

Equality Policy

Adopted by the Board of Directors of the Nordic Environment Finance Corporation on 11 December 2025 with entry into force as of 1 January 2026.

Contents

1. Introduction 1

2. Definitions..... 1

3. Scope and purpose of the Policy2

4. Principles and commitments2

5. Roles and responsibilities3

Responsible Function/Department

Environment and Sustainability

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This Policy shall be reviewed at least every five (5) years.

1. Introduction

1.1 The Nordic Environment Finance Corporation (NEFCO) was established in 1990 by the Nordic countries, Denmark, Finland, Iceland, Norway and Sweden, to promote investments of Nordic environmental interest. This is today achieved by facilitating investments that accelerate the green transition globally.

1.2 NEFCO is committed to fostering sustainable development in all its operations. This includes recognizing that sustainable development cannot be achieved without equality. NEFCO is determined to take appropriate measures to identify and mitigate equality issues, and to promote equality throughout all NEFCO Activities as well as in NEFCO's internal activities.

1.3 NEFCO recognises that equality is a fundamental concept for the wellbeing of society and recognises the necessity of integrating equality as a cross-cutting issue while working at achieving sustainable results within NEFCO's core area of activity - the environment. While equality considerations are assessed and addressed if deemed appropriate, they are not the primary objective of NEFCO Activities, which focus on broader environmental goals. In general, equality is considered within NEFCO Activities on a safeguarding level, while some trust funds managed by NEFCO implement stricter equality requirements beyond the level of safeguarding.

2. Definitions

"Bias" is a tendency or inclination, either for or against a particular person, group, or idea, often resulting in unfair treatment or judgment. Bias can be conscious or unconscious, influencing perceptions, decisions, and behaviours in ways that may perpetuate inequality or discrimination.

"Counterparty" means any natural person or legal entity that receives any form of financing or support from or through NEFCO, or otherwise executes, implements, contributes or substantially participates in a NEFCO Activity.

"Discrimination" means unfair treatment of individuals based on characteristics such as gender, sexual orientation, ethnicity, disability, religion, or age. This includes both direct and indirect Discrimination, harassment, and victimization.

"Diversity" means recognising, respecting, including and valuing the differences between individuals. Diversity goes beyond mere representation; by embracing Diversity we foster an inclusive environment where various experiences, perspectives and ideas contribute to collective success.

"Equality" includes fair access to opportunities and fair treatment. NEFCO has a strict policy against any form of Discrimination based on sex, socioeconomic status, ethnicity, religion, gender identity, disability, age or sexual orientation, or any other characteristics or circumstances. We work to ensure that individuals or groups of individuals are not treated differently or less favourably because of these factors.

"Inclusion" means ensuring that every person has equal access to opportunities and resources, regardless of their background or identity. In an inclusive environment every individual feel welcomed, respected, and valued.

“NEFCO Activity” means any activity which is financed, administered or supported by NEFCO, or proposed to be financed, administered or supported by NEFCO, specifically including, but not limited to procurement and any investments and projects financed by NEFCO.

3. Scope and purpose of the Policy

3.1 This Policy applies to all NEFCO Activities, ensuring that Equality considerations are integrated across all its operations. Equality considerations within NEFCO’s internal activities are governed by NEFCO’s Legal Framework for the Staff. This Policy aims to support NEFCO’s staff and Counterparties in understanding and adhering to the principles laid out in this Policy.

3.2 This Policy sets out the commitments made by NEFCO and the principles and obligations applicable to NEFCO staff and Counterparties for the purpose of mitigating Equality issues.

3.3 The purpose of this Policy is to emphasise NEFCO’s commitment to the shared goals and objectives of its owner countries in promoting gender equality and the Nordic countries’ role as a leading example in delivering on the *Sustainable Development Goals*, including in particular Goal 5 - Achieve gender equality and empower all women and girls. By embedding gender equality into our assessment and implementation processes, we aim to distribute the benefits of our financing equitably among women and men, while also mitigating potential negative impacts of NEFCO Activities on Equality.

4. Principles and commitments

4.1 NEFCO is committed to promoting Equality, Diversity and Inclusion in all NEFCO Activities, and when appropriate, take preventive actions to reduce and mitigate any possible Discrimination and adverse impacts of any NEFCO Activity on Equality.

4.2 NEFCO does not tolerate sexual exploitation, sexual abuse or sexual harassment (SEAH) of any kind and is determined to take appropriate measures to prevent, detect and respond to SEAH in all NEFCO Activities. For this purpose, NEFCO acts in accordance with its Policy on [Prevention of Sexual Exploitation, Sexual Abuse and Sexual Harassment](#).¹

4.3 NEFCO recognises the importance of addressing unconscious Biases, which can negatively impact decision-making and Equality efforts, and is committed to mitigate such Biases.

4.4 To support Equality, NEFCO will regularly review and update its processes and policies to reflect best practices and advancements in the field of Equality, Diversity and Inclusion.

4.5 NEFCO shall promote the application of international conventions, good practices and high standards in relation to environmental and social sustainability. In terms of social aspects this includes, in particular, human rights, labour practices, equality of opportunity and treatment in employment, gender equality, the rights of consumers and communities as well as occupational health and safety.

¹ Policy on Prevention of Sexual Exploitation, Sexual Abuse and Sexual Harassment adopted by the Board of Directors of the Nordic Environment Finance Corporation is accessible on NEFCO’s website www.nefco.int.

5. Roles and responsibilities

5.1 The Board of Directors shall:

- i) Adopt relevant policies required to promote high Equality standards within NEFCO Activities; and
- ii) Monitor NEFCO's work on promoting Equality, in particular by receiving and requesting updates.

5.2 The Managing Director, supported by the Heads of Departments, shall:

- i) Promote an equal and inclusive work environment and establish expectations of high Equality standards within NEFCO Activities; and
- ii) Issue rules and guidelines as required to complement and ensure implementation of this Policy.

5.3 The Environmental and Sustainability Department shall:

- i) Assess the Equality dimensions at an early stage in appraisal of a new NEFCO Activity;
- ii) When deemed appropriate, either due to identified risks or explicitly expressed Equality targets in a NEFCO Activity or managed trust fund:
 - a. Include mitigating actions in an Environmental and Social Action Plan, which shall be developed in cooperation with the Counterparties, and followed up annually by NEFCO, and
 - b. Implement regular monitoring and review of Equality metrics from our Counterparties.
- iii) On request prepare an update on NEFCO's Equality work to the Board of Directors;
- iv) Support development of internal guidelines and processes on how to detect, mitigate and prevent adverse Equality impacts; and
- v) Ensure that relevant policies and rules relating to Equality, such as this Policy, are up to date.

5.4 NEFCO's staff shall:

- i) Comply with all applicable policies and rules, in particular this Policy and the Code of Conduct for Staff, when carrying out their tasks.

5.5 Counterparties shall:

- i) Comply with this Policy in all aspects of any NEFCO Activity.