Dalmore Capital

Investment Manager

Reported assets

Internally managed

☑ Infrastructure and other real assets

Dalmore Capital has met PRI's minimum requirements ✓

Minimum requirement indicators

The PRI uses four indicators to assess the minimum requirements, which represent baseline expectations for signatory status. Each indicator is scored out of 100, based on the policies, AUM coverage and responsibilities a signatory has disclosed.

100 /100

PG 1: Responsible investment policy coverage

This indicator measures the breadth of responsible investment elements covered within an organisation's formal policy.

The score reflects the proportion of relevant policy elements that are addressed.

100 /100

PG 2: AUM coverage of RI policy

This indicator measures the proportion of an organisation's AUM that is covered by its responsible investment policies.

The score reflects the extent of AUM covered by the organisation's responsible investment policy.

100 /100

PG 4: Senior-level oversight and accountability

This indicator measures whether senior leadership has formal oversight and accountability of implementing responsible investment policies.

The score reflects the extent to which responsibility is assigned across senior roles and governance bodies.

100 /100

PG 5: Responsibility for implementation

This indicator measures whether responsibility for implementing responsible investment policies is assigned to internal and/or external roles.

The score reflects the extent to which implementation responsibilities are clearly allocated.

Senior leadership accountability

SLA 1

Purpose and approach

This statement describes why this organisation engages in responsible investment, setting out its overall approach and the key commitments it has made. It reflects senior leadership’s perspective on how responsible investment supports the organisation’s objectives and creates long-term value.

Why we engage in responsible investment Dalmore Capital is a fund manager specialising in the acquisition, management and long-term ownership of essential infrastructure assets, with circa £5.7 billion in AUM across five flagship funds and associated co-investment vehicles. Our buy-and-hold strategy, typically spanning 10 to 15 years, means the long-term resilience of our assets is inseparable from our clients' returns. For Dalmore, responsible investment is not a matter of ideology but a strategic imperative, anchored in our fiduciary duty to act in our clients' best interests. Integrating material climate and sustainability considerations into investment and asset management decisions enables us to better manage risk, identify long-term opportunities and build portfolios resilient to global change. We believe sustainability and financial performance are fundamentally interconnected. Our overall approach Our Responsible Investment Policy — Board-approved, applicable to all AUM and mandatory for all employees, with adherence assessed in performance reviews that influence remuneration — integrates sustainability at every stage of the investment lifecycle. At acquisition, all prospective investments are screened against exclusion criteria aligned with the EDFI Exclusion List and EDFI Fossil Fuel Exclusion List. Investments passing this screen undergo comprehensive sustainability due diligence, covering the target's sustainability objectives against recognised frameworks and taxonomies, environmental and climate-related risks, and sustainability governance and social safeguards. Material findings inform mitigation measures and are factored into valuation. Every Investment Committee paper includes a dedicated sustainability section. In active ownership, material risks and opportunities are managed through collaboration between our Asset Management Team, Sustainability Function and portfolio companies. For controlled assets we implement tailored sustainability standards; for minority positions we secure governance rights to influence outcomes. Material issues are integrated into ongoing valuations. This process operated throughout 2025. Although we were not fundraising, our addition of seven run-of-river hydropower assets in Scotland shows the framework applied end-to-end. Our sustainability appraisal developed climate change impact factors for projected seasonal rainfall over the assets' operational life, modelled these across multiple climate scenarios as financial-model sensitivities, and quantified the effect on energy generation as basis-point changes to IRR. The findings informed both the Investment Committee decision and the valuation — demonstrating that sustainability analysis is integrated into, not alongside, our financial decision-making, independent of fundraising activity. Our major commitments UN PRI: a signatory since 2013, integrating sustainability into analysis, practising active ownership, seeking investee disclosure, promoting the Principles, collaborating and reporting on progress. We received a 5-star rating across all assessed modules in the 2025 PRI Assessment. Climate risk management and Net Zero: our Climate Strategy manages climate-related risks and opportunities while aligning the firm with Net Zero and the Paris Agreement, across three phases — Strategic Foundation (2023, completed), Active Engagement and Alignment (2024–2026, current) and Integration and Acceleration (2026–2030). Material climate risks are monitored via our Risk Register. Climate-related financial disclosure: we publish an annual TCFD Report under the FCA's ESG Sourcebook. Stewardship: while not a signatory to the UK Stewardship Code, we are committed to aligning with the 2026 Code's principles, as set out in our Stewardship Policy. Anti-greenwashing: our Anti-Greenwashing Policy ensures sustainability claims are accurate, credible and transparent, in line with the FCA's Anti-Greenwashing Rule. Broader framework: our commitments extend beyond climate through our Modern Slavery and Equality, Diversity and Inclusion Policies, and our voluntary annual Sustainability Highlights Report. Underpinning these commitments, we disclose our sustainability policies publicly and update stakeholders regularly, reflecting our commitment to transparency, accountability and continuous improvement.

SLA 2

Progress and outcomes

This statement describes the organisation's progress during the reporting year on the responsible investment issues it considers most relevant or material. It reflects on performance against objectives and targets, key actions taken and any challenges encountered.

Climate change is one of the most significant material responsible investment issues for Dalmore. Our buy-and-hold strategy of 10–15 years across essential infrastructure — energy and utilities, transport, education, healthcare, defence — creates long-dated exposure to both physical and transition climate risk, and equally to climate-related opportunity. Our response is governed by a three-phase Climate Strategy; during the reporting year we continued implementing Phase Two (Active Engagement and Alignment, 2024–2026). Performance against targets set in the previous cycle (as at April 2026, the latest assessed position): 77% of Core/Core+ Infrastructure AUM is 'aligned' or 'aligning' with the PAII Net Zero Investment Framework, meeting our 60%-by-2030 interim target ahead of schedule. 53–62% of PPP-financed emissions are 'Net Zero', 'aligned' or subject to direct or collective engagement, against a 70% 2026 target, with a defined plan to close the gap. Coverage of bottom-up climate materiality assessments rose from 47% of total AUM in July 2025 to 77% by April 2026, against our 90% end-2026 target. Examples of progress include: (i) in appraising a potential acquisition of Scottish run-of-river hydropower assets, we developed climate change impact factors for projected seasonal rainfall over the assets' operational life, modelled these across scenarios and quantified the resulting climate opportunity as basis-point changes to IRR — informing both the Investment Committee decision and valuation; this work was published in ISEP's Sustainable Finance Insight Journal; (ii) at University College London Hospitals (UCLH) — one of the UK's largest and most complex hospital estates — we drove decarbonisation as active manager by convening the NHS Trust, SPV and contractors around shared goals, structuring funding to bring forward capital, sequencing interventions across the estate's lifecycle management, and navigating contractual complexity within the NITSA (formerly IPA) Decarbonisation of PFI Framework, supporting the Trust's targets of net zero Scope 1 and 2 by 2031 and Scope 3 by 2040; and (iii) our asset-level assessments identified financially material, asset-specific risks — such as energy-from-waste policy risk (including potential UK ETS inclusion) at Cory Riverside, depot flood risk at IEP, and accelerated road-surface degradation at the M25 — each presented at board level, integrated into Dalmore's Risk Register and subject to mitigation agreed with portfolio companies. We also faced challenges requiring adapted approaches. First, PPP contract structures can constrain unilateral decarbonisation: while we may hold 100% equity, public sector counterparties are the ultimate asset users, and we control energy procurement at fewer than 10% of portfolio companies. We therefore engage public sector clients directly and pursue collective action through the IPA Net Zero Working Group's decarbonisation framework. Second, the Thames Tideway Tunnel's advanced construction stage precludes a Net Zero commitment at present; as an alternative, we are working with the asset to establish a commitment covering operational emissions once active. Third, portfolio-wide scenario modelling remains methodologically complex, so we deliberately conduct scenario analysis (NGFS pathways for transition risk; RCP 4.5/8.5 for physical risk) at asset level, where results are decision-useful. Finally, early assessments showed few real estate PPP assets present material climate risks; we re-prioritised toward Core/Core+ and infrastructure PPP assets where materiality is concentrated, and have committed equivalent resources to real estate PPP engagement over the next 12 months to meet our 2026 assessment target.

SLA 3

Forward-looking commitments

This statement sets out the specific steps the organisation plans to take over the next two years to advance its commitment to responsible investment. It provides a forward-looking view of priorities, planned actions and areas of focus.

Dalmore undertakes an annual sustainability integration gap analysis against investor and stakeholder expectations, internal standards and regulatory requirements. This informs an annual Sustainability Integration Action Plan, approved by the Sustainability Committee, aligned with the IFRS ISSB S1 and S2 standards. Over the next two years, this work focuses on the following areas. 1. Delivering our first SDR-aligned sustainability disclosure In 2026, Dalmore will publish its first sustainability disclosure under the FCA's Sustainability Disclosure Requirements, prepared in alignment with ISSB S1, and will report annually thereafter in line with FCA requirements — building on our existing ISSB S2/TCFD-aligned climate disclosures. 2. Broadening our materiality analysis beyond climate We will undertake a wider sustainability materiality analysis to inform strategic planning and disclosure on the financial materiality of sustainability issues beyond climate. The analysis will also consider wider impact materiality, though the primary focus will be financial materiality, consistent with the ISSB framework and our fiduciary duty. Outputs will directly inform our SDR/ISSB S1 disclosures and engagement priorities. 3. Delivering DUKIF5's fund-level sustainability commitments DUKIF5 promotes environmental and social characteristics under Article 8 of the SFDR and commits to a minimum of 30% of deployed capital in sustainable investments (Article 2(17)). The fund promotes the low-carbon transition — through binding exclusion criteria and by targeting assets that support environmental and climate objectives or enable a low-carbon, climate-resilient economy — and investment in essential UK infrastructure delivering critical public services and socio-economic benefits. Accordingly, the fund will publish pre-contractual, website and periodic disclosures; prepare climate-related disclosures under the FCA's ESG Sourcebook; and report annually on sustainability KPIs supported by our annual ESG Survey. 4. Completing portfolio-wide climate materiality assessment and defining Phase Three of our Climate Strategy In-depth assessments cover assets representing 77% of AUM, on track for our 2026 target of 90%. In 2026 we will dedicate equivalent resources to our real estate PPP assets, ensuring a consistent portfolio-wide approach. Material findings are presented at board level, incorporated into risk registers and addressed through agreed mitigation. In Autumn 2026 we will define Phase Three of our Climate Strategy (Integration and Acceleration, to 2030), seeking alignment with Royal London Asset Management's approach to climate risk management and transition planning. 5. Advancing Net Zero alignment Dalmore has met its interim PAII NZIF alignment targets for Core Infrastructure assets (75% of financed emissions) ahead of schedule and will continue engagement toward 100% classified as 'Net Zero', 'aligned' or 'aligning' by 2040. For our PPP portfolio — where contract structures limit direct control — we are executing a clear engagement plan to meet our 2026 target of 70% of PPP financed emissions classified as 'Net Zero' or 'aligned' under the PAII NZIF, or subject to direct or collective engagement aligned with the IPA Net Zero Working Group framework, rising to 90% by 2030. Following Thames Tideway Tunnel's expected handover in early 2026, we will engage to help establish its operational emissions baseline and Net Zero alignment classification. 6. Recognising the social impact of our portfolio We will explore frameworks to better recognise and articulate the significant social value of our essential infrastructure investments — building on the approach established for DUKIF5, where social outcomes are measured through users served, jobs and skills supported, and estimated socio-economic value generated — including ongoing engagement with the FAST-Infra Label on its social dimensions. 7. Strengthening stewardship and governance We have restructured our Stewardship Policy around the UK Stewardship Code 2026 disclosure requirements and are committed to aligning with its principles, including contributing to Royal London Asset Management's annual Stewardship Report. All sustainability policies are reviewed annually against evolving regulation; adherence to the Responsible Investment Policy is considered through performance reviews, directly influencing remuneration; and mandatory annual anti-greenwashing training continues under the FCA's Anti-Greenwashing Rule. We will continue contributing to industry practice through the IPA Net Zero Working Group and the FAST-Infra and ISEP Sustainable Finance Steering Committees.

"The PRI welcomes Dalmore Capital completion of the 2026 Reporting Framework. This report offers an early view of leadership accountability and governance practices, and signals the start of the reporting outputs to come. We look forward to supporting signatories as they engage with deeper insights through the PRI's reporting and data tools."

Cambria Allen-Ratzlaff
Interim CEO, PRI