fama re.capital

investing for change

Labor & Working Conditions Policy

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1. Policy Statement

Fama re.capital is committed to promoting fair, safe, and respectful labor and working conditions across its operations and investments.

This commitment is implemented through:

- Maintain fair and non-discriminatory employment practices within its own operations;
- Promote safe and healthy working environments;
- Consider labor and working conditions risks as part of its investment screening, due diligence, and monitoring processes;
- Engage with portfolio companies on material labor-related issues when relevant; and
- Encourage alignment with applicable labor laws, IFC Performance Standard 2, and internationally recognized labor standards, including core ILO conventions.

2. Scope and Applicability

This policy applies across Fama Re.Capital's operations and investment activities, covering:

- Internal workforce, including all employees and individuals directly engaged by the firm;
- Relevant third-party service providers and consultants, where applicable; and
- Portfolio companies and investees, through the firm's investment, monitoring, and engagement activities.

The application of this policy to portfolio companies is risk-based and proportionate, considering factors such as the nature of the investment, the firm's level of influence, and the materiality of labor and working conditions risks.

Where appropriate, Fama re.capital may address labor and working conditions topics through due diligence, engagement, monitoring, and other stewardship practices.

3. Internal Labor Practices

Fama Re.Capital is committed to upholding fair, transparent, and inclusive labor practices within its own operations. This includes:

- Promoting fair treatment, equal opportunity, and non-discrimination in employment practices;
- Providing clear employment terms and conditions in accordance with applicable labor laws;

- Maintaining professional working environments that are safe, respectful, and free from harassment or abusive conduct;
- Respecting applicable rights related to freedom of association and collective dialogue; and
- Supporting employee awareness of relevant internal policies and workplace expectations.

These practices are supported by internal policies and procedures, and are subject to periodic review to ensure continued alignment with good international industry practice.

4. Occupational Health and Safety (OHS)

Fama Re.Capital is committed to providing and maintaining a safe and healthy working environment for its employees and contracted workers, consistent with applicable laws and good international industry practice. The firm seeks to:

- Promote safe and appropriate working conditions within its operations;
- Encourage awareness of workplace health and safety practices;
- Address workplace health and safety concerns in a timely manner; and
- Consider material occupational health and safety risks as part of its investment and monitoring processes, where relevant.

Given the nature of its activities, the firm's direct occupational health and safety risks are generally limited. Accordingly, Fama re.capital applies a risk-based and proportionate approach to health and safety management.

5. Worker Grievance Mechanism

Fama re.capital maintains a grievance mechanism through which employees and relevant stakeholders may raise concerns confidentially and, where permitted by law, anonymously.

The grievance channel is accessible through the firm's website and is overseen by the Compliance Director, who is responsible for coordinating the review and handling of reported concerns

Fama Re.Capital is committed to ensuring that:

- Concerns are reviewed and addressed in an appropriate and timely manner;
- Individuals raising concerns are protected from retaliation; and
- Relevant records are maintained in accordance with applicable internal procedures.

5.1 Grievance Handling Process

Grievances received through the firm's channels are reviewed by the Compliance Function and handled in a manner proportionate to the nature and materiality of the concern.

The process may include:

- Review and assessment of the reported concern;
- Engagement with relevant internal or external parties, where appropriate;
- Identification of potential response or corrective actions; and
- Documentation of material grievances and their resolution.

Grievances may be escalated internally where material issues are identified, including to senior management, and may inform broader risk management, engagement, or policy improvements.

Fama Re.Capital also seeks to promote the adoption of appropriate grievance mechanisms at the portfolio company level, particularly where labor risks are material, as part of its due diligence, engagement, and monitoring processes.

6. Protection of Workforce

Fama re.capital is committed to promoting fair and ethical labor practices across its operations and investment activities.

The firm maintains a zero-tolerance approach to child labor, forced labor, and other forms of labor exploitation or abusive practices, in accordance with applicable laws and internationally recognized standards.

Fama re.capital seeks to:

- Promote compliance with applicable labor laws and internationally recognized labor standards;
- Consider labor-related risks, including child labor and forced labor, as part of its investment due diligence and monitoring processes; and
- Engage with portfolio companies, where appropriate, on the identification and management of material labor-related risks.

Where material concerns are identified, the firm may encourage appropriate corrective actions and remediation measures consistent with good industry practice.

7. Gender-Based Harassment and Violence

Fama Re.Capital is committed to promoting safe, respectful, and inclusive working environments free from harassment, intimidation, discrimination, violence, or any other form of abusive conduct, including gender-based harassment and violence.

The firm maintains a zero-tolerance approach to such practices within its operations and seeks to:

- Promote respectful treatment and equal opportunity in the workplace;

- Foster a workplace culture grounded in respect, professionalism, and non-discrimination;
- Provide appropriate mechanisms for reporting concerns or incidents; and
- Address reported concerns in an appropriate, confidential, and proportionate manner.

Where relevant, Fama Re.Capital may also consider risks related to harassment, discrimination, and gender-based violence as part of its investment, engagement, and monitoring processes.

8. Investment-Level Labor and Working Conditions

Fama re.capital integrates labor and working conditions considerations into its investment and stewardship activities through a risk-based and proportionate approach.

As part of its investment process, the firm:

- Screens potential investments for exposure to material labor-related risks and severe labor rights violations;
- Assesses relevant labor and working conditions topics during due diligence, including occupational health and safety, workforce practices, and grievance mechanisms, where relevant;
- Incorporates material findings into investment analysis and decision-making processes;
- Engages with portfolio companies on the management of material labor-related risks and improvement opportunities; and
- Monitors material labor-related developments and incidents, where appropriate.

The depth and nature of these activities vary depending on factors such as the firm's level of influence, the nature of the investment, and the materiality of identified risks.

Where relevant, Fama re.capital may seek corrective actions, enhanced monitoring, or other engagement measures consistent with applicable laws and good industry practice.

9. Third-Party and Supply Chain Considerations

Fama re.capital recognizes that labor and working conditions risks may also arise through the use of third-party contractors and supply chains within portfolio company operations.

The firm applies a risk-based and proportionate approach to identifying and assessing such risks, particularly in sectors or geographies with heightened exposure to labor-related concerns.

As part of its investment and engagement processes, Fama re.capital may:

- Consider material labor-related risks involving contractors, third-party workers, and supply chains during due diligence and monitoring activities;
- Engage with portfolio companies on the management of material labor-related risks and improvement opportunities; and

- Encourage the adoption of appropriate policies and practices consistent with applicable laws and good industry practice.

Given the firm's role as an investor, Fama re.capital generally does not exercise direct control over third-party or supply chain practices, but seeks to promote responsible practices through stewardship and ongoing engagement.

10. Retrenchment

Fama re.capital recognizes that workforce reductions may create material risks for workers and other stakeholders if not managed appropriately.

The firm seeks to consider retrenchment-related risks as part of its investment and engagement activities, particularly where workforce reductions may result in significant labor, operational, legal, or reputational impacts.

Where relevant, Fama re.capital may:

- Assess retrenchment-related considerations during due diligence and monitoring processes;
- Engage with portfolio companies on workforce reduction practices and related mitigation measures; and
- Encourage approaches consistent with applicable laws and good industry practice, including fair treatment, non-discrimination, and appropriate worker communication.

Given the firm's role as an investor, its approach to retrenchment is applied on a risk-based and proportionate basis.

11. Governance and Responsibilities

Fama re.capital assigns responsibilities for the implementation of this policy across relevant functions and investment activities. This governance structure includes:

- Senior Management, providing oversight of the firm's approach to labor and working conditions;
- Investment Team, integrating labor and working conditions considerations into investment and monitoring processes;
- ESG / Impact Function, supporting the identification, assessment, and management of labor-related risks and opportunities; and
- Compliance Function, overseeing adherence to internal policies and coordinating the handling and escalation of material grievances or incidents.

While roles and responsibilities are clearly defined, Fama Re.Capital recognizes that its internal governance structures will continue to evolve as its activities expand. The firm is committed to progressively strengthening internal capabilities, clarifying responsibilities where needed, and enhancing coordination across functions.

12. Monitoring and Reporting

Fama re.capital monitors material labor and working conditions risks across its operations and investment activities through a risk-based and proportionate approach.

This may include:

- Monitoring material labor-related risks and incidents at the portfolio company level;
- Engaging with portfolio companies on labor and working conditions topics, where relevant;
- Maintaining internal documentation related to due diligence, risk assessments, and monitoring activities; and
- Reporting relevant information through internal processes and external disclosures, where appropriate.

Monitoring efforts are focused on investments, sectors, and situations where labor-related risks are more likely to be material.

Fama Re.Capital seeks to continuously strengthen its monitoring practices, including the progressive development of indicators and tools to better track labor-related performance and outcomes across its portfolio.

13. Continuous Improvement

Fama re.capital seeks to periodically review and refine its approach to labor and working conditions in light of evolving regulations, industry practices, and investment experience.

This may include updates to internal policies, due diligence processes, monitoring practices, and engagement approaches, where appropriate.

The firm also seeks to remain informed of relevant developments and good practices through engagement with investors, peers, and other stakeholders.

14. General Provisions

Any questions regarding the guidelines set forth in this Policy may be clarified directly with the Compliance department.

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