

DENHAM CAPITAL MANAGEMENT LP

ESG POLICY

1. Introduction

Denham Capital is a global sustainable infrastructure and mineral resources investment firm. Denham Capital recognizes the need to build a low-carbon economy and seeks to invest in companies and projects which share our vision for sustainable growth and long-term value creation. This is reflected in the investment strategy of our funds, which primarily focus on sustainable infrastructure and on metals and minerals that assist in decarbonization and the energy transition.

Denham Capital recognizes that successful management of environmental, social and governance (ESG) issues related to the investments it makes through its funds are essential in making a more positive contribution to the world we live in. We are committed to protecting the environment, respecting our employees, and promoting development and employment opportunities for the communities where our investments operate. We believe that ESG performance is fundamental to protecting value and realizing opportunities.

Denham Capital is a signatory to the United Nations Principles for Responsible Investment (UN PRI).

2. Oversight

Denham Capital's Partners have primary oversight over this ESG Policy, as for all the company's policies. In addition, each sector has additional ESG oversight.

3. Scope of this Policy

This policy provides the framework for Denham Capital's overall ESG approach and our commitment to integrating ESG factors into its analysis of potential investments and management of current investments. Each of Denham Capital's sector groups may have additional, more detailed ESG requirements, which if in conflict with the provisions of this policy, will supersede this policy.

For equity investments, Denham Capital will provide a copy of this policy to its Portfolio Companies as appropriate, taking into account Denham Capital's level of control, if any, over the Portfolio Company.

This policy will be shared with our LPs and all employees and is available on our website. We will seek to review this policy and supporting processes periodically.

4. Our commitments

Denham Capital manages its investments to seek the best long-term, risk-adjusted portfolio returns for its clients. We are committed to integrating ESG considerations into our investment analysis of potential investments and management of current investments. We recognize the importance of climate change, biodiversity and human rights, and believe negative impacts on project-affected ecosystems, communities and the climate should be avoided. If these impacts are unavoidable, they should be evaluated in a thoughtful manner with the goal to minimize, mitigate, and as a last resort, offset.

Revised: April 2023

When selecting Portfolio Companies and projects for investments, we strive to choose assets that align with our ESG commitments:

Protecting the Environment: we seek to minimize adverse impacts that our investments have on the environment, particularly climate change and biodiversity. We recognize that climate change is one of the biggest challenges facing the world and support the Paris Agreement to avoid the worst effects of climate change by limiting warming to well below 2°C and aiming for 1.5°C. We will seek to work with our Portfolio Companies to develop and implement their own climate policies with the aim of reducing greenhouse gas emissions across the portfolio.

We also recognize that biodiversity and climate change are interconnected. Where applicable, we expect our Portfolio Companies to implement biodiversity action and management plans following the mitigation hierarchy of avoiding or, where this is not possible, minimizing any potential negative effects on biodiversity, and as a last resort, of offsetting any residual impacts.

We recognize that our investments may require land and water usage, and we will aim to ensure that our Portfolio Companies optimize the use of such resources through appropriate management plans.

Health and Safety: The health and safety of all employees who work for Denham Capital, our Portfolio Companies and projects in which we invest is our priority. This extends to protecting the health and safety of communities that may be affected by our investment activities. We expect Portfolio Companies to put in place appropriate systems to provide a safe and healthy working environment, report against health and safety key performance indicators and to implement emergency preparedness and response plans.

Human Rights: We are committed to respecting human rights and believe that all people should be treated with fairness, respect and dignity. Portfolio Companies are expected to put in place a human rights policy which includes a whistle-blowing process and a mechanism for considering and resolving grievances. Where an investment may impact indigenous peoples, we require evidence of free, prior and informed consent (FPIC). Portfolio Companies are also expected to identify potential risks to human rights in the supply chain.

Community Engagement: We acknowledge that the construction and operation of our investments can both positively and negatively impact communities. We expect Portfolio Companies to foster local employment and economic development opportunities to maximize the positive direct economic impact on local communities. We also expect Portfolio Companies to develop and implement community development plans to benefit local communities, which may include health, education and local environmental initiatives.

Diversity and Inclusion: We recognize that a diverse and inclusive work culture brings viewpoints and perspectives that lead to better problem solving, increased productivity and a workplace which retains talent. We seek to have a diverse and inclusive team and will encourage our Portfolio Companies to do the same.

Governance: A strong governance framework is essential in the management and success of our business and investments, and we seek to uphold the highest business integrity standards. Our risk management framework includes this ESG policy, anti-money laundering, cyber-security, anti-corruption and other risk management policies. These policies are reviewed regularly, and training is provided annually.

Portfolio Companies are expected to put into place systems to ensure compliance with the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, as well as relevant national anti-corruption laws. These systems will seek to prohibit bribery and other improper payments to foreign officials. They will also seek

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to prevent money-laundering. Portfolio company boards of directors will provide oversight in the areas of audit, risk management and potential conflicts of interest.

5. ESG Principles

Denham Capital is committed to the following standards and expects Portfolio Companies to implement these policies on a best efforts basis:

- The IFC Social and Environmental Performance Standards, dated January 2012
- The IFC/ World Bank Environmental, Health and Safety Guidelines (EHS)
- ILO Core Labour Standards and ILO Basic Terms and Conditions of Work
- The United Nations Guiding Principles on Business and Human Rights
- The Voluntary Principles on Security and Human Rights (VPSHR)
- U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act, as well as relevant national anticorruption laws

Additional standards may be required at a sector level.

6. Integrating ESG into investment cycle

Screening

Each investment team has its own processes to screen initial investment opportunities to ensure that an investment is not a fund excluded activity and to identify initial ‘red flag’ ESG issues. Red flags may include:

- Corruption or bribery allegations
- Environmental contamination or other adverse incidents
- Allegations of human rights violations
- Legacy of poor conduct of community relations
- Poor health and safety performance which cannot be turned around.

Due Diligence

Desk-based ESG due diligence will be conducted to identify key risks and opportunities. Where appropriate, third-party consultants will be appointed to conduct Environmental and Social Due Diligence (ESDD), which will generally include an appraisal of the existing environmental and social impact assessment (ESIA). As part of this process, a site visit may be completed, or we may choose to commission an expert to do so on our behalf. For debt transactions, we may choose to rely on ESDD completed by either the sponsor or other lenders.

Investment decision-making and agreement

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We include ESG considerations and findings from the due diligence phase as covered topics in the Investment Committee (or Pricing Committee) documentation.

Where there are gaps between compliance of an investment with Denham Capital's ESG Principles, we will seek to have a corrective action plan or a roadmap to ensure alignment with these Principles within an acceptable timeframe.

Where appropriate, Denham Capital will seek formal commitments from the Portfolio Company to implement ESG improvements and to ensure positive environmental impact and community benefits.

Ownership and monitoring

In situations where Denham Capital controls the board of directors at its Portfolio Companies, we will ensure that as part of its board activity, identified ESG issues are discussed, and an approach and appropriate metrics are agreed upon for ongoing monitoring.

In order to collect information on ESG developments, Denham Capital will require regular reporting (at least annually) from Portfolio Companies. We will also track material key performance indicators (KPIs) and KPIs which are required to be reported for regulatory purposes. We will work with our Portfolio Companies to measure material Scope 1 and Scope 2 emissions across our portfolio.

We will provide updates to LPs on a fund's ESG performance at least annually.

Exit

For equity investments, we will include investment ESG performance in vendor DD to highlight ESG value creation. In addition, we will seek to screen potential buyers for whether their ESG focus is aligned with ensuring the ongoing social license to operate, although our fiduciary responsibilities will require us to consider other factors as well.

7. Training

ESG training is provided annually to Denham Capital on key issues, such as ESG integration, human rights, climate change and biodiversity. Where appropriate, this training is extended to Portfolio Companies.