

## Sustainability Policy

### Purpose & Objective

Third Economy is a mission-driven sustainability advisory firm. We exist to make the capital markets more sustainable. We do this by providing high-quality data, analytics, and insights to empower companies and institutional investors to build long-term, sustainable growth models and to make informed investment and capital-related decisions.

We define sustainability as aligning economic growth with environmental stewardship and social well-being, therefore fulfilling the needs of current generations without compromising the needs of future generations.

As part of our commitment to sustainability, we take an active role in promoting awareness of environmental and social considerations, advising on how to mitigate negative impacts on the environment and society, and implementing tools that achieve positive impacts and economic growth.

When reflecting on our approach to sustainability, we consider it from two dimensions: first, from our own corporate footprint and second, from the provision of our services. Third Economy has a unique corporate footprint with all employees operating on a remote work model from their homes, thus eliminating the need for centralized office space and employee commuting. This alone significantly mitigates two of our sector's (professional services) most significant potential contributors to carbon emissions. Furthermore, we detail below additional activities that we promote to further lessen our negative impacts and contribute positively to a more sustainable world. From a service provision perspective, every service that we provide aligns with our mission to mitigate negative environmental and social impacts and promotes positive impacts aligned with financial return.

### Governance of Sustainability

Third Economy's Operations department, led by the Chief Operations Officer (COO), oversees technology, corporate travel, human resources, and other aspects of our corporate profile relevant to sustainability. Our Head of Consulting oversees our service delivery. Both roles report to our CEO, who is also a member of our Board. The Board is ultimately accountable for the oversight of this policy, while the COO and Head of Consulting are primarily responsible for its implementation.

### Implementation

Third Economy implements this policy by encouraging our internal and external stakeholders to consider the following actions in a variety of ways, aligned with the 17 United Nations Sustainable Development Goals:

- 1) No poverty
  - Support a living minimum wage and social safety nets
  - Avoid businesses that exploit workers through low wages
- 2) Zero hunger
  - Avoid wasting food and support efforts in food rescue and reclamation; donate leftover or extra food to those in need
  - Purchase food from sustainable and local options
- 3) Good health and well-being
  - Encourage regular physical and mental health screenings
  - Educate stakeholders on the spread of communicable diseases and what individuals can do to help stop the transmission of diseases
  - Provide quality health benefits
- 4) Quality education
  - Provide specialized education and/or job training
  - Develop or contribute to scholarship foundations
- 5) Gender equality
  - Advocate for equal wages and stand up against comments that belittle or offend
  - Undertake activities or reforms to ensure women have equal rights and benefits
- 6) Clean water and sanitation
  - Utilize reusable water containers and avoid single-use ones
  - Support sustainable water initiatives such as filtering tap water versus buying bottled water
- 7) Affordable and clean energy
  - Power facilities from renewable sources such as solar or wind
  - Eat foods that use less energy to produce
- 8) Decent work and economic growth
  - Purchase from and promote businesses that are fairtrade certified
  - Avoid brands that utilize sweatshop labor or do not pay a living wage to employees
- 9) Industry, innovation and infrastructure
  - Support nonprofits that connect low-income families to the internet and technology
  - Upgrade infrastructure to be more energy-friendly and sustainable
  - Advance concepts aligned with circular economies and cities
- 10) Reduced inequality
  - Educate about inequalities and identify opportunities to alleviate them
  - Empower and promote the social, economic, and political inclusion of all, and ensure equal employment opportunities for all, irrespective of age, sex, disability, race, ethnicity, origin, sexual orientation, gender identity, veteran status, religion, or economic or other status

11) Sustainable cities and communities

- Ensure access to safe and sustainable housing, transportation, and communities for internal stakeholders

12) Responsible consumption and production

- Track consumption of water and electricity etc. to determine how to reduce it
- Reduce, reuse, recycle
- Advance concepts related to the circular economy

13) Climate action

- Understand the effects of climate change and take action to curb its effects
- Reduce or eliminate commuting-related emissions by leveraging video conferencing, public transportation, electric vehicles or other alternatives, and purchase offsets for air travel
- Leverage renewable energy to the fullest extent possible
- Purchase renewable energy certificates (RECs) and/or carbon offsets

14) Life below water

- Source seafood and ocean products from sustainable fisheries and ocean operations
- If near a water source, organize a clean-up operation to remove pollution and trash
- Support water-related non-profit organizations

15) Life on land

- Plant native tree species or other native flora to help restore biodiversity
- Go on trash pick-ups and clean up natural areas where possible
- Eliminate paper waste by avoiding printing or printing double-sided

16) Peace, justice and strong institutions

- Attend a bystander training to help when witnessing situations of injustice
- Report abuse, exploitation, trafficking, and all forms of violence to legal authorities
- Deploy responsible business practices to prevent bribery and corruption, and be transparent in those practices

17) Partnership for the goals

- Encourage organizations, communities, etc. to advance the Goals
- Provide resources and training to educate stakeholders about the importance of environmental sustainability and how they can contribute
- Align your investment portfolio with the goals.

We wish to acknowledge Rheaply.com for the publicly available information that we leveraged in the development of these actions.



## Application

This policy applies to all Third Economy employees, contractors, and suppliers and is reviewed from time to time to ensure its ongoing relevance and effectiveness. It is incorporated into firmwide trainings and employee onboarding, and it is publicly available for external stakeholders.

## Frameworks

In creating this policy and our approach to sustainability, we rely primarily on these frameworks:

- 1) Sustainability Accounting Standards Board (SASB)
- 2) Task Force on Climate-Related Financial Disclosures (TCFD)
- 3) The United Nations Sustainable Development Goals (UN SDGs)
- 4) The Global Reporting Initiative (GRI)
- 5) Carbon Disclosure Project (CDP)
- 6) Principles for Responsible Investment (PRI)