

Investment compliance policy

Governance



BeZero

Introduction

BeZero is a carbon rating agency and provides its opinion on the efficacy of carbon credits. Our ratings may be an important element in determining the price of carbon credits. Furthermore, any changes to our ratings may have an impact on the price of respective carbon credits.

Given the price sensitive nature of our work, it is important to ensure that BeZero, its employees, contractors and others associated with BeZero avoid any actual or potential conflict with respect to investing in carbon credits.

This document outlines our policy with respect to dealing in carbon credits.

BeZero corporate

BeZero is not involved in any type of carbon credit or carbon project transaction or any activities specifically related to the development of a carbon project. All employees are equally prohibited from these activities and must sign a declaration attesting to this. (detailed process in following paragraphs)

- The only exception to this rule for BeZero is the annual retirement of high quality credits equivalent to BeZero's annual carbon footprint by Molten Ventures, its Series A lead investor. This is a requirement under Molten's ESG policy. Their in-house team is a subscriber to the BeZero Carbon Markets platform and relies on BeZero's ratings to inform their purchasing decisions for all portfolio companies. BeZero is not involved in the selection, purchase or retirement of the credits.

BeZero employees, contractors and consultants

BeZero is a rating agency. Information related to rating assignments as well as rating actions are considered price-sensitive, up until the rating decision is published. In view of this, it is imperative that we have a strong compliance and disclosure regime in place for our employees, consultants and contractors.

No full-time employees, part-time employees, apprentices, interns etc. can invest in, hold or trade in carbon credits issued by individual projects (exchange traded instruments are permitted) during the course of their employment with BeZero Carbon.

No contractor / consultant who is involved in the ratings, product, product technology or research activities is permitted to invest in or trade in carbon credits during the course of their engagement with BeZero Carbon.

Any employee / contractor / consultant, who is already holding carbon credits at the time this policy is made effective (Effective Date), will disclose such holding to their line manager and the HR department. Such personnel may continue to hold their investments.

Should they wish to sell part or all of their investments, while being employed at or engaged with BeZero, they have to seek specific approval from the COO, who may grant or deny such permission, with or without reason. The COO will endeavour to respond within 15 business days of receipt of request, though it could take longer.

Once approval has been granted, the employee / contractor shall execute the trade on a recognised stock exchange / marketplace within five business days of the approval. If the trade is not executed, the approval lapses and a new approval has to be obtained.

Managing personal carbon credits - purchase to retire

Employees / contractors / consultants are permitted to purchase and retire carbon credits for the purpose of mitigating their personal carbon footprint. Any such purchase will require approval from the COO as per the aforementioned process.

Once approval has been granted, the employee / contractor shall execute the trade on a recognised stock exchange / marketplace within five business days of the approval. If the trade is not executed, the approval lapses and a new approval has to be obtained.

All credits so purchased shall be retired within seven working days of the date of the transaction. An official certificate of retirement shall be provided to the company to confirm compliance with this requirement.

Disclosure

All employees shall declare their holdings of carbon credits immediately upon joining and as of the date of implementation of this policy.

On or before the 15th of April each year, all employees / contractors / consultants shall provide the following details:

- Details of their holdings of carbon credits as of 1st April of that year
- Details of all transactions (buy, sell, gift or otherwise receive or transfer) in carbon credits since their last declaration (at the time of joining or as of 1st April of the previous year, as the case may be)
- Date of approval for the aforementioned transactions.

Implications of non-compliance

Compliance with this policy is mandatory. Any non-compliance can cause BeZero irreparable reputational damage. Non-compliance with this policy could result in disciplinary action including dismissal on grounds of gross misconduct.

Exceptions

Any exceptions to this policy require specific approval from both co-founders.

Updates and reviews

Version number	Date	Description
1.00	13/03/23	Initial release
1.01	01/02/24	Minor content updates
1.02	26/02/24	Minor content updates
1.03	05/07/24	Minor content updates
1.04	17/04/25	Review

Disclaimer

The BeZero Carbon Rating of voluntary carbon credits represents BeZero Carbon's current opinion on the likelihood that carbon credits issued by a project achieve a tonne of CO₂e avoided or removed. The BeZero Carbon Rating and other information made publicly available or available through the BeZero Carbon Markets platform ("Content") is made available for information purposes only. The Content and in particular the BeZero Carbon Rating sets out BeZero Carbon's opinion on a particular carbon credit or project based on publicly available information as at the date expressed and BeZero Carbon shall have no liability to anyone in respect of the Content, opinion and BeZero Carbon Rating. The Content is made available for information purposes only and you should not construe such Content as legal, tax, financial or investment advice. The Content is a statement of opinion as at the date expressed and does not constitute a solicitation, recommendation or endorsement by BeZero Carbon or any third party to invest, buy, hold or sell a carbon credit. The Content is not a statement of fact and should not be relied upon in isolation. The Content is one of many inputs used by stakeholders to understand the overall quality of any given carbon credit. BeZero Carbon shall have no liability to you for any decisions you make in respect of the Content. If you have any questions about BeZero Carbon, the BeZero Carbon Rating, the BeZero Carbon Rating methodology, qualifying criteria, rating process, any element of Content, the BeZero Carbon Markets platform or otherwise please contact us at: commercial@bezerocarbon.com.