

Climate Change Capital's Environmental, Social and Governance (ESG) policy

Climate Change Capital is an investment manager and adviser specialising in the opportunities generated by the global transition to the low carbon economy. We aim to promote sustainability and make the environment cleaner by advising and investing in companies that recognise that combating global warming is both a necessity and an economic opportunity.

It is widely agreed that deep cuts in carbon emissions are required to avoid the worst impacts of climate change and we believe that financial capital is inextricably linked to our ability to adapt and facilitate a genuinely sustainable future for humankind. Rising oil prices, depleting natural resources and energy security are some of the drivers that are becoming integral to government decision making and we remain committed to using our expertise to act as agents of change by working closely with governments to encourage and support the shift to a low carbon economy. Much of our value lies in positioning ourselves for the future; by investing in assets that will increase in value as the changes in energy use and national and international policy takes place. We aim to remain a leader in the environmental space, having an active and valued voice in public policy, continuing and developing our partnerships with other organisations to help identify and promote effective and efficient regulatory and policy approaches to reducing greenhouse emissions.

Despite the growing political will to tackle the climate problem, we believe that developing and disseminating technologies that maximise the production and use of low carbon energies at low cost is fundamental to adapting to these risks. Since most global greenhouse gas emissions are energy-related, much of the required capital will have to flow into energy solutions - both towards de-carbonizing the supply of energy and reducing demand. These solutions require urgent attention as many of these technologies are readily available. However, they need public policy support, such as stricter building codes and fuel efficiency standards, to provide the long-term framework investors require. Developing and deploying technology is therefore essential to tackling the causes and consequences of climate change.

CCC's ESG policy is designed to help us analyse and manage environmental and social risks and help promote sustainable opportunities. We aim to manage these risks effectively in all of our transactions and investment decisions which are governed by our environmental and social risk management principles ("ESRM"). This comprehensive screening applies to all CCC transactions for all of its funds and advisory services and we use our in-house expertise to ensure that our investment world reflects that of our investors' values. By the very nature of our business, this involves excluding environmentally negative activities but also typically involves investment activities based on moral criteria. Our screening process reflects the United Nations Principles for Responsible Investment, of which we are signatories and does not breach international standards. The overall responsibility for monitoring our investee companies' performance rests with the portfolio managers, and asset management decisions of each of the funds are made by an Investment Committee which generally include non executive member(s) or Chair.

CCC is a regulated entity governed by the Financial Services Authority (FSA). We believe that good corporate governance is fundamental to ensuring that companies are well managed in order to deliver long-term returns to their shareholders. The Climate Change Capital Group Ltd is governed by a Board of directors which comprises three executive directors (our CEO, Vice Chairman and CFO), two non executive shareholder appointed directors and two independent non-executive directors, one of whom is appointed non-executive Chairman. The Company Secretary is the General Counsel. There are two committees of the board, the Group Risk Committee and the Remuneration and Appointments Committee. Each is chaired by a non-executive director. The executive directors are assisted in the daily running of the firm, by an Executive Management Group (EMG) of senior managers.

Our commitment to society reflects our long term vision. We support decisions that ensure fair rules are set within the investment industry which include making a positive contribution to society. CCC is an equal opportunity employer and we do not discriminate against employees or job applicants based on an individual's age, sex, sexual orientation, race, colour, religion or belief, nationality, national or ethnic origin, marital or family status, disability or any other factor which is not justified in law or relevant to the requirements of the job. This non-discrimination policy applies to all aspects of the employment relationship.

For more detailed information, please visit our website or contact our Head of Sustainability, Tim Mockett.