



2025

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# SUSTAINABILITY REPORT

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## 01. ABOUT THIS REPORT



# ABOUT THIS REPORT

Welcome to the 2025 Sustainability Report of Fasanara Capital Ltd (Fasanara), which covers our efforts in 2025 to embed sustainability throughout Fasanara's operations and investment strategies. This document reflects our ongoing commitment to have sustainable practices wherever possible.

At Fasanara, we acknowledge the important role an asset manager has, to create meaningful value to our stakeholders and our surroundings. Our strategic focus centres on advancing our efforts on having positive environmental and social impact where we can. We recognise there are sustainability themes that are considered as priorities, reflecting their global significance and their direct impact on bolstering business resilience.

We continue to acknowledge that there is always room for further improvement, and we continue to explore way to adopt sustainable practices where we can. We invite you to delve into the progress and efforts we have made throughout 2025.



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## 02. MESSAGE FROM THE CEO



I am pleased to introduce Fasanara Capital's 2025 Sustainability report, which reflects another year of meaningful progress in strengthening our responsible investment practices and deepening our understanding of our broader impact as a firm.

Over the past year, our focus has centred on reinforcing our risk management framework and advancing our approach to measuring environmental impact, most notably by expanding the scope of financed emissions to include elements of our credit investments. This represents an important step forward in building a more comprehensive view of our carbon footprint.

With increased expectations around transparency and accountability, we have been proactively preparing for upcoming regulatory developments, including the next phase of sustainable finance disclosures. These changes reinforce the importance of governance and continuous improvement, principles that remain central to our ESG strategy.

In 2025, we strengthened our charitable efforts, increasing overall donations and making two significant contributions to two charities focusing on medical research. Alongside this, our team engagement initiatives, including charity events and awareness sessions, continue to foster a culture of social responsibility across the firm.

As we look ahead, we remain focused on further strengthening our risk management processes, enhancing ESG integration within our investment process, and continuously improving how we measure and manage our environmental and social impact. I would like to thank our employees, partners, and stakeholders for their ongoing support as we continue this journey.

We look forward to building on this momentum in the year ahead.

**FRANCESCO FILIA**  
Founder & CEO



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## 03. OUR SUSTAINABILITY STRATEGY

### ENVIRONMENTAL

Fasanara recognises that its activities have an impact on the environment and is committed to delivering positive environmental outcomes where possible. We strive to operate in an environmentally responsible manner and to achieve continuous improvement through internal practices.

- We aim to run our business responsibly by embedding environmental considerations into our operations and decision-making processes.
- The firm has implemented internal processes designed to promote environmental awareness and enhance staff education and engagement.
- We manage our environmental impact through our Responsible Investment framework and the systematic integration of ESG considerations into our investment process.

### SOCIAL

Fasanara is committed to ensuring appropriate labour and working conditions, safeguarding the health and safety of its employees, and supporting the social development of the communities in which it operates.

- The firm fosters a culture built on meritocracy, openness, fairness, and transparency.
- We seek to generate broader social impact by supporting the sustainable growth of our network of fintech partners and encouraging them to adopt sound social and ethical practices.

### GOVERNANCE

Fasanara's governance framework focuses on effective risk management through the implementation of appropriate policies, controls, and oversight structures.

- The firm is committed to maintaining high standards of governance, promoting transparency, and ensuring accountability, underpinned by strong business ethics.
- We strive to meet stakeholders' expectations by providing clear, accurate, and transparent information through high-quality, value-added reporting.
- We continue to apply a sustainability approach that supports the identification, management, and monitoring of material risks and opportunities.

Please see our ESG policies in our Responsible Investment and ESG policy [here](#).



## 04. FASANARA'S ENVIRONMENTAL IMPACT

Our 2025 carbon footprint marks the first year in which we have included credit investments within our Scope 3 financed emissions. Previously, we considered only equity investments, reflecting the limited availability of consistent and reliable data required to calculate financed emissions for our credit strategies.

Given the nature of our business, Scope 3 financed emissions represent the largest component of our overall carbon footprint. As Fasanara focuses on credit strategies, incorporating credit investments into our Scope 3 reporting is an important step forward in strengthening our understanding of our environmental impact as a firm.

### Our 2025 Carbon Footprint

SCOPE	DEFINITION	DETAILS	tCO <sub>2</sub> e
Scope 1	Direct emissions from source owned and controlled by Fasanara	<ul style="list-style-type: none"> <li>Refrigerants from A/C units in Fasanara's London office</li> </ul>	4.13
Scope 2	Indirect emissions from the consumption of purchased electricity and heat	<ul style="list-style-type: none"> <li>Purchased electricity for Fasanara's London office</li> <li>Purchased heating for Fasanara's London office</li> </ul>	5.81
Scope 3	All other indirect emissions linked to the company	<ul style="list-style-type: none"> <li>Purchased goods</li> <li>Waste generated in operations</li> <li>Business travel</li> <li>Employee commuting</li> <li>Financed emissions</li> </ul>	1,448,939.47

Data as of 2025

**TOTAL**      **1,448,943.60**

### OUR GOAL TO ACHIEVE A LOWER CARBON FOOTPRINT

Fasanara recognises that its activities have an impact on the environment and its policy is to limit this impact as much as possible. Fasanara seeks to run a business that is environmentally responsible, energy efficient, carbon neutral and makes its best effort to achieve continuous improvements.

Fasanara recognises that its key environmental impacts are:

- emission of greenhouse gases;
- generation of waste; and
- use of energy, water and manufactured products.



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## 05. FASANARA'S 2025 SOCIAL ACTIVITIES

At Fasanara Capital, we believe promoting equality is important to building long-term, sustainable prosperity. In 2025, we hosted both a webinar and an internal in-person event aimed at advancing equality and raising awareness amongst our stakeholders and across the firm. These initiatives reflect our ongoing commitment to creating a more inclusive workplace and encouraging meaningful engagement across our network.

### WOMEN'S DAY WEBINAR

For International Women's Day 2025, Fasanara hosted a dedicated webinar focused on the persistent financing gap faced by women-led businesses, a challenge that is particularly pronounced among women-led SMEs.

The session examined the structural and market-based barriers that continue to limit women's access to capital, including disparities in funding availability and investment decision-making. It also highlighted the broader economic and social opportunities associated with narrowing this gap, emphasising the potential benefits for innovation, business growth, and inclusive economic development.

### INTERNAL WOMEN EVENT

Fasanara hosted an internal event inviting all the women in the company to reflect the company's commitment in supporting efforts to increase gender diversity. This event started with a speech from the Elisa Bianchi, our Head of Impact and ESG, who highlighted the importance of having a community in a male-dominated industry as well as encouraging a safe space for discussion. The event carried on to highlight the common and shared experiences, and discussions around suggestions to further improve the working environment.



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## 06. GOVERNANCE EFFORT

When it comes to corporate governance, we continue to conform to best practices. We believe that we should always behave ethically and should monitor the ESG consequences of our own business operations, paying particular concern to our role in the wider community.

Among Fasanara's key governance objectives, our top priorities include:

- Fostering an inclusive and empowering workplace culture where diversity is celebrated, individual contributions are recognised, and all employees feel valued and respected.
- Improving gender balance across all levels of the organisation, with a focus on addressing disparities through targeted initiatives and corrective actions, particularly within executive management.
- Building trust and transparency with stakeholders by consistently delivering clear, accessible, and comprehensive information through regular, high-quality reporting that meets stakeholders' expectations and adds value to decision-making.

These objectives reflect Fasanara's goal to uphold the highest standards of corporate governance, creating a supportive work environment, and driving long-term, sustainable growth.

### ESG Risk Management

Senior leadership and employees across Fasanara Capital continue to collaborate firm-wide to ensure robust oversight and management of ESG-related risks to the extent possible. In 2025, we further improved our ESG risk management framework by formalising our ESG screening methodology and initiating the development of an internal ESG rating system for counterparties and portfolio companies.

### Engagement

Being an active investor, Fasanara considers engagement as a fundamental component of its investment process. Moreover, Fasanara sees engagement as a tool for long-term and active ownership.

As part of its approach, it takes an active interest in how its partner originators manage ESG issues and, on behalf of its clients, encourages and supports companies in the investment chain of the funds it manages to adhere to best practice standards for responsible business.



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## 07. OUR INVOLVEMENT WITH EXTERNAL INITIATIVES

Fasanara believes that by joining forces with other asset managers and asset owners across the globe and by combining their influence over the systemically most important players, mainly governments and big corporations, it can more effectively help drive the desired changes, foremost a low-carbon transition and combatting social and economic injustices.

In 2025, we have continued to maintain our involvement with several external initiatives:

1. The **UN Principles for Responsible Investment (UN PRI)** is a framework to help investors incorporate Environmental, Social, and Governance (ESG) factors into their investment decisions. It provides six principles that guide signatories in making responsible investment choices. Being a UN PRI signatory, Fasanara Capital commits to sustainable and ethical practices, aiming to create long-term value while addressing global challenges like climate change and social inequality. It also fosters collaboration and transparency among investors to improve ESG practices.
2. Fasanara continues to be a signatory to **Climate Action 100+**, a global initiative led by investors to ensure the world's largest corporate greenhouse gas (GHG) emitters take meaningful action on climate change. In 2025, Fasanara continued its collaboration with fellow investors to engage with American Airlines Group on their climate strategy, working towards stronger sustainability practices and helping to shape the company's long-term climate goals.
3. Fasanara continues to uphold its commitment as an accredited **Living Wage Employer**, a movement alongside of over 14,000 responsible employers across the UK who voluntarily commit to go further than the government minimum to make sure all their staff earn enough to live on.
4. Fasanara continues to be a signatory to the **UN Women Empowerment Principles (WEP)**. A framework which recommend its signatories to apply the 7 principles and integrate gender equality in the business.

See more on our external initiatives [here](#).

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Signatory of:



In support of

**WOMEN'S  
EMPOWERMENT  
PRINCIPLES**

Established by UN Women and the  
UN Global Compact Office



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## 08. ENVIRONMENTAL CASE STUDY

Classification of one of our funds as Article 8 SFDR (EU Reg. 2019/2088) i.e., a fund that “promotes among other characteristics environmental or social characteristics or a combination of those characteristics provided that the companies in which the investments are made follow good governance practices”.

The 5% asset allocation outlined in the pre-contractual disclosure was consistently adhered to by the fund throughout 2024. The fund actively promotes climate change mitigation and the transition to the circular economy by orienting the portfolio towards investee companies in sectors that are recognised by the EU Taxonomy Regulation.

Specifically, these sectors promote the environmental objective of climate change mitigation (as listed in EU Delegated Regulation 2021/2139) or the transition to a circular economy (as set out in the Annex to the Platform on Sustainable Finance's report) to the extent available. In addition, the fund enforces an exclusion policy, avoiding investments in companies engaged in oil drilling, fracking, petroleum and natural gas extraction, and landfills.

Fasanara evaluates ESG issues within its broader investment decision-making framework. This involves analysing individual line-items in the portfolio against several SDGs, including SDG 1, 2, 3, 4, 6, 7, 9, 11, 12, 13, 14, and 15, using the Sustainable Development Investments Taxonomy. Additionally, Fasanara monitors SDG 5 by applying a binomial test to assess the investee company's commitment to "Gender equality" in senior management.

ESG criteria\* are systematically integrated into Fasanara's due diligence processes, with findings documented in due diligence reports, and potential concerns flagged for the consideration of the Risk Committee. Investments in the portfolio undergo various degrees of ongoing ESG monitoring with the assistance of external ESG data providers such as RepRisk.

These providers regularly screen investee companies for controversial events related to ESG risks ensuring compliance with the principle of “Do No Significant Harm” and minimum safeguards. The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this fund as of 31 December 2024 are as follows:

- To our best knowledge, 0 investments in the portfolio breached the applicable exclusion policy. 0 companies in the portfolio violated the ILO standards, UNGPs, UNGC or OECD guidelines for Multinational Enterprises.
- 5.98% of the portfolio had exposure to economic activities promoting the transition to circular economy, based on number of investments.
- 2.37% of the portfolio had exposure to economic activities promoting climate change mitigation, based on number of investments.
- 5.96% of the portfolio promoted gender diversity in senior management according to a binomial test applied to gender distribution data, based on number of investments.

\*Please refer to our Responsible Investment and ESG policy for more information [here](#).



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## 09. FINANCE FOR MSMEs IN EMERGING MARKETS

At Fasanara, we acknowledge the importance to narrow the financing gap for SMEs in emerging markets, where globally small businesses face an estimated [\\$5.7 trillion](#) financing gap, with women entrepreneurs most affected. MSMEs are a key driver of economic growth and job creation in emerging markets, yet many struggle to access financing.

To address this financing gap, Fasanara is partnering with the International Finance Corporation (IFC), a member of the World Bank Group, to create a pioneering lending strategy aimed at helping micro, small, and medium-sized enterprises (MSMEs) in emerging markets access the capital they need to grow, especially businesses led or owned by women.

This initiative aims to channel more affordable, flexible financing to MSMEs by supporting fintech lenders that serve these businesses. Many fintechs in emerging markets lack sufficient funding to meet growing demand. Drawing on Fasanara's technology-enabled credit capabilities, IFC, and Fasanara aim to increase the flow of affordable and efficient financing to MSMEs, particularly women-led businesses, by investing in trade receivables and digital invoices acquired by fintech companies. This approach will enable fintechs to scale their lending, reach a larger number of small businesses, helping them to expand operations and create more jobs.

This innovative and scalable strategy is one of the first fintech-enabled private credit strategies to focus on lending to MSMEs in emerging markets. It builds on Fasanara's track record in delivering diversified private credit exposures for institutional investors. By demonstrating that these types of loans can represent a viable and investable asset class, the partnership is expected to attract additional private investment, improve the efficiency and affordability of MSME financing, and support long-term economic growth and job creation.



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## 10. FASANARA FOUNDATION: SECOND CHANCES\*

At Fasanara we aim to support charities which contributes to the realisation of the United Nations' Sustainable Development Goals (UN SDGs). Our current charities are contributing to several UN SDGs, such as No Poverty, Zero Hunger, Good Health and Well-Being, Quality Education, and Climate Action.

Our charities are supporting children and young people from underprivileged backgrounds by providing them with appropriate resources. The charities we support are also involved in preserving climate-vulnerable areas as well as developments in medical research and responses.

In 2025, Fasanara Capital hosted a series of internal events to further support our selected charities including a charity evening to raise awareness and educate employees about the causes supported by our partner charities. The event featured three organisations, each championing a distinct mission, from biodiversity conservation to supporting underprivileged youth. Each charity shared their backgrounds and outlined the impactful work they are doing to advance their causes.

The evening also encouraged colleagues to engage individually and support the charities in ways meaningful to them, resulting in further financial support from the Fasanara team; reinforcing our commitment to social and environmental responsibility.

As part of our charitable initiatives, we continued to support our network of partner charities throughout 2025. Each organisation is progressing important projects within its respective cause, and in line with our commitment to these missions, our two largest donations this year were directed to the following charities:

1. **ACAREF** (based in Ferrara, Italy) supports individuals affected by degenerative movement disorders. The charity has recently launched a new Ataxia research programme involving PhD students and leading specialists in the field. This initiative represents a significant milestone for both ACAREF and the wider medical community, enabling deeper understanding of the disease and contributing toward the potential development of preventative approaches.
2. **Eyes on the Future** (UK) focuses on research into a rare childhood-onset blinding condition. Over the past year, the charity has made meaningful progress, including establishing notable research partnerships that strengthen its ability to advance scientific discovery and accelerate future breakthroughs.

See more about Fasanara Foundation: Second Chances [here](#).

\*"Fasanara Foundation: Second Chances" is a brand name used to represent Fasanara's charitable initiatives. It is currently not a legally registered foundation, trust, or independent entity. All charitable activities under this name are solely funded by Fasanara's capital and managed internally. This initiative does not accept external donations and does not operate as a separate non-profit organisation.





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