STAFFORD
CAPITAL PARTNERS

Stafford Capital Partners **Responsible Investment Policy**

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www.staffordcp.com

Contents

Introduction

When Stafford's founders came together in 2000, they envisioned a new, fresh, client-oriented, innovative, and differentiated asset manager, set-up and operating according to the highest standards in terms of values, integrity, transparency, sustainability, and alignment. Today this vision remains true and core to the principles on which the business operates.

We recognize our responsibility as an investor to contribute to a more sustainable financial system by taking a long-term, responsible approach to investing across private market funds and assets. As active investors, we play an important role in ensuring our investments uphold commonly accepted standards of environmental protection, human rights, and good governance in a way that will enhance and underpin the financial returns that our investors expect of us, that we expect of ourselves, and which add long term value to the community of which we are a part.

Our work in sustainability has been woven into our activities since we were founded. These activities cover both our own operations and the greater impact that is felt through our investments. We have been certified as Carbon Neutral as a company since 2018, and we are continually making efforts to bring greater diversity into our team and decision-making, and how we as a company think about our responsibilities to our wider group of stakeholders. We subscribe to leading organisations who are bringing everyone together to contribute to a unified solution to challenges we all face, such as the UN PRI and the Net Zero Asset Managers Initiative ('NZAM'). We do not just adhere to our legal obligations; we strive to do much more.

In this context, this document sets out Stafford Capital Partners' ('Stafford') Responsible Investment ('RI') policy. It summarises Stafford's core investment beliefs including the commitment to the UN-backed Principles for Responsible Investment ('PRI') as well as a corresponding governance structure to support this commitment. It covers an implementation strategy to foster the integration of environmental, social, and governance ('ESG') issues into the investment process and across the organisation's entire activities. It also describes how Stafford discloses and collaborates with external parties to promote knowledge sharing within the industry Additionally, it highlights how Stafford aligns its people and the organisation with a more responsible and sustainable financial system. The following covers each of these points in turn.

1. ESG and our core investment beliefs

Stafford is convinced that ESG factors impact the investments we make, thus impacting our core business of investment management. We believe that the management of both, ESG risk and opportunities positively affects investment decisions and therefore investment outcomes. As a result, we explicitly recognize and evaluate the ESG-related risks and opportunities and manage these in a prudent and methodical manner, across all our business lines.

We focus on how our investment process can positively contribute to promoting greater responsible investment outcomes by reducing agency risk through our rigorous process of oversight, seeking control and greater access to underlying investee entities, both in terms of our due diligence process and how we manage and monitor our investments over time.

We are stewards of money entrusted to us by our institutional clients, who in turn manage money on behalf of their investors. As active investors, we play an important role in ensuring that our investments uphold commonly accepted standards of environmental protection, human rights and strong governance in a way which will enhance and underpin the financial returns that our investors expect of us over the long-term. Stafford was an early signatory to the PRI, which plays a central role in our ongoing efforts to continually advance our ESG strategy across our investment and firm processes.

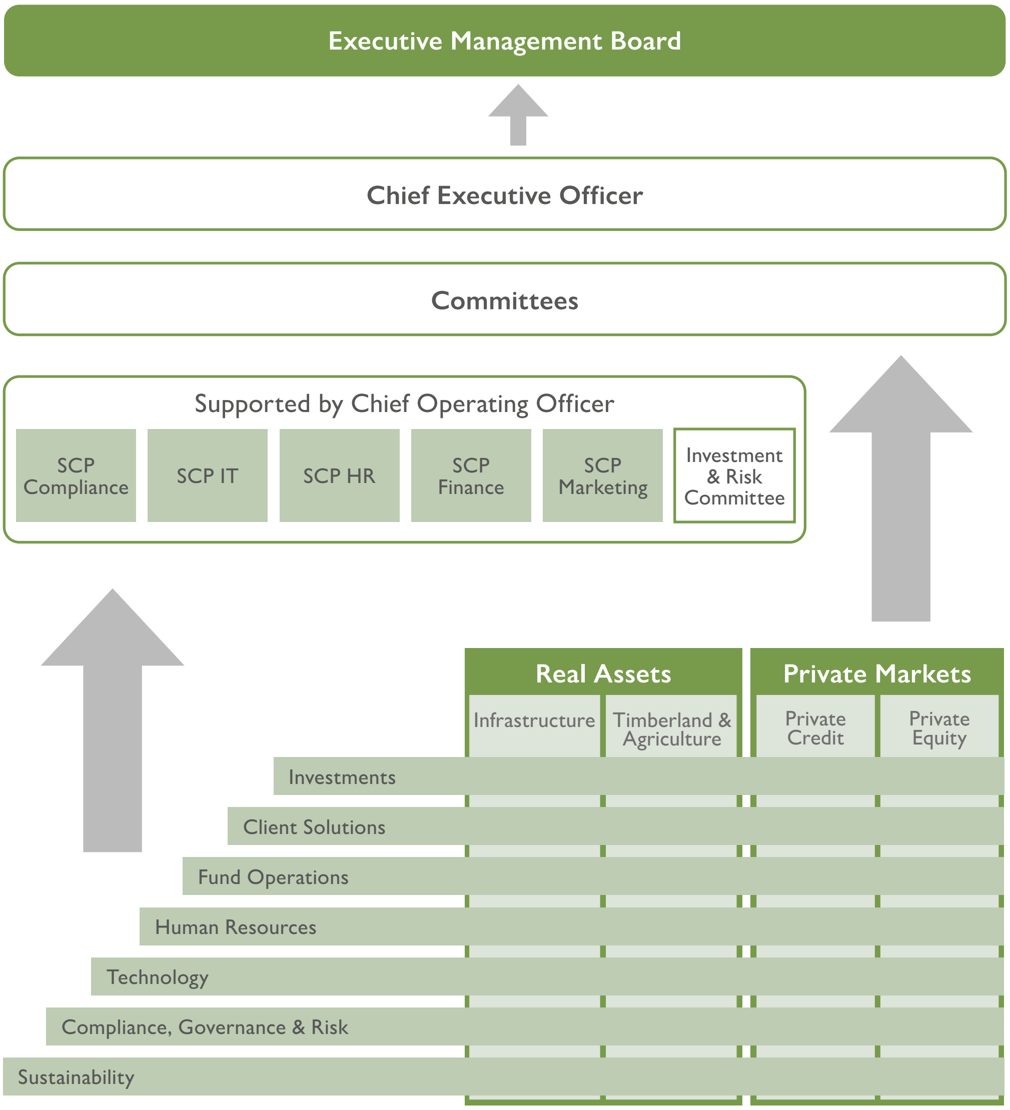
By investing in companies and funds that deliver positive real-world outcomes, such as renewable energy infrastructure or resource efficiency solutions, Stafford supports the global sustainable development agenda, summarized in the 17 UN Sustainable Development Goals ('SDGs') and their underlying targets. With the SDGs, Stafford sees the opportunity to utilize a single framework for measurement and reporting of the varied investment programs we manage, and we are committed to incorporating the SDGs into our investment processes and portfolios across all business units.

Finally, Stafford believes that successful and responsible investments with comprehensive consideration of ESG-related risks and opportunities ultimately depend on the knowledge, convictions and beliefs of the people running the investment process. We are therefore committed to the corresponding recruitment, talent development, organizational learning, training, and alignment of all of our people in a way which supports our ESG and core investment beliefs.

2. Our governance structure and ESG process

As part of a program of continuous improvement, Stafford works to enhance its governance structure and compliance processes. The figure below shows Stafford's operational governance and structure, including the Sustainability Committee. The Sustainability Committee is entrusted with responsibility for overseeing the implementation of our RI Policy, amongst a variety of other related activities. This structure allows the Sustainability Committee to have a direct link to both, the Executive Management Board, and the Investment Committee of each business line. Stafford's Partners and all staff have the responsibility to ensure that ESG factors are considered in our investment and corporate decision-making processes.

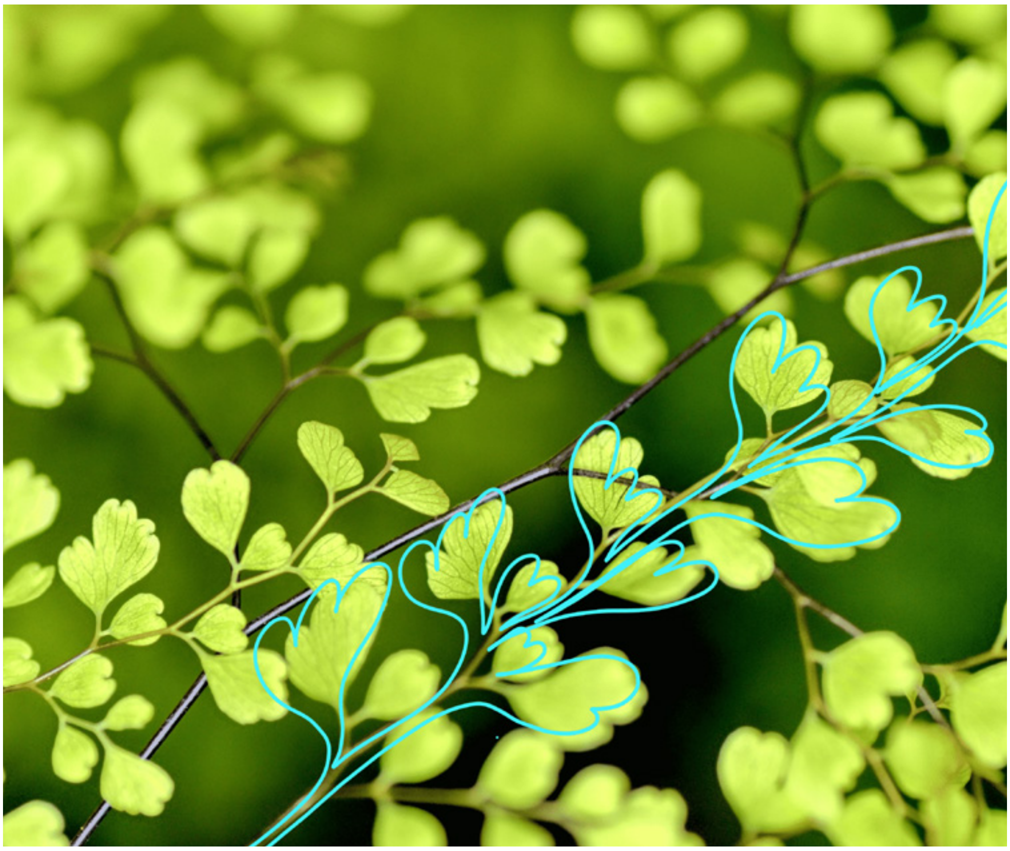
Stafford's operational structure



Members of the Sustainability Committee are sourced from across Stafford's business lines and have expertise in responsible investing and ESG integration, sustainable investments, policy and strategy and client solutions. This combination allows for the firm to follow the best course of action when considering RI and the specific business activities. The following sets out the Committee's key responsibilities:

- Conducting an annual review of Stafford's RI Policy to ensure it remains relevant and up to date.
- Maintaining, improving and taking responsibility for the implementation of Stafford's RI policy;
- Managing and overseeing the implementation of Stafford's sensitive business case process;
- Staying abreast of systemic risks related to ESG issues, including climate change, to ensure that the funds and assets are taking appropriate action to mitigate and adapt to such risks;
- Advancing Stafford's RI and ESG capabilities and outcomes in line with industry best practice;
- Raising awareness and educating Stafford staff and stakeholders of ESG responsibilities and considerations as they relate to investment planning and decision making and other corporate functions;
- Reporting to stakeholders and, where appropriate, the broader public on Stafford's approach to sustainability and responsible investing;
- Reporting Stafford's performance against the Principles for Responsible Investment;
- Advancing the merits of active engagement with government, international organisations for responsible investing, investor groups, industry bodies and other non-government organisations; and
- Collaborating, engaging and supporting research to help bolster industry-wide sustainability and responsible investment practices.

Stafford's dedicated ESG team, which consists of the ESG Director and an ESG Analyst, supports investment teams with ESG tools and training and initiates and coordinates ESG activities across Stafford's business and service lines. The ESG Director chairs the Sustainability Committee and reports directly to the CEO.



3. ESG integration into our investment process

Stafford integrates ESG considerations in all stages of its investment process. This means that we assess the sustainability risks which could have an actual or potential material negative impact on the value of our investments before and after our investment decisions have been made. In addition, we assess and monitor the potential negative impacts of our investment decisions and the impacts of underlying portfolio on environmental and social factors.

Given that we are investing in funds of other investment managers in real assets and private markets, and co-invest with them, we are working closely with the managers to identify the material sustainability risks and potential adverse impacts prior to investment. We look to improve any negative sustainability risks and impact those that may exist or develop post-investment by working in conjunction with fund managers and portfolio company management teams. We assess and monitor how they manage employee matters, human rights issues, corruption and bribery matters, taxation etc.

Our overarching approach to ESG integration is guided by the six principles of the PRI framework which are integrated into our investment process as described below.

i. Investment planning and selection

As part of our fund planning across business lines, we develop our investment strategies while taking into account ESG risks and opportunities. This may relate to the asset types due to the ESG elements that they bear, or the selection or exclusion of particular investment managers, stakeholders or geographies.

In line with our philosophy of doing the right thing for our clients, Stafford will not consider investments where we believe that the sustainability risks are unacceptable and could impair the value of investments, the reputation of our clients, or ourselves. As part of this, Stafford shall not invest in companies involved in the production, sale or distribution of cluster munition and other controversial weapons or crucial elements thereof, either directly, or through funds managed by third parties. Furthermore, Stafford will avoid investing in tobacco manufacturers and will not allocate any new capital to funds invested in companies which are planning or constructing new thermal coal projects and associated infrastructure.

In situations where Stafford manages assets on a non-discretionary basis (via a mandates or advisory relationship), we will endeavor to liaise closely with our clients such that Stafford's approach to exclusions is consistent with their objectives and policies.

ii. ESG in our pre- investment due diligence

As an investor in third-party funds and co-investments, we undertake detailed pre-investment due diligence of potential funds, their managers, and underlying assets before making an investment decision. The assessment of sustainability risks and potential negative externalities is an important component of Stafford's due diligence process for any potential investment.

We assess ESG factors not only at the manager level but also at the underlying portfolio company and asset level. More specifically, we consider any ESG events or conditions that, if they occur, could cause an actual or potential material negative impact on the value of the investment. Stafford's investment teams identify the material sustainability risks and assess any negative social, economic, or environmental externalities of investments under consideration. The outcome of this assessment is documented in due diligence reports and reviewed by the Investment Committee and the Sustainability Committee (when a sensitive business case risk has been identified), prior to an investment decision being approved.

When a sensitive business case is identified and the potential ESG risks warrant closer attention and/or consideration, the matter will be referred to the Sustainability Committee (see further details below).

iii. ESG in our post-investment process

We maintain a record of the ESG policies of our underlying managers and co-investments and encourage regular reporting of ESG developments to improve transparency across our investments and the industry more broadly.

We require managers to validate the effectiveness of their ESG integration implementation through the completion of a periodic ESG survey. The survey allows us to monitor progress of individual managers over time and benchmark them against their peers and best ESG practices. Based on this survey and ongoing interactions with our managers, we engage with them on specific ESG areas of concern and/or areas for improvement. We maintain key documents to validate our ESG-related post-investment activities.

The United Nations Principles for Responsible Investment

1. WE WILL INCORPORATE ESG ISSUES INTO INVESTMENT ANALYSIS AND DECISION-MAKING PROCESSES.
2. WE WILL BE ACTIVE OWNERS AND INCORPORATE ESG ISSUES INTO OUR OWNERSHIP POLICIES AND PRACTICES.
3. WE WILL SEEK APPROPRIATE DISCLOSURE ON ESG ISSUES BY THE ENTITIES IN WHICH WE INVEST.
4. WE WILL PROMOTE ACCEPTANCE AND IMPLEMENTATION OF THE PRINCIPLES WITHIN THE INVESTMENT INDUSTRY.
5. WE WILL WORK TOGETHER TO ENHANCE OUR EFFECTIVENESS IN IMPLEMENTING THE PRINCIPLES.
6. WE WILL EACH REPORT ON OUR ACTIVITIES AND PROGRESS TOWARDS IMPLEMENTING THE PRINCIPLES.

iv. Leverage on Stafford's sustainability expertise

Stafford has been gathering sustainability expertise and committing capital into sustainable investments since its foundation. The societal impact objective of these investments varies significantly from mandates looking to increase investments in certain locales or groups to mandates and funds seeking to support sustainable or climate investments.

Across our business lines we seek to enhance returns through investment in funds and opportunistic secondary purchases and co-investments, including those that capture ESG specific themes where available, including:

- **Sustainable Private Equity:** we invest in sustainability-focused and other companies with an enhanced focus on risks and opportunities arising from the ESG characteristics of portfolio companies.
- **Timberland:** we invest in forests and timber related assets requiring an enhanced focus on ESG to maximize environmental productivity, sustainability and climate change and landscape benefits.

In addition, Stafford's new carbon offset strategy provides investors with access to a supply of carbon offsets from high-quality forestry projects alongside a return from the sale of timber and timberland assets.

- **Infrastructure:** we invest in sustainable infrastructure assets such as wind and solar energy production and efficient transport, built environment and industrial assets.

Stafford is committed to applying knowledge and technologies gained from such investments to investments in other business lines.

v. Sustainability risk integration into investment decisions

Sustainability risk considerations are integrated into our investment decision framework as part of the overall risk assessment, together with the traditional investment risks. There may be some differences in how different business lines consider sustainability risks in practice, as the relevance, availability of information and time horizon of sustainability risks may vary depending on the asset class, investment strategy and product characteristics.

We include and consider sustainability risks as part of investment due diligence and monitoring. Stafford has developed a guidance on ESG due diligence and the Climate Change Risk Tool to assist the investment teams with the ESG risk assessment in the pre-investment stage. Furthermore, we have developed a process for dealing with sensitive business cases, i.e., potential investments that may hold unusually large or complex risks that need special consideration.

A summary of ESG due diligence findings is included in the Investment Recommendation Paper alongside the investment thesis for a proposed investment. The summary includes the results of the ESG risk-screening and assessment of ESG factors relevant to an investment. It enables the Investment Committee of each business line to properly assess the ESG risk factors before determining whether to recommend an investment. If the Investment Committee concludes that ESG-related risks associated with a proposed investment are too high and/or cannot be appropriately mitigated, Stafford will not pursue the investment opportunity.

In cases where fund managers and portfolio companies exhibit high exposure to sustainability risk, we may undertake engagement activities related to sustainability risk concerns, in order to influence issuers by contributing to improving their ESG practices. Stafford's ESG team may provide additional expertise in the sustainability risk domain to the investment teams which are ultimately responsible for the investment decision process. The Investment & Risk Committee, chaired by the Chief Investment Officer provides oversight of how Investment Committees perform their risk identification, monitoring and management.

In addition to asset-specific risks, Stafford seeks to stay abreast of global developments and systemic risks that could impact on investment risk and return over the long-term, including (but not limited to), climate change. Our Strategic Position on Climate Change complements this policy and sets out our approach to managing the risks and capturing the opportunities related to climate change.

vi. Sensitive business cases

We maintain a framework for addressing sensitive business cases across all business lines to recognize that some investments may hold unusually large or complex risks that need special consideration, or that the investment team does not possess the expertise to adequately assess the risks involved. The specific issues will vary by sector and the type of business, although the identification of potential sensitivities will be guided by some of the core universal principles and international codes that relate to the promotion of more responsible business and investment activities.

If the investment team identifies an ESG issue that spans beyond their core capabilities during the due diligence process, the issue is escalated to the Sustainability Committee for assessment and consideration. This includes consultation with subject matter experts, our investors and other relevant stakeholders. Examples of such risks might include:

- Risk characteristics such as the location of facilities, unique or controversial ethical considerations, product and customer characteristics, employment relationships, industry characteristics, or investments that may be subject to industry negative screening or divestment focus.
- Any broader characteristics that might expose our investors to ESG-related risks that might not align with their organisation's responsible investment policies.

vii. Good governance assessment

Stafford's investment teams are responsible for the ongoing assessment and monitoring of the governance practices of external fund managers, investee funds and companies in which we invest in. These assessments are made in the context of each investment strategy using available data and relevant research. Assessment of the governance practices of the underlying investments is complex and may be based on information, which is difficult to obtain, incomplete, estimated, or out of date. Investment teams assess good governance using any reasonably available information sources which they determine to be material to the underlying investments.

The due diligence process incorporates a site visit (where applicable), market review, financial and data room review, a focus on specific items relevant to the investment, management, and staff interviews. Legal and tax due diligence also form a significant part of the overall due diligence activities. Lastly, an Operations and Governance Review ('OGR') is performed by Stafford's operations team separately to the investment team's investment due diligence, as both reviews may have findings and conclusions tabled to the Investment Committee. OGR is a process of due diligence of third parties, i.e., investment managers, but also service providers or others with whom we have material relationship in connection with our Firm, our Funds or Mandates. It ascertains the integrity, existence and robustness of that person's structure, compliance and legal framework, prudence or controls, and responsible investment characteristics.

An OGR includes the assessment of the following key risk areas, their levels and mitigants: the firm governance and structure, human capital, finance, cash controls, risk and internal controls, regulation and compliance, technology and cyber security, business continuity and outsourcing. A review of a firm's governance and structure incorporates among others, a history of the firm and its ownership structure, the firm's 3-year business plan, information on litigation, legal proceedings or regulatory inquiries related to its business operations during the past five years, the background and experience of the primary members of the team and team changes, information on the firm's insurance coverage, copies of the firm's financial statements and information on the employee incentive program and committees.

Operational and governance reviews are conducted not only in parallel to investment due diligence but also during length of holding an investment. Our monitoring of good governance practices is ongoing, and the investment teams use tools such as RepRisk to identify the incidents related to inferior governance practices in the underlying funds and portfolio companies.

4. Our engagement, collaboration and disclosure efforts

Stafford actively engages with its existing and potential fund managers and investee entities – including through representation on advisory committees – on a range of investment issues, including those related to ESG. Through our ESG reviews, monitoring and sharing of best practices we advocate the consideration of ESG risks and opportunities among fund managers, thus contributing to better portfolio management. We continue to encourage wider understanding, adoption, and disclosure of ESG-related issues across its relationships and entities.

We actively participate in the work of industry bodies that promotes the ESG agenda broadly across the investment community. We are a supporter of sustainability initiatives in the private markets and use our voice to call for greater focus on sustainability issues in our industry. The most relevant initiatives are listed below:

Signatory of:

PRI Principles for Responsible Investment

initiative climat international — Private equity action on climate change

IIGCC — The Institutional Investors Group on Climate Change

INVEST EUROPE

We recognise the value of being active participants of collaborative organisations and groups, including membership to any relevant educative and engagement organisations that might help to better manage and mitigate the impact of systemic risks, such as the Institutional Investor Group on Climate Change and the Net Zero Asset Managers Initiative, which we joined in March 2021.

We inform our clients about our ESG activities on a quarterly basis and contribute to their surveys on our approach to ESG in a pro-active way. Our web-based annual responsible investment report summarizes our ESG activities and shows the outcomes of our responsible investing efforts each year. Using a proprietary assessment framework which helps us evaluate the contribution of investments to the SDGs, we assess the alignment of portfolios managed across business lines with these goals and their targets, and increasingly include this information in our reports to investors. In addition, we share our knowledge and insights on ESG topics in the form of diaries and ad-hoc reports. We will continue to explore ways to strengthen how we measure and manage ESG considerations into our core investment decisions and disclose their outcomes to our investors and the broader public.

5. Aligning our people and the organisation with sustainable development

We will continue to pursue many activities to foster greater organisational learning and knowledge sharing within the organisation, across all business lines.

Stafford is a financial services company with a relatively low environmental footprint in its direct activities, although efforts are taken to further improve the corporate practices and activities in a way that is consistent with this policy. We are monitoring carbon emissions from our operations and have been a carbon neutral company since 2018.

Stafford also promotes good corporate governance in the way that it does business, including for example, adherence to a code of ethics, fair and equitable treatment of personnel, encouraging diversity and parity, adhering to regulations and legislative requirements regarding taxation, anti-money laundering and others as relevant across different jurisdictions.

Stafford also integrates sustainability considerations in its profile as an equal-opportunity employer, providing flexibility to staff to enhance good work-life-balance.

Comprehensive alignment of interest is a key aspect in managing third-party money. Accordingly, Stafford is an independent, partner-led organisation with a high number of staff members being equity holders in the company. This equity ownership aligns staff behaviour with the long-term value of the business and therefore connects the consideration of ESG factors with the concrete financial position of Stafford members.

The incorporation of sustainability risks is included in the overall assessment of the quality of the work that the members of Stafford's investment teams are expected to deliver. To ensure a thorough analysis of sustainability risks and opportunities in our investment and other business processes, Stafford includes relevant key performance indicators (KPI) in the performance evaluation and remuneration of its staff. From 2021 on, Stafford employees have at least one ESG-related KPI as part of the annual Professional Development Process and performance assessment.

To further stress the importance of ESG considerations within the organisation, the Executive Management Board can assign a discretionary bonus to employees who have outperformed on or made an exceptional contribution to Stafford's ESG-related efforts.

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