



# CLIMATE STATEMENT

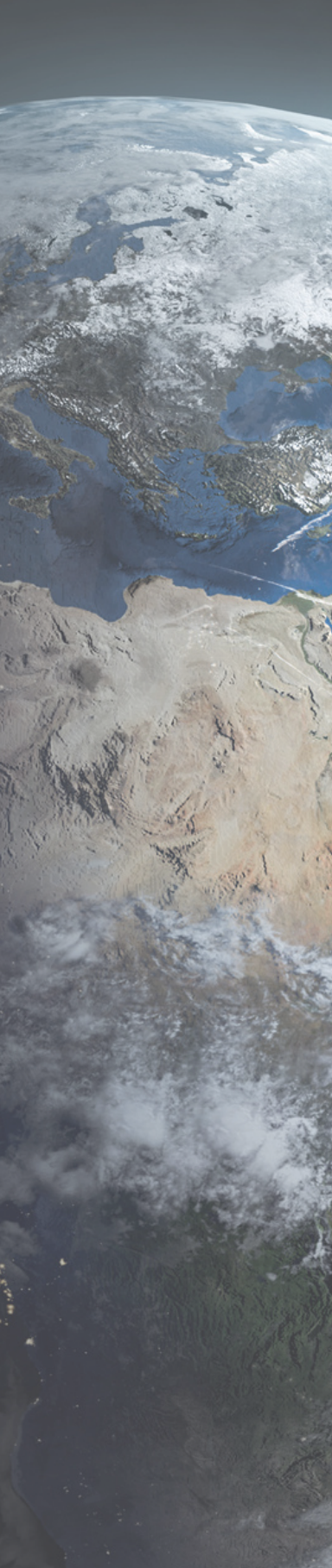
**Norsad**  
CAPITAL

Norsad Capital (“Norsad”) acknowledges that climate change is the largest threat currently facing humankind and the environment at large. Norsad subscribes to the science and the data as presented by the International Panel on Climate Change (IPCC), which indicates that manmade greenhouse gases (GHG) are responsible for trapping additional heat within the planetary system leading to an increase in the average global temperatures. The Paris climate agreement signed in 2015 committed 195 signatories, at present there are 194 (193 states and the European Union) parties to the agreement, parties to reducing their emissions to a maximum ceiling of 1.5°C of global warming. With this in mind, Norsad believes all aspects of society have a role to play in reducing GHG emissions which are the root cause of climate change. Norsad is committed to a ‘just climate transition’ where those that have emitted the largest share of GHGs have a comparably larger role to play in reducing GHGs and in assisting developing nations to achieve their targets and adapt to climate change effects.

Norsad, as a provider of private credit in Africa, is well aware of the additional risks that rises in global temperature are likely to pose to any organisation as well as their stakeholders; therefore, there is a need to incorporate climate-related considerations into its business practices. Despite the challenges posed by climate change, Norsad is committed to being part of the solution.

Africa as a continent emits less than 4% of the global GHG emissions, in comparison to individual countries like the United States of America at 19% and China at 23%. It’s low carbon contribution is predominantly due to having the largest global population group (75%) of people without access to electricity. Due to climatic factors, poor governance as well as low levels of industrialisation and development it is also predicted to be one of the hardest hit regions by climate-related impacts. It is for this reason that Norsad is committed to a just climate transition. A just transition is one where those countries that have emitted the largest share of GHGs will have a comparably larger role to play in reducing GHGs as well as assisting other less developed nations in achieving their targets and adapting to the predicted climate-related impacts.

2023



## **Norsad's commitment to climate change reporting**

Norsad is a signatory to the United Nations Principles for Responsible Investment (UNPRI). As part of Norsad's ongoing mandatory reporting requirements under the UNPRI, from 2023, Norsad will adopt and disclose climate related information in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Norsad recognises the aims of the TCFD as enabling markets to better understand the climate related risks that assets and financial systems are exposed to. It is envisaged that by increasing the transparency of the climate related risks that the Norsad portfolio is exposed to, Norsad's clients will proactively move to address these areas of risk and by doing so enhance their business's resiliency.

We acknowledge that implementing the TCFD framework will take time, but we are fully committed to the journey as well as enabling our clients to be part of the solution.

As part of our commitment to the UNPRI and through it, the TCFD, we will also encourage other investors to follow suite and commit their support to both the UNPRI and the TCFD to help improve disclosures within the financial sector as well as across all regions and sectors

We hold ourselves accountable and look forward to publicly reporting on our progress made in our various reports, including our Annual Report, Impact Report and UNPRI reporting.

The Norsad statement on Climate Change is underpinned by our Climate Change Policy and is effective from February 2023. Norsad endeavours to re-examine this statement annually.