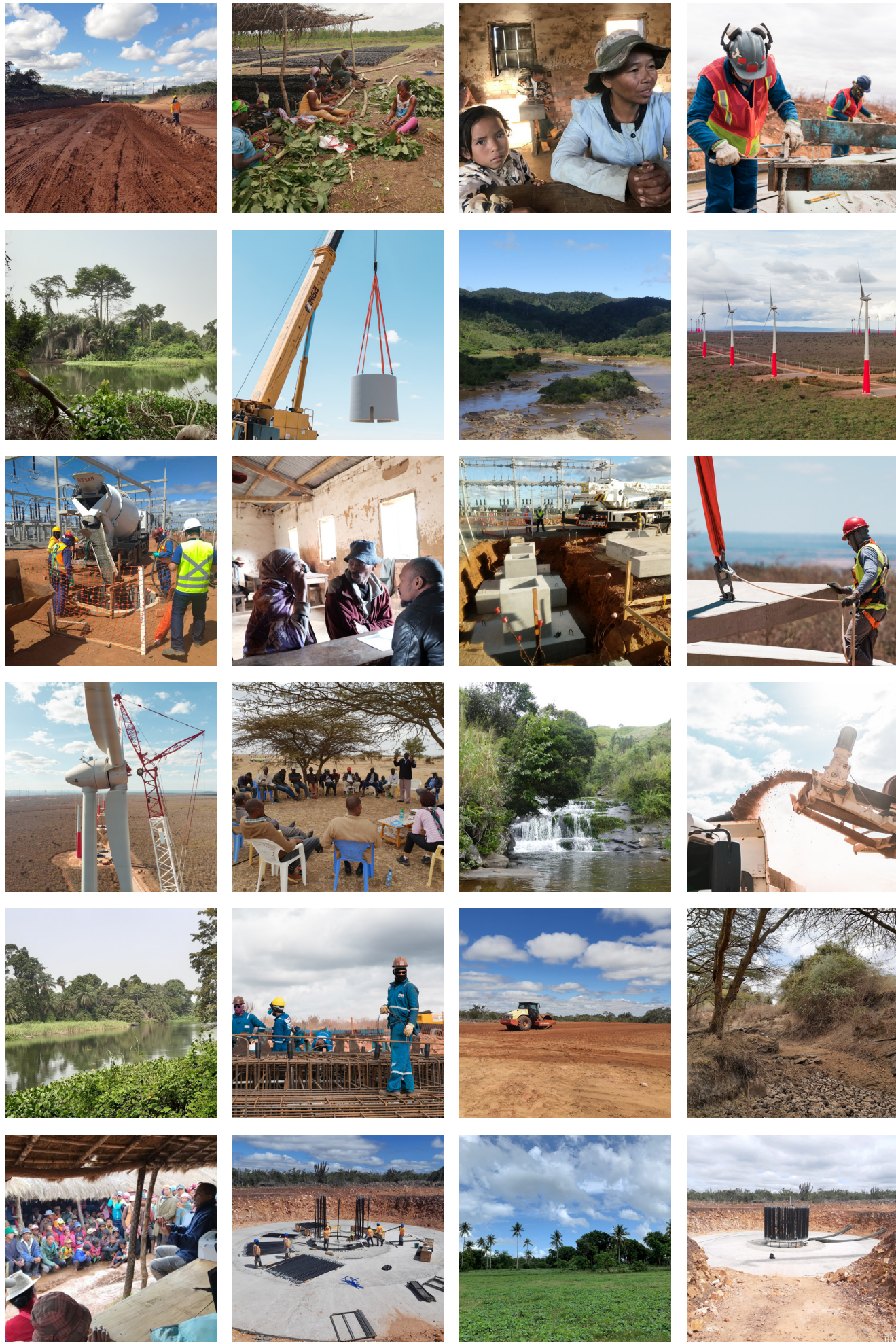


DENHAM INTERNATIONAL
POWER FUND

IMPACT REPORT 2020





ABOUT

In this year's Impact Report, we provide our disclosure to the Operating Principles for Impact Management. These Principles were launched at the World Bank Group/ IMF Spring Meetings in 2019 and as impact investors, we are excited to be amongst first year signatories. The purpose of these Principles is to provide a framework to investors to ensure that impact considerations are integrated throughout the investment life cycle. We are delighted to share our framework and look forward to feedback from our stakeholders.

Forecasts and projections contained herein are based on internal information and/or outside sources believed to be reliable. There can be no assurance that any forecast or projection will be realized. Past performance is not an indication of future results. See "Notice to Recipients" for important additional information.



The investment strategy of the Denham International Power Fund is intrinsically impactful – investing in low-carbon projects in both developing and Least Developed Countries results in a number of social and environmental impacts. It is important to us that we are always thinking about how we can make investments more positively impactful for our stakeholders including local communities and the environment.

SCOTT MACKIN
MANAGING PARTNER



1 INTRODUCTION

The Global Impact Investing Network (GIIN) defines impact investing as “investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return”. In addition to seeking financial returns, Denham International Power Fund’s (DIPF’s) investment strategy of investing in low-carbon projects in both developing and Least Developed Countries results in a number of social and environmental impacts. For this reason, DIPF became a signatory to the Operating Principles for Impact in 2019, to reflect our efforts in managing impact throughout the investment lifecycle.

The investment strategy of DIPF contributes to Goal 7 on the United Nations Sustainable Development Goal “Affordable and Clean Energy”. We consider this a core impact objective. The investment strategy also provides employment opportunities, contributing to UN SDG 8 “Decent Work and Economic Growth”. This is not just in terms of providing employment opportunities, but also ensuring that international labour standards are implemented. Finally, the implementation of community related projects contributes to a number of other UN SDG. We consider these impact objectives as ancillary impacts.



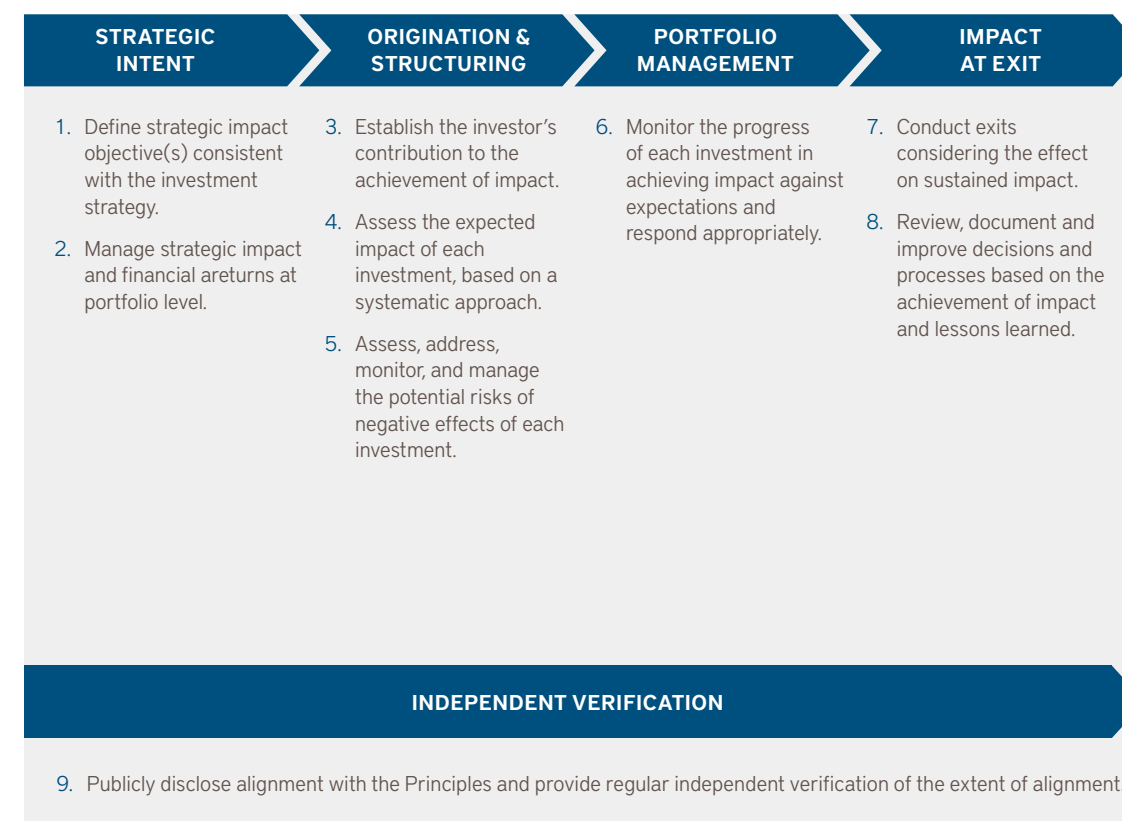
Investing in underserved communities.

We have developed a framework for an “Impact Score” based on the Impact Management Project’s five dimensions of impact. The reason we have decided to use a scoring system rather than a goal-based approach is to allow the multiple dimensions of impact to be assessed. This allows us to compare the different impact objectives of, for example, a wind project in Brazil to a solar project in Kenya. One project may score more highly with respect to renewable energy produced (and the need for power in that country), whilst the other may score more highly in the work implemented around community investments. We have a tracking tool to help us monitor key performance indicators of our assets over their lifecycle.

We believe that whilst our strategy may be high impact, we must not lose sight of potential environmental and social risks. For this reason, we have a robust environmental and social management system which details the way our portfolio companies identify, mitigate, and manage environmental and social risks. Our portfolio companies adhere to a number of international standards, including the IFC Performance Standards.

Whilst we have developed our Impact Management System based on lessons learnt from managing prior power funds, we are continuously looking to improve the way we track, measure and monitor our impact strategy. We look forward to collaborating with other stakeholders in the industry to enable, where possible, a more standardised approach to impact.

The following section provides our disclosure with respect to the Operating Principles for Impact. We became early signatories to these Principles which were launched in 2019. The Operating Principles for Impact has five main elements (strategy, origination, portfolio management, exit and independent verification) and nine Principles under these five elements.



2 OPERATING PRINCIPLES FOR IMPACT MANAGEMENT

DISCLOSURE STATEMENT - DENHAM INTERNATIONAL POWER FUND (DIPF)

June 2020

The Denham International Power Fund (“DIPF”) is a signatory of the Operating Principles for Impact Management (“the Principles”). This Disclosure Statement serves to fulfil DIPF obligations pursuant to Principle 9 of the Principles.

This Disclosure Statement affirms that DIPF investments including (a) impact management systems; and (b) policies and practices, are managed in alignment with the applicable Principles since July 1st, 2019.

Total assets under management in alignment with the Principles is US\$297 million as of March 31st, 2020.



SCOTT MACKIN
MANAGING PARTNER

PRINCIPLE 1

Define strategic impact objective(s), consistent with the investment strategy.

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

- The Denham International Power Fund (“DIPF” or “the Fund”) is a fund managed by the private equity group, Denham Capital. The Fund makes investments in management teams and projects involving the generation of power (renewables and gas) in international markets. DIPF activities are mostly centred on the “Build It” theme of developing and building new clean energy assets through management teams primarily in Africa, Latin America and South East Asia, where the potential exists to reduce the cost of power. On an opportunistic basis, DIPF will acquire and improve existing assets following their “Buy In” theme.
- DIPF uses the Theory of Change model to develop a pathway for impact. The Theory of Change for DIPF is that the investment in clean energy generation mitigates climate change and enables economic growth, including job creation. The DIPF investment strategy has therefore been aligned to contribute to United Nations (UN) Sustainable Development Goal (SDG 7) (Affordable and Clean Energy) and UN SDG 8 (Decent Work and Economic Growth). As part of UN SDG 8, DIPF is committed to ensuring that international labour standards are implemented. Finally, the implementation of community related projects contributes to a number of other UN SDGs such as health, education and woman empowerment programs.
- The Fund’s Theory of Change includes measurable short, medium and long-term outcomes. The approach stipulates the problem, input, output, outcome and impact, and evidence has been provided by credible academic sources to support the Theory of Change through real examples in South America and Africa where the fund invests.
- DIPF uses the five dimensions of the Impact Management Project¹ to determine the impact of the underlying asset. Within this, DIPF has created key performance indicators (KPIs) from the Impact Reporting and Investment Standards (IRIS)², Harmonized Indicators for Private Sector Operations (HIPSO)³, as well creating their own internal metrics where published metrics are not available. All the KPIs have measurable units.
- DIPF has developed a framework for an Impact Score based on the Impact Management Project’s impact objectives (i.e. what, who, how much, enterprise contribution, risk). The DIPF has also developed an Impact Tracker Tool to monitor progress towards achieving the positive impacts. Each investment is rated using the DIPF Impact Score, which allows for different dimensions of impact to be assessed for each asset and throughout the life-cycle of an investment. This score also allows comparison between assets based on their contribution towards impact.
- The Theory of Change accounts for how the portfolio’s impact is proportionate to the size of the investment portfolio by outlining the extent of DIPF spheres of direct and indirect impact. For example, the DIPF is aware that a clean energy investment contributes to specific impacts such as Gross Domestic Product (GDP) growth, job creation (outside of the direct business) and climate change, but has no direct control over them.

¹ The Impact Management Project (IMP) is a forum for building consensus on how to measure, manage and report social, environmental and economic performance. <https://impactmanagementproject.com/>

² IRIS is a measurement platform for impact investing. <https://www.iris.co.uk/>

³ HIPSO creates harmonised indicators for private sector operations. <https://indicators.ifipartnership.org/>

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OPERATING PRINCIPLES FOR IMPACT MANAGEMENT *(Continued)*

PRINCIPLE 2

Manage strategic impact on a portfolio basis.

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognising that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

- As part of DIPF strategy, impact criteria are applicable across the assets of the portfolio. Examples of impact goals for the portfolio level and asset level include - carbon dioxide (CO2) savings, internal Environmental, Social and Governance (ESG) training, female leadership, megawatts (MW), and peak employment. The DIPF strategy makes accommodations to reflect the proportional size of project impact. Some projects in portfolio companies that are larger will have greater impacts, i.e. larger CO2 savings. In addition, larger projects generally have a greater budget for community related projects.
- DIPF has a detailed impact tracker which outlines the person responsible for monitoring and reviewing impact across the project lifecycle. This runs from stage one (project development) through to stage six (exit).
- On an annual basis, as part of the overall goal setting process for the portfolio companies, DIPF reviews and integrates impact goals. The goals have a clear link to the optimisation of the portfolio company's value and are aligned with the long-term business strategy.
- On an annual basis impact goals are set as a percentage of the overall goals and targets for the management team. A discretionary financial bonus to the management team is awarded based on the achievement of these goals.

PRINCIPLE 3

Establish the Manager's contribution to the achievement of impact.

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels⁴. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

- The strategy of DIPF is focused on alpha creation during the commercial development phase. During this phase, the Fund and its controlled portfolio companies stage capital to finalise all key commercial development items, commercial contracts (e.g. PPA, construction contracts) and non-recourse debt financing, all to international standards. In addition, ESG management plays a central role in the Fund's strategy and extensive community programs are implemented as part of their impact work.

⁴ For example, this may include: improving the cost of capital, active shareholder engagement, specific financial structuring, offering innovative financing instruments, assisting with further resource mobilization, creating long-term trusted partnerships, providing technical/ market advice or capacity building to the investee, and/or helping the investee to meet higher operational standards.

PRINCIPLE 3 CONTINUED

- The DIPF provides financial channels which contribute to desired impacts, including providing development and construction equity for projects. The involvement of the Fund in a project brings credibility and encourages additional financial channels to achieve the desired impact. This includes financially supporting projects in certain geographies not considered to be attractive for investment, as reflected in Ernst and Young's "Renewable Energy Country Attractiveness Index". The DIPF also provides development and construction equity in jurisdictions where governments and utilities' may not have the access to capital and technical expertise required to develop this infrastructure on their own. Due to the Fund's experience and risk appetite, DIPF may operate in areas where a number of similar funds would not. The involvement of the Fund's team with their portfolio companies and the associated environmental and social management enables access to debt and political risk insurance, especially from multi-lateral development banks (MDBs) which brings a number of associated benefits.
- The DIPF contributes non-financial channels by working closely with management teams, for example by driving analysis of potential deals and providing regular training to meet higher international environmental and social standards. They also provide access to a team of professionals with in-depth knowledge of their respective disciplines to drive additional value to each investment. The involvement of DIPF with the management teams helps "internationalise" many of the key contractual arrangements, with a view towards ensuring bankability of an investment and by adopting DIPF risk mitigation approach to ensure projects are built on time and within budget. The presence of DIPF means there is joint responsibility in monitoring potential exit opportunities as well as driving exit readiness.

PRINCIPLE 4

Assess the expected impact of each investment, based on a systematic approach.

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact⁵ potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact?⁶ The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations.

In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systematic impacts. Indicators shall, to the extent possible, be aligned with industry standards⁷ and follow best practice⁸.

⁵ Focus shall be on the material social and environment impacts resulting from the investment. Impacts assessed under Principle 4 may also include positive ESG benefits derived from the investment.
⁶ Adapted from the Impact Management Project (www.impactmanagementproject.com)
⁷ Industry indicator standards include HIPSQ (<https://indicators.ifipartnership.org/>); IRIS (<https://iris.thegiin.org/>); GIIRS (<https://b-analytics.net/giirs-funds>); GRI (<https://www.globalreporting.org/Pages/default.aspx>); and SASB (<https://www.sasb.org/>), among others
⁸ International best practice indicators include SMART (Specific, Measurable, Attainable, Relevant and Timely) and SPICED (Subjective, Participatory, Interpreted & communicable, Cross-checked, Empowering, and Diverse & disaggregated), among others.

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OPERATING PRINCIPLES FOR IMPACT MANAGEMENT *(Continued)*

PRINCIPLE 4 CONTINUED

- The DIPF has created their own impact assessment tool based on the Impact Management Project’s (IMP) five dimensions of impact. The dimensions include: (1) what the outcome is and its importance, (2) who experiences the outcome, (3) how much outcome occurs and its scale and depth, (4) DIPF Contribution and (5) the risk that the impact does not occur as expected.
- The DIPF Impact Score allows Denham to assess the impact of investments against each other in a quantitative way. The DIPF Impact Score is made up of core and ancillary impacts. Core impacts include power installation and generation impact based on a country need, as well as expected CO₂ savings. Ancillary impacts include employment generation and impacts related to community related projects. The Impact Score considers country context in terms of power needs, clean energy policies, power sector structure and regulation and rating for global rights.
- While the impact assessment is based on the IMP, KPIs are taken from IRIS and HIPSO, which are industry standard and best practice impact management frameworks and tools. Where neither IRIS nor HIPSO cover the impact objectives, bespoke internal metrics are set. This is detailed in DIPF Impact Report from 2019.
- For each project, the risks of not achieving the desired impact objective is outlined along with risk mitigation measures. The impact risks considered include evidence of risk, external risk, stakeholder participation risk, drop off risk, efficiency risk, execution risk, alignment risk, endurance risk and unexpected impact risk. DIPF have also referenced the IMP Risk Approach⁷ which ensures continuous monitoring of the risks is undertaken, including at financial close and on an annual basis.
- DIPF looks at ways to increase the positive impact of the fund and its portfolio companies. The impact objective area where additional positive impacts can generally be made relate to improving living standards through community related projects. This is achieved via the continual stakeholder engagement process which helps identify community needs and the implementation of community development programs which subsequently drives impact.

PRINCIPLE 5

Assess, address, monitor, and manage potential negative impacts of each investment.

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG)⁹ risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes and standards, using an approach aligned with good international industry practice¹⁰. As part of portfolio management, the Manager shall monitor investees’ ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

⁷ Industry indicator standards include HIPSO (<https://indicators.ifipartnership.org/>); IRIS ([iris https://iris.thegiin.org/](https://iris.thegiin.org/)); GIIRS (<https://b-analytics.net/giirs-funds>); GRI (<https://www.globalreporting.org/Pages/default.aspx>); and SASB (<https://www.sasb.org/>), among others

⁹ The application of good ESG management will potentially have positive impacts that may or may not be the principal targeted impacts of the Manager. Positive impacts resulting from ESG matters shall be measured and managed alongside with, or directly embedded in, the impact management system referenced in Principles 4 and 6.

¹⁰ Examples of good international industry practice include: IFC’s Performance Standards (www.ifcperformancestandards.com); IFC’s Corporate Governance Methodology (www.ifc.org/cgmethodology); the United Nations Guiding Principles for Business and Human Rights (www.unglobalcompact.org/library/1); and the OECD Guidelines for Multinational Enterprises (<http://mneguidelines.oecd.org/>)

PRINCIPLE 5 CONTINUED

- The Fund has an Environmental and Social Management System (ESMS) which details the way each portfolio company identifies, mitigates and manages environmental and social risks as well as communicates DIPF commitment to develop projects to the highest standards. The management method is aligned with international standards (including the IFC Performance Standards). DIPF also has an environmental and social policy, with an exclusion list identifying the type of investments avoided.
- DIPF has a strong method to avoid and mange negative ESG impacts for the fund investments. This includes guaranteeing senior management buy in and ensuring that the shareholders and investment agreements include E&S provisions. Each portfolio company appoints an ESG Manager or Team and implements an ESMS which reflects DIPFs requirements. As part of the on-boarding process, ESG training is provided to the whole management team.
- Denham and the management teams uses a categorisation tool to categorise projects as Category A or Category B projects. Category A projects are those which generate potentially significant adverse environmental and social risks. Category B projects are those which have potential limited adverse environmental and social risks and/or impacts. The categorisation provides guidance as to the resources and assessments required for an individual project.
- For all projects, screening reports, Environmental and Social Due Diligences (ESDD) reports and Environmental and Social Impact Assessments (ESIAs) are undertaken to identify any environmental and social risks. These are aligned with either the country standards or DIPF standards, whichever is the most stringent. Environmental and Social Action Plans (ESAPs) are developed to manage any identified risks and gaps.
- All ESIAs and ESDD reports are reviewed by Denham’s ESG Manager and are submitted to an ESG Sub-Committee made up of Limited Partners. Denham’s ESG Manager also reports to Denham’s senior management. All Investment Committee (IC) papers and Board Meetings include ESG updates.
- The Fund has established a stringent governance process to ensure strong communication between the management team for the portfolio company and DIPF. This enables the portfolio company’s ESG manager to communicate up to portfolio level through weekly calls and via a quarterly reporting framework. Roles and responsibilities for each step of the ESG process are detailed in the strategy document. Furthermore, this details how all environmental and social reports are monitored by relevant stakeholders.

PRINCIPLE 6

Monitor the progress of each investment in achieving impact against expectations and respond appropriately.

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action¹¹. The Manager shall also seek to use the results framework to capture investment outcomes¹².

¹¹ Actions could include active engagement with the investee, early divestment; adjusting indicators/ expectations due to significant, unforeseen, and changing circumstances; or other appropriate measures to improve the portfolio’s expected impact performance.

¹² Outcomes are the short-term and medium-term effects of an investment’s outputs, while the outputs are the products, capital goods, and services resulting from the investment. Adopted from OECD-DAC (<http://www.oecd.org/dac/>).

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OPERATING PRINCIPLES FOR IMPACT MANAGEMENT (*Continued*)

PRINCIPLE 6 CONTINUED

- The DIPF has developed an impact tracker to monitor progress towards achieving the positive impacts. The tracker records both the Impact Score for the investment as well as key performance indicators (KPIs) for the investment. The tracker is updated at an investment's financial close and updated in January of each year. The tracker is a dynamic mechanism and captures information from investment management teams in collaboration with appropriate and relevant third-party reports, as available. Data is reported in company board presentations, as well as in the Annual Impact Report, which provides additional information on calculations and metrics to further review, monitor and measure each investment. DIPF will annually review its methodology, including tracking the HPSO to ensure ongoing effectiveness.
- Several predefined processes are followed to share performance with investees, including communicating KPIs for the investment in company board presentations and preparing case studies with management teams to show the impact of the investments. In addition, DIPF prepares an Annual Impact Report on the material positive and negative impacts, as well as discloses key limitations and assumptions used in the calculation of the funds reported impact performance metrics.
- DIPF has developed an action plan for each investment in the event that they will not meet the expected results. This includes Investment management team's follow-up with investments to initiate corrective and preventive actions, if necessary. DIPF also has stringent governance processes in place to ensure effective communication between the management team for the portfolio company and DIPF. This enables the portfolio company's ESG manager to communicate up to portfolio level through weekly calls and via a quarterly reporting framework.

PRINCIPLE 7

Conduct exits considering the effect on sustained impact.

When conducting an exit¹³, the Manager shall, in good faith and consistency with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact.

- The DIPF fund is a recent fund with a pipeline of investments made and to be made in 2019-2021. Therefore, most of the projects are at development stage, and thus have not been through the whole lifecycle. To develop impact exit strategies, DIPF have drawn on experience and lessons learnt from prior exits managed by the DIPF team.
- The applied strategy assesses the effect on sustained impacts from an exit, firstly, by assessing the buyer's commitment to impact and shared values and, secondly, by Denham taking a preferred position in negotiating the sale agreements to ensure that community commitments continue. DIPF works with the portfolio company to clearly lay out the ESG systems and documents for the buyer of an asset.
- The investment strategy of DIPF is intrinsically impactful; therefore, buyers of an operating investment will be procuring an 'impactful' investment. In addition, all impact and ESG documentation produced for the project is clearly laid out to the buyer of the asset to enable the impact objectives of the project to be continued. In addition, DIPF assess their buyers' commitment to impact and shared values, and they take a preferred position in negotiating the sale agreements to ensure that DIPF community commitments continue.

¹³ This may include debt, equity, or bond sales, and excludes self-liquidating or maturing investments.

PRINCIPLE 8

Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

- The DIPF fund is a recent fund with a pipeline of investments made and to be made in 2019-2021. Therefore, most of the projects are at development stage, and thus have not been through the whole lifecycle. DIPF draws on the wealth of experience and knowledge they have gained from other assets within other similar funds.
- DIPF has developed a process which will be followed to review, document and improve decisions and processes based on the objective of positive impact and lessons learned. Once operational, these will include the development of case studies which will include expected versus actual impacts and lessons learned. The completion of an annual questionnaire in collaboration with the portfolio companies to review lessons learnt. The development of a small committee, which includes key stakeholders, to discuss the results of the questionnaire and the actions (and timeline) which can be implemented to improve future impact performance. All key information will be communicated back to relevant stakeholders.
- An annual review of the impact management system will be undertaken to determine what improvements can be made to future operational and strategic investment decisions.

PRINCIPLE 9

Publicly disclose alignment with the Principles and provide regular independent verification of the alignment.

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

- This Disclosure Statement re-affirms the alignment of DIPF procedures with the Principles and will be updated annually (July 2021).
- The independent assurance report on the alignment of DIPF with the Operating Principles for Impact Management is available at <https://www.denhamcapital.com/assets/2020/06/Verification-Summary.pdf>.
- The verification will be replicated every two years.
- The current independent verifier is as follows: Energised Environments Ltd, trading as ITP Energised. ITP Energised have verified the document in alignment with the ISAE 3000¹⁴ standard, the standard for assurance over non-financial information¹⁵.

¹⁴ <https://isae3000.com/isae-3000>

¹⁵ To confirm, ITP Energised have completed third-party verification of DIPF's implementation of the Operating Principles for Impact Management and are not providing assurance.

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NOTICE TO RECIPIENTS

This report is made available on a confidential basis to the recipient for the purpose of providing certain information about Denham Capital Management LP and its affiliates (“Denham”) and specified investment funds sponsored by Denham (each, a “Fund”). This report does not constitute an offer to sell or a solicitation of an offer to purchase interests in any Fund. Any such offer or solicitation will be made only pursuant to a confidential private placement memorandum for a Fund, which qualifies in its entirety the information set forth herein and which should be read carefully prior to investment in any Fund for a description of the merits and risks of an investment in the Fund. This report is not, and may not be relied on in any manner as legal, tax, investment, accounting or other advice. Neither the U.S. Securities and Exchange Commission nor the securities regulatory authority of any state or of any other U.S. or non-U.S. jurisdiction has passed upon the accuracy or adequacy of this document or the merits of an investment in the Fund. Any representation to the contrary is unlawful. An investment in a Fund entails a high degree of risk and no assurance can be given that a Fund’s investment objective will be achieved or that investors will receive a return of their capital.

Unless otherwise noted, all information herein is as of March 31 2020, and all figures are expressed in U.S. Dollars.

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Statements contained in this report (including those relating to current and future market conditions and trends in respect thereof) that are not historical facts are based on current expectations, estimates, projections, opinions and/or beliefs of Denham and information currently available to Denham. Certain information contained in this report constitutes “forward-looking statements,” which can generally be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “estimate,” “forecast,” “intend,” “continue,” “target,” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. Prospective investors should carefully review the data and assumptions underlying the analyses, forecasts and targets contained herein. Although reviewed, data is not guaranteed as to accuracy or completeness. The analyses, forecasts and targets contained in this report are based on assumptions believed to be reasonable in light of the information presently available. Such assumptions (and the resulting analyses, forecasts and targets) may require modification as additional information becomes available and as economic and market developments warrant. Any such modification could be either favorable or adverse. Such analyses, forecasts and targets are subject to uncertainties, changes (including changes in economic, operational, political or other circumstances) and other risks, all of which are beyond Denham’s control and any of which may cause the relevant, actual financial and other results to be materially different from the results expressed or implied by such analyses, forecasts and targets. Industry experts may disagree with such analyses, forecasts and targets, the estimations and assumptions used in preparing the analyses, forecasts and targets or Denham’s view or understanding of current or future events. No assurance, representation or warranty is made by any person that any of such analyses, forecasts and targets will be achieved and no investor should rely on such analyses, forecasts and targets. None of Denham, any of its affiliates or any of their respective directors, officers, employees, partners, shareholders, advisors or agents makes any assurance, representation or warranty as to the accuracy of any of such analyses, forecasts and targets. Nothing contained in this report may be relied upon as a guarantee, promise, assurance or a representation as to the future.

This report is based on information available as of the time it was written, provided or communicated, and Denham disclaims any duty to update this report and any content, research or information therein. For instance, certain of the information contained herein regarding the global economy, the global private equity markets, the global energy and commodities markets and other matters has been derived from published material prepared by other parties, which in certain cases has not been updated through the date thereof. While such information is believed to be reliable for the purpose used herein, neither Denham nor its affiliates assume any responsibility for the accuracy or completeness of such information or for the validity of any opinions or interpretations expressed in respect thereof. Further, the information concerning the market environment and opportunities in the marketplace represent the views of Denham. Reasonable persons may disagree as to perceptions of the market environment and the investment opportunities created thereby. The statements, opinions, targets, and data expressed in this report are subject to change without notice.

Monetary amounts identified as “committed capital” or “earmarked capital” in this report include non-legally binding amounts that represent Denham’s best estimate and are subject to change at any time.

References to portfolio companies are presented to illustrate the application of Denham’s investment process only and should not be considered a recommendation of any particular security or portfolio company. It should not be assumed that investment made in the future will be profitable or will equal the performance of past or current investments.

There are risks associated with investing in securities, including but not limited to erratic market conditions, geopolitical risk, management risk, liquidity, non-diversification risk, focused investment risk, credit and counterparty risk, and possible loss of principal.

As used throughout, “de-risk” means the process of identifying, quantifying and seeking to mitigate risks pertaining to a particular investment. De-risking is generally an iterative process and new risks may emerge after others have been mitigated. “De-risk” does not mean that all risk has been removed from a particular investment.



Signing up to the Operating Principles for Impact, has helped us think about impact within a structured framework and implement a rigorous Impact Management System. We are excited by our scoring methodology which helps us compare different impact objectives between projects and over time.

SABINE CHALOPIN
ESG MANAGER



