact report.

100% of funds and **69%** of direct investments report climate and environmental impacts.

740k tonnes of CO_2e
avoided emissions in the portfolio[2]

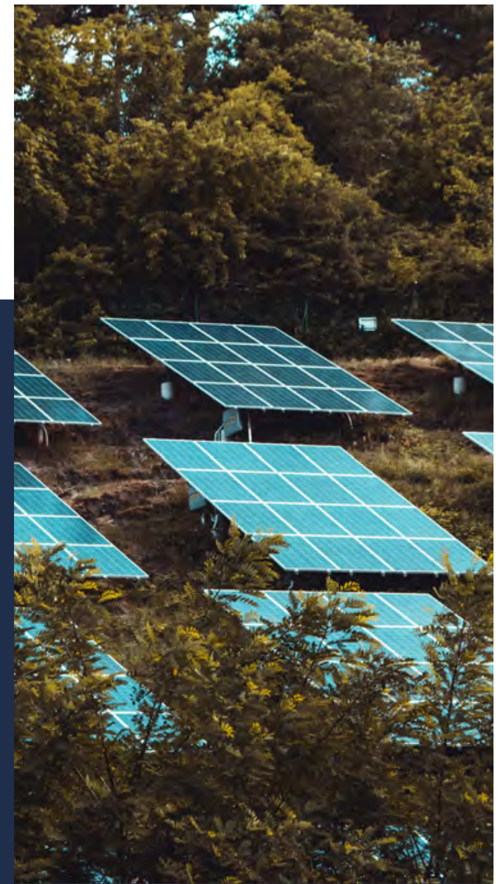
↑ 2.5 times as much as in 2021

Equivalent to removing more than 160,000 cars off the roads[3]

2,500 tCO_2e
avoided emissions adjusted for Ferd's ownership

Our share of our portfolio's emissions is **~165 tCO_2e**

84%
of the portfolio is linked to the sectors that the Intergovernmental Panel on Climate Change (IPCC) believes offer the greatest potential for emission reductions



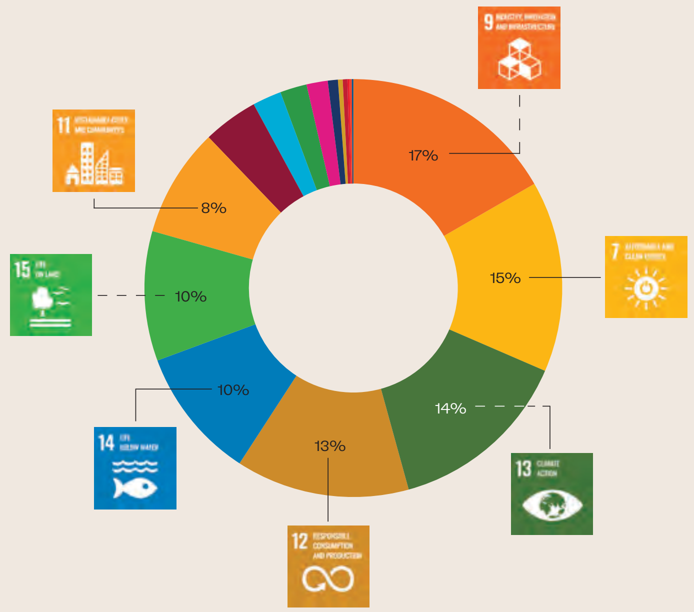
138 GWh
renewable energy generated by the portfolio

Equivalent to the electricity consumption of 23,000 German households[4]

15 GWh
renewable energy generated, adjusted for Ferd's ownership

100%
of our investments have a direct impact on one or more of the UN's Sustainable Development Goals

88%
of these are goals connected with the climate and environment



[1] All results stated are for 2022, since the funds do not report 2023 figures until mid-2024
[2] Avoided emissions are emission reductions that occur outside a product's life cycle or value chain, as a result of the use of that product. Can also be referred to as Scope 4. Source: GHG Protocol
[3] United States Environmental Protection Agency, Greenhouse Gas Emissions from a Typical Passenger Vehicle https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle
[4] The Central Intelligence Agency: World Factbook https://www.cia.gov/the-world-factbook/countries/germany/

CASE STUDY: ECOSUBSEA

Ferd Impact Investing is indirectly invested in ECOsubsea through the SWEN Blue Ocean fund.

ECOsubsea has developed a system for inspecting, monitoring, cleaning and collecting biofouling and pollutants on ship hulls. The system is a cleaning station on dockside equipped with a cleaning ROV that collects all biological waste in a closed-loop manner, to be eventually recycled or valorised. Fouling is the accumulation of microorganisms, plants, algae or small animals on a ship's hull. Fouling has a negative impact on greenhouse gas emissions from shipping in that it reduces propulsion and therefore increases fuel consumption. In addition, up to 69 per cent of alien species are introduced to new environments through fouling.

In 2022, ECOsubsea's technology resulted in 239,000 tCO_2e of avoided emissions. On average, 79 kg of "biofouling" (marine growth) was collected per cleaning operation. These 79 kg include potential alien species that have been prevented from spreading. The company is now working to quantify and specify the alien species collected in the cleaning operations.

239,000 tCO_2e
avoided emissions

79 kg
marine growth recovered per cleaning operation

CASE STUDY: NEXTWIND

NeXtWind invests in onshore wind power in Germany. The company buys and improves wind farms by re-powering old wind turbines, or extending the lifetime of the existing turbines. In this way, the company helps increase the production of renewable energy, while reducing costs (Levelised Cost of Electricity – LCOE). This work is important to boost the proportion of renewable energy, particularly in a country like Germany, which currently relies heavily on fossil energy sources.

We invested in NeXtWind in 2020, and exited in August 2023. This is our first realised investment. The purchaser is the investment firm Sandbrook, which has injected additional capital into the company to scale its strategy. NeXtWind's investment capacity has surged from approximately USD 100 million to over USD 700 million. The expanded investment capacity will significantly increase NeXtWind's potential to achieve climate and environmental outcomes.

NeXtWind currently measures its climate impact based on the number of kilowatt-hours (kWh) of renewable energy generated by the acquired wind farms.

137 GWh
renewable energy generated in 2022.
↑66% from 2021

Annual summary and the road ahead

Highlights in 2023

In 2023, we:

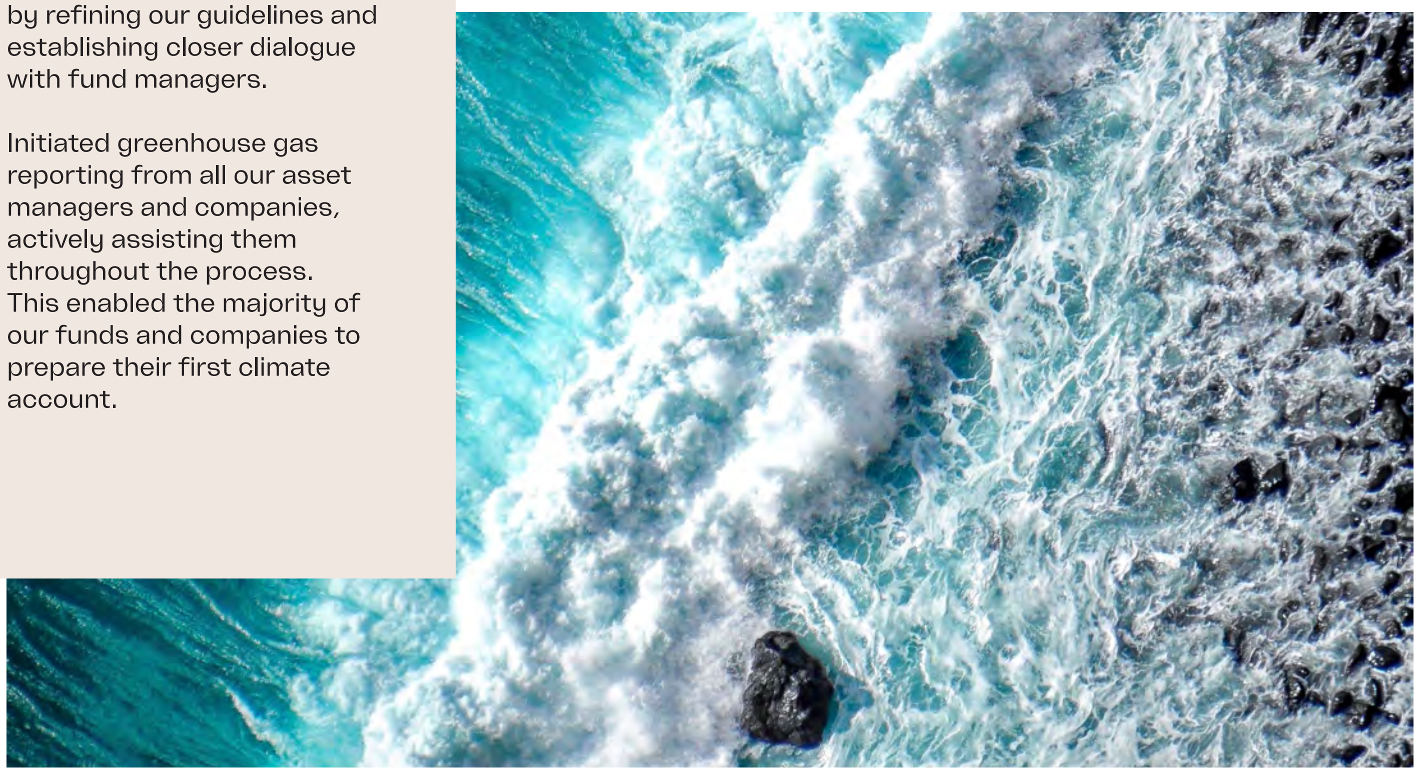
- Committed approximately NOK 200 million to four new funds (Pale Blue Dot funds I and II, Antler Nordics Fund II, Ecosystem Integrity Fund V).
- Invested a total of NOK 64 million in three new companies (Kvist Solutions, Ditio and Metizoft) and made follow-up investments in Ignite, Nofence and Disruptive Technologies.
- Published our second and expanded impact report.
- Enhanced our systematic screening and assessment of investment opportunities by refining our guidelines and establishing closer dialogue with fund managers.
- Initiated greenhouse gas reporting from all our asset managers and companies, actively assisting them throughout the process. This enabled the majority of our funds and companies to prepare their first climate account.

The road ahead

Since the inception of our investment mandate in 2019, we have made significant progress with our "green" impact investments. We have seen both a marked increase in, and enhanced competition between, the number of impact-focused early-stage funds. In line with this development, our fund managers are evolving into more mature and proficient professionals in their assessment, quantification, measurement and reporting of both climate and environmental impacts.

Key focus areas for 2024 include enhancing our assessment of long-term target achievement of impact Key Performance Indicators (KPIs). This not only makes us better investors, but also equips us to support and challenge our portfolio companies and asset managers who may be less mature in this area.

We will continue to do more of what we are already doing: invest capital in early-stage climate investments, primarily through funds, to help tackle the climate challenges that we still face.



Ferd Social Entrepreneurs

Ferd Social Entrepreneurs works to create measurable social outcomes by investing in social entrepreneurs and strengthening their market opportunities. We use the entire spectrum of capital in our work, from financial investments to grants.

8 employees

Read more about us →

Focus areas: Work inclusion, seniors, neurodiversity and preventing school dropout

Geography: Norway and the Nordic region

Ferd Social Entrepreneurs is responsible for the Oslo Initiative within Ferd. You can read more about this place-based initiative in the chapter on Other initiatives.

Funds: Three funds, total commitment NOK 67 million, total market value of invested capital NOK 46 million

Direct investments: 11 companies, value-adjusted equity NOK 307 million

Convertibles/debt instruments: NOK 25 million in holdings

Social impact bonds: Two contracts, NOK 4 million invested

In addition to investments, Ferd Social Entrepreneurs provides grants. In 2023, total grants amounted to NOK 21 million, of which NOK 11.5 million was allocated to the Oslo Initiative.

Photo: Estera Kluczenko

Ferd Social Entrepreneurs works to create positive social change. We have found that just one committed individual can be a key driver of social change for themselves and thousands of others. We work to develop more social entrepreneurs and companies. We look for companies developing innovative solutions with proven social impact within our focus areas: work inclusion, seniors, neurodiversity and preventing school dropout. We offer capital, access to relevant networks and expertise to our portfolio companies.

→ You can read more about our impact approach and our investments in our performance report

We help social entrepreneurs become financially sustainable and to ensure that they measure and manage impact. In addition, we strive to identify new and innovative ways to fund the companies. We use our financial and structural expertise to develop and deploy new financial instruments and establish collaborations, in order to ensure social impact throughout the investment cycle. We often link payments or funding terms to the achievement of social goals. This is called Impact-Linked financing.

We are particularly active in the areas of work inclusion, seniors, neurodiversity and preventing school dropout. For instance, some of our portfolio companies hire individuals facing challenges in finding employment, while others offer young people essential opportunities for learning, skills development and self-belief.

In addition to our investment activities, we strive to promote the ecosystem around social entrepreneurship and impact investments. We also want to inspire the public and private sector to choose solutions that deliver documented social impacts, for example through innovative procurement and social impact bonds.

How we assess social impact throughout the investment cycle

Our investment process is broadly similar to that of a "traditional" investor, though it differs in that we integrate impact considerations from screening to exit. When performing company due diligence, the first step is always a deep dive into social impact – before commercial, financial and legal due diligence. We assess the social outcomes achieved to date and usually speak directly to the target group whenever possible.

The relevant companies must apply business logic to solve a societal problem and must have a business model that already makes, or will make, the company financially sustainable. We only invest in companies that already have paying customers, are receiving revenue and can demonstrate realistic growth ambitions. We want to ensure that the social impacts are directly linked to the company's core business and that future economic growth also will result in scaling their positive impacts.

At the time of investment, we strive to ensure that all financing agreements are linked to social impacts. This is not necessarily because the companies need such a financial incentive, but rather to ensure correct decisions are made in situations where short-term economic profit is weighed against social impact. We also draw up a clear ownership agenda with the company, including targets for both financial and social impact.

We use multiple tools to promote the companies' social impacts throughout the period we invest in a company. We follow internationally recognised principles and frameworks, including the Impact Europe, The Principles of Social Value, IMP's Impact Management Norms and the UN's Sustainable Development Goals.

Photo: Sveinung Bråthen

Portfolio results

It is important for us to measure the impact of the activities of the companies we invest in, to ensure that the companies achieve the change the target group needs. We have published the results of these measurements since 2010. In addition to measuring impact, we use the impact data to improve decision-making, in order to achieve greater impact. We use a method called Impact Management and Measurement for all our portfolio companies. This means that the companies are expected to both measure the social outcomes and position the business to make decisions that optimise their social impact.

To gain a good understanding of the impact of our portfolio companies, we ask them to measure results at the "outcome level". In practice, this means that companies measure whether their target group has benefited from an actual change, rather than simply counting the number of people or activities the company has reached. This is challenging, and our portfolio companies have different levels of maturity in this area. We therefore provide them with significant support in this work.

The portfolio companies are all different and address various societal challenges in differing target groups. However, they all create positive impacts for their target groups. Some of the companies reach relatively few people, but with a deep impact. We have chosen to call this "life-enhancing impact". Other companies reach many people, though their impact is not quite as deep. The companies count or estimate the number of people they impact, and categorise their impact as life-changing or life-enhancing, respectively.

The overall results of the Portfolio

83,100 The number of people the companies in our portfolio have had a positive impact on

78,100 people have experienced a life-enhancing impact

5,000 people have experienced a life-changing impact

Impact distributed among the investment areas

51,290 Preventing school dropout

1,770 Work inclusion

28,880 Seniors

1,160 Neurodiversity

Some selected highlights

81% say their quality of life has improved
auticon employs people on the autism spectrum as IT consultants, and by the end of 2023, the company had 436 consultants on board. 81% say their quality of life has improved.

237 young people employed
Generation M helps young people find their first job. In 2023, the company helped 237 young people into part-time jobs, 95% of whom report that the job has boosted their self confidence.

340 employed
Gammel Nok helps seniors find work and found jobs for more than 340 people in 2023. 99% report that they think that their job has improved their quality of life.

2,248 assessments
Mindmore is dedicated to enhancing brain health by providing digital assessments of cognitive functions. The company assessed 2,248 patients in 2023.

16,500 students
Ludenso inspires students to engage in learning and has facilitated educational experiences for over 16,500 young people in 2023.

389 without language
Lifetools' digital tools assist highly vulnerable non-verbal individuals in comprehending and expressing themselves, benefiting 389 children and adults in 2023.

Photo: Sveinung Bråthen

Intergenerational meetings are so important because they enable people to find a balance. You can reach an agreement and gain an understanding of why things were the way they were in the past. And of course it's great to show that young and old can come together and have a good time.

Zaid, 17 years old, M friend in Generation M

The positive results have been achieved through the dedicated efforts of our individual portfolio companies. In parallel, our capital and input have also played a decisive role in many cases. Our level of contribution and engagement with each company may vary, both initially, and as the portfolio evolves.

We do not present equity-adjusted figures due to the number of methodological challenges involved. In some companies, we have made traditional equity investments, while in others, we have utilised impact-linked SAFE (Simple Agreement for Future Equity) instruments. We also offer pure grants where we hold no ownership stake.

Creating a world-leading employer for people on the autism spectrum

The social entrepreneurs auticon and Unicus have joined forces to form the world's largest company where the majority of employees are on the autism spectrum.

Unicus and auticon are consulting companies that offer high-end IT services. The two companies are unique in that they both employ people on the autism spectrum as IT consultants. The merger has united two innovative, social businesses into one global player in the IT industry. The purpose is to build a robust company that can create even greater value and have an even greater social impact – both in existing and new markets.

Our journey with Unicus started in 2009, when we gave a small grant to finance a project with Telenor. This was followed by an investment in Unicus in 2016 and expansion in the Nordic region and the Netherlands. In 2018, we invested in auticon, a German-based company with a similar business model. Ferd was the driving force behind the merger between the two companies and is also the majority shareholder. The company is now headquartered in Munich.

"The merger of auticon and Unicus marks an important milestone for investment in social sustainability. We started investing in social entrepreneurs in 2007, with a vision that it was possible to develop innovative companies that could deliver both major social impact and strong financial results. The merger will create a global social entrepreneur, one of the very largest of its kind, with ambitious plans going forward. It obviously makes us very happy and proud," says owner and Chair of Ferd, Johan H. Andresen.

Reducing marginalisation

The majority of auticon and Unicus's employees have effectively been excluded from the employment market for a long time. It is estimated that between 70–80 per cent of adults on the autism spectrum are not in any form of meaningful work. This is despite the fact that many people with autism have positive characteristics that are in demand in working life, such as attention to detail and accuracy and a structured and systematic approach. Both auticon and Unicus regard these characteristics as a competitive advantage.

The new company does more than just hire people on the autism spectrum. By partnering with auticon, customers gain access to services that help them become better employers of employees on the autism spectrum. This service is called Neuroinclusion Services.

The company is now active in 30 cities and 14 countries, and had hired 436 employees on the autism spectrum by the end of 2023. The company has a total of 571 employees, of whom 76 per cent are on the autism spectrum.

Photo: Max Williams

Unicus and auticon help improve the lives of employees, while generating positive results for our customers.

Lars Johansson-Kjellerød,
founder and CEO, Unicus Holding

Consulting experiences from auticon (2023):

77%
feel that they can be themselves at work

74%
feel more confident

81%
experience an improved quality of life after being employed by auticon

An accelerator for social entrepreneurship

In 2018, we launched Impact StartUp, providing support for companies that are not yet mature enough for investment from Ferd Social Entrepreneurs. The establishment of Impact StartUp is also integral to our efforts to strengthen the ecosystem for social entrepreneurs in Norway. A standalone company since its inception, Impact StartUp is now a leading environment for social entrepreneurs in Norway.

Impact StartUp provides accelerator programmes for start-ups that benefit from close follow-up and support from dedicated and experienced business developers. They also organise workshops and provide access to important tools. The programme, which consists of a combination of digital and physical workshops, accepts ten start-ups per cohort.

The company also provides a digital offering called "Studio". Here, companies gain access to a range of learning resources and have the flexibility to explore one or more areas at their own pace. The companies can also arrange meetings with business developers and receive information about relevant networking arenas.

→

Read more about ISU

Read more about Impact Startup Studio

Won an important tender

In the autumn of 2023, Impact StartUp won a tender from the City of Oslo worth NOK 2.5 million. In line with the City of Oslo's vision of cultivating a socially and environmentally sustainable Norwegian capital, in the spring of 2024, Impact StartUp reinforced the Søndre Nordstrand district with the launch of the new South Zero Accelerator programme.

The South Zero Accelerator is designed to demonstrate how start-ups that focus on impact can play a pivotal role in shaping a "Zero community" in the south of Oslo. "Zero" represents the ambition of zero social exclusion, zero unemployment and zero environmental harm.

The accelerator has two parallel programmes: One for impact start-ups aiming for growth, and one for aspiring entrepreneurs seeking to kick-start their ventures.

The programme is being implemented in collaboration with the City of Oslo, Gründergarasjen, OsloMet and Hafslund Oslo Celsio. This is the first time that Impact StartUp has brought together actors from the public and private sectors, entrepreneurial environments and academia.

Annual summary and the road ahead

Highlights in 2023

- We invested in two new companies, GET Academy, Klar Kompetanse, and one fund, Mikrofonden.
- Our subsidiary Impact Startup won a tender from the City of Oslo to implement an accelerator in Bydel Søndre Nordstrand, called South Zero Accelerator.
- We have been a driving force behind the establishment of NorNAB – the Norwegian National Advisory Board
- The Oslo Initiative has supported 15 selected organisations that collaborate closely with the City of Oslo and volunteers to increase motivation to attend school, offer meaningful leisure activities and create more job opportunities in Oslo's most marginalised districts.
- Unicus and auticon have been merged into one company, in which we are the main owner.
- The Social Entrepreneur of the Year award was presented at the Confederation of Norwegian Enterprises' Annual Conference on 9 January. The topic was preventing school dropout, and JobLoop won the award.
- We published our eleventh impact report in Norwegian and English.

The road ahead

Ferd Social Entrepreneurs anticipates making more promising investments in solutions that offer significant social impact over the next year. In 2024, we will devote significant resources to the integration process between Unicus and auticon while the Oslo Initiative will remain a key focus area. We closely monitor developments in social impact funds, particularly noting a significant rise in funds with compelling social perspectives in Europe.

With regard to measurement and reporting, we will continue our systematic efforts to support our portfolio companies in measuring and managing their social impact. We will also maintain our focus on innovative financing and Impact Linked Finance for new investments in 2024.

FERD

CHAPTER 4

Other impact investments and initiatives

In this chapter, you can read about the impact investments we have made outside our business areas – in addition to the social, environmental and humanitarian initiatives that we are developing and supporting.

Our allocation to impact investments

Over time, Ferd has increased its allocation to investments specifically aimed at creating both positive, measurable social and/or environmental impact, as well as financial returns.

In addition to two of our business areas (Ferd Impact Investing and Ferd Social Entrepreneurs) having an impact mandate, we have made several other impact investments focusing on financial inclusion and developing countries.

Our impact investments have different impact, risk and return expectations.

NOK 1,182 m

At year-end 2023, we had invested a total of NOK 1,182 million in privately owned companies and funds, with an explicit intention of creating positive social and environmental outcomes, in addition to financial returns.

This amount is distributed as follows:

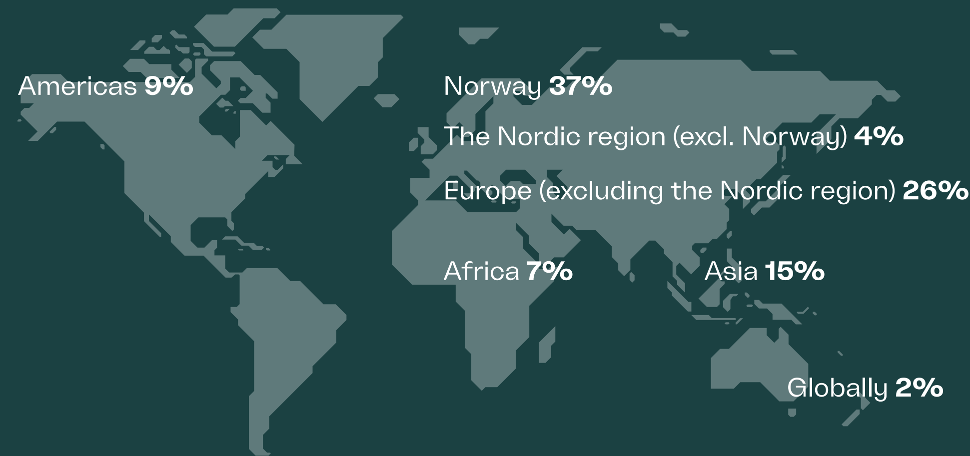
46% invested in climate and environmental solutions

32% invested in social solutions, mainly in Norway/the Nordic region

21% invested in financial inclusion in developing countries

Over the past five years, the proportion of impact investments has risen from 0.7 per cent to 2.6 per cent of our total investment portfolio.

Our impact investments have broad international exposure. A quarter of the capital is invested in developing countries.



Abler Nordic

A company that invests in institutions that offer financial services to low-income families in developing countries.

You can read more about Abler Nordic and their social impact here →

Abler Nordic invests in financial institutions and other companies that promote financial inclusion in sub-Saharan Africa and Southeast Asia, primarily through significant equity in unlisted companies. The goal is for the investments to contribute to robust social and financial results. Abler Nordic works to give low-income families in developing countries access to a wide range of financial services. Through board representation and effective collaboration with management, Abler Nordic exercises active ownership.

Abler Nordic was established in 2008, following an initiative from Johan H. Andresen to start a private/public collaboration in Norway. Abler Nordic currently has private and public investors from Norway and Denmark and manages a capital base of more than NOK 3 billion. Ferd is a minority shareholder in the management company and a significant investor in all of Abler Nordic's four funds, with a combined exposure of NOK 270 million.

Portfolio results as of Q3 2023[1]

1 NO POVERTY	**12.8 million** customers have been reached since its establishment in 2008
5 GENDER EQUALITY	**92%** of 6.8 million current customers are women
10 REDUCED INEQUALITIES	**70%** of 6.8 million current customers live in rural areas

Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way.

World Bank, 2022

[1] Overall results for the companies in Abler Nordic's portfolio. Read more in the Impact Report Q3 2023. The figures have not been adjusted for our equity stake.

Independent measurement of social outcomes

Abler Nordic needs to know that the customers of the financial institutions it has invested in are achieving enhanced financial stability. In 2022, Abler Nordic was one of the initiators of the 60 Decibels Microfinance Index. This is the world's first and largest survey conducted among the customers of financial institutions that target low-income households in the developing world. In 2023, the customer survey covered 30,000 customers in 30 different countries.

A total of 2,200 customers from eight of the financial institutions in which Abler Nordic has invested participated in the survey.

89% say their income has increased as a result of becoming customers

8 DECENT WORK AND ECONOMIC GROWTH

91% say that their quality of life is higher now than before

1 NO POVERTY

PORTFOLIO COMPANY: JUHUDI KILIMO

Improving the living conditions of people in the Kenyan countryside

In Kenya, about 75 per cent of the population live in rural areas, making a living from agriculture. 20 per cent of the population do not have access to even the most basic financial services from established financial institutions. This population group cannot, for example, take out a small loan to buy agricultural tools, so that they can increase their production and income.

Juhudi Kilimo is a financial institution that offers small farmers and small business owners in rural areas loans to purchase fertiliser, livestock and clean energy, so that they can increase productivity, boost their income and become more resilient to the growing effects of climate change.

Abler Nordic gave a substantial loan to Juhudi Kilimo in 2019, and in 2022 judged the time right to take a significant stake in the company. The two companies work closely together to enable Juhudi Kilimo to reach more customers with well-tailored financial services, while constantly improving the quality of the services. Costs are kept in check through the use of digital solutions. Juhudi Kilimo currently operates in 33 of the 47 regions in Kenya and has a total of 70,000 customers. 70 per cent of these are women.

One of these women is **Mercy Tanui**. Mercy, who is from Nakuru, has five children and previously managed to scrape a living for herself and her family with a little farming. With the help of a series of small loans from Juhudi Kilimo, she has managed to buy some livestock and farming tools, and to open a small shop in the village. As her business has grown, so has her income, greatly improving the quality of life for both her and her family. She has now built a solid brick house and been able to afford to send all five of her children to school – two of whom have gone on to university.

In 2023, a total of 277 Juhudi Kilimo customers were interviewed in connection with the 60 Decibels Microfinance Index survey. The customers were asked how access to professional financial services had impacted their lives.

Watch the video about Mercy Tanui →

Results from 60 Decibel's survey of Juhudi Kilimo customers

71% said that the loan they had taken out in Juhudi Kilimo was the first they had ever received

94% say that their quality of life has improved

87% said their income has increased as a result of becoming customers

91% said that their ability to achieve their own financial goals was better than before

The Refugee Impact Bond

A financing collaboration that enables financial security for refugees and affected local communities in Jordan.

You can read more about the Refugee Impact Bond and their social outcomes here →

In recent years, Ferd has worked to develop the Refugee Impact Bond, which was officially launched in Amman in November 2022. An international partnership is behind the development project, which engages private investors, philanthropic funding and public aid organisations. This is a relatively new instrument which uses risk-seeking capital to improve innovation and ultimately outcomes in developement projects. In this case, the aim is to help improve the situation and outlook for Syrian refugees, initially in Jordan, and later perhaps also in Lebanon.

Work opportunities

The aim is to give 4,300 vulnerable people training that strengthens their opportunities in the labour market, and for 2,600 small entrepreneurs to receive start-up capital. Women and young people are the priority target groups.

The programme is available to both refugees and other people in need in areas with a high proportion of refugees. A total of 6.6 million Syrians have had to flee their homeland, with the majority living in neighbouring Jordan and Lebanon, where they are putting significant pressure on local communities and infrastructure.

A positive and well-documented outcome could establish the Refugee Impact Bond as a benchmark project, making this type of initiative a model for more contemporary and effective development efforts, both in Norway and internationally.

Underway for three years

The initiative to create the Refugee Impact Bond originally came from the Belgian impact actor KOIS and the IKEA Foundation, which jointly started to pitch the idea to participants at the World Economic Forum in Davos in 2019. "Ferd had long been looking for opportunities where we can help bring about system changes by reaching vulnerable people, and this is exactly the sort of initiative I hoped would crop up. Full of enthusiasm, I signed Ferd up as a participant there and then and also wanted to try to get Norad involved as a partner in the project," says owner and Chair of Ferd, Johan H. Andresen. He succeeded in that. But it would be a long time before work on the ground in Jordan could actually begin. At Ferd, people are used to short decision-making paths. However, our partners found that they had far more bureaucratic processes and regulations to contend with. Only after three years and the efforts of 62 lawyers – none of whom were from Ferd – was a 70-page framework agreement drawn up, to enable the money to finally be put to work.

Setting social goals with potential for flexible implementation

The collaboration will finance the Near East Foundations (NEF) programme, which is designed to contribute to positive change for refugees and their host communities. With the help of training in entrepreneurship and life-skills as well as financial support, selected participants are given the opportunity to go from being a burden to a resource for the local community. NEF's programme is being rolled out in phases with a horizon of four years. The special thing about this funding is that NEF can adapt the way it works, in order to optimise achievement of the social goals over the longer term.

Ferd has invested USD 2 million and takes on risks linked to the achievement of the social goals.

Independent evaluation

An independent third party evaluates the extent to which pre-defined social goals have been met – such as how many of the small businesses prove to be viable, the number of jobs created and improvements in family prosperity and living conditions.

Social outcomes

The first measurements are highly promising and significantly exceed expectations. Ten months after payment of the grants, 98.5 per cent of the first cohort was engaged in an active income-generating activity. Most reported improved income levels and profits from their business in the month before the survey was conducted. Participants also reported that their businesses had provided them with an average increase in monthly purchasing power of 89 Jordanian dinars (JOD) (NOK 1,276), with a median of JOD 50 (NOK 717).

About the structure

The Refugee Impact Bond is a type of Development Impact Bond (DIB) developed to use risk-seeking capital to improve innovation and efficiency in aid projects.

The structure has three different contributors:

1. Social investors who accept social and financial risk by financing an aid programme – whose repayments and returns depend on whether the programme achieves pre-defined social goals (in this case, the social investors are Ferd and the US International Development Finance Corporation).

2. Implementing parties who are responsible for the practical implementation of the aid programme on the ground (in this case the Near East Foundation).

3. Outcome funders, typically philanthropists or public aid actors who pay for achieved social outcomes (in this case the IKEA Foundation, the Danish Novo Nordisk Foundation and the Norwegian Agency for Development Cooperation).

If the social outcomes are good, Novo Nordisk and Norad will cover the entire capital contribution, in addition to a return of a maximum of 5.1 per cent annually. This could potentially be paid out when the final outcome is available after four years. If the project does not succeed, these parties, in addition to the IKEA Foundation, will cover 80 per cent of the investors' costs.

The Mara Naboisho Conservancy and Basecamp Explorer

Ferd helps ensure the migration of wild animals in Africa during critical periods.

Read more about the Mara Naboisho Conservancy →

Read more about Basecamp Explorer →

Ferd is helping ensure the migration of wild animals between Serengeti and Masai Mara in Kenya. Our latest contribution was a loan to The Mara Naboisho Conservancy and the tourist operator Basecamp Explorer in 2020.

When tourists stopped visiting Mara Naboisho during the pandemic, there was a risk that the wildlife conservation model would collapse. We extended loans totalling USD 650,000 to the Mara Naboisho Conservancy and Basecamp Explorer, to ensure that the tourist operators had sufficient capital to operate until the tourists returned.

The loans are unsecured, have an interest rate of 2 per cent and will gradually be repaid as the accommodation's occupancy rate returns to over 40 per cent. As of January 2024, approximately USD 310,000 had been repaid.

Our contributions have come at important times and encouraged others to follow suit. The loan we set up, along with its special terms and conditions, was subsequently adopted as a model by other contributors.

The Mara Naboisho model
The Mara Naboisho Conservancy in Kenya has developed a model for the conservation of wildlife and local culture, based on sustainable tourism. Various tourist operators (including Basecamp Explorer) lease land from the Maasai in order to offer tourists accommodation and safari experiences.

As partners in the model, the Maasai participate in conservation decisions and receive income from tourism, offering them an attractive alternative to other land uses. Alternative uses of the areas could jeopardise the migration of the animals. Collaborating with the Maasai as landowners and partners is essential for the model's success. The conservancy also provides benefits to the wider local population through initiatives such as education, jobs in the tourism sector, and healthcare services. The model has documented an increase in the animal population, including of predators such as lions and cheetahs.

Other initiatives

In addition to our investment activities, we develop, support and engage in a number of other initiatives with a social, environmental or humanitarian dimension.

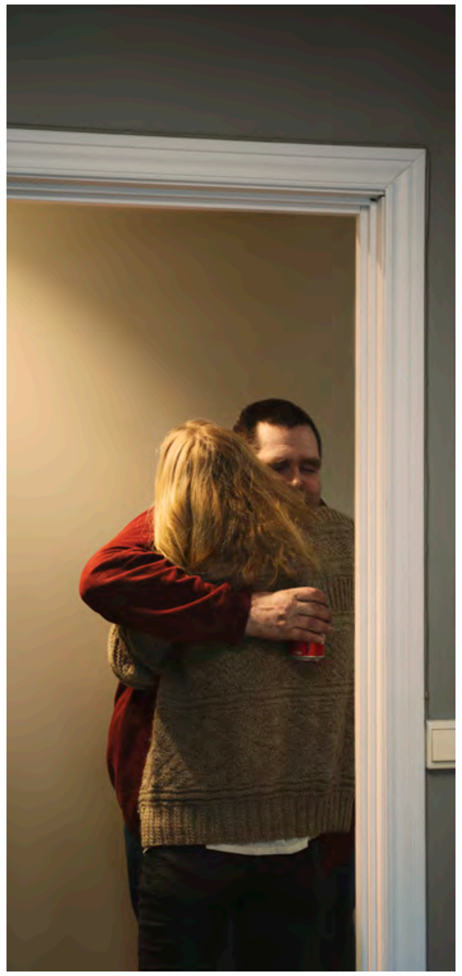
In 2023, one key focus area has been the ambitious placebased Oslo Initiative.

In 2023, the collaboration with the newly formed Oslo Initiative represented a key focus area.

We also actively engaged with:
- JA Europe and Ungt Entreprenørskap (JA Norway)
- Debattene om Norges fremtid (Debates about Norway's future)
- NorNAB – Norwegian National Advisory Board for Impact Investments
- NORSIF – Norwegian forum for responsible and sustainable investments

We supported the following organisations and initiatives:
- Eikaklinikken and the organisation Safer Drug Policies
- Karanba Brazil
- Educational assistance for young Norwegian chess talents
- The Church City Mission
- The Norwegian Refugee Council
- Oslo Red Cross
- Alternative Christmas
- Gi Gaven Videre AS

Support was also given to the following in connection with the crises in Ukraine and Gaza
- The Norwegian Refugee Council (NRC) in Gaza
- Establishment of mental health services for Ukrainian children
- Norwegian Ukrainian fire and ambulance support
- Save the Children



The Oslo Initiative

The Oslo Initiative is a joint initiative to counteract the impacts of social inequality in the Norwegian capital. Through the initiative, Ferd supports and strengthens local organisations and actions in the districts of Alna, Grorud, Stovner and Søndre Nordstrand.

In practice, the Oslo Initiative supports and strengthens existing initiatives in the city's districts, such as sports teams, non-profit organisations and social entrepreneurs. The aim is to expand and further develop their solutions, and facilitate increased collaboration among organisations, districts, schools and governmental agencies.

In 2023, the Oslo Initiative started several collaborative projects aimed at young people. The projects aim to offer work arenas and relevant art and culture facilities and to break down financial barriers in order to enable more people to participate in leisure activities, as well as strengthen vocational training and alternative learning environments.

We want to create synergies between private and public actors. We aim to facilitate increased participation in play and physical activity, and ensure students complete upper secondary education and can establish a lasting relation with the employment market. In this way, we can help ensure that the talent, resources and ideas that society needs in the future are not lost.

The Oslo Initiative is a Ferd project that draws on assistance and engagement from the entire organisation. Operational responsibility for the Oslo Initiative resides with Ferd Social Entrepreneurs.

We currently work with 14 different organisations:

- Atlas Kompetanse
- BUA
- Dragulf
- Free stock Norway
- Grorud Sports Club
- Klemetsrud Sports Club
- Norge Unlimited
- Robust
- Stovner Boxing Club
- Talentsenteret i realfag
- Trygg av Natur
- Wild X
- The Zuccarello Foundation
- Øst Kunst

Debattene om Norges fremtid

Debattene om Norges fremtid ("*Debates about Norway's future*") is a democracy project aimed at creating a more dynamic and uninhibited debate environment. The debates deal with important topics in a time of sweeping social change.

In 2021, Ferd was one of four initiators who, together with the former editor, journalist and business leader Bente E. Engesland, started the project. The other three partners are Fritt Ord, Amedia and the Norwegian Research Council. All the partners share a major commitment to freedom of expression.

The project strives to prompt discussions that analyse and illuminate topical issues at a time of sweeping social changes. The project aims to involve multiple environments, from business and politics to culture and research, in addition to volunteers and locally engaged individuals.

The aim is to encourage fact-based discussions and provide a platform for younger members of society to voice their opinions, ensuring that it is not only individuals bound by political agendas who are heard.

Our role is primarily to be a sparring partner who suggests topical issues and players that can contribute valuable insights. We hope to use the project to create space for more open and uninhibited debate.

Debates held to date:

- Blue Gold
- A new generation in revolt
- Oslo – A class-divided city
- Next door to a military power
- The most unlucky young generation
- Unrestricted substance use
- AI –Intelligence without emotions
- Sørlandet – South of Norway
- Sleeping tier-two cities

→

You can read more about the Debates about Norway's Future project here

Ungt Entreprenørskap and Junior Achievement Europe

Ferd helps promote entrepreneurship among young people through our involvement in Ungt Entreprenørskap and Junior Achievement Europe.

Ungt Entreprenørskap (UE) is a non-profit, nationwide organisation that works to promote entrepreneurship among young people in Norway. Their vision is to inspire young people to think in new ways and create value. UE partners with educational institutions, businesses and other actors, serving as a bridge between schools and workplaces.

UE is part of the global network Junior Achievement (JA) Worldwide, which is one of the largest organisations in the world dedicated to providing young people with training in business management, finance and entrepreneurship.

UE and Ferd's partnership goes back a long way and originally started with the involvement of Tiedemann's former Finance Director, Edgar Johannesen. On 15 October 1990, together with Johan H. Andresen Sr. and Nils Kvandal, Johannesen signed the protocol for the establishment of the *Young People in Business foundation*. This became the forerunner of today's UE, which was established in 1997. In 2003, Ferd initiated a partnership with UE Oslo, which was quickly followed by a partnership with UE Norway. Through this partnership we aim to show that entrepreneurial programmes in schools provide young people with a unique experience that contributes to self-insight and experience-based learning. We believe that giving individuals new opportunities is the key to unleashing their potential.

You can read more about Ungt Entreprenørskap here

You can read more about Ferd's List here

Johan H. Andresen was also the driving force behind the establishment of Ferd's List. Ferd's List is a partnership between JA Europe and Ferd that recognises and honours young men and women on their unique journey towards "creating enduring value and leaving clear footprints". This is an annual award for six to ten entrepreneurs and managers aged 25 to 45 from Europe and the rest of the world. What they all have in common is that they have built on their experience of entrepreneurship from the academy run by JA Europe, known as Ungt Entreprenørskap in Norway. We believe that this proves that people, and young people in particular, can take advantage of new opportunities if they are given to them.

NorNAB – Norwegian National Advisory Board for Impact Investments

NorNAB is a a Norwegian national advisory board for impact investments. Ferd contributed to the establishment and development of the organisation in 2023.

You can read more about NorNAB here

In collaboration with other players in the Norwegian impact ecosystem, Ferd has headed initiatives relating to, and funded, the establishment of a Norwegian National Advisory Board for Impact Investments. NorNAB was established in February 2023 by Wilstar, Nysnø, Katapult, Grieg Investor and Ferd.

The organisation's main purpose is to increase the flow of capital for impact investments from Norway, nationally and globally. This will be achieved by strengthening the market through three measures:

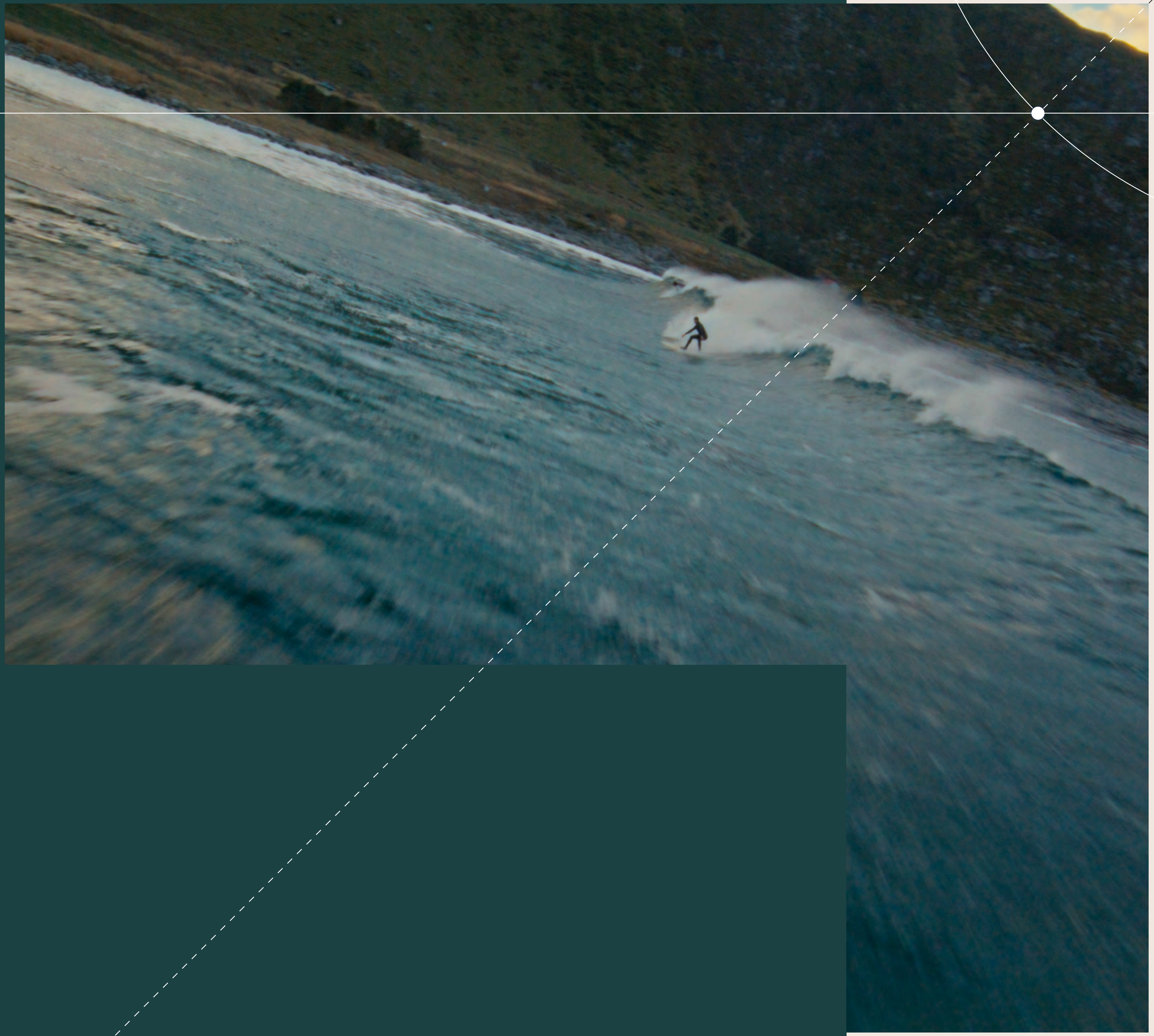
- Increasing understanding of, and familiarity with, impact investments.
- Helping improve the framework conditions for impact investments.
- Being a driving force for experience-sharing and the development of best practice within impact investments.

Highlights from NorNAB's work in 2023

- Establishment of the association in February 2023. At the end of the year, the association had 26 members.
- The growth of the association made it possible to recruit a CEO who formally took up their post in December 2023, after a thorough selection process.
- NorNAB published the report "State of Impact Investing in Norway", which estimated the size of the impact investment market in Norway in 2023.
- The association started preparing a guide for impact investments for asset owners and asset managers in Norway, in collaboration with Norwegian Forum for Responsible and Sustainable Investments.
- NorNAB was officially appointed a "National Advisory Board" by the Global Steering Group for Impact Investments (GSG) on 1 October 2023, providing the association with strong international ties and access to best practice. Membership also facilitates international bilateral collaboration and policy development.

CHAPTER 5

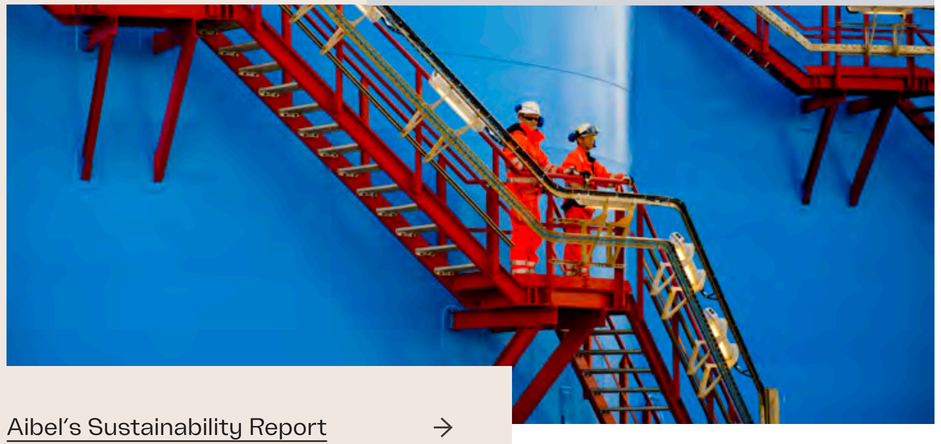
Our largest portfolio companies



In this chapter, you can read about how our largest portfolio companies work with sustainability – and the results they have achieved to date.

Aibel

Energy



Aibel's Sustainability Report →

Ferd's ownership	Operating revenue	Number of employees	Invested
49.9%	NOK 15,776 m	4,957	2006

About Aibel
Aibel builds, modifies and maintains critical infrastructure for the energy sector and is one of the largest supplier companies in Norway. Aibel implements many major new construction projects within oil and gas, both in Norway and internationally. On the Norwegian continental shelf, Aibel has an extensive portfolio of modification and electrification projects, as well as maintenance of offshore installations and onshore facilities. The company also makes extensive deliveries to offshore wind farms in Germany and the UK. Aibel has approximately 5,000 employees, with offices in Norway, Thailand and Singapore.

Sustainability at Aibel
Sustainability is a fundamental premise for all work carried out at Aibel. In order to successfully implement its long-term business strategy, a commitment to sustainable development is essential. Aibel believes that adapting operations and the company's strategies to the UN's Sustainable Development Goals is important for investors, customers and the environment. The company has a long history of adapting its operations to changing market conditions and is already established in various renewable segments. The company's sustainability strategy is adopted by the board and group management, and is driven forward by the efforts of all employees and a dedicated Sustainability Committee. Aibel's ongoing sustainability initiatives are summarised annually in the company's sustainability report, which has been published every year since 2017.

Highlights in 2023
In 2023, Aibel's sustainability initiatives and risk exposure were externally ESG-assessed by Sustainalytics, where the positive results from the same assessment in 2021 were reinforced. Aibel's 2023 results once again qualified them for a place on the list of "top rated companies". The good work with sustainability and implementation of targeted actions has continued in 2023. Several initiatives have been implemented to directly reduce greenhouse gases at the company's shipyard in Haugesund, and the company can document a clear reduction against the base year of 2018. In 2023, Aibel continued its efforts to comply with the requirements of the Norwegian Transparency Act, aiming for seamless integration into its day-to-day operations. At the same time, the company is preparing for reporting in accordance with new EU directives that are being implemented on an ongoing basis.

The road ahead
Aibel has a clear strategy to contribute strongly to developing and transitioning to renewable energy and a low-carbon future. The company will continue to prioritise work on key sustainability topics: The environment, health and safety, human rights and working conditions, as well as anti-corruption and compliance. Aibel is also preparing for more comprehensive follow-up and reporting on sustainability, in accordance with the Norwegian Transparency Act and the EU's CSRD.

Greenhouse gas emissions

Total tCO_2e: 412,199
(2022: 385,907)

Scope	Emissions
Scope 1	3,373 tCO_2e
Scope 2	7,569 tCO_2e
Scope 3	401,257 tCO_2e

tCO_2e per NOK m revenue: 26

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

Employees
80% men 20% women

Executive management
57% men 43% women

Board of Directors
60% men 40% women

Women earn on average 102% of what men earn

External affiliations and certifications

UN Global Compact

Companies taking action – Science Based Targets - "Committed"

Aiming For Zero (ogci.com) - "Supporter"

Home - CDP – customer reporting "Climate change"

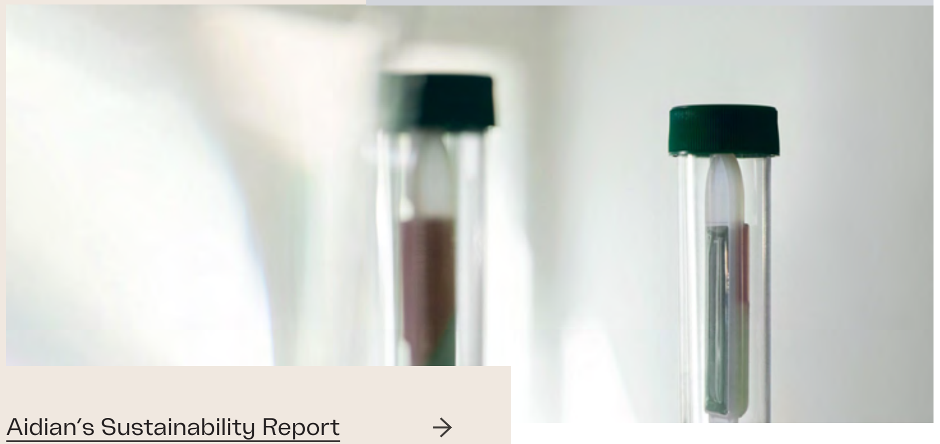
Magnet JQS and Achilles

ISO 9001, ISO 14001 and ISO 45001

Safety Culture Ladder

Aidian

Health Care



Aidian's Sustainability Report →

Ferd's ownership	Operating revenue	Number of employees	Invested
31%	NOK 724 m	298	2021

About Aidian
Aidian is a Finnish-based in vitro diagnostics (IVD) company, with almost 50 years' experience in developing and producing reliable, fast and simple diagnostic tests aimed at primary health care services. The aim is to contribute to better health globally, by promoting an efficient healthcare system that provides accurate and quick diagnoses. Aidian specialises in analysis close to the patient, so-called point-of-care testing. The company's product portfolio supplies solutions in areas such as diagnosis of infectious diseases, better treatment of diabetes and screening for colon cancer.

Sustainability at Aidian
At Aidian, sustainability encompasses a balance of social, environmental and economic considerations, and is ingrained as a core principle within the company's values. Health and patient safety are fundamental considerations. Aidian is also leading the fight against antimicrobial resistance, since quick and accurate diagnoses play a decisive role when assessing whether to use antibiotics. Other key topics in the company's sustainability work include reducing the climate footprint and promoting continuous learning through professional development and expertise. The company also aims to support internal and external diversity, in order to promote innovation.

Highlights in 2023
Aidian further enhanced its sustainability strategy in 2023. This work will continue in 2024. The company reduced the percentage of water used in production and cut its electricity consumption by 4.1 per cent. Three occupational accidents were registered, a very low figure compared to the industry as a whole. Aidian commits to employee safety through a near-miss incident reporting programme.

The road ahead
In addition to promoting the fight against antibiotic resistance by offering smart health solutions, Aidian's sustainability initiatives will in particular focus on completing the calculation of the company's carbon footprint and setting targets for emission reductions. Resources will also be allocated to the implementation of CSRD and a double materiality analysis, as well as the preparation of a Sustainability Roadmap.

Greenhouse gas emissions

No CO_2 figures have been reported for 2022 or 2023, but an internal project has been launched to report and set targets in 2024.

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

Employees
36% men 64% women

Executive management
78% men 22% women

Board of Directors
86% men 14% women

Women earn on average 96% of what men earn

External affiliations and certifications

UN Global Compact

Responsible Care Sustainability Reporting Programme (Chemical Industry Federation of Finland)

Aidian Quality Management System is ISO 13485:2016 certified and also meets e.g. FDA and other regulatory requirements.

Brav

Consumer Discretionary

Brav's Sustainability Report →

Greenhouse gas emissions

Total tCO_2e: 17,557
(2022: 31,397)

Scope 1 1,765 tCO_2e

Scope 2 180 tCO_2e

Scope 3 15,612 tCO_2e

tCO_2e per NOK m revenue: 15

Ferd's ownership	Operating revenue	Number of employees	Invested
100%	**NOK 1,161 m**	**262**	**1976**

Ferd Capital Compliance Programme ✓

Measures employee satisfaction ✓

About Brav
Brav is a leading player in the sports and outdoor market, engaging in extensive product development and sales of its own brands. The company's products are distributed in more than 30 different countries, with Norway, Sweden and the USA as the three largest markets. Most of the products are manufactured by suppliers in Asia and Europe, as well as at the company's own facilities at Lillehammer in Norway, Järpen in Sweden and Lithuania.

Sustainability at Brav
Brav's most important sustainability topics can be grouped into five categories: net zero (climate neutral), waste reduction in products and packaging, responsible purchasing, responsible products and the people the company employs. Four out of five topics are directly linked to the company's carbon footprint. These five topics form the basis for Brav's focus areas within sustainability. In 2023, the company continued work to define KPIs for each topic. Through its membership in NF&TA (Norwegian Fashion & Textile Agenda) and STICA (Scandinavian Textile Initiative for Climate Action), Brav has focused on one important goal: "Drive industry forward through partnerships with selected organisations and partners".

Highlights in 2023
Brav published its first Responsibility Report according to the GRI protocol. The report highlighted the achievements, challenges and ambitions faced by a player within the textile and outdoor industry. The company has remained focused on its key priorities and has shifted towards a more outward-facing approach in its communications. Through its membership in NF&TA and STICA, Brav is looking forward to more collaboration with other brands, NGOs and stakeholders on major challenges such as greenhouse gas emissions and the circular economy.

The road ahead
Brav's main priority is to reduce its carbon footprint. Brav will work to reduce overproduction, while investigating opportunities to establish circular business models. As a first step, at the start of 2024, Brav started to hire out equipment from its own stores at Snø in Lørenskog and in Lillehammer. Swix has also partnered with NF&TA and Vandre to carry out a pilot project to improve the efficiency and accessibility of repair services.

Employees
55% men 45% women

Executive management
29% men 71% women

Board of Directors
80% men 20% women

Women earn on average 94% of what men earn

External affiliations and certifications

GRI

Plastløftet (The Plastics Pledge)

Responsible Wool Standard (RWS) certified company

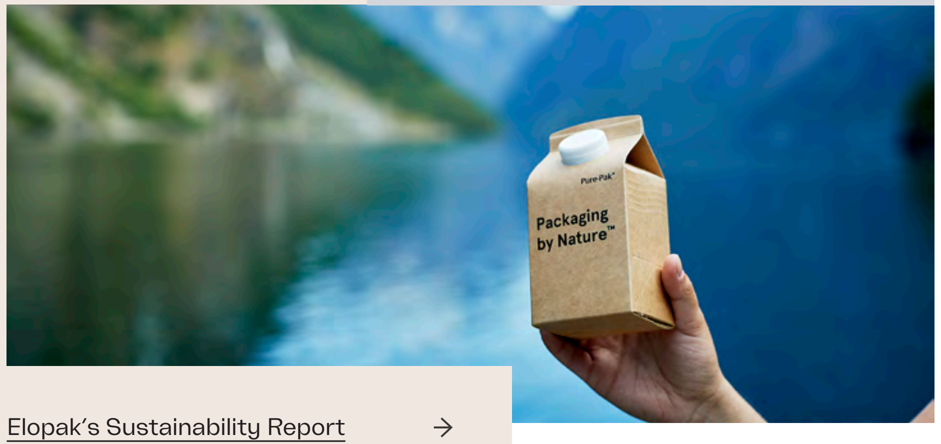
NF&TA Membership

STICA membership

You can read more about Swix's campaign to ban fluoride here

Elopak

Industrials



Elopak's Sustainability Report →

Greenhouse gas emissions

Total tCO_2e: 725,636
(2022: 685,464)

Scope 1 4,731 tCO_2e

Scope 2 987 tCO_2e

Scope 3 719,918 tCO_2e

tCO_2e per NOK m revenue: 57.3

Ferd's ownership	Operating revenue	Number of employees	Invested
60%	**NOK 12,667 m**	**2,019**	**1957**

Ferd Capital Compliance Programme ✓

Measures employee satisfaction ✓

About Elopak
Elopak is a leading global supplier of cardboard packaging. The company uses renewable, recyclable and sustainable materials to offer innovative packaging solutions. Elopak sells more than 14 billion cartons each year in more than 70 markets.

Sustainability at Elopak
Sustainability forms the basis for both strategy and innovation. Elopak has three main focus areas: people, planet and profitability. The company adopts a holistic approach to sustainability, recognising that sustainability not only encompasses emissions from its operations, but also a social responsibility to employees and the local communities where the company operates.

Highlights in 2023
2023 was an important year for Elopak. The company built on its previous successes in implementing a sustainability-driven growth strategy. This included launching a number of new ground-breaking collaborations, strengthening its presence in new markets and also announcing the establishment of a new factory in the USA.

During the year, Elopak marked 15 years of dedicated work within sustainability. In recognition of its efforts, Elopak received an A+ score for its ESG reporting from Position Green. This places the company in the top 5 per cent of the companies assessed, and demonstrates Elopak's commitment to running a responsible and sustainable business. The company also received an Ecovadis Gold rating, placing Elopak in the top 2 per cent of rated companies globally. Since 2020, the company has reduced its emissions of greenhouse gases in Scope 1 and 2 by 33 per cent. This mirrors the company's ongoing commitment to environmental, social and ethical initiatives on its journey towards net-zero status by 2050. In 2023, Elopak combined and calibrated its climate risk assessment with a double materiality analysis. The results are being implemented in both operational and strategic planning processes. This will serve as a foundation for mitigating Elopak's climate risks while also fostering operational and strategic alignment moving forward.

The road ahead
Elopak's sustainable approach to profitability means that the company will continue to supply recyclable and renewable cartons with a low carbon footprint to more markets and more people around the world. The company is also a driving force behind the global transition from plastic bottles to cartons.

Employees
79% men 21% women

Executive management
90% men 10% women

Board of Directors
57% men 43% women

Women earn on average 89% of what men earn

External affiliations and certifications

Net Zero Targets approved by SBTI

UN Global Compact

GRI Ecovadis Gold rating

CDP

See all affiliations here

33% reduction in Scope 1 and 2 since 2020

Fjord Line

Transport

Fjord Line's Sustainability Report →

Greenhouse gas emissions

Total tCO_2e: 133,809
(2022: 154,532)

Scope 1	95,055 tCO_2e
Scope 2	52 tCO_2e
Scope 3	38,702 tCO_2e

tCO_2e per NOK m revenue: 91.1

Ferd's ownership	Operating revenue	Number of employees	Invested
50%	NOK 1,469 m	630	2014

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

Employees
62% men — 38% women

Executive management
83% men — 17% women

Board of Directors
80% men — 20% women

Women earn on average 88% of what men earn

About Fjord Line
Fjord Line is Norway's second-largest ferry operator, transporting international passengers and freight between Norway, Sweden and Denmark. In 2023, Fjord Line had a market share of 20 per cent, and in a normal year, the company transports over 1.4 million passengers and 65,500 freight units.

Sustainability at Fjord Line
Fjord Line's vision of becoming Scandinavia's best, most popular and profitable ferry company entails a strong commitment to sustainability. This includes a strategic focus and strong commitment to:

Environmental management: The company is leading efforts to decarbonise, protect the marine environment and reduce waste.

Social responsibility and a safe, engaging and inspiring working environment: Fjord Line is a responsible employer that prioritises ensuring that its employees are happy at work.

Responsible operating practices and corporate social responsibility: Fjord Line operates with a strong focus on business integrity and responsible practices.

Fjord Line's focus areas are the result of discussions with Fjord Line's stakeholders, evaluating which topics hold the greatest significance from their viewpoint, and are then prioritised following a thorough materiality assessment. Fjord Line's main stakeholders are customers, employees, owners and lenders.

Highlights in 2023
The company implemented a number of key strategic measures in 2023 while continuing its efforts to quantify data for sustainability reporting. During 2023, Fjord Line rolled out systems to accurately calculate the company's environmental impact and raise awareness of various drivers of emissions in different scopes (Scope 1, 2 and 3).

The road ahead
Fjord Line will continue to invest in innovative and sustainable ferry operations that benefit the company's direct stakeholders and society at large.

Fürst

Health Care

Greenhouse gas emissions

Total tCO_2e: 15,864
(2022: 362) [1]

Scope 1	351 tCO_2e
Scope 2	26 tCO_2e
Scope 3	15,486 tCO_2e

tCO_2e per NOK m revenue: 16.8

Ferd's ownership	Operating revenue	Number of employees	Invested
40%	NOK 945 m	404	2016

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

Employees
19% men — 81% women

Executive management
55% men — 45% women

Board of Directors
50% men — 50% women

Women earn on average 78% of what men earn

External affiliations and certifications
ISO 15189 Accredited
ISO 14001 Certified
ISO 27001 Certified

About Fürst
Dr. Fürst Medisinsk Laboratorium ("Fürst") is a privately owned laboratory in the fields of medical biochemistry, clinical pharmacology, microbiology and pathology. The laboratory delivers services to the Norwegian healthcare system through agreements with regional healthcare organisations. The company aids doctors in diagnosing and treating patients, ensuring that patients receive appropriate and effective care. The company's main laboratory is located in Furuset in Oslo, with sample collection points in Oslo, Bergen and Sandefjord.

Sustainability at Fürst
Fürst's trademark is quality and service. The company is working to achieve the UN's Sustainable Development Goals, and the business aims to be cost-effective, with the least possible burden on the environment.
The company's sustainability areas are grouped into five main categories:
1) Fürst will help reduce social health inequalities and deliver high-quality analyses to the public health system, through health-promoting and preventive health services with short response times.
2) The company strives for workplace inclusion and diversity by employing a predominantly female workforce in Groruddalen, Oslo, with a notable multicultural representation.
3) Fürst will adhere to requirements for labour practices, anti-corruption and human rights in the value chain, ensure transparency and compliance with laws and policies, and deliver services with a sound socio-economic impact. The company will achieve this through the correct use of laboratory services and by preventing over-ordering.
4) The company will deliver services with the smallest possible environmental footprint.
5) Fürst will ensure responsible production of analysis results, by setting requirements for purchases and agreements in line with the ILO Convention.

Highlights in 2023
Fürst established targets and KPIs for monitoring sustainability initiatives. This has given the company a clear overview of its sustainability profile and solid foundations for ongoing initiatives.

The road ahead
Fürst's main focus is on reducing its carbon footprint, especially within Scope 1 and 3. The company relies on transporting samples from doctors' offices to its main laboratory. Specific measures have been earmarked for implementation. Reagents and chemicals are also needed to produce analysis results, and efforts to find environmentally friendly substitutes will be prioritised in future procurements.

1 The change is due to the fact that Fürst reported its most important Scope 3 categories for the first time in 2023.

Interwell

Energy

Interwell's Sustainability Report →

Greenhouse gas emissions

Total tCO_2e: 34,163
(2022: 2,706)[1]

Scope 1	613 tCO_2e
Scope 2	1,832 tCO_2e
Scope 3	31,718 tCO_2e

tCO_2e per NOK m revenue: 10.6

Ferd's ownership	Operating revenue	Number of employees	Invested
64.8%	NOK 3,220 m	814	2010

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

About Interwell
Interwell develops high-tech equipment that enhances the integrity of energy wells and streamlines operations to facilitate more sustainable production. The company is headquartered in Stavanger and has operations in Trondheim and Voss, as well as an international regional presence via operations in Aberdeen (UK), Dubai (UAE), Houston (USA), Macaé (Brazil) and Kuala Lumpur (Malaysia).

Sustainability at Interwell
The company's business strategy in the energy transition towards achieving net zero emissions by 2050 is to prioritise existing energy wells and tap into new ones. This includes emission-free geothermal operations, as well as carbon and hydrogen storage. Based on materiality analyses and strategic prioritisations – climate action, diversity and inclusion, governance and collaboration – the company has selected eight of the UN's Sustainable Development Goals: As its main goals, the company selected SDGs 8, 9, 12 and 13, due to their major potential for positive impact and value creation: The company's secondary goals, SDGs 4, 5, 16 and 17, provide strong support for achieving the four primary goals, as well as for operationalising the company's environmental and social values. Annual campaigns are conducted to raise awareness within the company, including cybersecurity training, reducing greenhouse gas emissions by participating in an external climate competition, and a Compliance Week focusing on activities relating to the company's ethical guidelines and conduct.

Highlights in 2023
Interwell established an ESG network as a platform for sharing expertise and experiences among its key suppliers. Key efforts relating to the company's responsibility and impact have included addressing Scope 3 emissions, as well as following up on due diligence requirements in accordance with the Norwegian Transparency Act. Interwell entered into a partnership to strengthen information security. Major milestones included the implementation of a cloud-based ERP system and a new HR system, including two-way anonymous communication for all stakeholders. Climate reporting was digitalised. A partnership has also been formed to digitalise the threat landscape and gain an insight into how relevant actors and rapidly evolving external environments impact the company.

The road ahead
Projects have been initiated to set relevant, effective and good targets, including life cycle analyses (LCAs) for products and to introduce energy management. Interwell is continuing its efforts to reduce its carbon footprint, to meet future requirements and deliver competitive technology and services to the energy sector.

Employees
85% men — 15% women

Executive management
57% men — 43% women

Board of Directors
62% men — 38% women

Women earn on average 91% of what men earn

External affiliations and certifications

- UN Global Compact
- Ecovadis
- SASB
- Always Safe
- ISO 9001
- ISO 14001
- ISO 45001
- API Q1
- Annual sustainability programme
- 42 nationalities

1 The change is due to the fact that Interwell reported its most important Scope 3 categories for the first time in 2023.

Mestergruppen

Industrials

Mestegruppen's Sustainability Report →

Greenhouse gas emissions

Total tCO_2e: 547,390
(2022: 550,615)

Scope 1	2,045 tCO_2e
Scope 2	7,026 tCO_2e
Scope 3	538,319 tCO_2e

tCO_2e per NOK m revenue: 31.2

Ferd's ownership	Operating revenue	Number of employees	Invested
72.7%	NOK 17,538 m	1,369	2011

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

About Mestergruppen
Mestergruppen is a leading housing and construction materials group with operations in Norway and Sweden. The group operates construction materials chain stores and offers surface treatment, HVAC/plumbing and renovation and construction of homes, with approximately 1,200 member companies. The group also has internal resources for engineering design, production of building components and logistics.

Sustainability at Mestergruppen
Sustainability is a central part of Mestergruppen's work. The company focuses in particular on greenhouse gas emissions in the value chain, including procurement, transport, energy consumption and production. Decent working conditions, transparency and openness are also important topics. The company aims to at least halve its greenhouse gas emissions by 2030, and become climate neutral by 2050.

Highlights in 2023
In 2023, Mestergruppen focused on standardised and digital solutions, as well as environmental measures. The most important measures relate to certification, energy conservation, new products (housing and cabin models), new services such as sustainable building loans, environmental agreements and placing more stringent demands on suppliers.

The road ahead
The highest priority in 2024 is measures to reduce the group's direct environmental impact in Scope 1 and 2. Central to this work in 2024 is a transition to fossil-free transport and reducing energy consumption. The company is also contributing to the transition to a greener energy mix by installing solar cells on its own buildings.

Mestergruppen will also work to reduce indirect greenhouse gas emissions in Scope 3, for example in inbound and outbound transportation. The company is continuing its efforts to have its member companies Eco-Lighthouse and ISO certified in Norway and Sweden.

Through its collaboration with Bellona and the industry, Mestergruppen is working to gain insight into what is needed to achieve sustainable forestry. In 2024, the company will lay the groundwork for meeting new EU regulatory requirements.

Employees
60% men — 40% women

Executive management
67% men — 33% women

Board of Directors
89% men — 11% women

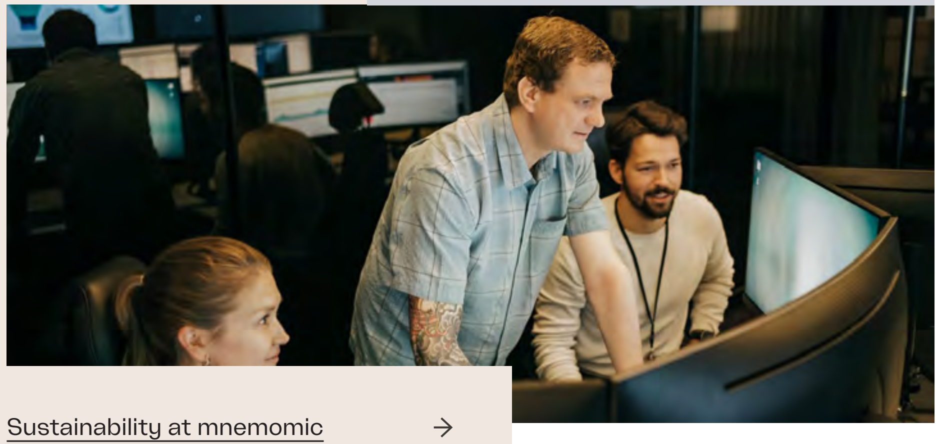
Women earn on average 86% of what men earn

External affiliations and certifications

- UN Global Compact
- Guide Against Greenwashing
- Eco-Lighthouse
- ISO 14001
- ISO 9001
- ISO 45001
- PEFC/FSC
- GRI

mnemonic

Technology



Sustainability at mnemonic →

Ferd's ownership	Operating revenue	Number of employees	Invested
41.9%	NOK 1,063 m	377	2018

About mnemonic
mnemonic is Norway's largest company that focuses solely on cybersecurity. The expert team of more than 350 security specialists tackle some of the most demanding challenges in the world of security. With more than 20 years in the industry, mnemonic has extensive experience handling sophisticated attacks and in-depth knowledge of the threats Norwegian and international organisations face today. In addition to offices in Norway, mnemonic has a considerable international presence with bases in Sweden, Denmark, the Netherlands and the UK.

Sustainability at mnemonic
Through its IT security services, mnemonic contributes to the digitalisation of society and protects democratic institutions, critical infrastructure and private organisations. The company's deliverables set particularly stringent requirements for mnemonic as a dependable and stable supplier to its customers. The company achieves this by placing a high priority on its independence and the well-being and development of its employees, maintaining sound finances and gradual growth, and achieving consistently positive financial results. Integrity in all parts of the business is also vital for the company's sustainability. This has made data security and privacy key focus areas for the company. The company's products and services are based on factual evidence and validated research, in order to guarantee a tangible contribution to society.

Highlights in 2023
mnemonic completed its ESG materiality analysis in 2023. In addition, the company decided to implement ISO 14001 as an environmental management system. The company has also defined a number of KPIs in the area of ESG, including measurements of greenhouse gas emissions.

The road ahead
In 2024, mnemonic will be certified to ISO 14001 and continue to develop relevant measurements and KPIs, including targets for emission reductions. The company will also consider new external affiliations. Work in the area of ESG will continue to be closely integrated with the core business, with a firm focus on customers, employees, research and development, data security and data protection.

Greenhouse gas emissions

Total tCO_2e: 609
(2022: not reported)

Scope 1 — 6 tCO_2e
Scope 2 — 76 tCO_2e
Scope 3 — 527 tCO_2e

tCO_2e per NOK m revenue: 0.6

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

Employees
86% men — 14% women

Executive management
100% men — 0% women

Board of Directors
67% men — 33% women

Women earn on average 86% of what men earn

External affiliations and certifications
Great Place to Work #1 Norway
Ecovadis (Silver rating)
Eco-Lighthouse
ISO 27001
ISO 9001
SOC2 TYPE 2

Employee ownership: **53%**

Employees with ownership stake: **64%**

Staff turnover rate: **3%**

Norkart

Technology

Photo: Norkart

Norkart's social responsibility →

Ferd's ownership	Operating revenue	Number of employees	Invested
95.9%	NOK 474 m	218	2021

About Norkart
Norkart is a Norwegian technology company, owned by Ferd and the company's employees. The company offers market-leading software solutions within municipal engineering, planning and geodata and other map and real estate information. Norkart does not manufacture any physical products, and the company's main activity is software sales and development.

Sustainability at Norkart
Several of Norkart's services play a role in advancing the UN's Sustainable Development Goals by providing solutions that help public and private entities use resources more efficiently. Specific examples of this in 2023 include the development of a sensitivity atlas for the environment (MESA), the participation portal for dialogue with municipal residents and digitalisation of water meters for Hvaler municipality. Norkart actively strives to prevent discrimination and promote equality, as well as to reduce the company's greenhouse gas emissions. All Norkart's office locations were certified as Eco-Lighthouses in 2011.

Highlights in 2023
In 2023, Norkart was ISO 9001 certified (quality management) and started work on ISO 27001 certification (information security), as well as planning for ISO 14001 certification (environmental management systems). The company has also recruited a quality officer. The newly established Kristiansand office was certified as an Eco-Lighthouse in autumn 2023. Ignite Procurement was used to simplify work with the Norwegian Transparency Act and supplier follow-up. Norkart has established and implemented employee training courses on the company's anti-corruption and anti-money laundering policy.

The road ahead
In order to help reduce its carbon footprint, Norkart aims to be certified to ISO 14001 in 2025. In 2024, the company will expand the roll-out of Ignite Procurement to include modules for climate accounts and analysis, as well as work towards ISO 27001 certification.

Greenhouse gas emissions

Total tCO_2e: 1,557
(2022: 378)

Scope 1 — 0 tCO_2e
Scope 2 — 50 tCO_2e
Scope 3 — 1,507 tCO_2e

tCO_2e per NOK m revenue: 3.3

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

Employees
74% men — 26% women

Executive management
67% men — 33% women

Board of Directors
60% men — 40% women

Women earn on average 95% of what men earn

External affiliations and certifications
Eco-Lighthouse
ISO 9001

CO_2 emissions from business travel **79 tonnes in 2023** (< 87.2 tonnes)

ISO 9001 certified in 2023

Servi Group

Industrials

Servi's Sustainability Report →

Greenhouse gas emissions

Total tCO_2e: 12,826
(2022: 17,696)

Scope 1	191 tCO_2e
Scope 2	723 tCO_2e
Scope 3	11,912 tCO_2e

tCO_2e per NOK m revenue: 14.7

Ferd's ownership	Operating revenue	Number of employees	Invested
99.7%	**NOK 872 m**	**328**	**2012**

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

About Servi Group
Servi Group, which supplies systems for controlling power and movement, boasts Norway's largest production and expertise resource pool in hydraulics and related technologies. The company is located in Norway and its largest markets are energy and marine. Offshore wind and hydropower in particular are growing markets. The majority of the company's customers are Norwegian companies, many with end-customers abroad. The company's suppliers are mainly located in Norway and the rest of Europe.

Sustainability at Servi Group
Servi Group has identified five strategic focus areas for sustainability:
1) delivering products and systems with improved environmental impact,
2) generating growth in the market for renewable energy, 3) circular products/services, 4) reducing greenhouse gas emissions and 5) A progressive working environment that promotes equality, inclusion and diversity.

Highlights in 2023
Increased activity in the energy sector created new opportunities and increased demand for Servi Group's products and services. This included high activity levels in the market for dampening equipment for offshore wind projects.

Servi Group also signed up to the UN Global Compact in 2023. The company procured software for climate accounting, marking an important step in mapping its indirect emissions. Servi AS signed a framework agreement with Norsk Gjenvinning to streamline waste management. In addition, Servi Ulsteinvik AS installed a heat pump, reducing its energy consumption by an estimated 40,000 kWh.

The road ahead
All five focus areas will be prioritised going forward. Mapping and reducing indirect emissions in the supply chain will be particularly challenging. Within social sustainability, the company is increasing its investments in expertise mapping and development, as well as leadership development and diversity.

Carrying out a double materiality analysis will be a further important measure in 2024. More ambitious sustainability targets also require the establishment of good systems for data collection and reporting, as well as an internal control system. Servi Group works continuously on implementing sustainability throughout the company. Efforts to integrate sustainability into the company's operations and culture are continuing with a view to establishing efficient processes that can be leveraged as a competitive advantage.

Employees
85% men — 15% women

Executive management
83% men — 17% women

Board of Directors
75% men — 25% women

Women earn on average 100% of what men earn

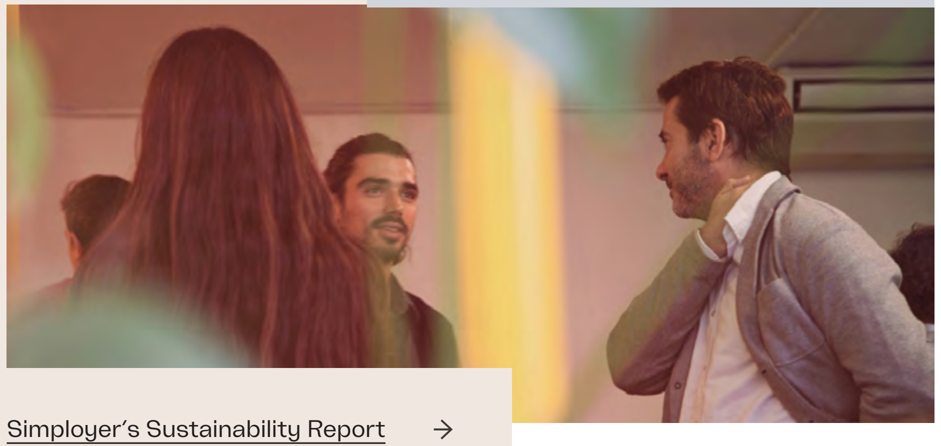
External affiliations and certifications
- UN Global Compact
- CFO Sustainability Hub
- ISO 14001 certified
- ISO 9001 certified
- Reports with reference to GRI

Revenue from products and systems that have an improved environmental impact:
NOK 67.1 m

Made up **7.7% of total revenue** for Servi Group

Simployer

Technology



Simployer's Sustainability Report →

Greenhouse gas emissions

Total tCO_2e: 434
(2022: 373)

Scope 1	7 tCO_2e
Scope 2	45 tCO_2e
Scope 3	382 tCO_2e

tCO_2e per NOK m revenue: 0.8

Ferd's ownership	Operating revenue	Number of employees	Invested
74.1%	**NOK 565 m**	**315**	**2019**

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✓

About Simployer
Simployer is a leading player in the Scandinavian HR market, delivering a unique blend of HR technology and expertise. Simployer is the preferred choice for more than 11,500 customers and 1.1 million users. The company has 325 employees in Sweden, Norway, Denmark and Poland and helps its customers inspire, engage, manage and develop their workforce. Together with its customers, Simployer's vision is to unleash the full potential of people.

Sustainability at Simployer
Based on the results of the company's materiality analysis, Simployer has identified four focus areas linked to the UN's Sustainable Development Goals. These goals represent the areas where Simployer believes it can exert the greatest positive influence and impact, which are also particularly relevant to the company and stakeholders: Gender equality (5), decent work and economic growth (8), responsible consumption and production (12) and partnerships for the goals (17).

Highlights in 2023
In 2023, Simployer focused on maintaining high engagement and well-being among its employees. This was achieved through a wide-ranging health initiative addressing both physical and mental well-being. Leadership development was also prioritised through an internal programme for up to 16 participants and annual management labs for all managers. The aim was to strengthen individual and collective leadership in order to maximise the potential of employees, teams and the organisation as a whole.

The road ahead
Simployer will continue to prioritise the integration of ESG into the company's product development. The company has identified how its role as a supplier of HR technology solutions can help promote sustainability and responsible practices across organisations. By incorporating ESG functionalities into its products, Simployer enables its customers to embrace ESG values and incorporate them into their own HR practices. In this way, the company helps create a more sustainable future for the organisation, customers and society.

Employees
55% men — 45% women

Executive management
67% men — 33% women

Board of Directors
80% men — 20% women

Women earn on average 99% of what men earn

Wellbeing KPI
70 (up from 65)

Engagement KPI
81 (up from 80)

Reduced staff turnover rate
From 9.7% to 6.1%

TRY

Media/Business Services

Corporate social responsibility at TRY →

Ferd's ownership	Operating revenue	Number of employees	Invested
56.9%	**NOK 1,259 m**	**407**	**2021**

About TRY
TRY is Norway's largest communication agency. The company generates results through creativity, strategy and technology. Headquartered in Oslo, the agency consists of the companies Opt, Apt, Advertising, Dig and Consulting. The company delivers everything from consultancy and content, to concept development and digital services.

Sustainability at TRY
Given the nature of the company's activities, TRY's direct impact is essentially limited to energy consumption, waste, transport, diversity and equality. However, TRY has a significant impact on its clients. TRY continuously guides its clients towards sustainable practices and develops solutions that reduce their environmental footprints.

TRY was recently recertified as an Eco-Lighthouse for a further three years. The company signed up to the UN Global Compact for sustainable business practices in 2019. Responsibility, safety and high ethical standards are values that should characterise TRY and will play a key role in maintaining the company's leading market position.

Highlights in 2023
In 2023, sustainability was integrated into the company's overall business strategy. TRY is aiming to raise the profile of its sustainability work. The company wants to use this with existing clients and as help to establish new client relationships. This will also help the company achieve broader anchoring of sustainability among its employees. TRY has also joined Ferd's sustainability network and is looking forward to sharing experiences and learning from others. In addition, TRY has introduced a digital whistleblowing channel, "Mitt Varsel", for reporting any objectionable conditions in the workplace.

The road ahead
TRY will continue its systematic work following its recertification as an Eco-Lighthouse. In the year to date, Eco-Lighthouse managers have been appointed for each company, environmental stations have been installed on each floor and the company has reduced its pool of printers.

In 2024, TRY will publish its first sustainability report. The company is also preparing to report on ESG aspects based on the "double materiality" principle in line with the EU's new Directive, CSRD. TRY will also continue its collaboration with the Helt Med foundation to promote diversity and inclusion among the company's employees.

Greenhouse gas emissions

Total tCO_2e: 446
(2022: 634)

Scope 1	0 tCO_2e
Scope 2	4 tCO_2e
Scope 3	442 tCO_2e

tCO_2e per NOK m revenue: 0.4

Ferd Capital Compliance Programme ✓
Measures employee satisfaction ✗

Employees
43% men 57% women

Executive management
34% men 66% women

Board of Directors
50% men 50% women

Women earn on average 96% of what men earn

External affiliations and certifications
UN Global Compact
Eco-Lighthouse

Share programme for employees
54% women shareholders

Reduced energy use by 2%
2022: 570,647 kWh
2023: 558,142 kWh

FERD

CHAPTER 6

Appendices

Climate account

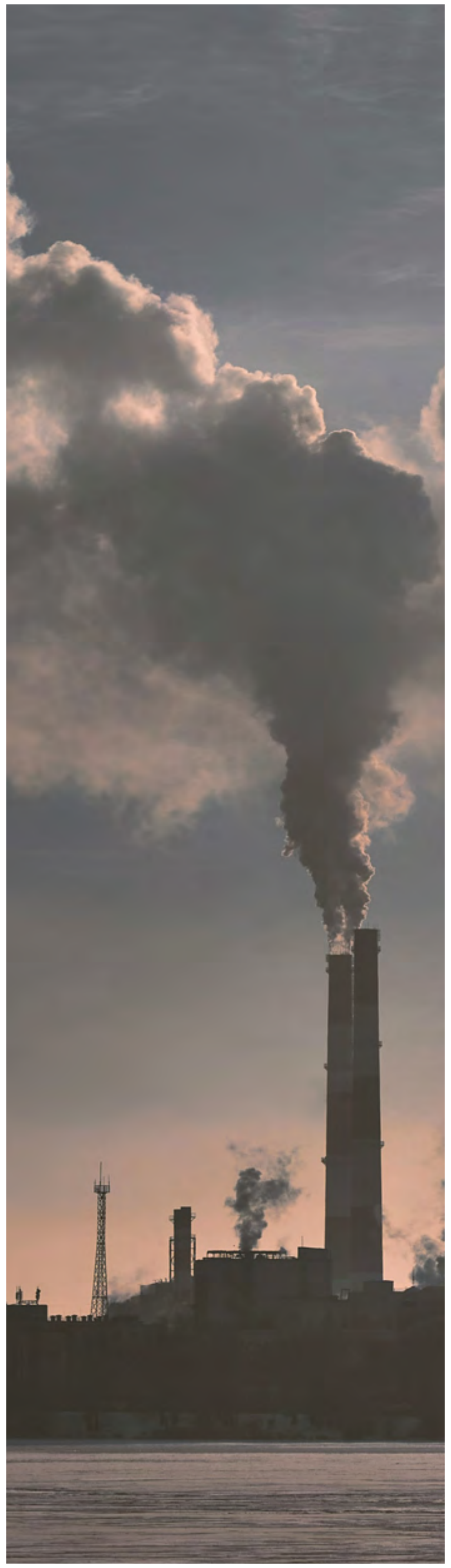
The climate account has been prepared in accordance with the Greenhouse Gas (GHG) Protocol. This is the most widely used and recognised standard for reporting greenhouse gas emissions.

The protocol is used to identify significant emission sources and to facilitate comparable reporting of climate footprints. In addition to carbon dioxide (CO_2), greenhouse gas emissions include gases such as methane (CH_4), nitrous oxide (N_2O) and fluorine gases (HFC, PFK and SF_6). All these gases contribute to climate change, but have very different warming impacts and lifetimes in the atmosphere. To be able to compare them, they are converted to CO_2 values using the unit CO_2 equivalents. CO_2 equivalents correspond to the impact that a given amount of CO_2 has on global warming over a given period of time.

We have used activity-based data where data is available. For the remaining emissions, we have used a cost-based method to estimate the emissions, based on costs incurred in 2022. This is calculated using the Ignite Procurement system. We have included all our significant Scope 3 categories, with the remaining categories marked as "not relevant" in the account.

Investment values used to calculate category 15 investments are stated as at 31 December 2023. We use the ownership-adjusted method in accordance with the PCAF standard (Partnership for Carbon Accounting Financials) to calculate our share of the emissions for our investment portfolio. Greenhouse gas figures from the portfolio are a combination of reporting from our portfolio and figures from externally available reports for our listed direct investments. When using external reports, figures for 2023 are used for companies that have already published these externally. Figures from 2022 reporting have been used for the remaining companies. In addition, we use estimates from data providers for our international funds. Climate data obtained from our direct reporting, as well as through external reporting (representing 91 per cent of total emissions), receive a score of 1 in PCAF's categorisation (reported emissions).

Improved reporting from our directly owned companies will impact future emission figures. This applies in particular to Scope 3 figures, where the availability of data and the quality of the figures are constantly improving. We are aware that the figures from our externally managed equity funds are largely based on estimates (in particular for Scope 3) and that these figures may also change in the coming years, as more companies in the funds report their emissions.



	2023	2022	Calculation method
	tCO_2e	tCO_2e	
Scope 1 – Direct emissions	**0**	**0**	
Scope 2 – Emissions from energy use (market-based)	**339**	**275**	
Electricity	319	246	Activity-based
District heating	20	28	Activity-based
Scope 2 – Emissions from energy consumption (location-based)	**31**	**38**	
Scope 3 – Other indirect emissions	**1,739,629**	**1,723,753**	
Category 1 – Purchased goods and services	1,320	1,821	1% activity-based (2022: 4%), 99% cost-based (2022: 96%)
Category 2 – Capital goods	Not relevant	Not relevant	
Category 3 – Fuel and energy-related activities	Not relevant	Not relevant	
Category 4 –Transport and distribution of purchased goods and services	0.4	1	Cost-based
Category 5 – Waste generated in operations	0.6	1	Activity-based
Category 6 – Business travel	43	51	Activity-based
Category 7 – Employee travel/Commuting	10	14	Activity-based
Category 8 – Upstream leased assets	Not relevant	Not relevant	
Category 9 – Downstream transport and distribution	Not relevant	Not relevant	
Category 10 – Processing of sold products	Not relevant	Not relevant	
Category 11 – Use of sold products	Not relevant	Not relevant	
Category 12 – End-of-life treatment of sold products	Not relevant	Not relevant	
Category 13 – Downstream leased assets	Not relevant	Not relevant	
Category 14 – Franchises	Not relevant	Not relevant	
Category 15 – Investments	1,738,256	1,721,864	68% (2022: 82%) – Direct reporting to Ferd, 23% (2022: 10%) – Externally accessible reports 9% (2022: 8%) – External suppliers
Total greenhouse gas emissions – Scope 1, Scope 2 (market-based) and Scope 3	**1,739,969**	**1,724,027**	

Explanations for the climate account

Scope 1 – Direct emissions
Deals with the company's direct emissions. That is, emissions that occur from sources that are controlled or owned by a business. This means that if the business owns production facilities or vehicles and machines that run on fossil fuel, these greenhouse gas emissions must be included in the business's Scope 1 emissions.

Scope 2 – Indirect emissions from energy
Deals with the business's indirect emissions from purchased energy (electricity use, district heating, district cooling and steam). According to the GHG protocol, Scope 2 must be calculated using two methods: the location-based and the market-based method.

Location-based – the calculations are based on the country in which the electricity is generated and the factor it is based on. Electricity generated in Norway is cleaner than electricity generated in countries tha use a greater share of fossil fuels, such as coal power.

Market-based – bases the calculations on whether the business has purchased guarantees of origin for its electricity consumption. Such guarantees serve as a support scheme for producers of renewable electricity. This guarantees that the electricity comes from renewable sources, and therefore the factor for electricity with guarantees of origin is set to 0 gCO_2e/kWh. The method used to calculate the emission factor after the guarantees of origin for the renewable share have been sold is called the residual mix. If a company does not buy guarantees of origin, the residual mix factor must be applied.

Scope 3 – Other indirect emissions
Scope 3 defines indirect emissions as emissions that do not come from sources that the business owns, but which the business can still influence. Below is a brief explanation of the items included in the various categories.

1. Purchased goods and services
Production and transport of goods and services the business has purchased during the reporting year.

2. Capital goods
Purchase of input factors in production (machinery, vehicles etc.). The emissions include the extraction, production and transport of goods acquired by the business in the reporting year.

3. Emissions from fuel- and energy-related activities
Applies to extraction, production and transport of fuel and energy purchased by the business in the reporting year, where emissions are not included in Scope 1 or Scope 2. The category includes upstream emissions from purchased fuel and electricity, generation of electricity for the purpose of resale, as well as losses from the transmission and distribution of electricity.

4. Transport and distribution of purchased goods and services
Includes transport and distribution of the company's purchased products and services in the reporting year.

5. Waste generated in operations
Handling and treatment of waste associated with the business in the reporting year. Applies to facilities that are not owned or controlled by the reporting business.

6. Business travel
Transport of employees associated with the business's travel activities for the reporting year, in means of transport not owned by the business.

7. Employee travel/commuting
Includes employees' travel from their private residence to and from work in the reporting year. Applies to vehicles not owned by the business.

8. Upstream leased assets
Operation of assets leased by the business (lessee) in the reporting year.

9. Downstream transport and distribution of sold goods
Includes transport and distribution of sold goods from the business to the end-consumer in the reporting year.

10. Processing of sold products
Processing of sold intermediate products from downstream companies in the current reporting year.

11. Use of sold goods and services
End use of sold goods and services from the business in the reporting year.

12. End-of-life treatment of sold goods
Waste treatment and handling of the company's sold goods for the reporting year at the end of the products' lifetime. The category also includes disposal of packaging for sold products.

13. Downstream leased assets
Operation of assets owned by the business that are leased to others in the reporting year, and not included in Scope 1 or Scope 2 reporting to the lessor.

14. Franchises
Operation of franchises in the reporting year, where the operation is not included in Scope 1 or Scope 2 reporting for the franchise.

15. Investments
Emissions from companies in which the business has invested.

Sustainability indicators for our largest portfolio companies

Sustainability indicators for our largest portfolio companies as at 31 December 2023[1]

	Aibel			Aidian			Brav			Elopak			Fjord Line			Fürst		
	2022	2023		2022	2023		2022	2023		2022	2023		2022	2023		2022	2023	
Ferd's ownership[2]	49.9%	49.9%		31.0%	31.0%		100.0%	100.0%		59.8%	60.0%		44.8%	50.0%		40.0%	40.0%	
Operating revenue[3]	12,277	15,776		931	724		1,249	1,161		10,303	12,667		1,672	1,469		900	945	
Employees (FTEs)	3,420	4,957		300	298		308	262		2,100	2,019		655	630		367	404	
Environmental aspects	2022	2023	△	2022	2023		2022	2023	△	2022	2023	△	2022	2023	△	2022	2023	△
Total CO_2 emissions[4]	385,907	412,199	6%				31,397	17,557	0%	685,464	725,636	6%	154,532	133,809	-15%	362	15,864	98%
Total CO_2 emissions adjusted for Ferd's ownership	192,568	205,687	6%				31,397	17,557	0%	409,907	435,382	6%	69,230	66,905	-3%	145	6,346	98%
Scope 1 (tCO_2e)	2,564	3,373	24%				39	1,765	0%	5,974	4,731	-26%	104,362	95,055	-10%	262	351	26%
Scope 2 (tCO_2e)[5]	7,970	7,569	-5%				72	180	0%	858	987	13%	49	52	7%	17	26	36%
Scope 3 (tCO2e)	375,374	401,257	6%				31,286	15,612	0%	678,632	719,918	6%	50,121	38,702	-30%	83	15,486	99%
All significant Scope 3 categories are included[6]	✗	✗					✓	✓		✓	✓		✓	✓		✗	✗	
CO_2 emissions per NOK m revenue	31	26	-20%				25	16:	7%	67	57	-16%	92	91	-1%	0.4	17	98%
Social conditions	2022	2023		2022	2023		2022	2023		2022	2023		2022	2023		2022	2023	
Measures employee satisfaction[7]	✓	✓		✓	✓		✓	✓		✓	✓		✓	✓		✓	✓	
% women employees	20%	20%		65%	64%		47%	45%		21%	21%		38%	38%		82%	81%	
% women in executive management	43%	43%		43%	22%		60%	71%		10%	10%		14%	17%		45%	45%	
% women on the Board of Directors	25%	40%		14%	14%		25%	20%		43%	43%		20%	20%		50%	50%	
Average salary for women as a percentage of what men earn[8]	98%	102%		103%	96%		94%	94%		89%	89%		91%	88%		77%	78%	
Corporate governance	2022	2023		2022	2023		2022	2023		2022	2023		2022	2023		2022	2023	
Follows Ferd Capital's Compliance programme	✓	✓		✓	✓		✓	✓		✓	✓		✓	✓		✓	✓	

	Interwell			Mestergruppen			mnemonic			Norkart			Servi			Simployer			Try		
	2022	2023		2022	2023		2022	2023		2022	2023		2022	2023		2022	2023		2022	2023	
Ferd's ownership[2]	64.8%	64.8%		71.1%	72.7%		41.9%	41.9%		96.2%	95.9%		99.7%	99.7%		74.1%	74.1%		55.4%	56.9%	
Operating revenue[3]	2,156	3,220		19,367	17,538		941	1,063		426	474		722	872		533	565		1,322	1,259	
Employees (FTEs)	678	814		1643	1,369		309	377		202	218		330	328		358	315		416	407	
Environmental aspects	2022	2023	△	2022	2023	△	2022	2023		2022	2023	△	2022	2023	△	2022	2023	△	2022	2023	△
Total CO_2 emissions[4]	2,706	34,163	92%	550,615	547,390	-1%		609		378	1,557	76%	17,696	12,826	-38%	373	434	14%	634	446	-42%
Total CO_2 emissions adjusted for Ferd's ownership	1,754	22,141	92%	391,487	397,952	2%		255		364	1,493	76%	17,643	12,787	-38%	277	321	14%	351	254	-38%
Scope 1 (tCO_2e)	465	613	24%	2,386	2,045	-17%		6		0	0		147	191	23%	7	7	-1%	0	0	
Scope 2 (tCO_2e)[5]	369	1,832	80%	7,229	7,026	-3%		76		35	50	30%	1,096	723	-52%	36	45	20%	1	4	86%
Scope 3 (tCO2e)	1,873	31,718	94%	541,000	538,319	0%		527		343	1,507	77%	16,453	11,912	-38%	330	382	14%	633	442	-43%
All significant Scope 3 categories are included[6]	✗	✗		✓	✓			✓		✓	✓		✗	✗					✓	✓	
CO_2 emissions per NOK m revenue	1	11	88%	64	31	-104%		0.6		0.9	3.3	73%	25	15	-67%	0.7	0.8	9%	0.5	0.4	-35%
Social conditions	2022	2023		2022	2023		2022	2023		2022	2023		2022	2023		2022	2023		2022	2023	
Measures employee satisfaction[7]	✓	✓		✓	✓			✓		✓	✓		✓	✓		✓	✓		✗	✗	
% women employees	16%	15%		24%	40%			14%		26%	26%		13%	15%		43%	45%		56%	57%	
% women in executive management	14%	43%		33%	33%			0%		29%	33%		20%	17%		37%	33%		47%	66%	
% women on the Board of Directors	14%	38%		11%	11%			33%		29%	40%		25%	25%		0%	20%		50%	50%	
Average salary for women as a percentage of what men earn[8]	91%	91%		77%	86%			86%		92%	95%		100%	100%		99%	99%		98%	96%	
Corporate governance	2022	2023		2022	2023		2022	2023		2022	2023		2022	2023		2022	2023		2022	2023	
Follows Ferd Capital's Compliance programme	✓	✓		✓	✓		✓	✓		✓	✓		✓	✓		✓	✓		✓	✓	

1 We define our largest portfolio companies as our portfolio of private companies in which we have an ownership stake of more than 30 per cent (throughout 2023), as well as the listed company Elopak, in which we have a 60 per cent ownership stake.
2 Ownership stakes are reported net regardless of the underlying group structure.
3 Operating revenue is included on a 100 per cent basis and according to the company's own GAAP. The revenue is not equity-adjusted.
4 All portfolio companies report in accordance with the GHG Protocol.
5 Scope 2 is calculated using the market-based method.
6 Many of the companies reported on Scope 3 for the first time in 2022 and will include more categories as more data becomes available.
7 The companies measure employee satisfaction according to each company's needs, at least annually.
8 The salary differences are due to variations in gender balance across departments at some companies. For further details, see the individual companies' reports on gender equality (likestillingsredegjørelse). Ensuring equal pay for equal work is a high priority for both boards and management.

Ferd 2023