

STATEMENT ON ESG RISKS IN FINANCING ACTIVITIES

Within Cowen’s investment banking business, Cowen has not provided project finance or other project-related corporate and bridge loans. The investment banking division’s primary business is to raise capital through the capital markets and provide advisory services to corporate clients.

In the past three years, the majority of investment banking revenue was generated from the US (>90%). During this same period, revenue from the energy sector, which includes oil & gas, was less than 1%.

Investment Banking Revenue by Product:

	Capital Markets	M&A	Total
2018	75%	25%	100% (\$329.4 MM)
2017	81%	19%	100% (\$223.6 MM)
2016	80%	20%	100% (\$133.3MM)

Within Cowen’s investment management business, Cowen has a dedicated ESG/impact strategy focused on sustainability. The underlying investments may encompass equity, debt and hybrid instruments. The sustainability strategy team employs a robust integration of ESG factors within the investment process and generally seeks to quantify the degree to which each of its investments creates beneficial environmental impact. Because the strategy team believes that the environmental benefits of the technologies and techniques they choose to invest in are directly tied to economic benefits, their assessment of ESG factors are fully integrated into the investment process and can be quantified for each investment.

In addition, Cowen has a second ESG/impact strategy focused on finding and investing in companies that seek to join disruptive science to provide a solution to unmet medical needs. The underlying investments are late stage venture and may encompass equity, debt and hybrid instruments in private biopharmaceutical and healthcare companies. These companies are at the forefront of humanity’s global challenges to live a longer, healthier life and provide demonstrable social impact. The strategy team uses ESG as an additional lens through which to engage with management teams and key stakeholders, including, and where appropriate, board members. Engagement on key ESG issues can take place during the due diligence phase and during the life of the investment.