

**Cubico Sustainable
Investments GP 1 Limited**

ENVIRONMENTAL & SOCIAL POLICY

Foreword by General Counsel

At Cubico we recognise our responsibility towards the environment and society. We are committed to operating our business in an environmentally and socially responsible manner to protect natural resources and continually improve our environmental performance.

Our Group's commitment to investing in renewable energy and electricity distribution projects will contribute to reducing global greenhouse gas emissions and slowing climate change, resulting in a safer and healthier environment for both the local communities in which we operate and the wider global community.

Cubico recognises that our operations may have an impact on the environment and so the focus of this policy is to ensure that appropriate mechanisms are in place to assess and mitigate those impacts in a socially responsible way.

I am committed to ensuring that each of the Group's employees, partners and service providers prioritise the aims and objectives of this policy and I welcome any feedback on it.

Olga Garcia
General Counsel

Cubico Sustainable Investments GP 1 Limited operates in a number of countries around the world, directly or through its direct and indirect subsidiaries, including various project companies in which Cubico directly or indirectly owns an interest. In this policy, "Cubico" or "the Group" means Cubico Sustainable Investments GP 1 Limited, its subsidiaries and project companies in which it has a controlling interest.

The Group prioritizes sustainable and socially responsible development, as the Group's activities can have a significant impact on the environment and the communities in which our projects are located. This policy establishes the aims and objectives relating to the protection from or prevention of pollution or degradation of the environment, the general principles governing the Group's sustainability activity and the mechanisms needed for environmental risk analysis in decisions relating to its business and operations. This environmental & social policy has worldwide scope and affects all the activities undertaken by the Group.

The Group considers that the environmental aspects are key in the risk analysis and decision-making process of its transactions. Business units with the assistance of external consultants are responsible for the analysis of the environmental risks associated with each transaction, all in accordance with the current policy and any others that may be approved by the Group at sectorial level or required by law. The Group evaluates any potential environmental impact inherent to its business and operations that may arise, considering any additional requirements of a specific project or the local law. .

The ExCom of the Group oversee correct compliance with this policy. To this end, its members strive to develop and oversee the implementation of this policy in the Group, maintaining procedures (a) to monitor compliance with the terms hereof and (b) to ensure internal reporting of any material violations and suspected material violations of any environmental law or this policy and to ensure that all such reports are fully investigated and acted upon appropriately.

In this process of analysis and evaluation, which requires the assistance of external consultants, the Group collects the following documentation:

- Environmental and social impact studies and associated documents;
- Technical and environmental due diligence, or equivalent analysis;
- Documents granting the concession by the relevant authorities, as well as the required licenses, authorizations and other permits in the environmental front;
- Reports on measures to mitigate the environmental impact of the project and its cost (action plans), if necessary; and
- Any other document that verify that the transaction and the related counterparties comply with the applicable Environmental Laws.

In the event that a transaction is approved, the appropriated monitoring, control and information mechanisms will be established.

In principle, the Group may invest in renewable energy, including small hydro, solar, wind, biomass and geothermal.

The objectives and principles of the Group's environmental policy are as follows:

1. To comply with all applicable Environmental Laws.
2. To rectify any unintentional breach promptly and effectively.
3. To integrate the principles of social and environmental responsibility and sustainability in the Group's overall strategy.
4. To establish appropriate mechanisms to ensure that an assessment of key social and environmental impacts and risks of a project, to the extent relevant, is included in the process for investment decision-making, including, where appropriate:
 - (a) the principles of any relevant applicable international conventions and protocols;
 - (b) potential impacts on (1) areas with high biodiversity or cultural heritage value, including areas with a formal protected status under environmental or cultural laws, (2) water resources, (3) indigenous communities; and
 - (c) potentially appropriate mitigation measures for any key adverse social or environmental impacts,

Undertaking, for such purposes, any appropriate due diligence in relation to the project.

5. To develop and implement project-specific environmental & social action plans to prevent, minimise, mitigate, monitor and offset any adverse social and environmental impacts of a project, to the extent that these are identified as necessary as a result of investment decision-making process and are relevant and practicable.
6. To assist in the mitigation of climate change and contribute to a sustainable environment by:
 - (a) investing in energy efficiency and sustainable energy;
 - (b) considering projects with low environmental impact and added value for the community;
 - (c) investing in technologies and sectors that may help minimize harmful emissions;

- (d) ensuring that where any investment in an energy project is made, that project is energy efficient and contributes to CO₂ reduction to the extent that this is relevant and practicable; and
 - (e) measuring and reducing the carbon footprint of Cubico activities.
- 7. To comply with the Equator Principles and other codes of conduct and guidelines to the extent such principles, codes of conduct or guidelines are applicable to a project.
- 8. To improve the sustainability of the Group's operations and internal processes.
- 9. To avoid, to the extent possible, deforestation of declared protected forest or, if necessary, agree a reforestation policy, especially in regions where there are low declared protected sites (sites or regions that have few officially protected or heritage zones), forests of high conservation, social or ecological value.
- 10. To pay particular attention to activities in the following sectors when assessing the social and environmental impacts of a project:
 - (a) activities in declared protected areas, whether declared by federal or state law or by voluntary arrangements under rights and customs or indigenous people;
 - (b) activities in declared high conservation value forests, particularly those named in the list of UNESCO World Heritage Sites; and
 - (c) activities affecting wetlands named in the list of Wetlands of International Importance (Ramsar wetlands).
- 11. To benchmark environmental performance and systems through an international scheme e.g. Global Real Estate Sustainability Benchmark (GRESB).
- 12. To contribute to Community Fund schemes or otherwise support improvements for those living near Cubico projects in accordance with Cubico's CSR Framework.

The Group's employees must comply with this policy, even where local law is less onerous. Where local law is more onerous, those laws must be complied with in addition to this policy. Where it is believed there is a conflict between this policy and applicable law, or there is a conflict between this policy and that proposed by partners or other stakeholders, please consult the General Counsel. In this case, a brief summary of the problem, together with potential alternative solutions should be prepared and presented to the General Counsel.

Cubico will take appropriate steps designed to ensure that third parties acting for or on its behalf, such as contractors, agents and intermediaries, potentially joint venture partners (depending on the circumstances) and, exceptionally, suppliers (where they are providing services for or on behalf of us rather than simply supplying goods or services to us) comply with this policy, as set out in this document.

It is the responsibility of project managers within the Cubico Group of companies to ensure that all existing and future relationships with third parties that may be subject to this policy include provisions in their contracts compliant with this policy. In the case that a third party is not willing to make modifications to an existing contract, the project manager must consult with the General Counsel to consider possible options.

The environmental and social responsibility is an area under a continuous improvement process and this will be reflected in subsequent updates that may be made to this policy from time to time. It is the responsibility of each employee to ensure use of current versions.

Failure to adhere to this policy and related procedures may result in disciplinary action being taken, up to and including dismissal where appropriate.

In this policy:

(a) the term **“Environment”** means:

- a. land, including surface land, sub surface strata, sea bed and river bed under water (as defined in sub-paragraph (b) below) and natural and man-made structures;
- b. water, including coastal and inland waters, surface waters, ground waters and water in drains and sewers;
- c. air, including air inside buildings and in other natural and man-made structures above or below ground; and
- d. any and all living organisms or systems supported by those media, including humans;

(b) the term **“Environmental Law”** means any relevant Law that relates to pollution or protection of the Environment, where “Law” means any applicable statute, law, rule, regulation, guideline, ordinance, code, policy or rule of common law issued, administered or enforced by any Governmental Authority, or any judicial or administrative interpretation thereof including the rules of any stock exchange, where “Governmental Authority” means: (a) the government of any jurisdiction (or any political or administrative subdivision thereof), whether provincial, state or local, and any department, ministry, agency, instrumentality, court, central bank or other authority thereof, including without limitation any entity directly or indirectly owned or controlled thereby; (b) any public international organisation or supranational body (including without limitation the European Union) and its institutions, departments, agencies and instrumentalities; and (c) any quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax or other governmental or quasi-governmental authority.

POLICY OWNER	GENERAL COUNSEL, CUBICO SUSTAINABLE INVESTMENTS GP 1 LTD
APPROVED BY	BOARD OF DIRECTORS, CUBICO SUSTAINABLE INVESTMENTS GP 1 LTD
ISSUE DATE	8TH JULY 2015
LAST RENEWAL DATE	JANUARY 2023
DATE OF NEXT REVIEW	JANUARY 2025