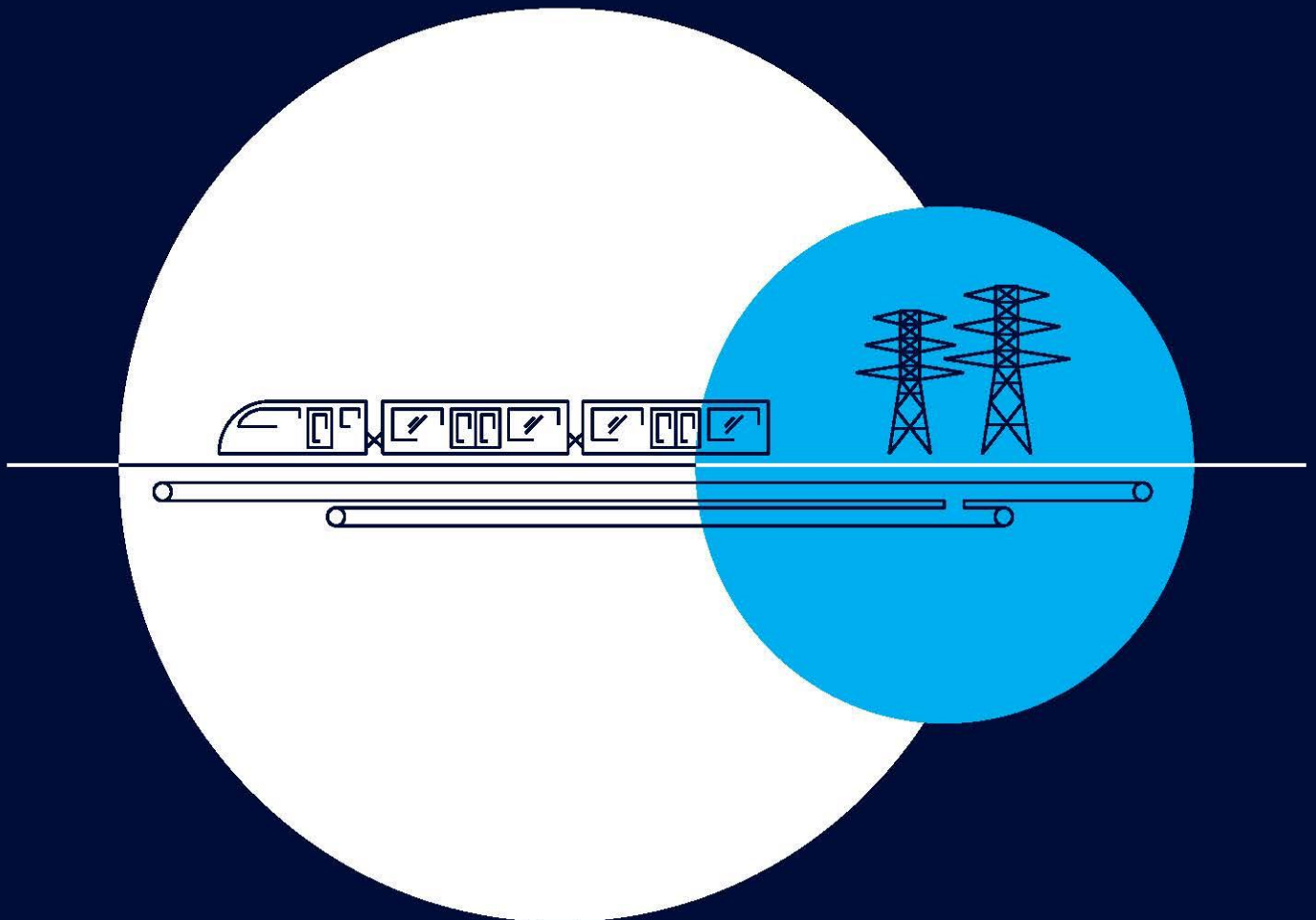


Responsible Investment Policy



1. INTRODUCTION

Dalmore Capital Limited (“Dalmore”) is an independent fund manager that provides institutional investors with access to lower volatility infrastructure assets. Dalmore has a long-term investment horizon with a buy-and-hold strategy, typically of 15 to 25 years.

Our projects bring positive socioeconomic and environmental benefits, through the provision of new and/or refurbished infrastructure assets that support the delivery of essential public services. Such assets include schools, hospitals and care facilities, housing, defence facilities, transport links, water and energy utilities, waste management and sustainable energy generation. Infrastructure assets whose primary activity is the extraction of or generation of electricity from fossil fuels are excluded from our investment strategy.

Investing responsibly and paying due consideration to environmental, social and governance (ESG) factors is a matter of strategic priority for Dalmore.

2. PURPOSE AND SCOPE OF POLICY

This policy summarises our commitment and approach to integrating ESG factors into our investment decisions and asset management processes and practices. This policy is approved by the Dalmore Board and applies to all assets under management.

All Dalmore employees are required to declare that they have read and understood the policy and agree to its implementation in their everyday work.

3. DALMORE’S COMMITMENT

Dalmore believes that essential infrastructure and sustainable energy generation has a significant and positive role to play in supporting economic growth (through employment, facilitation of business and more efficient use of resources), decarbonisation of the economy, and delivering social prosperity through improved access to and provision of social services (such as health care, education, and other public services). Through these and other positive contributions, our investments also have a role to play in supporting the transition to a low carbon economy and the delivery of the United Nations Sustainable Development Goals.

Intrinsic to that belief is our commitment to responsible investing and to the promotion of high standards of business ethics and integrity, and the recognition that ESG factors have, and will continue to have, a material impact on the long-term performance of infrastructure assets, and support long-term value to our investors.

Dalmore is a signatory to the UN-supported Principles for Responsible Investment (PRI), and as such commits to the following Principles:

1. Incorporate ESG issues into investment analysis and decision-making processes.
2. Be active owners and incorporate ESG issues into ownership policies and practices.
3. Seek appropriate disclosure on ESG issues by the entities into which investments are made.
4. Promote acceptance and implementation of the Principles within the investment industry.
5. Work together to enhance effectiveness in implementing the principle.
6. Report on activities and progress towards implementing the principles.

Dalmore believes the implementation of these Principles will result in better outcomes for its investors and closer alignment between their investment objectives and those of society more broadly.



4. IMPLEMENTATION APPROACH

4.1 ESG Framework

Consideration of material ESG risks and opportunities forms part of reviewing potential new investments and ongoing management of Dalmore's existing portfolio companies. While we recognise that these risks and opportunities are specific to the circumstances and characteristics of each investment, we have identified the following common areas to focus on:



4.2 Prior to Investment

Dalmore's investment strategy is exclusively focused on infrastructure assets, which we believe have positive socio-economic and/or environmental outcomes. Infrastructure assets whose primary activity is the extraction of or generation of electricity from fossil fuels are excluded from our investment strategy.

Dalmore's investment due diligence process includes assessment of the ESG risks and opportunities inherent and unique to each potential deal it considers. As part of that process, all new deals are assessed against our ESG Framework through appropriate due diligence including asking questions of management teams and/or the vendor.

The findings from the due-diligence enable Dalmore to decide whether to proceed with the investment, and if so, what post-acquisition processes and practices may need to be implemented in order to improve and properly manage ESG-related risks. Each Investment Committee paper includes a specific section on ESG which summarises the outcomes of the ESG due diligence undertaken, highlighting any material areas requiring improvement.



4.3 Active Asset Management

Dalmore believes in proactively exercising its shareholder and governance rights as long-term custodians of the assets in which it invests. Post-acquisition, Dalmore's focus on ESG matters is continued through the active ongoing management of assets. Principally, Dalmore takes director positions on the board of its portfolio companies and exercises its governance rights to influence board behaviour and decision-making, and to achieve outcomes at each portfolio company consistent with this Policy.

Dalmore takes a tailored approach, and relevant ESG matters to each of the portfolio companies are reported to and discussed by the board of portfolio companies quarterly. In addition, Dalmore annually monitors practices and performance metrics related to our ESG Framework focus areas, across the entire portfolio of assets under management.

As a result of these monitoring activities, and where practical, specific improvement initiatives and actions are identified and discussed with the boards of respective portfolio companies.

Dalmore's asset management team meets at least every two months to review portfolio companies, share best practices and escalate any significant issues, including ESG matters. Dalmore is committed to ensuring that its asset management team has sufficient training and resources to comply with this policy and ensure continuous improvement in adopting ESG practices.

5. TRANSPARENCY AND DISCLOSURE

Dalmore believes in the benefits of transparency and is committed to continuously improving its ESG-related disclosures and communication to clients and other key stakeholders.

Dalmore provides its investors with quarterly reports including commentary on the operational performance of portfolio companies and description of significant ESG events. In addition, Dalmore reports to its investors on Responsible Investment activities during its annual investor day and Advisory Committee meetings.

We are committed to publicly communicating a summary of our ESG practices and performance at least annually, and seek to ensure, over time, that our reporting is aligned with industry best practice and meets the information needs of investors and other stakeholders. More specifically, we are committed to incorporating the recommendations of the Taskforce for Climate-related Financial Disclosures in our practice and reporting.

Dalmore is a signatory to the PRI, and as part of our annual reporting obligations, we disclose our approach to responsible investment and integration of ESG factors in decision-making. Our annual disclosure, in the form of Dalmore's PRI Transparency report, is made publicly available through the PRI Portal, and our PRI assessment report is published on the Dalmore website.

Dalmore seeks to assess, compare and ultimately improve the ESG performance of its funds and underlying assets through a variety of channels, including periodic discussions with our co-investors.

6. GOVERNANCE AND OVERSIGHT

Our CEO and a member of the Dalmore Board provides strategic management and leadership of all ESG matters within the firm both at corporate level and within our investment portfolios.

Dalmore's senior management and Investment Committee exercise oversight and are accountable for responsible investment practices and integration of material ESG risks and opportunities into investment decision-making and asset management practices, including, where applicable, physical and transition climate-related risks and opportunities.

Dalmore has an appointed ESG Committee, whose remit and objective is to progress and take forward all ESG-related matters across the business and investment portfolios, providing regular reporting thereon to Dalmore's Board. The Committee consists of representatives from across the business and draws on additional specialist



Responsible Investment Policy



resource as required, to allow Dalmore to achieve its ESG objectives. The ESG Committee is chaired by Dalmore's ESG Director who provides in house ESG expertise and strategic direction on ESG priorities within Dalmore.

It is of key importance to Dalmore that all employees are fully aligned with our Responsible Investment Policy and wider ESG Framework. Adherence to and implementation of these is considered during the annual performance review process. This performance review process is a significant factor in determining the remuneration of employees. Full details are provided in our Remuneration Policy.



Version Control

UK Stewardship Policy	
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