



NAVIS DECARBONISATION FUND ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM MANUAL

January 2026

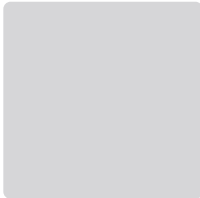
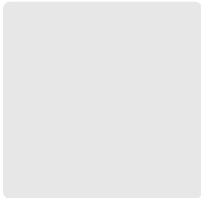


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EXECUTIVE SUMMARY

The Navis Decarbonisation Fund (NDF) has adopted a comprehensive environmental and social framework consisting of a Responsible Investment Policy and an Environmental and Social Management System (ESMS). This framework is aligned with the requirements of the Green Climate Fund (GCF) and the IFC Performance Standards. NDF also maintains environmental and social policies and procedures, which outline the process by which NDF implements and monitors its portfolio companies and/or projects in accordance with the overall framework.

All investments in portfolio companies and/or projects undergo environmental and social assessment to determine if the investment does not violate NDF's exclusion list [*ESGMS-NDF-POL-002 NDF E&S Exclusion List* and also found as appendix of attached *NDF Responsible Investment Policy* as **Appendix A**], and if it doesn't, identify ways in which environmental and social risks and impacts should be addressed. The assessment also identifies opportunities for additional environmental and social benefits. NDF seeks that through its environmental and social framework, portfolio companies and/or projects are designed, implemented, and operated in compliance with applicable regulatory requirements and good international practice.

The ESMS sets out guidelines for conducting environmental and social due diligence of portfolio companies and/or projects. It also integrates the Land Acquisition and Resettlement Framework (LARF) that addresses the requirements of GCF and NDF regarding land acquisition and involuntary resettlement, stakeholder engagement, and grievance mechanism. It also integrates the Indigenous Peoples Policy Framework that addresses the requirements for ensuring the rights of indigenous peoples are respected and protected.

Finally, a grievance mechanism for NDF is set up to be able to receive and address issues from different stakeholders. This mechanism is available to all internal and external stakeholders of the portfolio companies and/or projects. Further details is provided in Section 8 of this document.

1. Introduction

Navis is committed to the practice of responsible investing and strongly believes that it is a key enabler to improving a company's performance by driving sustainable growth, improving operating efficiencies, and managing risk. To that effect, Navis has strategically repositioned its approach to environmental, social, and governance (ESG) from being a niche focus to a core management capability for delivering sustainable business improvements within our investments.

We integrate ESG throughout our investment process. By doing this, not only are we helping our investments manage their environmental and social impacts and improve their corporate governance, but we are also identifying value creation opportunities, which improves the overall value of our investments. *ESGMS-NDF-POL-001 NDF Responsible Investment Policy (Appendix A)* has been established to align with our approach.

To put the NDF Responsible Investment Policy into practice, Navis has established an NDF Environmental and Social Management System (ESMS) to ensure the consistent and comprehensive integration of environmental and social considerations within the investment process.

The ESMS is guided by the NDF Responsible Investment Policy and will be updated periodically as and when our Policy is updated.

The Navis Decarbonisation Fund (NDF) is a private-sector-led climate finance initiative targeting SMEs in Southeast Asia to accelerate the transition to a low-carbon economy across six priority countries: Indonesia, Vietnam, Thailand, Malaysia, Cambodia, and the Philippines. The programme aims to address systemic barriers to decarbonisation by providing growth capital, operational support, and scalable solutions in high-impact sectors, while aligning with national climate strategies, national adaptation plans and mobilizing private finance through innovative financial instruments utilizing hybrid capital.

Southeast Asia faces disproportionate vulnerability to climate change impacts due to its extensive coastlines, high population density in low-lying areas, and economic dependence on climate-sensitive sectors including agriculture, fisheries, and tourism. The region has experienced significant climate shifts in recent decades, with rising temperatures, changing precipitation patterns, sea level rise, and increasing intensity of extreme weather events. These changes threaten to undermine development gains, exacerbate existing socioeconomic inequalities, and push vulnerable communities deeper into poverty. NDF therefore will focus on emerging countries in Southeast Asia: Indonesia, Vietnam, Thailand, Malaysia, Cambodia, and the Philippines.

NDF aims to accelerate decarbonisation in countries with significant GHG emissions and climate vulnerabilities, deploying capital into climate adaptation and mitigation investments from sources previously not available to those countries to SMEs.

The different target countries have different levels of climate readiness including policies developed.

Country	Readiness & policy environment
Cambodia	Climate strategies, sectoral National Adaptation Plans (NAPs), improving governance
Indonesia	Carbon tax, National Determined Contributions (NDC) implementation frameworks, energy roadmap
Malaysia	Green Tech Plan, renewable expansion, emissions trading pilot
Philippines	Strong institutions, Climate Change Commission, local integration
Thailand	Electric vehicle production, building efficiency, draft Climate Change Act
Vietnam	Power Development Plan, renewables scale-up, JETP financing

Based on the proposed industry sectors in the countries that NDF will invest in, certain environmental and social risks have been identified in **Appendix B**. These risks would include air and water pollution, deforestation and biodiversity loss, noise pollution, economic displacement and loss of livelihood, indigenous people impact, etc. Note that the risks outlined are only indicative and the actual risks will be evaluated on a case-by-case basis prior to investment.

2. Scope

This ESMS applies to all private equity investments considered by the Investment Committee (IC) for NDF.

3. Purpose

The ESMS has been established to ensure the consistent and comprehensive integration of environmental and social (E&S) considerations within the investment process, following the NDF Responsible Investment Policy.

The system provides Navis employees with understanding and instructions on how E&S considerations are integrated into the investment process on a day-to-day basis.

The ESMS provides an overview of the system, how it has been designed, related documentation, expectations regarding performance standards, procedures, and requirements, and how control of the ESMS is maintained. This manual will be updated as ESG practices are further enhanced over time.

4. Environmental and Social Management Framework

4.1 Environmental and Social Policy

Navis has defined, established, and documented our commitments to manage E&S risks and identify opportunities for value creation for our investments. This is reflected in the NDF Responsible Investment Policy.

Policy Review

NDF Responsible Investment Policy shall be reviewed by the Navis ESG Committee regularly, and in any event at least annually, to confirm its continued relevance and suitability.

Communication of Policy

NDF Responsible Investment Policy shall be communicated to all Navis employees during induction and refresher training. Furthermore, the Policy shall be presented on the Navis website and provided where requested by investors.

4.2 Navis ESG Business Principles

Navis requires each of its portfolio companies to operate its business in accordance with the Navis ESG Business Principles and to confirm its compliance with these principles annually. The ESG Business Principles are included in **Appendix C**.

4.3 Applicable E&S Standards and Legal Requirements

The standards that Navis will apply and expect portfolio companies to comply with include local regulations and law; Green Climate Fund (GCF) policies (e.g. [GCF Revised Environmental and Social Policy](#), and GCF Indigenous Peoples Policy), International Finance Corporation (IFC) [Performance Standards](#) and where relevant, the [IFC Industry Sector Guidelines](#); [World Bank Group Environmental, Health and Safety \(EHS\) Guidelines](#); and [International Labour Organisation \(ILO\) Declaration on Fundamental Principles and Rights at Work](#), whichever is more stringent.

Where disparities exist between national legislation and this ESMS' requirements, the portfolio company and/or project undertake to comply with the requirements of this ESMS. As part of the due diligence, an assessment of potential gaps will be conducted between local and national legislations, and the requirements of this ESMS (as per mentioned standards above). Mitigating actions will be prepared to close the gaps and comply with the ESMS requirements.

In some situations, which include the industry sector, the maturity of the portfolio company E&S management system, and senior management commitment, Navis may recommend that the portfolio company adopts other industry best practice standards to enhance their E&S performance.

5. Environmental and Social Management System Operational Arrangements

5.1 Resources

Navis has a dedicated in-house team that supports the integration of ESG in the investment process, comprising of the following:

- Portfolio Operations Senior Director – Sustainability
- Portfolio Operations Director – Control and Compliance
- Portfolio Operations Director – Human Capital
- Portfolio Operations Senior Manager – Environmental Health and Safety
- Advisor – Risk and Governance

Details of the ESG Team are in **Appendix D**.

We also engage additional resources from time to time to support the ESG team with the implementation of ESG projects and programs.

Where we require a more comprehensive assessment or specialized expertise/research is required, the team will engage external advisors with the right subject matter expertise. These service providers can range from accounting, international and local counsel, to environmental and social consultants. Concomitantly, the investment team coordinates background checks on key stakeholders, which is performed by external specialist consultancies.

Navis will bear the finances of implementing this ESMS at the Fund level. Each portfolio company will bear the cost to ensure that their operations comply with the stipulated requirements in this ESMS. Other resources within Navis may also support the integration of ESG in the investment process and identified in **Section 5.2**.

5.2 Roles and Responsibilities

The roles and responsibilities concerning E&S integration in the investment process are as follows:

Responsibility	Description
Investment Committee	Ensuring the effective implementation and operation arrangements of the Responsible Investment Policy, including communication to all employees
Investment Team	<ul style="list-style-type: none"> • All investment professionals are responsible for ensuring that ESG considerations are integrated throughout the investment period as per the Policy • Ensuring that Navis ESG requirements are implemented at each portfolio company • Review of ESG performance at the monthly Executive Committee meetings, including implementation of ESG action plans and/or relevant actions in the 90-day plans, assessment of ESG performance, review of relevant monitoring reports, and discussion of new developments and/or ESG risks or opportunities relevant to the company's performance
ESG Team	<ul style="list-style-type: none"> • ESG team is responsible for driving and monitoring the implementation of this Policy • ESG team to provide regular and ongoing technical and operational support to implement the Navis ESG requirements and specific value creation initiatives

Responsibility	Description
	<ul style="list-style-type: none"> • Conducting ESG due diligence as and when required • Monitoring portfolio company ESG performance, including attending monthly Executive Committee meetings, ESG action plans and/or relevant actions in the 90-day plans, review of relevant monitoring reports, and new developments and/or ESG risks or opportunities relevant to the company's performance • ESG team will monitor the ESG action plans through an online platform, accessible by the portfolio company and investment teams • ESG team will monitor and ensure investments adhere to the requirements defined by Navis' principles for these investments • Physical site monitoring of selected portfolio companies undertaken at least annually • Managing the ESG disclosure reporting • Reviewing in-house tools and processes, including the Management System, related to ESG and providing updates on trends and best practice standards • Conducting training to Navis employees and portfolio companies, as and when required • Preparing and presenting ESG performance reports to the IC as and when required • Collect data on selected ESG indicators
Navis ESG Committee	<ul style="list-style-type: none"> • Review the ESMS to ensure its continuing suitability, adequacy and effectiveness • Review ESG developments and approve Navis ESG policies and procedures
Employees	Attending training courses when held
External Experts	Scope and objective of work defined for each project
Portfolio Company	<ul style="list-style-type: none"> • Abide and comply with the NDF ESMS and establish their own ESMS (including those related to Indigenous Peoples, Land Acquisition and Resettlement, Chance Find and Stakeholder Engagement). Refer to <i>ESGMS-NDF-PC-001 NDF ESMS Manual Template for Portfolio Companies (Appendix E)</i> for guidance on how to develop an ESMS. This template shall be customized depending on the scale of E&S risks of the portfolio company and/or project. • Perform/Implement the action items in the ESAP
Green Climate Fund (GCF)	Monitor the implementation of the ESMS in accordance with GCF E&S requirements

6. Environmental and Social Integration in the Investment Process

6.1 Pre-investment Procedure

The integration process starts with Pre-investment, where E&S screening and categorization, and due diligence will be undertaken. Follow-on investments will be assessed if due diligence is necessary.

6.1.1 Environmental and Social Screening and Categorization

The process for E&S screening and categorization is detailed in *ESGMS-NDF-PRO-002 NDF Environmental and Social Screening and Categorization Policy and Procedure (Appendix F)*.

6.1.2 Environmental and Social Due Diligence

Purpose

The purpose of the E&S due diligence is to identify the issues that may affect the value, positively or negatively, of the investment (entry and exit). The process has been designed to establish an understanding of the E&S risks and opportunities for value creation, and where risks have been identified, determine the level of risk, priority for addressing and recommended actions to mitigate the impacts.

Methodology

The detailed scope for E&S due diligence is typically guided by the findings from the screening, and the risk category assigned to each potential Target investment will define the depth and extent, and how the due diligence will be undertaken. As per the principles included in the ESGMS-NDF-PRO-002 *NDF Environmental and Social Screening and Categorization Policy and Procedure* the following procedures apply for each risk category. Further assessment of the gaps between local and national regulations and the applicable E&S standards mentioned in Section 4.3 will be included as part of the due diligence. This Fund will not invest in Category A projects.

Category A Rating

If a potential Target investment is screened and rated as Category A, it will not be considered for investment.

Category B

If the Target has been screened and rated as a Category B investment, due diligence shall be conducted by the Navis ESG team or external E&S consultants selected and engaged by Navis, with oversight provided by the Navis ESG team.

Depending on the type and severity of E&S risks, a Limited Environmental and Social Impact Assessment (ESIA) may be conducted following the IFC Performance Standards framework, or other assessment that adopts the IFC Performance Standards framework and identifies the environmental and/or social risks, opportunities, and proposed mitigation measures. If an ESIA or similar has been prepared by the Target, then a gap analysis against our adopted Performance Standards shall be undertaken, and a supplementary ESIA or similar report may be prepared.

E&S due diligence will involve a desktop assessment of all available information (a Request for Information will be submitted to the Target before the assessment), interview(s) with senior management of the Target and, where appropriate a site visit. Interviews are conducted with relevant people from the senior management of Target to assess the company's commitment, human capital resources dedicated to E&S (capacity and competency), E&S resources to manage risks (capital plans and budgets) and track record. Site visits would be conducted to evaluate the 'operations in action', visually inspect the standard of the infrastructure and controls, interview other employees, understand surrounding communities, and other aspects. The need for a physical site visit would be determined based on the company/industry and geographic location.

If a consultant is engaged to conduct due diligence, the process previously described would be followed, with the following differences:

- The consultant would use their own assessment tool that adopts the IFC Performance Standards framework; and
- Navis ESG team would also participate in any interviews or site visits that include senior management of Target to assess the company's commitment, human capital resources dedicated to E&S (capacity and competency), E&S resources to manage risks (capital plans and budgets), and track record.

Following the completion of the due diligence, the material findings, actions, and potential opportunities will be discussed with the Partner-in-charge and investment team, and then senior management of the

Target. Subsequently, the Environmental and Social Action Plan (ESAP) will be refined, where relevant, and agreed with the Target.

Category C

If the Target has been screened and rated as a Category C investment, due diligence shall be conducted by the Navis ESG team.

E&S due diligence will be undertaken using the E&S Due Diligence Questionnaire and will involve a desktop assessment of all available information (a Request for Information will be submitted to the Target before the assessment). Interview(s) with senior management of Target may be conducted if the available information is insufficient to assess the company’s commitment, human capital resources dedicated to E&S (capacity and competency), E&S resources to manage risks (capital plans and budgets), and track record. Site visits would not normally be required.

Following the completion of the due diligence, the material findings, actions, and potential opportunities will be discussed with the Partner-in-charge and investment team, and then senior management of the Target. Subsequently, the ESAP will be refined, where relevant, and agreed with the Target.

Category FI Rating

If a potential Target investment is a financial institution (FI) or business activities through delivery mechanisms involving financial intermediation, Navis will assess the FI’s overall ability to manage the E&S risks of its portfolio.

The following categories and due diligence requirements will apply:

Category	Scope and minimum requirements
FI-1	<ul style="list-style-type: none"> If a potential Target investment is screened and rated as Category FI-1, it will not be considered for investment.
FI-2	<ul style="list-style-type: none"> Due diligence shall be conducted by the Navis ESG Team. The FI shall have an ESMS that takes into account international standards, implements the system and ensures its continuous improvement. Provision of appropriate resources for the implementation of the ESMS. Assign E&S responsibilities to a competent and fully dedicated E&S specialist. If any of the FI’s portfolio includes transactions that trigger the IFC Performance Standards, these transactions must comply with the IFC Performance Standards. Comply with Navis’ Exclusion List.
FI-3	<ul style="list-style-type: none"> Due diligence shall be conducted by the Navis ESG Team. The FI shall have an ESMS that takes into account international standards, implements the system and ensures its continuous improvement. Provision of appropriate resources for the implementation of the ESMS. If any of the FI’s portfolio includes transactions that trigger the IFC Performance Standards, these transactions must comply with the IFC Performance Standards. Comply with Navis’ Exclusion List.

Outputs/Impacts:

The following documentation will be prepared:

- E&S Due Diligence Report – the scope of due diligence; summary of company operations; confirmation of the assigned E&S risk category; material E&S risks and opportunities for value creation; view on company’s commitment, human capital resources dedicated to E&S (capacity and

competency), E&S resources to manage risks (capital plans and budgets) and track record; and mitigation measures. The mitigation measures will also be presented either in the 90-day plan and/or ESAP. Where external consultants have been engaged, the equivalent may be provided.

- E&S Due Diligence IC Summary – summary of the material E&S risks and mitigation measures; view on company’s commitment, human capital resources dedicated to E&S (capacity and competency), E&S resources to manage risks (capital plans and budgets) and track record; 90-day plan and/or ESAP; and proposed ESG key performance indicators (KPIs) based on *ESGMS-NDF-POL-006 NDF Guidelines for Climate Finance and Social Impact and ESG KPI Qualification (Appendix G)*.

All documentation is to be maintained within the dedicated folder in Navis Drive.

Appendix H provides a typical Limited ESIA outline, and **Appendix I** provides a typical ESDD report outline. An example of an ESAP template is provided in **Appendix J**.

Depending on the specific E&S risks identified for the portfolio company / project the following related policies may need to be referenced:

- ESGMS-NDF-POL-007 NDF Indigenous Peoples Policy Framework (**Appendix K**)
- ESGMS-NDF-POL-009 NDF Land Acquisition and Resettlement Framework (**Appendix L**)

A Chance Find Procedure template is provided in **Appendix M** if it is seen as a potential risk for the portfolio company and/or project.

6.1.3 Investment Agreement

If the IC agrees to proceed with the investment, Navis will ensure that there are appropriate ESG warranties, covenants and/or undertakings incorporated in the legal agreements in relation to the investment. These may include, but are not limited to the following:

- Adherence to the ESG Action Plan, either within the 90-day plan and/or as separately agreed. This is included in the Request to Close documentation, which is the ‘final’ documentation delivered to IC to make a decision on the Target;
- Adherence to the Navis Exclusion List;
- Warranties and/or undertakings relating to compliance to applicable ESG laws; and
- Adherence to the Navis ESG Business Principles, which includes anti-bribery and corruption (ABC) and anti-money laundering (AML), and whistleblowing policies.

Navis will ensure that each portfolio company adheres to the ESG Action Plan, Navis ESG Business Principles, and other requirements. If a portfolio company fails to comply with these requirements, Navis will work with the portfolio company to bring it back to compliance; provided, that (i) the non-compliance is capable of cure, (ii) the portfolio company continues diligently to pursue such cure, and (iii) there are no material adverse effects on Navis or any of its investors. Otherwise, Navis shall (i) assert and enforce such available remedies as it reasonably determines to be appropriate in the circumstances, in order to ensure compliance; or (ii) use all reasonable efforts to exit the portfolio company or terminate its financing, in each case, consistent with Navis’ fiduciary obligation to the Fund and its investors and taking into account market conditions and commercial considerations.

6.2 Investment Procedure

To manage the ESG risks and opportunities for value creation in our portfolio companies post-investment, Navis will undertake the following:

What	Who	When
<p>Orientation: the Navis ESG team will complete an induction with the company’s senior management and other heads of departments (where relevant) team to communicate the Navis E&S requirements to be established; revisit the E&S due diligence findings and ESAP; and identify the monitoring process and KPIs.</p>	Navis	Within 90-days, post-investment.
<p>Establish: The Navis E&S requirements to be established include grievance policies and procedures (including gender -based violence and sexual abuse and harassment); ESG Committee; Navis Serious ESG Incident Reporting; Annual ESG Monitoring; and Code of Conduct, which incorporates the Navis ESG Business Principles. The <i>Navis Portfolio Governance Pack PortCo Template</i> contains guidance for these.</p>	Portfolio Company	Within 90-days following the Orientation, or within a timeline agreed by Navis.
<p>Monitor, Engage, and Support:</p> <ul style="list-style-type: none"> • Navis ESG team to provide regular and ongoing technical and operational support to implement the Navis ESG requirements and specific value creation initiatives. Specialist consultants to be engaged where required. • Review of E&S performance at the monthly Executive Committee meetings, held between Navis investment team and the company’s senior management, including implementation of ESAPs and/or relevant actions in the 90-day plans, assessment of E&S performance, review of relevant monitoring reports, and discussion of new developments and/or E&S risks or opportunities relevant to the company’s performance. • Navis ESG team will monitor the ESAPs through an online platform, accessible by the portfolio company and Navis investment teams. Navis ESG will report on the status to IC regularly. • Navis ESG team will monitor and ensure that investments adhere to the requirements defined by Navis’ principles. • Physical site monitoring will be undertaken at least annually by the Navis ESG team and/or an external E&S consultant selected by Navis for Category B rated companies. Physical site monitoring at Category C and High, Medium, and Low risk-rated companies will be conducted by the Navis ESG team as and when required. 	Portfolio Company Investment Team Navis ESG Team External consultants	Monthly, quarterly, annually and/or within a timeline agreed by Navis.
<p>Audit and Assurance:</p> <ul style="list-style-type: none"> • Complete ESG audits, either by the Navis ESG team and/or external consultants. Audits are conducted to ensure that each portfolio company (held by Navis) is audited once every three years. Additional audits may be required, as and when defined by Navis ESG. • Ensure the portfolio company senior management team signs the Declaration of Compliance, to confirm compliance with the Code of Conduct and Navis ESG Business Principles, annually. 	Senior management of the portfolio company Investment Team Navis ESG Team External consultants	Annually.

<p>Serious ESG Incidents:</p> <ul style="list-style-type: none"> • Ensure that portfolio companies report Serious ESG Incidents to Navis following the notification protocol stated in <i>ESGMS-NDF-PRO-001 NDF Serious ESG Incident Reporting Procedure (Appendix N)</i>. • Navis ESG team to support the companies and ensure that root cause analysis has been undertaken and appropriate corrective actions are in place. • Share lessons learned amongst other investments 	<p>Senior management of the portfolio company Investment Team Navis ESG Team External consultants</p>	<p>Portfolio Company to notify within 24 hours of being aware of a Serious ESG Incident, and provide a detailed investigation report within 5 days of being aware of a Serious ESG Incident.</p>
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Other activities may be undertaken as and when necessary or relevant, such as during acquisition activity, new projects, or others.

All documentation is to be maintained within the dedicated folder in Navis drive.

6.3 Exit Readiness

To ensure that E&S considerations are included in preparations for the exit, Navis will conduct a review of performance to determine E&S readiness. This will include any follow-on investments that may have occurred over the investment period.

Where appropriate, Navis will undertake a more detailed assessment of the E&S status, vendor due diligence. E&S vendor due diligence is conducted by external E&S consultants, using a scope and methodology mutually agreed upon by Navis and the external E&S consultant.

Results of the E&S readiness review and vendor due diligence will be shared and discussed with the relevant partner-in-charge and investment team. All documentation is to be maintained within the dedicated folder in Navis Drive.

7. Gender-Based Violence / Sexual Exploitation, Abuse and Harassment

Navis recognizes that Gender-Based Violence (GBV) and Sexual Exploitation, Abuse and Harassment (SEAH) are still prevalent issues in Southeast Asia. GBV and SEAH risks are identified in **Appendix A** as potential social risks in the geographies and industries that NDF might invest in. The Environmental and Social Due Diligence will include these risks during the assessments. Furthermore, portfolio companies shall develop policies and procedures to address and mitigate the risks associated with GBV and SEAH. **Appendix O** outlines NDF's strategy in addressing GBV and SEAH.

8. Stakeholder Engagement

Navis recognizes the importance of open and transparent engagement between clients, workers, and local communities directly affected by the portfolio company and its projects as an essential element of good international practice. These engagements are also a way of improving the environmental and social sustainability of these projects.

Portfolio companies and its projects that may have significant environmental and social impacts and issues on the environment, workers or local communities directly affected by the portfolio company and/or project to identify and engage with stakeholders. Such portfolio companies and/or projects shall conduct stakeholder engagement on the basis of providing local communities that are directly affected by the project with timely, relevant, understandable and accessible information in a culturally appropriate manner and free of manipulation, interference, coercion and intimidation.

Additional information on portfolio company and/or project-level stakeholder engagement is presented in **Appendix P**.

9. Grievance Mechanism

Navis welcomes feedback from our stakeholders as it enables us to bring a resolution to disputes, enhances the trust and confidence of our stakeholders, and identifies areas that need to be improved for current and future operations.

To that end, Navis has established a grievance procedure that ensures the right to be heard, for various stakeholders who feel affected by Navis and its investments, and that the grievance handling process is fair, effective, safe, confidential, and accessible to all external stakeholders without prejudice. The procedure also ensures that grievances raised are dealt with as quickly as reasonably practicable whilst ensuring that a fair and impartial process is followed.

Grievances may be submitted to Navis through various channels, including email, telephone, and through our anonymous online reporting system ('Speak Up'), <https://naviscapital.ethicspoint.com/>.

Like Navis, we expect our portfolio companies to establish grievance mechanisms, with an anonymous channel for reporting, to gather feedback from employees, as well as external stakeholders.

GCF's Independent Redress Mechanism (IRM) addresses complaints from those negatively affected by projects or programmes funded by GCF such as the Navis Decarbonisation Fund (NDF). GCF's IRM is available at <https://irm.greenclimate.fund/case-register/file-complaint>. This link is available to any person who would like to raise grievances or complaints against any portfolio company or project under NDF. A GCF Indigenous People (IP) Specialist is also available to handle issues should concerns about indigenous peoples arise.

ESGMS-NDF-POL-008 NDF Grievance Mechanism Policy (Appendix Q) outlines NDF's grievance mechanism requirements on its portfolio companies.

10. Training

Navis will provide information and conduct training as and when required to ensure that Navis employees understand the value of ESG, the Navis ESG policies, processes, and tools and ensure that best practices are shared.

The Navis ESG team will undertake relevant training or professional development to ensure that skills and competencies are maintained or enhanced. If there are additional requests from investors to undertake specific training, this will be completed as and when required by the relevant member(s) of the ESG team.

Navis will provide information and conduct training to the portfolio companies as and when required to ensure that the portfolio companies are aware of and understand the importance of ESG, Navis ESG requirements, and commitments, and share ESG best practices. At a minimum, the Navis ESG Team will conduct an ESG Induction to the senior management of the portfolio company and hold a separate session with the ESG point person on a walkthrough of the ESAP items.

A training needs analysis and plan will be established for all Navis employees and portfolio companies and revised periodically.

All training shall be documented in individual employee training records and recorded for portfolio companies.

Portfolio companies may also leverage GCF-funded technical support to conduct baseline assessments, strengthen data collection and monitoring systems, and develop internal policies that align with GCF's environmental and social safeguards. GCF can also provide hands-on support through on-site advisory missions, peer learning networks, and south-south knowledge exchanges. These initiatives not only enhance compliance with ESMS requirements but also promote continuous learning and adaptive management practices that increase the long-term sustainability and resilience of GCF-supported investments. NDF will look into the different capacity building and technical assistance activities available.

11. Disclosure and Reporting

We strive to be transparent in how we integrate ESG in our investment process. Navis also expects our portfolio companies to report on ESG performance against material ESG considerations. In that regard, Navis will undertake the following:

- Report material incidents and events that occurred at the portfolio companies to our investors, as required, within three days after becoming aware of the occurrence.
- Ensure the portfolio companies provide an ESG report following the ESG Data Converge Initiative (EDCI) framework, and that reports are provided to selected investors, as part of a side letter arrangement, annually. The format of this report may vary among written public reports, or reports to investors.
- Where relevant, ensure the portfolio companies complete an ESG report, using the reporting standard provided by the investor(s), as and when required.
- Report to the UNPRI on our responsible investment activities, using the PRI reporting protocol, annually.

In cases of portfolio company and/or projects that would have ESIA and Environmental and Social Management Plan (ESMP) requirements, these will be disclosed at least 30 days in advance of the approval decision. Additional safeguard reports will be available in both English and the local language. The reports will be made available to GCF via electronic links as well as in locations convenient to affected peoples.

12. Management and Organization

Navis expects that portfolio company management teams and Executive Committees of portfolio companies actively monitor the ESG performance of their companies. The ultimate responsibility for ensuring that ESG initiatives are implemented and followed resides with each portfolio company's Executive Committee.

Navis will establish an ESG Committee, comprising members of the IC, Investor Relations and senior members of the Legal and ESG in-house teams to review ESG developments and ensure that they are appropriately addressed by the investment professionals and other relevant employees and review and assess the effectiveness of the Navis ESG policies and procedures. The Committee shall meet following the defined Terms of Reference.

13. Monitoring and Evaluation

The monitoring activities for each portfolio company and/or project are determined based on the environmental and social risks and impacts associated during the initial E&S assessments and due

diligence. It may also reflect any significant stakeholder concerns and include a review or audit, where relevant. As a minimum, NDF reviews any E&S reports submitted by the portfolio companies including updates on the ESAP. Navis may also, as necessary, undertake site visits to review the implementation of this ESMS and other site-specific E&S requirements of the portfolio companies.

14. Management Review

The Navis ESG Committee will review the ESMS regularly, and in any event at least annually, to ensure its continuing suitability, adequacy, and effectiveness. Navis' limited partners will be notified of any material changes to this ESMS and approval will be sought from limited partners advisory committee (LPAC) prior to finalization.

15. References

GCF Revised Environmental and Social Policy

[GCF Indigenous Peoples Policy](#)

[GCF Operational Guidelines: Indigenous Peoples Policy](#)

[IFC Performance Standards \(2012\)](#)

NDF Responsible Investment Policy

NDF Land Acquisition and Resettlement Framework

NDF Indigenous Peoples Policy Framework

NDF Grievance Mechanism Policy

BII ESG Toolkit (<https://toolkit.bii.co.uk/>)

Appendices

Appendix A – NDF Responsible Investment Policy

Appendix B – Potential Environmental and Social Risks of Representative Industry Sectors

Appendix C – Navis ESG Business Principles

Appendix D – ESG Team Details

Appendix E – NDF ESMS Manual Template for Portfolio Companies

Appendix F – NDF Environmental and Social Screening and Categorization Policy and Procedure

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Appendix K – NDF Indigenous Peoples Policy Framework

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Appendix M – Chance Find Procedure Template

Appendix N – NDF Serious ESG Incident Reporting Procedure

Appendix O – Gender-Based Violence and Sexual Exploitation, Abuse and Harassment Approach

Appendix P – Stakeholder Engagement Framework

Appendix Q – NDF Grievance Mechanism Policy

Appendix R – NDF Climate Risk and Opportunities Policy

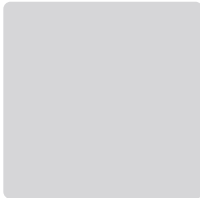
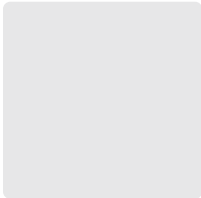
Appendix S – NDF Responsible Supply Chain Policy (Labor)

Appendix A NDF Responsible Investment Policy



NAVIS DECARBONIZATION FUND RESPONSIBLE INVESTMENT POLICY

May 2025



1. Introduction

Navis is committed to the practice of responsible investing and strongly believes that it is a key enabler to improving a company's performance by driving sustainable growth, improving operating efficiencies, and managing risk. To that effect, Navis has strategically repositioned its approach to environmental, social, and governance (ESG) from being a niche focus to a core management capability for delivering sustainable business improvements within our investments.

We integrate ESG throughout our investment process. By doing this, not only do we help our investments manage their environmental and social impact and improve their corporate governance, but also identify value creation opportunities, which improve the overall value of our investments.

This Policy is the foundation of our ESG Management System and guides our internal processes and tools. Navis will conduct a review of this Policy periodically, and update as appropriate.

2. Scope

This Policy will apply to all private equity investments in the Navis Decarbonization Fund considered by the Investment Committee (IC).

3. Roles and Responsibilities

The Navis IC is responsible for ensuring the effective implementation and operation arrangements of this Policy, including communicating the Policy to all Navis employees. All investment professionals are responsible for ensuring that ESG considerations are integrated throughout the investment period as per the Policy. The in-house ESG team is responsible for driving and monitoring the implementation of this Policy, and ESG performance throughout the investment period, and providing guidance and support to the investment professionals and portfolio companies, in collaboration with the Legal team.

4. Responsible Investment Principles

Navis strongly believes that integrating ESG considerations in the investment process is a key enabler to improving a company's performance driving sustainable growth, and managing risk. The principles that Navis adopts to drive and derive these benefits, subject to the scope described in **Section 2**, include the following:

- **Obtain majority control:** Navis seeks controlling investments so it can influence the strategic, operational, and financial direction of the company.
- **Invest in (near) industry leaders:** Navis seeks companies with a competitive advantage and good management that operate in economies that welcome foreign investment and appreciate efforts to build shareholder value.
- **Hands-on approach:** Navis takes a proactive role in working with management in implementing initiatives to accelerate the growth of the company.
- **Lifecycle of investment:** Navis ESG integration covers the lifecycle of the investment, from pre-investment to post-investment monitoring and exiting the investment.
- **Investment exclusions:** due to environmental and social, legal, ethical, or other reasons, the following investment exclusions apply:
 - Environmental and social as described in **Attachment A**;
 - Non-Shariah compliant sectors, for the Shariah Fund;
 - Speculative oil and gas exploration or other sectors where government grants are core to business; and

- Additional “Prohibited Investments” as set out specifically by our investors.
- **Sustainable growth:** Navis requires the portfolio companies to include the Navis ESG Business Principles in its Code of Conduct, inculcate these principles with the company and their employees, and formally acknowledge compliance annually through the Declaration of Compliance.
- **UN-backed PRI:** Navis is a proud signatory to the UN-backed Principles for Responsible Investing (UN PRI) and is committed to implementing the Principles.

5. Performance Standards

The standards that Navis will apply and expect portfolio companies to comply with include local regulations and law; Green Climate Fund (GCF) Indigenous Peoples Policy, International Finance Corporation (IFC) [Performance Standards](#) and where relevant, the [IFC Industry Sector Guidelines](#); [World Bank Group Environmental, Health and Safety \(EHS\) Guidelines](#); and [International Labour Organisation \(ILO\) Declaration on Fundamental Principles and Rights at Work](#), whichever is more stringent.

6. Navis Approach to ESG Integration in the Investment Process

6.1 Pre-Investment

ESG Screening and Categorization

The integration of ESG starts pre-investment, where we conduct ESG screening and categorization as the first step. This ensures that any potential Target investment does not breach our Exclusion List and/or there are no adverse findings from a review of publicly available information or other, and identifies the ESG risk category of the potential Target investment.

Initial screening is a desk-based process performed on all potential Target investments, comprising a review against the Exclusion List (**Attachment A**) and any publicly available information that may identify any adverse impact on local communities or the environment or adverse ESG performance, and conducting informal references on the company. If the potential Target investment does not breach the Exclusion List and/or there are no adverse findings from the review of publicly available information and/or from the informal referencing, and the potential investment is approved by the IC, we will continue to the next stage of the pre-investment process.

The next stage involves a high-level assessment, against the Category definitions, of the ESG risks and assigning an ESG risk category for the potential investment. Concurrently, background/integrity checks, which include, but are not limited to, open-source, records and discreet enquiries, corporate registration review, litigation, and bankruptcy checks, etc, are conducted by external consultants.

The environmental and social (E&S) high-level assessment includes the potential Target investment’s industry sector, scale, location, type of investment, growth strategy, technology (techniques), and supply chain. We also review data and information from the GCF Indigenous Peoples Policy, IFC Performance Standards, IFC industry sector profiles, the Sustainability Accounting Standards Board (SASB), World Bank EHS Guidelines, and other relevant sources. Subsequently, an E&S risk rating of Category B (medium risk), or Category C (low risk) is assigned to the potential investment or in the case of financial institutions, Category FI-2, or Category FI-3. The high-level governance assessment includes the potential Target’s industry sector, geographic location, and company. Subsequently, a governance risk rating of High, Medium, or Low is assigned to the potential investment. The ESG screening and categorization information will be included in the IC material.

Due Diligence

The ESG risk category assigned determines the depth and extent of due diligence that will be conducted. Due diligence shall be conducted to identify the ESG risks, opportunities, and proposed mitigation measures using the Navis ESG Due Diligence Questionnaire or similar assessment tool.

This Fund will not invest in Category A projects. If a potential Target investment is assigned a Category B rating, due diligence shall be conducted by the Navis ESG team or by external E&S consultants selected and engaged by Navis, with oversight provided by the Navis ESG team. Due diligence for Category C rated Targets and financial institutions would typically be completed by the Navis ESG team.

If a potential Target investment is assigned a Governance rating of Medium or High, due diligence would be conducted by external consultants or advisors and the Navis ESG team. Due diligence for Low rated Targets would typically be completed by the Navis ESG team.

On completion of due diligence, the ESG risks, opportunities, and mitigation measures; ESG action plans; and proposed ESG key performance indicators (KPIs) shall be summarized in the IC material. If the IC agrees to proceed with the investment, the ESG action plans will be incorporated in the 90-day plan, which the management of the Target company will be required to adhere to. Furthermore, investments will be required to adopt and adhere to the Navis Performance Standards defined in **Section 5**. For any investments with a Governance rating of High, Medium, or Low, all will be required to comply with the local regulations and law and any other standard, as required by Navis.

Investment Agreement

If the IC agrees to proceed with the investment, Navis will ensure that there are appropriate ESG warranties, covenants and/or undertakings incorporated in the legal agreements in relation to the investment.

Output/ Impact: identification of 'red flags', understanding of the material ESG aspects, ESG risk category, plan for ESG diligence, ESG due diligence reports, and summary of ESG risks, opportunities and mitigation measures, ESG action plans, proposed ESG KPIs for the IC and investment agreements.

6.2 Investment

To manage the ESG risks and opportunities for value creation in our portfolio companies post-investment, Navis will undertake the following:

Orientation: the Navis ESG team will complete an induction with the company's senior management team and other heads of departments (where relevant) to communicate the Navis ESG requirements to be established; revisit the ESG due diligence findings and ESG action plans; and identify the monitoring process and KPIs. This will be completed within 90-days, post-investment.

The Navis ESG requirements to be established include, the E&S Induction Pack, which includes grievance policies and procedures; ESG Committee; Navis Serious ESG Incident Reporting; Annual ESG Monitoring; Governance Induction Pack; Delegation of Authority (DoA) and Code of Conduct, which incorporates the Navis ESG Business Principles. These are to be established by the company within 90-days following the Orientation, or within a timeline agreed by Navis.

Monitor, Engage, and Support:

- Navis ESG team to provide regular and ongoing technical and operational support to implement the Navis ESG requirements and specific value creation initiatives. Specialist consultants to be engaged where required.
- Review of ESG performance at the monthly Executive Committee meetings, held between Navis investment team and the company's senior management, including implementation of ESG action plans and/or relevant actions in the 90-day plans, assessment of ESG performance, review of relevant monitoring reports, and discussion of new developments and/or ESG risks or opportunities relevant to the company's performance.
- Navis ESG team will monitor the ESG action plans through an online platform, accessible by the portfolio company and Navis investment teams. Navis ESG will report on the status to IC regularly.
- Physical site monitoring will be undertaken at least annually by the Navis ESG team and/or an external E&S consultant selected by Navis for Category B rated companies. Physical site monitoring at Category C and High, Medium, and Low risk-rated companies will be conducted by the Navis ESG team as and when required.

Audit and Assurance:

- Complete ESG audits on an annual basis, either by the Navis ESG team and/or external consultants.
- Ensure the portfolio company senior management team signs the Declaration of Compliance, to confirm compliance with the Code of Conduct and Navis ESG Business Principles, annually.
- Ensure that the portfolio company CEO and CFO provide a signed Representation Letter, addressed to Navis, indicating the accuracy of the financial results submitted to Navis, annually.

Serious ESG Incidents:

- Ensure that portfolio companies report Serious ESG Incidents to Navis following the notification protocol.
- Navis ESG team to support the companies and ensure that root cause analysis has been undertaken and appropriate corrective actions are in place.
- Share lessons learned amongst other investments.

Output/Impact: Companies compliance with Navis ESG policies and standards, appropriate oversight of company ESG performance and proactive management approach to address issues or capture opportunities, signed Declaration of Compliance and signed Representation Letter, and overall value creation for the company.

6.3 Exit Readiness

To ensure that ESG considerations are included in preparations for the exit, Navis will conduct a review of ESG performance to determine the ESG readiness. Where appropriate, Navis will undertake a more detailed assessment of the ESG status. ESG Vendor Due Diligence is conducted by external subject matter experts engaged by Navis.

Output/Impact: ESG considerations have been addressed at the portfolio companies and documented.

7. Training

Navis will provide information and conduct training as and when required to ensure that Navis employees understand the value of ESG, the Navis ESG policies, processes, and tools and ensure that

best practices are shared. Navis ESG team will undertake relevant training or professional development to ensure that skills and competencies are maintained or enhanced.

Navis will provide information and conduct training to the portfolio companies as and when required to ensure that the portfolio companies are aware of and understand the importance of ESG, Navis ESG requirements, and commitments, and share ESG best practices.

A training needs analysis and plan will be established for all Navis employees and portfolio companies and revised periodically.

8. Engagement, Disclosure and Reporting

We strive to be transparent and continuously engage with our employees, clients, regulators, portfolio companies and other key stakeholders in how we integrate ESG into our investment process. Navis also expects our portfolio companies to report on ESG performance against material ESG considerations. In that regard, Navis will undertake the following:

- Report material incidents and events that occurred at the portfolio companies, to our investors as and when required, or at a minimum on a quarterly basis.
- Ensure the portfolio companies provide an ESG report, using the Navis reporting standard, and that reports are provided to selected investors, as part of a side letter arrangement, annually. The format of this report may vary among written public reports, or reports to investors.
- Where relevant, ensure the portfolio companies complete an ESG report, using the reporting standard provided by the investor(s), as and when required.
- Engage with various stakeholders including external collaborations through our memberships in industry associations or those of the portfolio companies, as appropriate, to develop industry standards or codes of practice aimed at more sustainable practices.
- Report to the UNPRI on our responsible investment activities, using the PRI reporting protocol, annually.
- Publish applicable ESG practices in the Navis website.

9. Grievances

Navis welcomes feedback from our stakeholders as it enables us to bring a resolution to disputes, enhances the trust and confidence of our stakeholders, and identifies areas that need to be improved for current and future operations.

To that end, Navis has established a grievance procedure that ensures the right to be heard, for various stakeholders who feel affected by Navis and its investments, and that the grievance handling process is as fair, effective, safe, confidential, and accessible to all external stakeholders without prejudice. The procedure also ensures that grievances raised are dealt with as quickly as reasonably practicable whilst ensuring that a fair and impartial process is followed.

Grievances may be submitted to Navis through various channels, including email, telephone, and through our anonymous online reporting system ('Speak Up'), <https://naviscapital.ethicspoint.com/>.

Like Navis, we expect our portfolio companies to establish grievance mechanisms, with an anonymous channel for reporting, to gather feedback from employees, as well as external stakeholders. The

expectations from the portfolio companies' grievance mechanism is detailed in *NDF Grievance Mechanism Policy*.

GCF's Independent Redress Mechanism (IRM) addresses complaints from those negatively affected by projects or programmes funded by GCF such as the Navis Decarbonization Fund (NDF). GCF's IRM is available at <https://irm.greenclimate.fund/case-register/file-complaint>. This link is available to any person who would like to raise grievances or complaints against any portfolio company or project under NDF. A GCF Indigenous People (IP) Specialist is also be available to handle issues should concerns about indigenous peoples arise.

The process for E&S screening and categorization is detailed in the following, *NDF Grievance Mechanism Policy*.

10. Management and Organization

Navis expects that portfolio company management teams and Executive Committees of portfolio companies actively monitor the ESG performance of their companies. The ultimate responsibility for ensuring that ESG initiatives are implemented and followed resides with each portfolio company's Executive Committee.

Navis will establish an ESG Committee, comprising members of the IC, Investor Relations and senior members of the Legal and ESG in-house teams to review ESG developments and ensure that they are appropriately addressed by the investment professionals and other relevant employees and review and assess the effectiveness of the Navis ESG policies and procedures. The Committee shall meet in accordance with the defined Terms of Reference.

11. Policy Review

The review of this Policy will be conducted regularly, and in any event at least annually. Any changes made will be communicated.

Attachment A E&S Exclusion List

Navis Decarbonization Fund Environmental and Social Exclusion List

Navis and its portfolio companies shall not invest in the following activities:

1. Destruction¹ of High Conservation Value areas².
2. Commercial logging operations for use in primary tropical moist forest and leasing or financing of logging equipment.
3. Production or trade in wood or other forestry products other than from sustainably managed forests.
4. Fossil fuel-related activities:
 - Coal prospection, exploration, mining or processing
 - Oil exploration or production
 - Standalone fossil gas exploration and/or production³
 - Transport and related infrastructure primarily⁴ used for coal for power generation
 - Crude Oil Pipelines
 - Oil Refineries
 - Construction of new or refurbishment of any existing coal-fired power plant (including dual)
 - Construction of new or refurbishment of any existing HFO-only or diesel-only power plant⁵ producing energy for the public grid and leading to an increase of absolute CO2 emissions⁶
 - Any business with planned expansion of captive coal used for power and/or heat generation⁷
5. Construction of dams that significantly and irreversibly: (a) disrupt natural ecosystems upstream or downstream of the dam; or (b) alter natural hydrology; or (c) inundate large land areas; or (d) impact biodiversity; or (e) displace large numbers of inhabitants (5,000 persons or more); or (f) impact local inhabitants' ability to earn a livelihood.
6. Production or trade in any product or activities or materials deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
 - a) Ozone depleting substances, PCBs (polychlorinated biphenyls) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals; or
 - b) Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES).
7. Cross-border trade in waste and waste products, unless compliant to the Basel Convention and the underlying regulations.
8. Unsustainable fishing practices, such as large-scale pelagic drift net fishing (in excess of 2.5 km in length) and fine mesh net fishing, harmful to vulnerable and protected species in large numbers and damaging to biodiversity and habitats.

¹ Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.

² High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance (See <https://www.hcvnetwork.org/>).

³ Gas extraction from limnically active lakes is excepted from this exclusion.

⁴ "Primarily" means more than 50% of the infrastructure's handled tonnage.

⁵ For indirect equity through investment funds, investments (up to a maximum of 20% of the fund) in new or existing HFO-only or diesel-only power plants are allowed in countries that face challenges in terms of access to energy and under the condition that there is no economically and technically viable gas or renewable energy alternative.

⁶ i.e. where energy efficiency measures do not compensate any capacity or load factor increase.

⁷ This does not apply to coal used to initiate chemical reactions (e.g. metallurgical coal mixed with iron ore to produce iron and steel) or as an ingredient mixed with other materials, given the lack of feasible and commercially viable alternatives.

9. Resettlement of 5,000 or more persons.
10. Any impact on natural World Heritage Sites <https://whc.unesco.org/en/list/> unless it can be demonstrated through an environmental assessment that the project (i) will not result in the degradation of the protected area and (ii) will produce positive environmental and social benefits.
11. Any impact on areas on the United Nations List of National Parks and Protected Areas <https://www.protectedplanet.net/> unless it can be demonstrated through an environmental assessment that the project (i) will not result in the degradation of the protected area and (ii) will produce positive environmental and social benefits.
12. Extraction or infrastructure in or impacting protected area Categories I, II, III, and IV (Strict Nature Reserve/Wilderness Areas and National Parks, Natural Monuments and Habitat/Species Management Areas), as defined by the International Union for the Conservation of Nature (IUCN). Projects in IUCN Categories V (Protected Landscape/Seascape) and VI (Managed Resource Protected Area) must be consistent with IUCN management objectives <https://www.protectedplanet.net/> unless it can be demonstrated through an environmental assessment (i) there is no degradation of the protected area and (ii) there are positive environmental and social benefits.
13. Production of or trade in radioactive materials,⁸ including nuclear reactors and components thereof.
14. Production of or trade in unbonded asbestos fibres. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
15. Use of forced labour⁹ or child labour.¹⁰
16. Pornography and/or prostitution.
17. Printing, publishing and distribution of racist, religious and/or anti-democratic materials or promotion of any religion.
18. Production of or trade in weapons and munitions¹¹.
19. Where the products form a substantial⁸ part of the primary business activities including the following:
 - a) alcoholic beverages (except wine or beer; or if contrary to local religious or cultural norms)
 - b) tobacco and related products
 - c) gambling, casinos and equivalent enterprises

When investing in **microfinance** activities, Navis and its portfolio companies will apply the following items in addition to the Environmental and Social Exclusion List:

- Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products; and
- Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples¹², without full documented consent of such peoples.

⁸ This does not apply to the purchase of medical equipment, quality control (measurement) equipment, and any equipment where the radioactive source is understood to be trivial and/or adequately shielded.

⁹ Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

¹⁰ Child labour is defined as 'persons may be employed if they are at least 15 years old for general duties and at least 18 years old for 'hazardous' work', as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art.2), unless local legislation specifies compulsory school attendances or the minimum age for working. In such cases the higher age shall apply'.

¹¹ For companies, "substantial" means more than 10% of their consolidated balance sheets or earnings. For Navis funds, "substantial" means more than 10% of their underlying portfolio volumes.

¹² As defined in the IFC Performance Standard 7, Indigenous Peoples

Appendix B Potential Environmental and Social Risks of Representative Industry Sectors

The table below presents the potential environmental and social risks based on the industry sectors that NDF will invest in. Note that the risks outlined below are representative and the actual risks will be evaluated on a case-by-case basis prior to investment.

Industry	Potential Environmental and Social Risks	Mitigation Measures
Power Generation	Environmental Risks	
	Deforestation and biodiversity loss – potential impact on forests’ flora and fauna due to larger-scale solar or wind projects	Conduct ESIA and prepare Environmental and Social Management Plan
	Water resource impacts – potential conflicts with water sources affecting wildlife	Conduct ESIA and prepare Environmental and Social Management Plan
	Air and soil pollution – potential air and soil pollution depending on the type of facilities	Conduct ESIA and prepare Environmental and Social Management Plan which may include monitoring assessments and pollution control measures
	Social Risks	
	Economic displacement and loss of livelihood – potential impact on communities’ sources of income	Prepare Livelihood Restoration and Compensation Plan
	Resettlement and land acquisition – potential impacts on landowners’ rights and living conditions	Prepare Land Acquisition and Resettlement Plan
	Impact on indigenous peoples and cultural heritage – potential impact on indigenous peoples such as displacement, loss of livelihood and cultural loss	Conduct stakeholder engagement and prepare Indigenous Peoples Plan
	Occupational health and safety – potential impact on occupational health and safety of employees	Prepare Occupational Health and Safety Plan
	Community health and safety – potential impact on community health and safety such as exposure to hazardous chemicals	Conduct stakeholder engagement and prepare Health and Safety plan
Infrastructure and Built Environment	Gender-based violence and sexual abuse and harassment – potentially applicable given the country / industry locations (e.g. human trafficking, sexual harassment, forced labor, etc.)	Prepare GBVH Plan which includes training and setting up of reporting channels
	Environmental Risks	
	Deforestation and biodiversity loss – potential impact on forests’ flora and fauna due to project scale	Conduct ESIA and prepare Environmental and Social Management Plan
	Greenhouse Gas Emissions – potential contribution to high levels of greenhouse gas emissions from construction and operation	Prepare plans to minimize GHG emissions
	Air and water pollution – potential increase in air and water pollution depending on nature of operations	Conduct ESIA and prepare Environmental and Social Management Plan which may include monitoring assessments and pollution control measures
	Waste management – potential mismanagement of waste and lack of proper waste disposal processes	Prepare waste management policies and procedures applicable to the industry and jurisdiction
	Social Risks	
Economic displacement and loss of livelihood – potential impact on communities’ sources of income	Prepare Livelihood Restoration and Compensation Plan	

	Resettlement and land acquisition – potential impacts on landowners’ rights and living conditions	Prepare Land Acquisition and Resettlement Plan
	Impact on indigenous peoples and cultural heritage – potential impact on indigenous peoples such as displacement, loss of livelihood and cultural loss	Conduct stakeholder engagement and prepare Indigenous Peoples Plan
	Occupational health and safety – potential impact on occupational health and safety of employees depending on nature of operations	Prepare Occupational Health and Safety Plan
	Labor management – potential risks on human rights and labor management especially if migrant workers are present and/or skilled labor	Include labor management and human rights assessment as part of due diligence and implement action items from the assessment
	Gender-based violence and sexual abuse and harassment – potentially applicable given the country / industry locations (e.g. human trafficking, sexual harassment, forced labor, etc.)	Prepare GBVH Plan which includes training and setting up of reporting channels
Low Emission Transportation	Environmental Risks	
	Waste Management – potential risks arising from battery disposal and recycling and management of other wastes	Prepare waste management policies and procedures applicable to the industry and jurisdiction
	Energy source and consumption – potential risks depending on source of electricity and/or alternative energy	Prepare energy conservation plan
	Air and water pollution – potential increase in air and water pollution depending on nature of operations	Conduct ESIA and prepare Environmental and Social Management Plan which may include monitoring assessments and pollution control measures
	Noise pollution – potential risks on noise depending on nature of operations	Conduct ESIA and prepare Environmental and Social Management Plan which may include monitoring assessments and noise pollution control measures
	Social Risks	
	Occupational health and safety – potential impact on occupational health and safety of employees depending on nature of operations	Prepare Occupational Health and Safety Plan
	Labor management – potential risks on human rights and labor management especially if migrant workers are present and/or skilled labor	Include labor management and human rights assessment as part of due diligence and implement action items from the assessment
Sustainable Agriculture	Environmental Risks	
	Deforestation and biodiversity loss – potential impact on forests’ flora and fauna due to larger-scale solar or wind projects	Conduct ESIA and prepare Environmental and Social Management Plan
	Greenhouse Gas Emissions – potential contribution to high levels of greenhouse gas emissions from construction and operation	Prepare plans to minimize GHG emissions
	Air and water pollution – potential increase in air and water pollution depending on nature of operations	Conduct ESIA and prepare Environmental and Social Management Plan which may include monitoring assessments and pollution control measures
	Waste Management – potential risks arising from battery disposal and recycling and management of other wastes	Prepare waste management policies and procedures applicable to the industry and jurisdiction

Land degradation – potential risks from unsustainable farming practices and use of fertilizer and pesticides	Conduct ESIA and prepare Environmental and Social Management Plan which may include recommendations for fertilizer and pesticide substitutes
Climate change vulnerability – potential risks from extreme weather events	Conduct climate change risk assessment as part of due diligence
Social Risks	
Economic displacement and loss of livelihood – potential impact on communities’ sources of income	Prepare Livelihood Restoration and Compensation Plan
Resettlement and land acquisition – potential impacts on landowners’ rights and living conditions	Prepare Land Acquisition and Resettlement Plan
Impact on indigenous peoples and cultural heritage – potential impact on indigenous peoples such as displacement, loss of livelihood and cultural loss	Conduct stakeholder engagement and prepare Indigenous Peoples Plan
Occupational health and safety – potential impact on occupational health and safety of employees depending on nature of operations	Prepare Occupational Health and Safety Plan
Labor management – potential risks on human rights and labor management especially if migrant workers are present and/or skilled labor	Include labor management and human rights assessment as part of due diligence and implement action items from the assessment
Water resource depletion – potential risks on conflicting water resource leading to issues with nearby communities	Conduct ESIA and prepare Environmental and Social Management Plan and conduct stakeholder engagement and consultations with nearby communities
Gender-based violence and sexual abuse and harassment – potentially applicable given the country / industry locations (e.g. human trafficking, sexual harassment, forced labor, etc.)	Prepare GBVH Plan which includes training and setting up of reporting channels

Appendix C Navis Environmental, Social and Governance Business Principles

Navis requires each of its portfolio companies to adhere to the Navis Exclusion List for follow-ons or acquisitions and to operate its business in accordance with the Environmental, Social and Governance (ESG) Business Principles as set out herein and to annually confirm compliance with such principles. The four key principles are as follows:

1. Business Integrity

The business upholds high standards of business integrity and honesty and operates in accordance with local and international laws and best practices, including those intended to prevent extortion, bribery, corruption and financial crime. In particular, the portfolio companies and each of their officers and employees:

- Takes account of, and avoids, all situations where conflict of interests may arise and has adequate processes whereby actual, potential or perceived conflict of interests are disclosed and dealt with transparently;
- Outperforms its competition fairly and honestly and without use of unethical, illegal or unlawful means;
- Respects the rights of, and deals fairly with, the Company's customers, suppliers, competitors and employees;
- Does not use internal Company knowledge or the Company's assets, personnel or relationships for the personal benefit (financial or otherwise) of its employees, directors or other stakeholders or parties related to them;
- Does not contact competitors to discuss pricing, industry issues or other forms of anti-competitive cooperation;
- Complies with local laws and, where applicable, international anti-bribery and corruption laws and regulations;
- Will not disclose the Company's confidential information to third parties, unless required by law or regulation or authorized by senior management and in the best interests of the Company;
- Maintains all books, records, accounts and financial statements accurately and in reasonable detail, reflecting the Company's transactions and conforming to applicable legal and accounting requirements, and the Company's system of internal controls; and
- Ensures that all relevant personnel completes the Company's annual compliance training program or if not completed, fully understands the nature and extent of, and performs, his/her duties and obligations with regards to the Company's policies, ethics and strict compliance standards.

2. Environmental

The business ensures steps are taken to protect the environment and surrounding communities and promote the efficient use of natural resources. More specifically, portfolio companies and each of their officers and employees are required to:

- Comply with all local regulations and law; International Finance Corporation (IFC) Performance Standards and where relevant, the IFC Industry Sector Guidelines; and World Bank Group Environmental, Health, and Safety Guidelines, whichever is more stringent;
- Assess all environmental and social impacts and risks (including climate and water risks) of its operations to the environment and affected community (refer to **Appendix Q ESGMS-NDF-POL-005 NDF Climate Risk and Opportunities Policy**);

- Ensure that environmental and social risks are appropriately and adequately managed, using a hierarchy of controls, where the first step is to eliminate the impacts to the extent possible, and thereafter, to minimise the impacts using substitution, engineering controls, administrative controls, and lastly, to provide environmental protection equipment. Where residual impacts remain, to provide compensation and/or offsets of risks and impacts to the environment and affected community;
- Establish and maintain an Environmental and Social Management System, with an overarching policy defining the environmental and social objectives and principles to achieve sound environmental and social performance, including compliance with Navis' Performance Standards (as stated previously) and any international agreements, and the Navis Exclusion List. The Management System must be 'fit for purpose';
- Adopt steps to promote the conservation of natural resources, including energy efficiency, greenhouse gas reduction, waste reduction and water conservation; and
- Demonstrate that the policy and management system has been implemented effectively and that progress is being made in managing environmental impacts and risks.

3. Health & Safety

The business provides each employee, contractor and visitor with a safe and healthy work environment. In

- Comply with all local regulations and law; International Finance Corporation (IFC) Performance Standards and where relevant, the IFC Industry Sector Guidelines; World Bank Group Environmental, Health, and Safety Guidelines; and International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, whichever is more stringent.
- Assess the health and safety hazards and risks of its operations to the employees, contractors, visitors and affected community;
- Ensure that health and safety risks are appropriately managed and mitigated, using a hierarchy of controls to mitigate the impacts, where the first step is to eliminate the impacts to the extent practicable, and thereafter, to minimise the impacts using substitution, engineering controls, administrative controls, and lastly, to provide personal protection equipment;
- Establish and maintain an Environmental and Social Management System, with an overarching policy defining the environmental and social objectives and principles to achieve sound environmental and social performance, including compliance with Navis' Performance Standards (as stated previously) and any international agreements, and the Navis Exclusion List. The Management System must be 'fit for purpose; and
- Demonstrate that the policy and management system has been implemented effectively and that progress is being made in reducing health and safety injuries, incidents and risks.

4. Social

The business treats its employees fairly in terms of recruitment, progression, terms and conditions of work and representation, irrespective of gender, race, colour, disability, political opinion, sexual orientation, age, religion, or social or ethnic origin and maintains a close and mutually beneficial relationship with its local community. In particular, portfolio companies and their officers and employees are required to:

- Comply with all local regulations and law, and International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, whichever is more stringent;

- Take account of its impact on employees, contractors, the affected community and all others that may be impacted by its operations and take steps to mitigate any risks (see Health and Safety above);
- Establish and maintain an Environmental and Social Management System, with an overarching policy defining the environmental and social objectives and principles to achieve sound environmental and social performance, including compliance with Navis' Performance Standards (as stated previously) and any international agreements, and the Navis Exclusion List. The Management System must be 'fit for purpose';
- Demonstrate that the policy and management system has been implemented effectively and that progress is being made in managing social impacts and risks;
- Eliminate child labour¹ and/ or forced labour² in the Company and through its suppliers and supply chain (refer to **Appendix R ESGMS-NDF-POL-004 NDF Responsible Supply Chain Policy (Labor)**);
- Commit to the elimination of harassment, sexual harassment and bullying in the workplace and the implementation of strategies to prevent such behaviour from occurring to ensure that our employees feel safe and can work effectively competently and confidently;
- Commit to eliminating discrimination and promoting equality and diversity in its own policies, practices and procedures, and in those areas in which it has influence;
- Takes into account the competitive landscape and industry practice, pays wages which meet or exceed industry or legal national minima and are sufficient to meet basic needs;
- Establish a grievance policy and procedure, with an anonymous channel of reporting, to ensure that grievances or complaints may be reported confidentially and heard by the management of the Company. The grievance mechanism must align with Navis' requirements, and where there are deviations, they must be approved by Navis in writing;
- Establish a grievance policy and procedure that ensures the right to be heard, for various external stakeholders who feel affected by the Company and its operations, and that the grievance handling process is as fair, effective, safe, confidential and accessible to all external stakeholders without prejudice. The external grievance mechanism must include an anonymous channel for reporting and align with Navis' requirements. Where there are deviations, they must be approved by Navis in writing;
- Subject to applicable laws, allow consultative work-place structures and associations which provide employees with an opportunity to present their views to management; and
- Take account of the impact of its operations on the local community and seek to ensure that potentially harmful occupational health and safety, environmental and social effects are properly assessed, addressed and monitored (see Environment and Health and Safety above).

¹ Child labour is defined as 'persons may be employed if they are at least 15 years old for general duties and at least 18 years old for 'hazardous' work', as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art.2), unless local legislation specifies compulsory school attendances or the minimum age for working. In such cases the higher age shall apply'.

² Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

Appendix D Navis ESG Team

Position	Role
Senior Partner, Head of ESG	<ul style="list-style-type: none"> Overall responsibility for ESG across Navis including implementation of ESMS
Senior Director, ESG	<ul style="list-style-type: none"> Responsible for building Navis' own ESG strategy Portfolio company level value creation initiatives ESG-related LP communication including communication with GCF
Senior Manager, EHS	<ul style="list-style-type: none"> Oversees pre-investment E&S due diligence and post-investment compliance Manages ESAP implementation of portfolio companies Engages external experts and advisors needed for the implementation of the ESMS, including experts in the field of biodiversity, indigenous people and other socially-related fields
Senior Manager, EHS (Thailand)	<ul style="list-style-type: none"> Manages portfolio company-level ESG compliance in Thailand and neighboring geographies
Advisor, Integrity	<ul style="list-style-type: none"> Assists with integrity-related background checks pre-due diligence
Director, Governance and Compliance	<ul style="list-style-type: none"> Oversees pre-investment governance-related due diligence and post-investment compliance and ESAP implementation Manages governance-related exit readiness Conducts background checks and internal audits
Associate, Governance and Internal Audit	<ul style="list-style-type: none"> Manages internal audits of portfolio companies Assists with governance-related ESAP implementation
Director, Human Capital	<ul style="list-style-type: none"> Oversees pre-investment human capital-related due diligence and post-investment human capital-related improvements

Appendix E NDF ESMS Manual Template for Portfolio Companies



Navis Decarbonization Fund
Environmental and Social Management System (ESMS)
Manual Template for Portfolio Companies



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Purpose and Use of the Portfolio Company ESMS Manual Template

Navis Capital Partners (Navis) has prepared this document to support our Portfolio Companies in understanding the requirements of the IFC Performance Standards, in particular Performance Standard 1 *Assessment and Management of Environmental and Social Risks and Impacts* and sharing better practices with your organisation.

Designed to be customised

This ESMS Manual template is completely customisable based on your specific requirements. This Template merely serves as the framework, but the more time spent on tailoring it to fit your organization, the more effective it will be. This Template includes sample procedures, blank forms, and checklists.

The Guidance Note at the end of each subsection provide further explanation on the intent as well as the information required from the Portfolio Companies to complete the subsection. The Guidance Notes are to be deleted in the final document.

Already have an ESMS Manual?

If your company has already established an ESMS and associated policies and procedures, these Templates could be used to complete a gap assessment and identify whether, if any, improvements need to be made to your existing documentation.

Other tips

- To stop this ESMS Manual sitting on a desk collecting dust, make it a living document. Ask your staff for their thoughts on how to improve it. Then review it every six to 12 months.
- Use simple sentences and plain English to reduce the chance that an employee will be confused about the intent of your policy or the way to carry out a procedure.

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1. Introduction

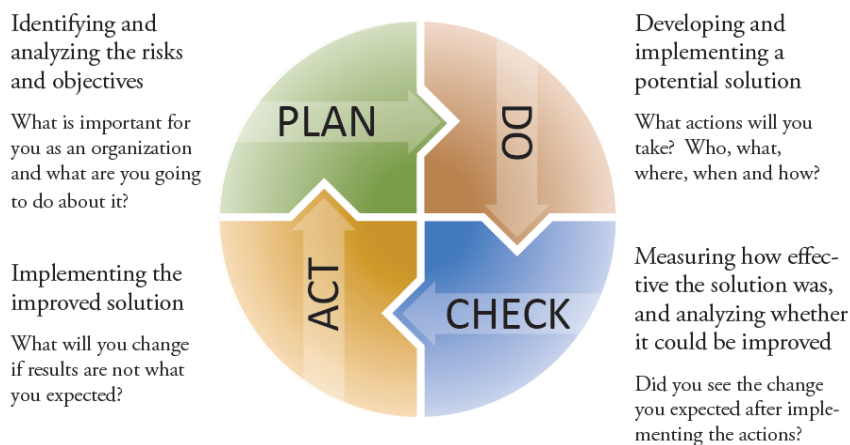
[Company Name] has developed an Environmental and Social Management System (ESMS) to provide a structured and consistent approach to managing environmental and social risks and impacts associated with its operations.

Social in this context includes labour and working conditions including occupational health and safety and community health, safety and security.

The ESMS incorporates the following elements:

- Overarching policies governing business practices to achieve sound environmental and social performance.
- Process for identification of risks and impacts.
- Management programs to control and mitigate the identified risks and impacts.
- Organizational capacity and competency including the roles, responsibilities and authority to implement the management system.
- Monitoring and review to track and improve performance.

The ESMS adapts the Plan-Do-Check-Act Cycle as illustrated below.



Source: IFC ESMS Implementation Handbook – General, November 2015

[insert other important information about the Company and the ESMS that is to be part of the Introduction here.]

Guidance Note:

The Plan-Do-Check-Act (PDCA) Cycle is a framework generally followed by management systems. It follows the principle that everything starts from the planning stage, followed by implementation and review, and lastly by an action plan to address issues identified.

Plan – this stage includes developing your policy or the direction of the organization. A risk assessment is conducted together with identifying applicable legal requirements in order to determine what risks need greater focus. After the identification of significant risks, management plans are created in order to address the risks identified.

Do – this stage ensures that the management plans and all other actions created to address the risks are being implemented.

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Check – this stage serves as a checkpoint to give clarity on where the organization is in terms of performing the things they said they will implement. This includes conducting internal and external audits or inspections.

Act – this stage develops the action plans needed to put the organization back on track based on the findings of the checking stage to ultimately achieve what has been set out in the policy in the planning stage. This includes having the management revisit the budget or ensuring the appropriate resources are allocated.

1.1. Applicability and Scope

This ESMS covers [Company Name]'s operations located at [insert complete address].

Guidance Note:

Describe the nature and geographical location(s) of the operations covered by this manual.

For example:

This ESMS covers ABC Company's F&B manufacturing operations located in 123 Tuas Avenue, Singapore.

or

This ESMS covers all campuses under ABC Company, specifically:

- St. James International School in 456 Orchard Road, Singapore
- St. Bernadette Secondary School in 789 Upper Serangoon Road, Singapore
- Lee Kuan Yew Primary School in 321 Ang Mo Kio Avenue 3, Singapore

2. Administrative Framework

[Company Name] shall comply with applicable local legislation at the minimum as well as other international standards to which it subscribes based on customer and/or investor requirements. The more stringent standard shall apply when both local and international standards exist.

International best practices shall be adopted in the absence of local regulations.

2.1. Local Regulations

[the below table is an example and should be customized]

Aspect	Legislation
Environment	<i>Environmental Protection and Management Act and its subsidiary regulations</i> <i>Environmental Public Health Act and its subsidiary regulations</i>
Occupational Health and Safety	<i>Workplace Safety and Health Act and its subsidiary regulations</i> <i>Fire Safety Act and its subsidiary regulations</i>
Labour	<i>Employment Act</i> <i>Minimum Wage Act</i>

Guidance Note:

This section needs to be reviewed to ensure that the referenced regulations include the minimum local requirements that the company needs to comply with.

2.2. International Standards

[Company Name] adopts the Green Climate Fund (GCF) Standards and the International Finance Corporation (IFC) Performance Standards (PS). The GCF Standards and IFC PS provide guidance on how to identify risks and impacts, and are designed to help avoid, mitigate, and manage risks and impacts as a way of doing business in a sustainable way.

The ESMS will also reference the World Bank Group Environmental, Health, and Safety Guidelines, 2007 and any industry-specific guidelines applicable.

Guidance Note:

This section needs to be reviewed to ensure that the referenced standards are what the ESMS Manual is aligned with. These standards are referred to as a minimum but it shall not limit you from aligning with other industry best practice measures. Where you are seeking to align the ESMS with other standards, it is recommended you seek to ensure that all other requirements have been addressed or has been added in this manual.

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3. Policy

[Company Name] has an ESMS policy that defines the organization’s commitment to manage the E&S impacts of its operations.

[insert ESMS policy here]

Guidance Note:

The policy is the foundation of your ESMS. It is the guiding principle that you expect all employees to adhere to and presents a public statement of what your organization believes in. A good policy highlights key concepts of the standards the organization follows and includes a strong commitment to adhere to these concepts. What standards does your organization follow? The policy serves as your organization’s commitment. What does your organization commit to?

- Do you commit to reduce your greenhouse gas emissions?
- Do you commit to reduce your resource consumption such as water and electricity?
- Do you commit to adhere to applicable legal environmental and social requirements?
- Do you commit not to employ child labour and forced labour?

If your company has a mission-vision, it can also be referred to when developing your ESMS Policy.

For example:

ABC Company commits to be a world-class plastic recycler and commits to implement an environmental and social (E&S) management system to control and mitigate the E&S risks associated with our operations.

Furthermore, we commit to

- Comply with all applicable legal and regulatory requirements;
- Maintain and continually improve our E&S performance;
- Review and periodically update our E&S objectives and targets;
- Train our employees, including contractors and suppliers, in the different E&S aspects; and
- Communicate our ESMS Policy to all relevant stakeholders and interested parties.

If you have existing other policies (e.g., Environmental Policy, Safety Policy, EHS Policy, Child Labour Policy, etc.), you can attach them here or refer to them in an Appendix.

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4. Planning

4.1. Identification of Risks and Impacts

[Company Name] has established and maintained a process for identifying E&S risks and impacts. The risk assessment is conducted in accordance with any legal requirement identified. The assessment is completed at least annually or when major changes occur. Major changes include the purchase of new equipment, introduction of a new process, or a significant change in regulation and requirements, among others.

[Company Name] engages relevant personnel from different groups of the organization to undertake the assessment. The outcome of the assessment is recorded and communicated to employees and relevant stakeholders.

Reference:

Risk Identification and Assessment Procedure

Risk Assessment Form

Guidance Note:

The risk assessment enables you to identify which activities of your operations have significant E&S risks. The risks are classified as low, medium, and high so you can prioritize the action plans and management programs needed to address these risks.

For example, if it was identified that your air emissions have a significant environmental risk because of melting the plastic. You shall prioritize creating management programs to ensure that the air emissions fall within national regulations. This may include installing proper engineering controls or additional equipment to control the air emissions.

It is important to have working group from different departments or sections of the company. This ensures that valuable and unbiased feedback is incorporated into the risk assessment. Note that it is also crucial that someone familiar with the activities being assessed is part of the working group so that all unforeseen scenarios are also included in the assessment.

It is recommended to draft written procedures for those tasks with significant E&S risks. This is to ensure that all employees (including contractors or suppliers) are clear on how to handle the tasks to minimize or mitigate the risks. As mentioned in the example for air emissions, it is recommended to have a written procedure on the melting process to ensure that anyone performing the process is aware of the possible significant risk and how it is best managed. This also provides consistency in operation as employees may differ in interpretation.

Refer to the sample Risk Identification and Assessment Procedure.

In some instances, an Environmental Impact Assessment (EIA) is required by law. This also helps identify the potential impacts to the environment. However, it may not always include the consideration for the social aspects. Hence, where local regulatory requirements are absent or lacking in depth/ extent, either via a full Environmental and Social Impact Assessment (ESIA) or a limited/ focused environmental and social assessment shall be conducted by persons with prior

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experience carrying out impact assessments to the IFC Performance Standards. The ESIA shall either be conducted as a standalone or supplementary assessment to the local regulatory EIA.

4.2. Management Programs

Management programs shall be established to mitigate identified E&S risks and impacts.

These programs may consist of a combination of operational procedures, practices, plans, and related supporting documents (including legal agreements). The mitigation hierarchy will favour the avoidance of impacts over minimization, and, where residual impacts remain, compensation/ offset, wherever technically and financially feasible.

[insert other important information about Management Programs here.]

Reference:

[List operational procedures and management plans here]

Guidance Note:

In the example above, management programs shall be prioritized for air emissions. Technologies that melt plastics without releasing dioxins should be prioritized as an alternative to current practices. A monitoring program can be put in place to ensure that dioxin levels and other contaminant levels are within the prescribed national standards.

The management programs should identify the person responsible in ensuring the program is implemented and the timeline to achieve the result.

The management programs shall prioritize those identified as significant E&S risks following the risk assessment process, but it doesn't mean that less significant risks will be ignored. Less significant risks can still pose as a threat if unaddressed.

You can also link your other procedures under Management Programs.

Examples of other procedures that you can link include:

- Employee Handbook
- HR Policy Manual
- Child Labour and Forced Labour procedures (if not yet included in HR Policy Manual)
- Contractor and Supplier Management Procedure (which includes selection and auditing)
- Occupational Health and Safety Procedures (as needed)
 - Confined Spaces
 - Working at Heights
 - Medical Surveillance
 - Etc.

5. Organizational Capacity and Competency

5.1. Organization

[Company name] has established and maintained an organizational structure that defines the roles, responsibilities and authority to effectively implement the ESMS. The senior management commits to provide the necessary resources and still has the ultimate responsibility of ensuring that the ESMS is fully implemented as they have committed in the Policy. An ESMS Officer is appointed by the senior management to lead the implementation of the ESMS.

[insert organizational chart here]

5.2. Roles and Responsibilities

[the below table is an example and should be customized]

Function	Responsibility
Senior Management	<ul style="list-style-type: none"> Assumes ultimate responsibility to ensure overall compliance with ESMS requirements Ensures that adequate and appropriate resources are available (including people, skills, equipment, etc.) to implement the ESMS Reviews and approves the ESMS
ESMS Officer	<ul style="list-style-type: none"> Leads the implementation and monitoring of the ESMS Ensures that the ESMS is regularly updated, monitored and reviewed Reports on [Company name]'s ESMS performance to management team and applicable stakeholders on a [quarterly/annual] basis. Ensures that action plans from monitoring activities are completed in a timely manner
Operations	<ul style="list-style-type: none"> Ensures that ESMS-related requirements are complied with in the daily operations Ensures that ESMS-related legal requirements are complied with
Human Resources	<ul style="list-style-type: none"> Coordinates internal and external ESMS-related communications Ensures labour and working conditions are complied with Ensures that a training plan is created and implemented
Purchasing	<ul style="list-style-type: none"> Ensures that ESMS requirements are communicated to the supply chain Ensures that suppliers and contractors adhere to the ESMS requirements
Audit Team	<ul style="list-style-type: none"> Monitors the overall compliance of [Company name] with the requirements of the ESMS Reports audit findings to the ESMS Officer and Senior Management

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5.3. Competency and Training

Personnel within [Company name] with the direct responsibility for E&S will have the knowledge, skills and experience necessary to perform their duties, including current knowledge of the local regulatory requirements and the applicable requirements of the IFC Performance Standards.

Personnel will also possess the knowledge, skills and experience to implement the specific measures and actions required under the ESMS.

[Company name] shall determine the competency requirements of person(s) that affect its E&S performance and its ability to fulfil its compliance obligations and ensure that these persons are competent on the basis of appropriate education, training and/or experience.

Training needs shall be identified prior to task commencement and thereafter on an annual basis. The [whoever is in charge] shall develop an annual training plan which will include the type of trainings (either in-house or external), tentative dates and employees involved.

Guidance Note:

This subsection describes the important roles and functions necessary to implement the ESMS. The senior management shall ultimately have the overall responsibility of ensuring that the ESMS is implemented as evidenced by signing the Policy. Remember that the Policy serves as the company's guiding principle. It is necessary to appoint an ESMS Officer who will act as the senior management's representative and will act as the lead in overseeing the ESMS.

The organizational chart and roles table presented above is just an example and can be customized depending on the operations and size of your company.

Training goes hand in hand with having the right people to implement the ESMS. You shall draft a training plan and implement it to ensure that the employees are well-equipped with the tools and skills needed to do their ESMS-related tasks. For example, the person in charge of handling hazardous chemicals should at least be given a basic training on the hazards of the chemicals he is handling. A member of the spill response team should understand the basics of spill response or first aid. These trainings are crucial so they can perform their task properly.

If you have developed a separate procedure on organizational capacity or training, you may include it in the appendix and reference it in this subsection.

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6. Emergency Preparedness and Response

[Company name] shall establish and maintain an emergency preparedness and response system to respond to accidental and emergency situations to prevent and mitigate any harm to people and/or the environment. This preparation will include the identification of areas where accidents and emergency situations may occur, communities and individuals that may be impacted, response procedures, provision of equipment and resources, designation of responsibilities, communication, including that with potentially Affected Communities and periodic training to ensure effective response.

The emergency preparedness and response activities will be periodically reviewed and revised, as necessary, to reflect changing conditions.

The emergency preparedness and response activities, resources, and responsibilities, are documented in the site-specific emergency response plans and will provide appropriate information to potentially Affected Communities and relevant government agencies.

[Company name] will conduct emergency and evacuation drills annually or as prescribed by the law. Records of participation in the drills will be maintained. The emergency preparedness and response plans will be reviewed and updated periodically, in particular after the occurrence of an emergency situation.

[insert other important information about Emergency Preparedness and Response here.]

Reference:

Emergency Response Plan

Guidance Note:

Certain emergency situations may have an environmental or social impact. Chemical spills, for example, may have a negative impact on the environment if it isn't properly addressed. Flooding may cause unintended land and water contamination from the chemicals used by your company. It is important to have a plan for foreseeable emergency situations.

If your company has an emergency response team, they should be given appropriate training. The appropriate equipment shall also be provided.

Emergency drills including evacuation may be a legal requirement and shall be complied with. The records of these drills shall be maintained as evidence of participation.

If you have developed a separate procedure on emergency preparedness and response, you may include it in the appendix and reference it in this subsection.

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7. Stakeholder Engagement and Communication

Stakeholder engagement is an ongoing process that comprises the following elements:

- stakeholder analysis and planning,
- disclosure and dissemination of information,
- consultation and participation,
- grievance mechanism, and
- ongoing reporting to Affected Communities.

The nature, frequency, and level of effort of stakeholder engagement may vary considerably and will be commensurate with the associated risks and adverse impacts, and the phase of development (e.g., operational versus construction of a new facility).

[Company name] ensures that the ESMS is communicated to all stakeholder levels. [Company name] understands that it is important to identify the different stakeholder groups that have vested interests in [Company name]'s business operations and performance.

Guidance Note:

Stakeholders interact with your company on a daily basis. A stakeholder is any person or organization that has an interest in, or is affected by your company.

You should understand how your business impacts your stakeholders. In doing so, you can reduce any reputational risks from anti-company sentiments or negative publicity. It is important to gain their trust and work harmoniously with your stakeholders.

For example, if you operate near a residential community, it is important that the community is consulted on major operational changes that can significantly affect them like air emissions or odors. If a proper risk assessment is conducted, it can be presented to the community so you can properly explain the mitigating measures to be adopted to reduce the possible effects on them.

If you have developed a separate procedure on stakeholder engagement, you may include it in the appendix and reference it in this subsection.

7.1. External Communications and Grievance Mechanisms

The company's procedure for external communications includes methods to:

- Receive and register external communications from the public;
- Screen and assess the issues raised and determine means to address them;
- Provide, track, and document responses, if any.

A grievance mechanism to receive and facilitate resolution of Affected Communities' concerns and grievances about the company's environmental and social performance has been established.

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7.2. Ongoing Reporting to Affected Communities

Any periodic reports to Affected Communities that describes progress with implementation of Action Plans on issues that involve ongoing risk to or impacts on Affected Communities and on issues that the consultation process or grievance mechanism have identified as a concern to those Communities will be incorporated as part of the Stakeholder Engagement Plan.

7.3. Internal Communications

[Company Name] ensures that the ESMS is communicated to all internal stakeholders. Internal communication methods include [insert different means of communication here and include a short description. It can include staff meetings, bulletin boards, newsletters, memos, inductions, feedback form, website, etc.].

Reference:

Stakeholder Engagement Plan

External Grievance Mechanism

Internal Grievance Mechanism

Guidance Note:

Communication plays a key part in your ESMS. It enables your company to identify key E&S issues from your internal and external stakeholders. It also presents a two-way avenue to discuss and share ideas.

A grievance mechanism establishes a means for affected stakeholders to contact you as part of your stakeholder engagement. These can be in the form of inquiries, concerns or formal complaints. The grievances shall be evaluated for applicability and shall not be ignored. It is important to have a strong system for managing grievances to show that your company is serious in handling E&S concerns of affected stakeholders.

External communication can provide your company with valuable information. You can receive suggestions for improvement, customer feedback, or comments from other interested parties regarding your E&S performance.

If you have developed a separate procedure on Communication, you may include it in the appendix and reference it in this subsection.

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8. Monitoring and Review

8.1. Monitoring

Procedures to monitor and measure the effectiveness of the management programs, as well as compliance with any related legal and/or contractual obligations and regulatory requirements include:

- Recording of information to track performance as indicated in the respective operation controls;
- Inspection and audits; and
- Periodic management reviews.

The monitoring program is outlined below. [the below table is an example and should be customized]

Type	Frequency	Collated By	Reported To
EHS-related data and reports	Monthly	ESG Manager	CEO
Social-related (community) data and reports	Monthly	ESG Manager	CEO
Security-related data and reports	Monthly	ESG Manager	CEO
Labour-related data and reports	Monthly	HR Manager	CEO
Vendor-related data and reports	Annually	Procurement Executive	CEO
On-site inspection	Quarterly	ESG Manager	CEO
Internal Audit	Annually	ESG Committee	CEO

In addition, an audit program for suppliers and contractors may be established by the ESG Officer in consultation with the Procurement Manager. [this statement shall be customised]

8.2. Management Review

A management review shall be carried out annually to assess the continuing suitability, adequacy and effectiveness of the management system. The review shall be chaired by the CEO and participated by the senior managers, ESG Manager, HR Manager and Procurement Manager.

Input for the management review includes:

- The status of action plans and actions from previous management reviews
- Changes in
 - the requirements and expectations of interested parties, including compliance obligations
 - significant risks and impacts
- Information on the company's EHS and social performance, including trends in
 - monitoring and measurement results
 - nonconformities and corrective actions
 - fulfilment of its compliance obligations
 - audit results
- Adequacy of resources
- Relevant communications from interested parties, including grievances
- Opportunities for continual improvement

Outputs shall include:

- Conclusions of the continuing suitability, adequacy and effectiveness of the management system

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- Decisions related to continual improvement opportunities
- Decisions related to needs for changes in the management system, including resource requirements
- Actions, if needed, when EHS and social performance has not met expectations
- Any conclusions for the strategic direction of the company

Guidance Note:

Your company's ESMS shall be monitored regularly for adequacy, suitability and effectiveness. How has your company progressed in implementing what you said you will implement? How far are you in achieving your commitments based on your Policy? Have you monitored the key indicators related to your significant E&S risks? These are just some of the things that your company should be monitoring. The Check stage of the Plan-Do-Check-Act cycle requires your company to do some sort of audit or inspection.

The outcome of these audits or inspections shall be reported to the senior management so they can act (the Act stage of the Plan-Do-Check-Act cycle) to continuously improve the ESMS. Action plans may indicate that a new equipment shall be purchased, or additional training shall be provided to employees. The senior management shall review the ESMS as a whole to determine what other actions are needed to ensure that the system is continuously improving.

Some companies do it annually, some do it quarterly. Others would discuss these items in the monthly ExCo meetings (or at least portions of it). Customize this section depending on how often the management reviews the ESMS.

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Appendix F NDF Environmental and Social Screening and Categorization Policy and Procedure



**Navis Decarbonization Fund
Environmental and Social Screening
and Categorization Policy and Procedure
May 2025**

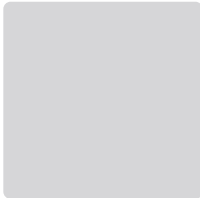
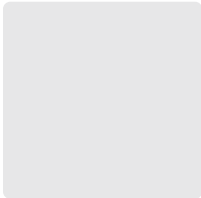


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1. Introduction

Navis is committed to the practice of responsible investing and strongly believes that it is a key enabler to improving a company's performance by driving sustainable growth, improving operating efficiencies, and managing risk.

To that effect, we have developed a Responsible Investment Policy and established an Environmental and Social Management System (ESMS) to ensure the consistent and comprehensive integration of Environmental and Social (E&S) considerations throughout the investment process. The first step taken to integrate E&S considerations in our investment process includes screening and categorization of the potential Target investment.

The screening step ensures that any potential Target investment does not breach our E&S Exclusion List and/or there are no adverse findings from a review of publicly available information or other, and identifies the E&S risk category of the potential Target investment. The E&S risk Category assigned informs on the depth and extent of E&S due diligence that will be conducted. If the investment proceeds, the E&S risk Category will also inform on the extent and frequency of review, monitoring, and disclosure required throughout the investment.

2. Objectives

The objectives of E&S screening are to:

- Check that the Target investment does not breach the Navis E&S Exclusion List and/or there are no adverse findings from a review of publicly available information or other
- Evaluate the E&S risks associated with Target's activities
- Establish the likely E&S risk category of Target's activities
- Identify potential E&S value creation opportunities based on Target's activities
- Determine the depth and extent of E&S due diligence to be undertaken for the Target investment

3. Scope

Screening and categorization will be undertaken for all potential private equity deals, and includes acquisitions proposed by any of the portfolio companies.

4. Definitions

Category A (High Risk) –Activities with potential significant adverse environmental and/or social risks and impacts that, individually or cumulatively, are diverse, irreversible, or unprecedented.

Category B (Medium Risk) – Activities with potential limited adverse environmental and/or social risks and impacts that, individually or cumulatively, are few, generally site-specific, largely reversible, and readily addressed through mitigation measures.

Category C (Low Risk) – Activities with minimal or no adverse environmental and/or social risks and/or impacts.

Category FI-1 – When an intermediary's existing or proposed portfolio includes, or is expected to include, financial exposure to category A categories.

Category FI-2 – When an intermediary's existing or proposed portfolio includes, or is expected to include, financial exposure to category B activities.

Category FI-3 – When an intermediary's existing or proposed portfolio includes financial exposure to category C activities.

Climate-related Vulnerability – The degree to which a system is susceptible to, or unable to cope with, adverse effects of climate change, including variability and extremes. Vulnerability is a function of the character, magnitude and rate of climate variation to which a system is exposed, its sensitivity, and its adaptive capacity.

Environmental and Social Action Plan (ESAP) – The Action Plan will (i) describe the E&S actions necessary to implement the various sets of mitigation measures or corrective actions to be undertaken; (ii) prioritise these

actions; (iii) include the timeline for their implementation and responsible person(s); (iv) describe the deliverables; and (v) describe the schedule for reporting on implementation and additional stakeholders (beyond Navis and Portfolio Company).

Environmental and Social Exclusion List – the types of activities in which Navis does not invest for legal, ethical, or other reasons.

Environmental and Social Risk Category - The E&S risk category serves as an indication of the nature and extent of potential E&S impacts that the Target investment is expected to have, which informs on the depth and extent of due diligence and if the investment proceeds, the extent and frequency of E&S review, monitoring and disclosure required throughout the investment.

Inherent Environmental and Social Risk – E&S risk related to the generic aspects of the Target investment’s industrial sector or commercial activity excluding management or mitigation measures.

5. Roles and Responsibilities

The roles and responsibilities specific to E&S screening and categorization are as follows:

Role	Responsibility
Deal Team	<ul style="list-style-type: none"> • Screen the potential Target investment using the defined procedure • Complete the relevant form and maintain a copy within the Navis Drive • Respond to information requests from the Navis ESG Team regarding Target’s current business activities and proposed future activities
Legal Team	Provide support to Deal Team and Navis ESG Team where required
ESG Team	<ul style="list-style-type: none"> • Support Deal Team with Screening, where required • Request information from Deal Team to understand Target’s current business activities and proposed future activities • Assess the E&S risks and assign an E&S risk category and complete the relevant form, which is to be maintained in the Navis Drive • Identify the E&S value creation opportunities • Define scope and budget for E&S due diligence activities, including identifying appropriate consultants • Ensure current versions of the Navis E&S Exclusion List and Activities Defined as Category A are maintained in the Navis Drive
HR	<ul style="list-style-type: none"> • Support the ESG Team with training • Monitor and record training provided

6. Principles for Environmental and Social Screening and Categorization

Navis has adopted the following principles for E&S screening and categorization.

E&S Screening

Screening of the potential Target investment is a desk-based process, comprising a review against the Navis E&S Exclusion List and any publicly available information that may identify any adverse impact on local communities or the environment or adverse E&S performance, and conducting informal references on the company.

If Target breaches the E&S Exclusion List and/or there are any adverse findings from the review of publicly available information and/or from the informal referencing, then the investment process for the potential Target will not proceed.

E&S Risk Categorization

The E&S risk category assigned for the potential Target investment will take the following into account:

- **Type of Investment** – ownership proposed, eg controlled stake, joint venture, etc

- **Location** – geographic location (country, region, and site-specific) of the potential Target investment, including social risks, such as documented or a history of labour rights and/or human rights issues within the country or region, presence of vulnerable groups, and maturity of the regulatory systems
- **Growth Strategy** – whether the potential Target investment is proposing to expand existing assets, build new assets, integrate vertically, and/or operate in new geographies and/or sectors, and the cumulative impacts, including the community, associated with that strategy
- **Industry Sector** - risks inherent to the industry sector of the potential Target investment, including social risks, such as documented or a history of labour rights issues, whether the sector or industry is typically labour intensive, and/or contractors or unskilled workers form the majority of the workforce, and the potential prevalence of child and forced labour
- **Technology/ Techniques** – ‘maturity’ of the technology or techniques being utilized
- **Scale** – scale of the potential Target investment, and the potential cumulative E&S impacts
- **Supply Chain** – including location and sectors

The proposed or future activities for the potential Target investment need to be taken into consideration, even if the activities proposed are only of short duration. For example, the potential Target investment is proposing to close several facilities and consolidate its operations into one facility resulting in significant job losses.

If the potential Target investment undertakes several activities or is proposing to change their activities in the future, then the highest E&S risk category for that activity would be assigned for the whole potential Target investment. This also applies to any follow-on investment or divestment made by a Portfolio Company held by Navis. In other words, if the E&S risk category of the Portfolio Company is Category C and the risk rating of the proposed acquisition is Category B, if the acquisition proceeds, the risk rating for the Portfolio Company will be revised to Category B.

Category A Rating

If a potential Target investment is screened and rated as Category A, as per the definition (**Section 4**), it will not be considered for investment.

Category B Rating

If a potential Target investment is screened and rated as a Category B investment, as per the definition (**Section 4**), due diligence shall be conducted by the Navis ESG team or external E&S consultants selected and engaged by Navis, with oversight provided by the Navis ESG team.

Due diligence shall be conducted to identify the environmental and/or social risks, opportunities, and proposed mitigation measures using the Navis E&S Due Diligence Questionnaire or similar assessment tool that adopts the IFC Performance Standards framework. The scope for due diligence must include an estimate of Scope 1 and 2 greenhouse gas emissions.

A summary of the E&S risks, opportunities, and mitigation measures; ESAP; and proposed ESG KPIs shall be included for all Category B investments in the IC documentation. All Category B investments must adopt and adhere to the Navis Performance Standards defined in the Responsible Investment Policy.

If the investment proceeds, the Category B investment shall adopt the Navis ESG requirements, as defined in the Responsible Investment Policy, and an E&S audit will be undertaken at least once in the course of the investment by an external E&S consultant selected by Navis. Additional audits may be required, as and when defined by Navis. A publicly releasable summary of the relevant audit findings would be reported to the affected community/public (stakeholders). All reports must be in a language and format accessible to the stakeholders. Additional requirements may include the following:

- Report on the status of the ESAP implementation periodically (at least annually) and as defined by Navis, to the affected community/public (stakeholders). Any material changes to the activities or mitigation measures must also be communicated. All reports must be in a language and format accessible to the stakeholders; and

- Physical site visits will be undertaken at least annually by Navis ESG or an external E&S consultant selected by Navis to review E&S performance. Where relevant, these findings and corrective actions may also be reported to the affected community/public (stakeholders). All reports must be in a language and format accessible to the stakeholders.

Navis ESG will determine what and whether additional requirements would apply to the investment based on the scale and diversity of the risks and impacts identified.

Category C Rating

If a potential Target investment is screened and rated as a Category C investment, as per the definition (**Section 4**), due diligence shall be conducted by the Navis ESG team.

Due diligence may be limited to a ‘desktop assessment’ of available documentation, with only relevant sections of the Navis E&S Due Diligence Questionnaire completed.

A summary of the E&S risks, opportunities, and mitigation measures; ESAP (if required); and proposed ESG KPIs shall be included for all Category C investments in the IC documentation. All Category C investments must comply with local regulations and law; and strive to adopt the IFC Performance Standards and where relevant, the IFC Industry Sector Guidelines; World Bank Group Environmental, Health, and Safety (EHS) Guidelines; and ILO Declaration on Fundamental Principles and Rights at Work.

Category FI Rating

If a potential Target investment is a financial institution or business activities through delivery mechanisms involving financial intermediation, Navis will assess the FI’s overall ability to manage the E&S risks of its portfolio.

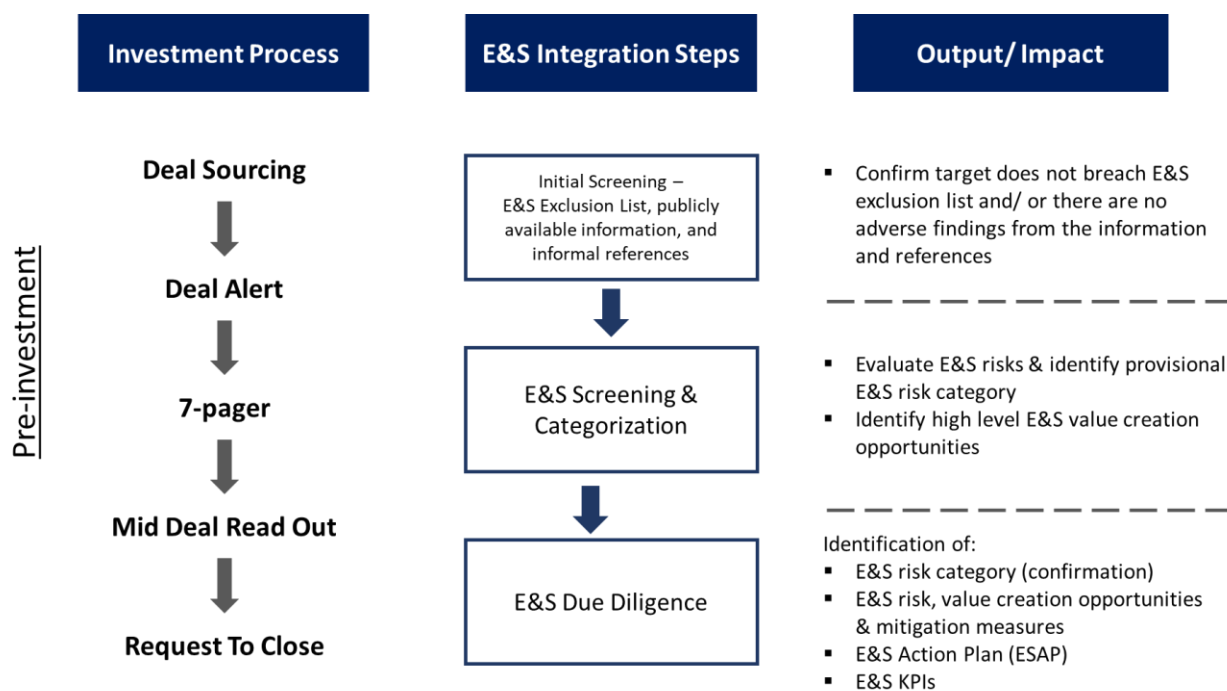
The following categories and due diligence requirements will apply:

Category	Scope and minimum requirements
FI-1	<ul style="list-style-type: none"> Due diligence shall be conducted by the Navis ESG Team. The FI shall have an ESMS that takes into account international standards, implements the system and ensures its continuous improvement. The FI’s ESMS shall require an Environmental and Social Impact Assessment (ESIA) or any similar assessment for greenfield projects to identify potential E&S risks and impacts. Provision of appropriate resources for the implementation of the ESMS. Assign E&S responsibilities to a competent and fully dedicated E&S specialist. If any of the FI’s portfolio includes transactions that trigger the IFC Performance Standards, these transactions must comply with the IFC Performance Standards. Comply with Navis’ Exclusion List.
FI-2	<ul style="list-style-type: none"> Due diligence shall be conducted by the Navis ESG Team. The FI shall have an ESMS that takes into account international standards, implements the system and ensures its continuous improvement. Provision of appropriate resources for the implementation of the ESMS. Assign E&S responsibilities to a competent and fully dedicated E&S specialist. If any of the FI’s portfolio includes transactions that trigger the IFC Performance Standards, these transactions must comply with the IFC Performance Standards. Comply with Navis’ Exclusion List.
FI-3	<ul style="list-style-type: none"> Due diligence shall be conducted by the Navis ESG Team. The FI shall have an ESMS that takes into account international standards, implements the system and ensures its continuous improvement. Provision of appropriate resources for the implementation of the ESMS. If any of the FI’s portfolio includes transactions that trigger the IFC Performance Standards, these transactions must comply with the IFC Performance Standards. Comply with Navis’ Exclusion List.

7. Procedure

Screening and categorization of potential Target investment is the first step taken to integrate E&S considerations in our investment process. An overview of the E&S screening and categorization procedure is provided in **Figure 1**, with further details included below.

Figure 1 Overview of E&S Screening and Categorization



7.1. Initial Screening for Environmental and Social Exclusions

During the 'Deal Sourcing' and 'Deal Alert' stages, all potential Target investments will undergo initial screening comprising a review against the Navis E&S Exclusion List (**Appendix A**) and any publicly available information that may identify any adverse impact on local communities or the environment or adverse E&S performance, and conducting informal references on the company. The 'NDF E&S Screening and Categorization Form' must be completed by the ESG team.

Only potential Target investments that do not breach our E&S Exclusion List and/or there are no adverse findings from the review of publicly available information and/or from the informal referencing will continue through to the next stage of the Navis Pre-Investment process.

7.2. Environmental and Social Screening and Categorization

If a potential Target investment does not breach our E&S Exclusion List and the IC approves the potential Target investment to move to the next stage ('7-pager') of the Pre-Investment process, a high-level assessment of the E&S risks will be undertaken. The potential Target will then be assigned a provisional E&S risk Category rating which will then determine the depth and extent of E&S due diligence to be undertaken for the potential Target investment.

During the high-level assessment, against the Category definitions (**Section 4**), the key or material E&S factors that could impact the investment will be identified using data and information from IFC Performance Standards, IFC and CDC Group industry sector profiles, the Sustainability Accounting Standards Board (SASB), World Bank EHS Guidelines, and other relevant sources. The key or material E&S factors identified will form the scope for the due diligence to be undertaken.

On completion of due diligence, the provisional E&S Category risk rating will be reviewed and confirmed. If there are no revisions required, the provisional E&S Category will be confirmed as the risk rating for the Target throughout the investment holding period, if the investment proceeds. If the E&S Category risk rating is revised to a higher category, such as a Category C to B, additional assessment or other may be required before the E&S risks and mitigation measures can be determined. If the E&S Category risk rating is revised to Category A after the due diligence, the investment will not proceed.

The 'NDF E&S Screening and Categorization Form', indicating a summary of the Target activities, key or material E&S factors, provisional and confirmed E&S risk category, shall be completed and maintained with the IC material.

Environmental and Social Value Creation Opportunities

A high-level assessment of the E&S value creation opportunities will also be conducted. These opportunities will be identified to allow for further, more detailed assessment during the due diligence phase. The E&S value creation opportunities shall be identified in the 'NDF E&S Screening and Categorization Form' and maintained with the IC material.

7.3. Portfolio Company Acquisitions

Any acquisition or follow-on investment proposed by a Portfolio Company will be screened and categorized following the procedure defined in **Section 7.1** and **7.2**.

8. Training and Communication

To meet the objectives of this procedure, Navis will provide training and communicate as follows:

- Conduct training to all investment professionals to explain the principles and requirements of the E&S Screening and Categorization procedure. For investment professionals that are new to Navis, training will be completed during the induction. Refresher training will be provided as and when needed, such as when changes are made to the E&S Exclusion List or other; and
- Communicate the E&S Exclusion List and Activities Defined as Category A on the Navis Drive, and ensure it is kept current.

9. Monitoring Records

The following monitoring records will be maintained:

- Training records; and
- Completed 'NDF E&S Screening and Categorization Form' for each potential Target investment; and maintained with the IC material.

10. Review

The principles and procedure, including the Navis E&S Exclusion List, will be reviewed regularly, and in any event at least annually. Any changes required will be made and implemented.

11. References

BII ESG Toolkit (<https://toolkit.bii.co.uk/>)

IFC (2012), Interpretation Note on Environmental and Social Categorization and associated documents

Navis Responsible Investment Policy

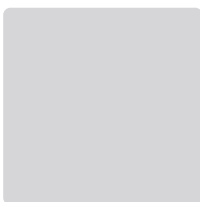
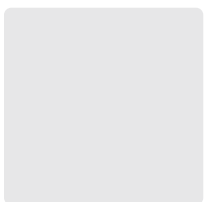
12. Document Change Control

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Revision Number	Author	Document Status/ Change	Reviewer	Approver	Effective Date
00	P Gonzales	New Procedure	B Szegedi	M Octoman	01 May 2025

Appendix G NDF Guidelines for Climate Finance and Social Impact and ESG KPI Qualification



NAVIS DECARBONIZATION FUND GUIDELINES FOR CLIMATE FINANCE QUALIFICATION



1. Introduction

Navis was formed in 1998 to make investments in Asia particularly in private enterprises with a strong presence in Southeast Asia, Australia and China/Hong Kong; focused on private equity investments driving a strategic growth agenda at the portfolio.

The Navis Decarbonization Fund I (“NDF”) is a private-sector-led climate finance private equity fund targeting small and medium-sized enterprises in Southeast Asia to accelerate the transition to a low-carbon economy by investing in small and medium enterprises primarily in Indonesia, Malaysia, Thailand, Philippines, Vietnam, Cambodia and Singapore (the “Target Countries”), whose activities and/or operations directly or indirectly mitigate climate change and/or support adaptation to climate change including in the following sectors: 1) Energy generation and access 2) Industry and Built Environment 3) Low Emission Transport; and 4) Sustainable Agriculture and Water.

NDF aims to address systemic barriers to decarbonization by providing growth capital, operational support, and scalable solutions in high-impact sectors, while aligning with national climate strategies, national adaptation plans and mobilizing private finance through innovative financial instruments utilizing hybrid capital. Through hybrid instruments, not only is NDF able to provide flexible capital to SMEs, it will also retain the ability to drive growth through governance rights and create significant value for portfolio companies.

2. Purpose

The Guidelines for Climate Finance Qualification (“Guidelines”) ensure a comprehensive understanding of how potential investments will qualify for climate finance.

The Guidelines are integrated into our Private Equity Responsible Investment Policy, ESMS and Climate Risks and Opportunities Policies to ensure consistent and comprehensive integration, and to guide internal processes. Navis will conduct a review of the Guidelines periodically, but at least annually, and update as appropriate.

3. Scope

These Guidelines will apply to all investments of the Navis Decarbonization Fund I.

4. Roles and Responsibilities

ESG and Climate Committee, comprising Rodney Muse and Nicholas Bloy, Michael Octoman and Bence Szegedi, is responsible for ensuring the effective implementation and operation arrangements of the Guidelines, including communicating the Guidelines to all Navis employees, the NDF investment team and reviewing the climate qualification evaluation information prepared by the investment team.

The investment professionals are responsible for preparing the information required to determine the climate and social qualification, including the Project Screening Tool with the assistance of the Climate and MRV specialist of the ESG team.

The Climate and MRV specialist of the ESG team is responsible for driving and monitoring the implementation of the Guidelines, its upkeep throughout the investment period, and providing guidance and support to the investment professionals and portfolio companies, in collaboration with the Legal team.

5. Climate Finance Qualification

In order for a transaction to qualify as climate finance, a transaction must:

- fulfill the Eligibility Criteria;
- qualify as climate finance based on the Joint Report on Multilateral Development Banks (“MDB”) Climate Finance published in October 2023, the Joint Methodology for Tracking Climate Change Adaptation Finance and the Common Principles for Climate Mitigation Finance Tracking;
- align with the Green Climate Fund’s Integrated Results Management Framework (“IRMF”); and
- satisfy the Sustainable Finance Disclosure Regulation (“SFDR”) Article 9 criteria.

5.1. Finance for the Mitigation of Climate Change

Within the MDB “Common Principles for Climate Mitigation Finance Tracking” methodology, an activity can be classified as climate change mitigation (“Climate Change Mitigation”) where the activity, by avoiding or reducing greenhouse gas emissions or increasing their sequestration, contributes substantially to the stabilisation of GHG concentrations in the atmosphere at a level that prevents dangerous anthropogenic interference with the climate system consistent with the long-term temperature goal of the Paris Agreement.

Mitigation finance tracking is either project- or component-based. Project-based is applied if the whole project is considered to be a mitigation activity, for example, a typical renewable energy project or a project dedicated to improving the energy efficiency of an existing facility, then 100% of the project investment is considered to be mitigation finance, where applicable criteria are met. Component-based means that within a project, if only a component of that project is a mitigation activity, such as installation of energy-efficient equipment that is part of a larger capital expenditure investment, then the respective fraction of the project is considered to be mitigation finance.

5.2. Eligibility Criteria

NDF investments will adhere to the following investment criteria:

- Country: Target Countries
- Exclusion List: investments included in the NDF Exclusion List are excluded (including but not limited to fossil fuels)
- E&S category: category A projects are excluded
- Other conditions:
 - Investment must demonstrate additionality
 - Investment shall demonstrate that it is the best available intervention / technology for the use case taking into account alternatives
 - Investment must have measurable mitigation impact in tCO₂e and adaptation / resilience indicators
 - Sector and opportunity must be aligned to target country’s Nationally Determined Contributions and National Adaptation Plans

5.3. Finance for Adaptation to Climate Change

Climate change adaptation aims to reduce the risks or vulnerabilities posed by climate change and increase climate resilience. For an investment to be counted either fully or partially towards adaptation finance, it must:

- Set out the underlying project’s context of vulnerability to climate change
- Make an explicit statement of intent to address this vulnerability as part of the underlying project
- Articulate a clear and direct link between the vulnerability and the specific project activities

The methodology for tracking climate change adaptation finance follows a context- and location-specific, conservative and granular approach. It tracks financing only for those components and/or sub-components or elements or proportions of the investment that directly contribute to or promote adaptation.

5.4. GCF IRMF Framework

The IRMF establishes eight core indicators, with the first four serving as primary quantitative metrics for distinguishing mitigation and adaptation impacts.

Core Indicator 1 (Mitigation): GHG emissions reduced, avoided, or removed/sequestered

- Unit: tonnes of carbon dioxide equivalent

- Disaggregation: by results area
- Suggested application: All mitigation results areas

Core Indicator 2 (Adaptation): Direct and indirect beneficiaries reached

- Unit: number of individuals
- Disaggregation: sex (female/male); results area
- Suggested application: All adaptation results areas

Core Indicator 3 (Cross-cutting): Value of physical assets made more resilient to climate change effects and/or more able to reduce GHG emissions

- Unit: value in USD
- Application: Both mitigation and adaptation

Core Indicator 4 (Cross-cutting): Hectares of natural resource areas brought under improved low-emission and/or climate-resilient management practices

- Unit: hectares
- Application: selected mitigation and adaptation areas

5.4.1. Enabling Environment Indicators

Four additional core indicators assess how investments contribute to creating conditions for paradigm shift:

- Core Indicator 5: Strengthening institutional and regulatory frameworks
- Core Indicator 6: Technology deployment, dissemination, development or transfer
- Core Indicator 7: Market development/transformation
- Core Indicator 8: Effective knowledge generation and learning

5.5. SFDR Article 9

In accordance with SFDR Article 9, NDF's investments must:

- contributing to an environmental goal (climate mitigation and/or resilience and adaptation);
- doing no significant harm;
- following good governance,
- align with the EU Taxonomy; and
- track Principal Adverse Impacts (PAIs).

6. Navis Approach to the Guidelines' Integration in the Investment Process

6.1. Pre-Investment

After a target investment has been checked against the Navis Responsible Investment's Exclusion List and has been categorized using the Navis ESG Screening and Categorization Guidelines, the investment team and the Climate and MRV specialist of the ESG team will collect pertinent information including – but not limited to – exact location of the underlying assets, use of proceeds, underlying project or company's activities and based on the methodology set out in these Guidelines, determine whether the target investment would qualify for climate finance. The result of the qualification will be described in the deal alert and any follow up IC materials and presented to the ESG and Climate Committee.

During ESG and climate due diligence, the Navis ESG team or external ESG consultants, based on the additional information received, will review the initial qualification and update such qualification if needed.

6.2. Investment Period

During the investment period, the investment team shall monitor and report the use of proceeds, based on which the ESG team shall periodically, but at least annually, provide an update to the IC and the ESG and Climate Committee whether the investment continues to meet the qualification criteria.

Annual reporting requirements and processes are set out in NDF’s ESMS Policy.

7. Training

Navis will provide information and conduct training as and when required to ensure that Navis employees understand the Guidelines. Navis ESG team will undertake relevant training or professional development to ensure that skills and competencies are maintained or enhanced.

8. Guidelines Review

The review of this Guidelines will be conducted regularly, and in any event at least annually. Any changes made will be communicated.

9. References

Joint Report on Multilateral Development Banks Climate Finance

<https://publications.iadb.org/en/2022-joint-report-multilateral-development-banks-climate-finance>

Joint Methodology for Tracking Climate Change Adaptation Finance

<https://thedocs.worldbank.org/en/doc/20cd787e947dbf44598741469538a4ab-0020012022/original/20220242-mdb-joint-methodology-climate-change-adaptation-finance-en.pdf>

Common Principles for Climate Mitigation Finance Tracking

<https://www.worldbank.org/content/dam/Worldbank/document/Climate/common-principles-for-climate-mitigation-finance-tracking.pdf>

ICMA Social Bond Principles

<https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/>

SASB Standards

<https://sasb.org/standards/>

GCF IRMF Framework

<https://www.greenclimate.fund/sites/default/files/decision/b29/decision-b29-01-b01-a01.pdf>

10. Document Change Control

Document ID:		ESGMS-NDF-PC-POL-006			
Revision Number	Author	Document Status/ Change	Reviewer	Approver	Effective Date
00	B. Szegedi	New Procedure	M Octoman	M Octoman	01 Oct 2025
01	B. Szegedi	Included GCF comments	M Octoman	M Octoman	08 Jan 2026

Appendix H Limited ESIA Template

Executive Summary

A concise summary description of the portfolio company and/or the project, its rationale, the existing operations and overall setting, significant environmental and social impacts, recommended mitigation and enhancement measures, monitoring proposals, and the extent of the portfolio company's commitment to these recommendations and proposals.

Project Description

Description of the portfolio company and/or the project within its geographical, environmental and socio-economic context. This should include information on whether and how the portfolio company and/or the project is part of a wider development plan. A systematic comparison of feasible alternatives to the project in terms of location, project technology or design in terms of potential environmental and social impacts.

Legal and Other Requirements

Outline of the policy, legal and administrative context of the ESIA summarizing the environmental and social project requirements of investors and applicable regional/global conventions or agreements. If applicable, the timeframe for public consultation, project appraisal and implementation shall be outlined. This section shall include host country, regional and international regulatory framework, standards and guidelines, treaties applicable.

Baseline Environmental and Social Conditions

A description of relevant aspects of the physical and natural environment and socio-economic conditions in areas affected by the existing operations and may include:

- Air emissions and noise
- Biological and ecological resources (fauna, flora, biodiversity, protected species, critical habitats, ecosystems)
- Climatic factors and climate change (e.g. greenhouse gas emissions, including from land use, land use change & forestry, sectors of population most affected by climate change)
- Cultural heritage
- Geomorphology and geology
- Land (past and current use)
- Land use patterns
- Landscape and visual aspects
- Material assets
- Mitigation potential and impacts relevant to adaptation
- Other social issues (community, settlement patterns and residential properties, vulnerable groups)
- Public and/or site-specific transportation system
- Socio-economic status of the population (disaggregated by gender, age, ethnicity, and other social characteristics)
- Soil (organic matter, erosion, compaction)
- Stakeholder engagement practices
- Water (accessibility, quantity and quality, surface and groundwater) and wastewater management
- Traffic
- Worker and public health and safety

Identification of Potential Impacts

Identification of the potential environmental and social impacts that could be associated with the existing operations, including those of an indirect and cumulative nature. Impacts which are unlikely to arise or be insignificant should be recorded, together with the rationale for why they are considered to be unlikely or insignificant.

Identification and characterization of positive and negative environmental and social impacts in terms of magnitude, significance, reversibility, extent and duration. This section shall also identify opportunities for environmental and social enhancement and identify key uncertainties and data gaps. The existing operations, and other potential future phases (i.e. construction phase, operation and maintenance phase, closure and decommissioning phase) shall be considered in the evaluation, where appropriate.

Management of Impact and Mitigation Measures

An outline of the feasible cost-effective measures to avoid, minimize, mitigate or compensate for environmental and social impacts to acceptable levels and address other environmental and social issues. Additionally, an outline of measures that would enhance environmental and social aspects within the area affected by the portfolio company and/or project and the existing operations.

Implementation Arrangements

A description of how the identified mitigation measures will be implemented including roles and responsibilities, timeframes, and budgetary information (if available).

Stakeholder Engagement

Discussion on the identified stakeholders and the plan for engaging with the different stakeholders including the communities throughout the life of the portfolio company and/or the project. It shall also describe the strategies and mechanisms for external communication, information disclosure and reporting to the communities.

Grievance Redress Mechanism

A description of the grievance redress mechanism including the process of receiving, investigating and resolving grievances. It shall also include a discussion on how the grievances and its resolution are reported back to the communities and stakeholders.

Monitoring Plan

A description of how environmental and social impacts and issues will be monitored and managed in practice. Estimates shall be provided for capital expenditure and operation and maintenance costs, where possible. The existing operations, and other potential future phases (i.e. construction phase, operation and maintenance phase, closure and decommissioning phase) shall be considered

Appendix I Environmental and Social Due Diligence Template

Executive Summary

A concise summary description of the portfolio company and/or the project, its rationale, the existing operations and overall setting, significant environmental and social impacts, recommended mitigation and enhancement measures, monitoring proposals, and the extent of the portfolio company's commitment to these recommendations and proposals.

Scope of the Assessment

Description of what the focus of the assessment would be including physical scope of the assessment, the processes and operations assessed, and period covered.

Applicable Framework and Standards

Description of the applicable environmental and social frameworks and standards that the portfolio company and/or project will be reviewed against. This section shall also include host country, regional and international regulatory framework, standards and guidelines, and treaties applicable.

Methodology

Overview of the approach used to conduct the assessment including the documents reviewed, site reconnaissance, interview approach, sampling plan, and field investigation, as applicable.

Project Description

Description of the portfolio company and/or the project within its geographical, environmental and socio-economic context. This section shall provide detailed information on the physical assets, workforce, and other pertinent details that would provide context of the current situation of the portfolio company and/or the project.

Project Categorization

Description of the project categorization of the portfolio company and/or the project based on Navis and GCF's E&S risk categorization and the rationale for the categorization.

Environmental and Social Compliance Review

This section details the compliance status of the portfolio company and/or the project with the applicable E&S framework and standards. It provides a description of the current practices of the portfolio company and whatever gaps that have been identified. This assessment shall also provide the risk rating (low, medium or high) so that the portfolio company can prioritize which gaps to address first.

Environmental and Social Action Plan (ESAP)

Detailed action plan that the portfolio company and/or the project needs to implement in order to close the gaps identified and/or to mitigate the environmental and social risks identified. The action plan or ESAP shall detail the issue and what action the portfolio company needs to take including the priority and targeted timeline for completion.

Annexes

This section includes references, copies of interview forms, additional information on methodology, and data obtained from the assessment that has not been included in the body of the report.

Appendix K NDF Indigenous Peoples Policy Framework



**NAVIS DECARBONIZATION FUND
INDIGENOUS PEOPLES POLICY FRAMEWORK
June 2025**

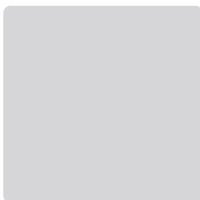
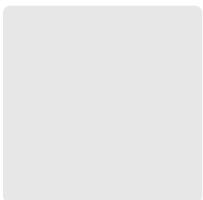


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00	P Gonzales	New Procedure	B Szegedi	M Octoman	03 Jun 2025

1. Introduction

Navis is committed to the practice of responsible investing and strongly believes that it is a key enabler to improving a company's performance by driving sustainable growth, improving operating efficiencies, and managing risks.

Operating with a Responsible Investment Policy and an Environmental and Social Management System (ESMS), Navis' business activities are guided by these policies and systems to ensure consistent and comprehensive integration of Environmental and Social (E&S) considerations throughout the investment process.

Navis employs extensive due diligence and portfolio monitoring to understand the operational and E&S risks of its investments. Moreover, Navis recognizes that some industries and sectors in which it operates may potentially impact indigenous peoples (IP) and groups.

This policy aims to set out Navis' process in managing potential risks and impacts on IP if a project or investment triggers this risk.

2. Scope

This policy applies to investments in Navis' Decarbonization Fund (NDF), including acquisitions proposed by any of the portfolio companies.

This policy is designed to ensure that IP present in the project area, whether in an ancestral domain or not, are informed and meaningfully consulted. The framework aims to share the investment's benefits in greater certainty and to discuss mitigating measures if adverse impacts cannot be fully mitigated.

3. Abbreviations and Definitions

ESIA – Environmental and Social Impact Assessment

Free, Prior and Informed Consent (or Consultation) (FPIC) – There is no universally accepted definition of FPIC. FPIC builds on and expands the process of informed consultation and participation and will be established through good faith negotiation between the portfolio company and the affected communities of indigenous peoples. The portfolio company will document: (i) the mutually accepted process between the portfolio company and affected communities of indigenous peoples, and (ii) evidence of agreement between the parties as the outcome of the negotiations. FPIC does not necessarily require unanimity and may be achieved even when individuals or groups within the community explicitly disagree.

Grievance Mechanism – a mechanism to receive and facilitate resolution of indigenous peoples' concerns and grievances.

Indigenous Peoples (IP) – there is no internationally accepted definition of indigenous peoples, and it is an evolving term. Various terms such as indigenous ethnic minorities, minority nationalities, first nations or tribal groups may also be used to identify indigenous peoples. It refers to a distinct social and cultural group possessing the following characteristics in varying degrees:

- Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- Customary cultural, economic, social, or political institutions that are separate from those of the mainstream society or culture; or
- A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.

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Indigenous Peoples Plan (IPP) – a document outlining the actions to minimize and/or compensate for adverse impacts and/or enhance benefits to indigenous peoples in a culturally-appropriate manner. A standard outline for an IPP is provided in **Attachment A**.

NGO– Nongovernmental Organizations

4. Roles and Responsibilities

The roles and responsibilities are as follows:

Role	Responsibility
Navis	<ul style="list-style-type: none"> Communicate the Indigenous Peoples Policy Framework (IPPF) and its requirements to the portfolio companies Maintain copies of relevant and required documentation within the Navis Drive for reference and data control Respond to relevant information and queries from IP groups and the portfolio company Screen portfolio company projects in accordance with the Navis Decarbonization Fund E&S Screening and Categorization Policy and Procedure
Portfolio Company	<ul style="list-style-type: none"> Understand and comply with this policy Engage third-party experts to conduct Social Assessment or Environmental and Social Impact Assessment including FPIC Develop and implement the IPP in cooperation with Navis and third-party experts Monitor and report on the implementation of the IPP to Navis
Indigenous Peoples Community or Representatives	<ul style="list-style-type: none"> Participate in consultation sessions Provide comments on the IPP
GCF and other stakeholders	<ul style="list-style-type: none"> Provide comments on the IPP Review implementation of the IPPF

5. Policy Requirements

The level of detail necessary to meet the requirements is proportional to the complexity of the proposed project of the portfolio company and commensurate with the nature and scale of the proposed project’s potential effects on the IP, whether adverse or positive. This needs to be determined based on an assessment of project activities, circumstances of local communities, and project impacts.

5.1. Screening for indigenous peoples

Navis conducts ESG screening and categorization during the pre-investment stage. The initial screening is a desk-based process performed on all potential investments, comprising a review against the Navis Exclusion List and any publicly available information, and identifies the ESG risk category of the potential investment. Part of the screening process is to identify potential presence of IP early on. If it is uncertain whether local communities can be considered as IP, Navis will consult with communities, local NGOs, knowledgeable experts and government representatives, as appropriate.

5.2. Social Assessment

Once the presence of IP has been determined in the project area of the portfolio company, Navis will assess the particular circumstances of affected indigenous communities and assess the project’s positive and adverse impact on them. The level of detail of the assessment depends on the project activities and their impact on the local communities but this may most likely be part of a bigger assessment such as an Environmental and Social Impact Assessment (ESIA). Navis will engage a third-party advisor to conduct the ESIA following the IFC Performance Standards framework, or other assessment that adopts the IFC Performance Standards framework and identifies

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the environmental and/or social risks, opportunities, and proposed mitigation measures. If an ESIA or similar has been prepared by the target portfolio company or project, then a gap analysis may be undertaken.

The main purpose of the social assessment is to evaluate the project’s potential positive and adverse impacts on the affected IP. It is also used to inform project preparation to ensure that project activities are culturally appropriate, will enhance benefits to target groups, and is likely to succeed in the given socioeconomic and cultural context.

The assessment shall include details of any specific legal requirement depending on the jurisdiction of the portfolio company’s project. Certain laws might require additional documentation, permit or consultations when IP communities are affected by a project. Some jurisdictions may also have specific government agencies or task forces overseeing IP engagements.

5.3. Free, prior and informed consultation

The portfolio company or project undertakes a process of free, prior and informed consultation (FPIC) with the affected IP communities during the project preparation to inform them about the project, to fully identify their views, to obtain broad community support for the project, and to develop project design and safeguard instruments. In most cases, this process is best done as part of the social assessment or ESIA although consultations are likely to continue after its completion.

The extent of consultations depends on the project activities, their impact on local communities and the circumstances of affected IP. At a minimum, local communities are informed about the project, asked for their views on the project, and assured of how they will be affected during the project implementation, whether positively or adversely.

The consultations may include, as appropriate:

- Inform affected indigenous communities about the project objectives and activities
- Discuss and assess possible adverse impacts and ways to avoid or mitigate them
- Discuss and assess potential project benefits and how these can be enhanced
- Discuss and assess land and natural resource use and how management of these resources may be enhanced
- Identify customary rights to land and natural resource use and possible ways of enhancing these
- Identify and discuss potential conflicts with other communities and how these can be avoided
- Elicit and incorporate indigenous knowledge into the project design
- Facilitate and ascertain the affected communities’ broad support to the project
- Develop a strategy for indigenous participation and consultation during project implementation, including monitoring and evaluation.

All project information provided to IP should be in a form appropriate to the local needs. Efforts should be made to include all community members, including women and members of different generations and social groups. Local languages should be used to maximize engagement.

If the indigenous communities are organized in community associations or umbrella organizations, these should usually be consulted. In some instances, it may be necessary to include or use independent entities that have the affected communities’ trust such as locally active NGOs and/or IP experts.

All FPICs including discussion results shall be documented.

5.4. Indigenous Peoples Plan

Based on the consultation and social assessment processes, a project-specific Indigenous Peoples Plan (IPP) will be prepared for projects affecting indigenous communities.

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The contents of the IPP will depend on the project activities and impacts on IP. A standard outline for an IPP is provided in **Attachment A**. At a minimum, the IPP should include the following:

- A description of the IP affected by the project
- Summary of the proposed project of the portfolio company
- Detailed description of the participation and consultation process
- Description of how the project will ensure culturally appropriate benefits and avoid or mitigate adverse impacts
- Budget description
- Mechanisms for complaints and conflict resolution
- Monitoring and evaluation systems that includes monitoring of particular issues and measures concerning indigenous communities.

The IPP will be developed by the portfolio company with the support of Navis and/or third-party advisors or experts.

6. Disclosure

Before finalizing an IPP, a draft shall be disclosed together with the key findings of the social assessment in a culturally appropriate manner to the affected IP community. The IPP shall be disseminated in the local language or in other forms easily understandable to affected communities. The dissemination will usually include oral communication methods to communicate the proposed plans to the affected communities.

Navis will share the IPP with GCF upon completion.

7. Monitoring and Reporting

The portfolio company and Navis shall routinely monitor the implementation of the IPP with emphasis on the following:

- Verification of compliance with the requirements of this Indigenous Peoples Policy Framework (IPPF)
- Determination as to whether the IPP is implemented as planned
- Documentation of all meetings, assemblies and other gatherings done during the monitoring period, with copies provided to the affected IP community, and related government authorities with jurisdiction in the area.
- Assessment of whether recommended actions in the previous monitoring reports have been implemented.

The frequency of monitoring and/or site visits to the IP community will depend on the level of risk and impact to the affected IP as earlier identified.

Navis will share the monitoring reports with GCF.

8. Complaints and Grievances

During project implementation, complaints or grievances from stakeholders might occur. The portfolio company or project will set-up a grievance mechanism to receive and facilitate resolution of affected indigenous peoples' concerns and grievances about the project's environmental and social performance. The grievance mechanism will be scaled to the risks and adverse impacts of the project and have the affected indigenous peoples as its primary user. It should seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate and readily accessible, and at no cost and without retribution to the party that originated the issue or concern.

The portfolio company shall inform the affected indigenous peoples about the mechanism during the consultation process. All the affected IP households will be informed of the grievance mechanism by means of community assemblies and/or the indigenous peoples community leader. The assistance of the IP community leaders will be obtained to ensure that the grievance mechanism is accessible to the members of the community.

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Cases of grievances will be documented to establish a record of the nature of grievance, the parties involved, the details of the discussion or deliberation on the case, and the agreement or decision reached.

9. Review

The policy will be reviewed regularly, and at any event at least annually. Any changes required will be made and implemented.

10. References

[GCF Indigenous Peoples Policy](#)

[GCF Operational Guidelines: Indigenous Peoples Policy](#)

[IFC Performance Standards \(2012\)](#)

Navis Responsible Investment Policy

Navis Environmental and Social Management System

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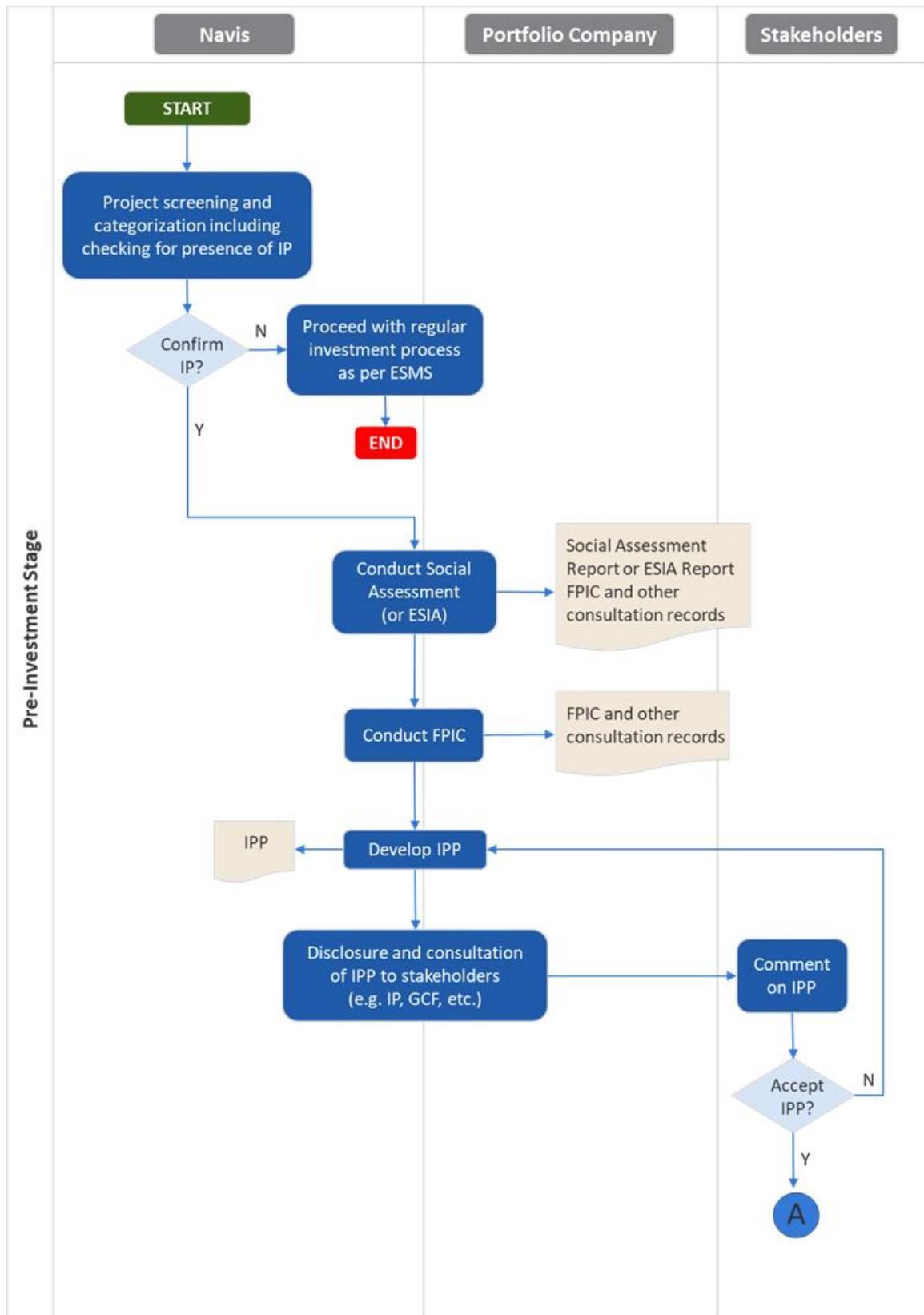


Figure 1. Indigenous People Policy Framework Process

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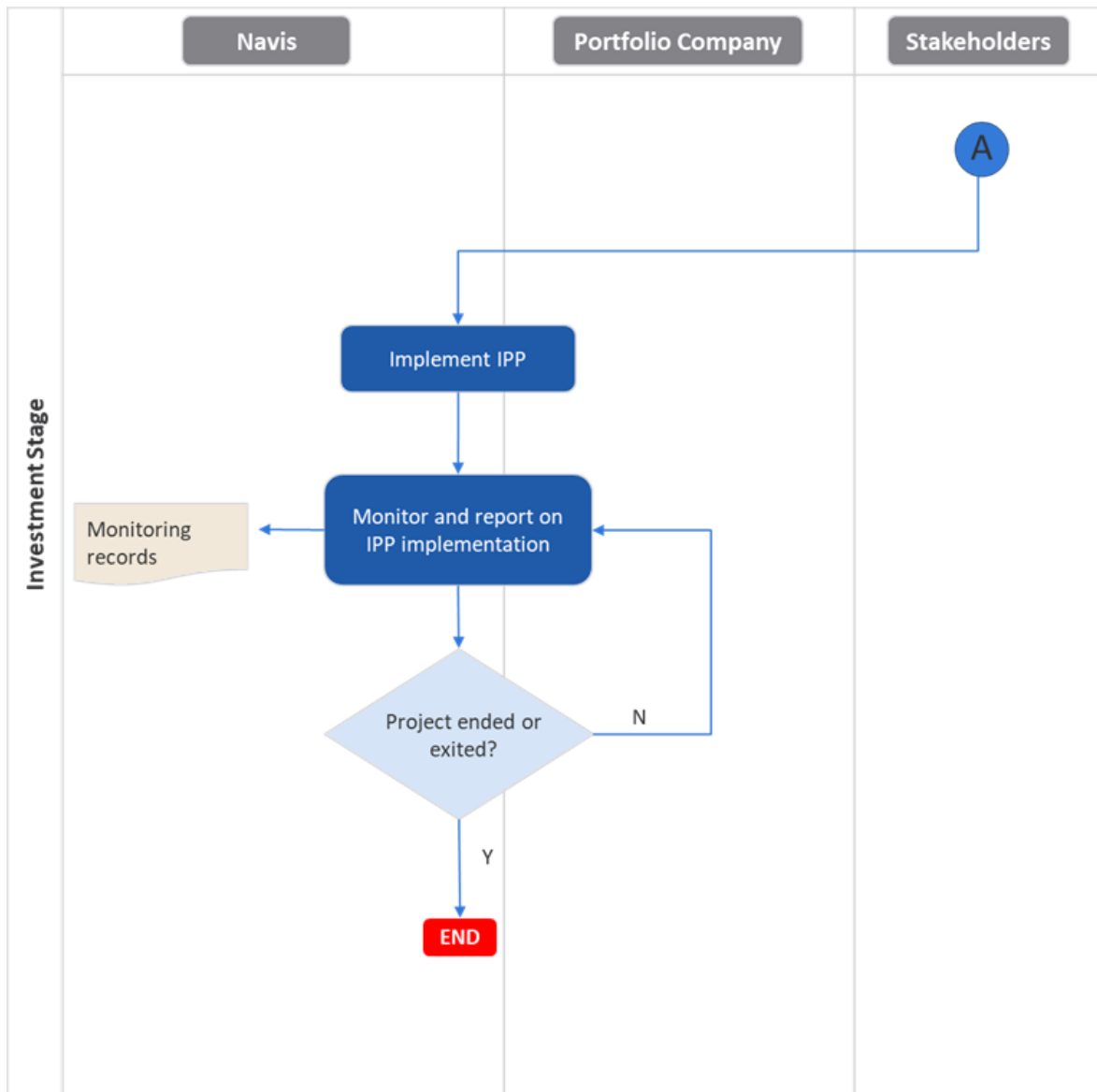


Figure 1. Indigenous People Policy Framework Process (continued)

Attachment A: Standard Outline for an Indigenous Peoples Plan

The Indigenous Peoples Plan (IPP) is prepared in a flexible and pragmatic manner, and its level of detail varies depending on the specific investment and the nature of the risks and impacts to be addressed.

The IPP includes the following elements:

1. **Executive summary:** This section concisely describes the critical facts, significant findings, and recommendation actions.
2. **Description of project:** This section provides a general description of the project, and discusses the project components and activities that may bring impacts on the indigenous peoples.
3. **Baseline information:** This section provides a summary of relevant baseline information including indigenous peoples profile, including indigenous women, their circumstances and livelihoods, with descriptions and quantifications of the natural resources upon which they depend.
4. **Key findings and analysis of impacts, risks and opportunities:** This section summarizes the key findings, analysis of impacts, risks and opportunities and recommended possible measures to avert or mitigate adverse impacts, enhance positive impacts, conserve and manage their natural resource base.
5. **Mitigating measures and enhancement of positive impacts:** This section clearly describes the measures agreed to in the process of information disclosure, consultation and informed participation to avoid, minimize and mitigate potential adverse effects and to enhance positive impacts.
6. **Community-based natural resource management:** This section discusses the means to ensure the continuation of livelihood activities key to the survival of identified communities and their traditional and cultural practices.
7. **Results of consultations:** This section describes the process of information disclosure, consultation and informed participation and where relevant the FPIC process.
8. **Benefit sharing plans:** This section describes the measures to enable indigenous peoples to take advantage of opportunities brought about by the project in a culturally appropriate manner.
9. **Tenure agreements:** This section describes who has rights over the targeted project land and how the legal status of the land will change under the project and what effect this has on rights-holders.
10. **Grievance redress mechanism:** This section describes accessible procedures appropriate to the project to address grievances by the affected indigenous peoples' communities arising from the project implementation.
11. **Cost, budget, timeline, organizational responsibilities:** This section describes
12. **Monitoring, evaluation and reporting:** This section describes monitoring, evaluation and reporting mechanisms, including responsibilities, frequencies, feedback and corrective action processes.

Appendix L NDF Land Acquisition and Resettlement Framework



NAVIS DECARBONIZATION FUND
LAND ACQUISITION AND RESETTLEMENT FRAMEWORK
June 2025

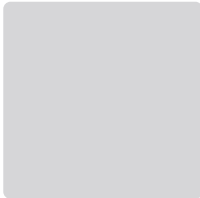
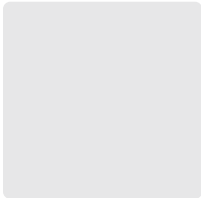


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Revision Number	Author	Document Status/ Change	Reviewer	Approver	Effective Date
00	P Gonzales	New Procedure	B Szegedi	M Octoman	12 Jun 2025

1. Introduction

Navis is committed to the practice of responsible investing and strongly believes that it is a key enabler to improving a company's performance by driving sustainable growth, improving operating efficiencies, and managing risks.

Operating with a Responsible Investment Policy and an Environmental and Social Management System (ESMS), Navis' business activities are guided by these policies and systems to ensure consistent and comprehensive integration of Environmental and Social (E&S) considerations throughout the investment process.

Navis welcomes feedback from our stakeholders as it enables us to bring a resolution to disputes, enhances the trust and confidence of our stakeholders, and identifies areas that need to be improved for current and future operations.

This Land Acquisition and Resettlement Framework (LARF) outlines the general principles, overall strategy and processes framework should any project or activity by any portfolio company under NDF cause any physical or economic displacement. It will serve as a basis for the development of detailed Land Acquisition and Resettlement Plans which will be developed once the exact nature and magnitude of the land acquisition, restrictions on land use or resettlement related to the activities are known. The LARPs will provide detailed information on the Project Affected People, the eligibility criteria and the procedures to be applied.

A sample outline for LARP is provided in **Appendix A**.

2. Scope

This policy applies to investments in Navis' Decarbonization Fund (NDF), including acquisitions proposed by any of the portfolio companies.

3. Abbreviations and Definitions

Affected Persons – people, households, or legal entities affected by the project-related changes or activities of the portfolio companies in use of land, water, natural resources or income losses.

Compensation – payment in cash or kind to which the Affected People are entitled in order to replace land or other assets taken for project use.

Cut-off date – date after which people will not be considered eligible for compensation, i.e., they are not included in the list of affected persons as defined by the census.

Entitlement – means the range of measures comprising compensation in cash or kind, relocation cost, income rehabilitation assistance, transfer assistance, income substitution, and business restoration which are due to affected persons, depending on the type, degree and nature of their losses, to restore their social and economic base.

Livelihood restoration – means re-establishing productivity and livelihoods of affected persons.

Involuntary resettlement – any resettlement, which does not involve willingness of the persons being adversely affected, but who are forced through an instrument of law.

Land acquisition – means process whereby a person is compelled by a public agency to alienate all or part of the land she/he owns or possesses, to the ownership and possession of that agency, for public purposes in return for fair compensation.

Land Owner – a person or a legal entity who uses land plot based on the right of private property, i.e., has purchased the right to the property from the state.

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Rehabilitation – assistance provided to affected persons to supplement their income losses in order to improve, or at least achieve full restoration of, their pre-project living standards and quality of life.

Vulnerable groups or people – refers to people who, by virtue of gender identity, sexual orientation, religion, ethnicity, indigenous status, age, disability, economic disadvantage or social status may be more adversely affected by project impacts than others and who may be limited in their ability to claim or take advantage of project benefits.

4. Roles and Responsibilities

The roles and responsibilities are as follows:

Role	Responsibility
Navis	<ul style="list-style-type: none"> Communicate the Grievance Mechanism Policy and its requirements to the portfolio companies Maintain copies of relevant and required documentation within the Navis Drive for reference and data control Respond to relevant information and queries from the portfolio company Monitor and report on grievance trends to GCF
Portfolio Company	<ul style="list-style-type: none"> Understand and comply with this policy Receive and resolve grievances in a confidential and timely manner Conduct fair investigation to identify root causes of grievances Organize formal meetings to concerned parties Monitor and report on grievance trends to Navis
Affected stakeholder / Complainant	<ul style="list-style-type: none"> Raise grievances using the appropriate and available channels Participate in organized discussions to resolve grievances (unless anonymous)
Third-party platform providers	<ul style="list-style-type: none"> Maintain the online platform and/or hotline for receiving complaints Maintain confidentiality and anonymity of complainant, if requested
GCF and other stakeholders	<ul style="list-style-type: none"> Review implementation of the Grievance Mechanism Policy

5. Principles

The following principles of land acquisition and resettlement shall be adhered to during Project implementation:

- Involuntary resettlement and economic displacement will be avoided, or when unavoidable, alternative sub-project designs will be considered to minimize involuntary resettlement and economic displacement.
- Where involuntary resettlement is unavoidable, affected people shall be identified and compensated for any associated losses. All categories of affected people, with and without legal property rights, should be entitled to compensation.
- Where displacement is unavoidable, improve or, at a minimum, restore the livelihoods and standards of living of displaced persons, through measures that can be land-based, wage-based and/or enterprise-based, so as to facilitate sustainable improvements to their socio-economic status.
- Land acquisition will be carried out in compliance with the applicable national legislation, GCF E&S Principles, IFC Performance Standards 5, this document (LARF) and good international practice.
- Detailed Land Acquisition and Resettlement Plans (LARPs) will be developed for each sub-project that requires expropriation of land, physical displacement of population, or loss of income due to changes in land use or access to resources. Each LARP shall be subject to public consultation. The LARPs will be based on reliable, up-to-date information and will include basic information about the portfolio company and/or the project, project impacts, affected people and assets, entitlements for all categories

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of affected people as well as any legal issues relating to resettlement or any gaps between local laws and the requirements of IFC PS 5 and this LARF. Each LARP shall also include a detailed budget and timetable.

6. All affected persons will be informed and consulted during the LARP preparation, implementation and monitoring.
7. The baseline socio-economic survey and census for each LARP will identify both formal and informal land/property users, including vulnerable persons/households, such as single mothers, widows and widowers, disabled people, minority groups, or those living in extreme poverty.
8. The cut-off date for establishment of eligibility (for both formal and informal landowner/users) will be established. Persons who have settled in the project area after the cut-off date will not be eligible for any compensation. The cut-off date will be disclosed and disseminated publicly for example in the newspapers, or public bulleting boards in settlements and consultation meetings in the concerned affected communities.
9. All owners, occupants and users of affected land at the time of the cut-off date, whether with or without fully recognized ownership rights, are eligible for compensation and/or assistance.
10. Temporary occupation of land for construction purposes will be compensated and land subsequently restored.
11. Standards of living and/or livelihood of affected persons will be restored and potentially improved, in as short a period as possible.
12. Compensation will be provided before displacement or imposition of access restrictions. Issues related to payment of cash compensation will be discussed and agreed with the owners and all affected members of households. Cash compensation will be paid in full or in installments as agreed with the owners and affected members of the households and as defined by contracts, to the bank accounts specified by the owners, with the agreement of all affected members of the household. In cases where there is more than one owner of the property (i.e., co-ownership of married couples), compensation amounts will be divided and paid to the bank accounts they specify.
13. Project Affected People and communities will be provided with information and consulted in order to facilitate their early and informed participation in the decision-making process related to resettlement. Access to information and assistance for vulnerable persons/households will be facilitated according to their specific needs, on the basis of case-by-case screening to be carried out.
14. An effective grievance mechanism will be in place for receiving and addressing in a timely fashion specific concerns about compensation and relocation raised by displaced persons.
15. The implementation of the land acquisition and livelihood restoration processes shall be monitored through institutional arrangements identified in individual LARPs.

6. Legal Framework

The portfolio company and projects will meet the requirements of national legislation where it operates, NDF policies, GCF policies, and IFC Performance Standards on land acquisition, involuntary resettlement and economic displacement. Where disparities exist between national legislation and this frameworks' requirements, the project undertake to comply with the requirements of this framework. The potential issues and gaps between national legislations and requirements of this framework are presented in Table 1 below. When preparing specific LARPs, legal review along with gap analysis will be reviewed and updated as needed to assure that identified impacts and affected persons are included in the analysis and all potential gaps between the requirements are addressed.

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Potential issue	NDF Land Acquisition and Resettlement Framework Requirement	Potential gaps and measures to fill them
Involuntary resettlement, physical and economic displacement	<p>Involuntary resettlement covers both physical and economic displacement.</p> <p>Land acquisition includes (a) purchase of property, and (b) purchase of property rights (i.e., easements, rights of way).</p> <p>Imposition of restrictions that result in people experiencing loss of access to physical assets or natural resources.</p>	<p>Objectives may not explicitly include restoration of livelihood and standard of living.</p> <p>Develop Livelihood Restoration Plans or Frameworks to be implemented in all phases of the project.</p>
Planning process	<p>In case of economic displacement that can be full, partial, permanent or temporary, the compensation will be offered to the affected persons and communities. This shall be included in the Livelihood Restoration Plan or Framework. This plan or framework will establish the entitlements of affected persons or communities. It should ensure that affected people understand the compensation procedures and know what to expect at the various stages of the project.</p>	<p>A census and socio-economic survey of affected households will be undertaken to identify and assist vulnerable groups and guide the development and implementation of subproject specific Livelihood Restoration Plans or Frameworks.</p>
Socioeconomic survey and census	<p>The socio-economic survey should: (a) identify persons who will be displaced by the project; (b) determine who will be eligible for compensation and assistance; and (c) take inventory of affected land and property. The census should take into account the needs of seasonal resource users who may not be present in the project area during the time of the census. Census should be conducted as early as possible to prevent inflows of population ineligible for compensation. A cut-off date should be defined after the census is completed.</p>	<p>Socio-economic survey and census will be undertaken to fill any potential gap.</p> <p>Depending on the final locations of projects, additional census may be required.</p>
Vulnerable groups or persons	<p>Particular attention should be given to vulnerable groups living in the project area. These groups may include households headed by women or children, people with disabilities, the extremely poor, the elderly, and group that suffer social and economic discrimination, including indigenous peoples and minorities.</p>	<p>Vulnerable groups identified and specific compensation measures provided including any additional assistance to restore or improve living conditions.</p>
Compensation and timing	<p>Livelihood and standards of living to be restored regardless of tenure or legal status. If monetary compensation is preferred by a displaced party in lieu of in-kind, compensation at full replacement cost shall be made. Depreciation of structures and assets should not be taken into account.</p> <p>Affected persons without legal rights and requirements have the right for</p>	<p>Compensation may be based on established valuation system and based on market value, not replacement cost. As there may not be functioning land markets, it is often difficult to get accurate information on the value. Third party valuator should identify compensation at replacement cost. Alternative compensation methods, such as in-kind, may be considered and as agreed.</p>

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Potential issue	NDF Land Acquisition and Resettlement Framework Requirement	Potential gaps and measures to fill them
	compensation for loss of harvest, trees and structures (non-land assets).	
Grievance mechanism	<p>A grievance mechanism should be set up as early as possible in the process, to receive and address in a timely manner specific concerns about compensation and relocation that are raised by displaced persons.</p> <p>The grievance mechanism process should address concerns promptly and effectively, using an understandable and transparent process that is culturally appropriate and readily accessible to all segments of the affected communities. At no cost and without retribution.</p>	<p>There may be gaps on provision for a non-judicial grievance and redress mechanism.</p> <p>The grievance and redress mechanism will be implemented throughout all phases of project implementation.</p>
Information disclosure and consultation	<p>To obtain cooperation, participation, and feedback, the project affected people need to be systematically informed and consulted during preparation of the livelihood restoration plan about their options and rights.</p> <p>Regular meetings between project officials and communities should be provided for affected persons and other stakeholders to communicate their concerns about the restoration program to project staff throughout planning and implementation.</p>	<p>Include specific provisions for stakeholder engagement when developing LARP for the consultation and engagement with the affected parties.</p>

7. Policy Requirements

Should any project of the portfolio companies require land acquisition and cause involuntary resettlement, the land acquisition, resettlement and livelihood restoration measures will be undertaken in accordance with national legislation and the requirements of this policy. Once the project impacts are identified and detailed project designs are ready, the detailed LARP shall be developed based on the steps identified below.

- Identification of project impacts and affected people involving:
 - Mapping of project area and affected households/land plots including the class of land, owners and land use patterns, private and communal land, business and assets.
 - Census of affected plots, assets and persons to establish a list of people with formal and informal land rights and livelihoods and to identify those who will be eligible for compensation and/or assistance
 - Socio-economic survey to complement the census data and gather detailed information on the socio-economic background of affected people and evaluate the impacts on their livelihoods in order to establish fair compensation and livelihood restoration measures. This will also help to identify any vulnerable individuals or groups who may need additional assistance.
 - Inventory of affected assets, properties and structures based on mapping and census work that will be used to monitor LARP activities.
 - Public consultation meetings to provide information on the project, scheduling, land acquisition, LARP procedures, peoples' rights and the process for establishing entitlements,

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compensation and livelihood restoration measures. Affected persons will be provided opportunities to discuss the approach to compensation and livelihood restoration and ask any questions they may have regarding the processes.

- Entitlements matrix and compensation framework based on the information from the above steps, an entitlements matrix will be established and compensation and livelihood restoration measures will be designed in line with the national legislation and the requirements of this policy.
 - The entitlements matrix will establish the categories of affected persons and the assistance, compensation and livelihood restorations they are entitled to receive. Public consultation meetings shall inform the development of affected persons categories and entitlement measures.
 - A cut-off date will be established for eligibility according to this policy’s requirements and national legislation. Information regarding the cut-off date will be widely publicized throughout the project area.
- Valuation of land and compensation including structures, building, crops, interrupted economic activities and lost access to natural resources and compensation offers will be made.

The procedure of valuation shall be undertaken in line with the national legislation, however, in line with the requirements of this policy; the valuation of assets will not take account of asset depreciation. Whilst the approach shall aim to achieve appropriate compensation levels, in cases where affected people reject compensation offers, appeal and legal procedures in line with the national legislation can be initiated.

- Payment of compensation made prior to land acquisition and resettlement.
- In the case of physical relocation, the displaced people will be offered choices among feasible resettlement options, including adequate replacement housing or cash compensation; and be provided with relocation assistance suited to the needs of each group of displaced persons, with the particular attention paid to the poor and vulnerable.
- Livelihood restoration assistance to be provided as identified in the LARP.

In addition, the overall LARP process will involve the following elements which will be discussed in ore detail in the LARP:

- On-going public consultation and information disclosure;
- Establishment of a grievance mechanism;
- Monitoring and evaluation of LARP implementation.

8. Stakeholder Engagement and Consultation

All LARPs will include provisions for consultation and engagement with project-affected people and other relevant stakeholders. Affected people shall be involved from the earliest stages and through all resettlement activities. This will facilitate early and informed participation of affected persons in decision-making processes related to resettlement. Necessary action may need to be taken to ensure that vulnerable groups are not disadvantaged in the resettlement process, are fully informed of their rights, and are able to benefit equally from the resettlement opportunities.

9. Grievance Mechanism

A grievance mechanism will be put in place early in the process to receive and address stakeholder comment and questions in a timely manner and provide further information on compensation and livelihood restoration measures to the people affected by physical or economic displacement. Grievances will be addressed in a timely manner and will be recorded in a grievance log with details of the issue, acknowledgement of receipt, actions taken and the date of resolution. Refer to *ESGMS-NDF-POL-008 Navis Decarbonization Fund Grievance Mechanism Policy*.

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10. Monitoring

Monitoring of the land acquisition , resettlement and livelihood restoration process shall be carried out and should involve the participation of key stakeholders such as affected communities. Depending on the scale of complexity of land acquisition and resettlement, it may be appropriate to commission an external resettlement completion audit to determine that the LARP provisions have been met. If needed, the audit may identify further corrective actions as needed.

11. Review

The policy will be reviewed regularly, and at any event at least annually. Any changes required will be made and implemented.

12. References

[GCF Indigenous Peoples Policy](#)

[GCF Operational Guidelines: Indigenous Peoples Policy](#)

[IFC Performance Standards \(2012\)](#)

NDF Responsible Investment Policy

NDF Environmental and Social Management System

NDF Grievance Mechanism Policy

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Appendix A: Sample Land Acquisition and Resettlement Plan (LARP) Outline

1. Scope of the Land Acquisition and Resettlement Plan
2. Project Description and Potential Project Impacts
3. Legal Framework
4. Principles, Objectives and Processes
 - a. Principles and Objectives
 - b. Process Overview
5. Affected Assets, Affected People and Entitlements
 - a. Census of Affected Assets and Affected Households and Expropriation Study
 - b. Socio-Economic Baseline Survey
 - c. Affected Land
 - d. Affected Structures
 - e. Businesses
 - f. People
 - g. Entitlements
 - i. Eligibility for Compensation
 - ii. Entitlement Matrix
6. Resettlement and Compensation
 - a. Methods for Valuation of Affected Assets
 - b. Physical Resettlement
 - c. Livelihood Restoration
 - d. Cash Compensation
 - i. Rates
 - ii. Payment
 - e. In-Kind Compensation
 - f. Additional Assistance
7. Consultation and Disclosure
 - a. Main Results of Consultation Carried Out for preparing the Resettlement Action Plan
 - b. Disclosure
8. Grievance Management
9. Vulnerable People
 - a. Identification of Vulnerable People
 - b. Potential Assistance Activities to Vulnerable People
10. Monitoring and Evaluation
11. Implementation Responsibilities and Funding
 - a. Implementation Responsibilities
 - b. Budget
 - c. Arrangements for Funding

Appendix M Chance Find Procedure Template

1. General

Purpose: To protect cultural heritage from the adverse impacts of [Company or Project Name] 's activities and support its preservation.

Scope: The requirements of this procedure apply to cultural heritage regardless of whether or not it has been legally protected or previously disturbed.

2. Procedure / Requirement

Key Definitions:

Chance Find – tangible cultural heritage encountered unexpectedly during project activities.

Cultural Heritage – refers to (i) tangible forms of cultural heritage, such as tangible moveable or immovable objects, property, sites, structures, or groups of structures, having archaeological (prehistoric), paleontological, historical, cultural, artistic and religious values; (ii) unique natural features or tangible objects that embody cultural values, such as sacred groves, rocks, lakes, and waterfalls, and (iii) certain instances of intangible forms of culture that are proposed to be used for commercial purposes, such as cultural knowledge, innovations, and practices of communities embodying traditional lifestyles.

Procedure:

This procedure has been developed as part of the Environmental and Social Management system (ESMS) to protect cultural heritage from adverse impacts of [Company or Project Name]'s activities and support its preservation. It outlines the actions to be taken if previously unknown cultural heritage is encountered.

Examples of cultural heritage could include, but is not limited to:

- Archaeological artefacts
- Human skeletal remains
- Sacred areas / objects used by indigenous peoples; and
- Unmarked graves

Any chance find shall not be further disturbed until an assessment by competent professionals is made and actions consistent with the requirements of the Navis Decarbonisation Fund, Green Climate Fund, and the IFC Performance Standards are identified.

Action / Requirements	Responsible Person	Record / Documentation
Identification of Cultural Heritage As part of the environmental and social risks and impacts identification process, determine whether the proposed	Environmental and Social Manager	Environmental and Social Impact Assessment (ESIA) or Risk Assessment

Action / Requirements	Responsible Person	Record / Documentation
location of an activity is in areas where cultural heritage is expected to be found, either during land development, planting or operations and hence the applicability of this procedure.		
<p>Induction and Training</p> <p>As part of the induction process, employees including contractors and sub-contractors, shall be trained, at a minimum, on what cultural heritage is, basic understanding of how to identify potential cultural heritage, who to contact if a suspected chance find is found and the requirements of this procedure prior to commencing project activities.</p>	Environmental and Social Manager	Training material and training records
<p>Chance Find Protocols</p> <ul style="list-style-type: none"> • On discovery of a potential find, stop work immediately, including the immediate vicinity of the find. • Immediately notify the supervisor of the activity, who shall then inform the Environmental and Social Manager and await instructions. • Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, security shall be arranged. • The find must stay in the “as found” conditions. Ultimate removal is on the authority of the relevant authorities and/or another relevant person(s). • The supervisor of the activity shall record the details of the find. • The Environmental and Social Manager shall notify the relevant authorities and/or other relevant person(s) • The Environmental and Social Manager shall work with the relevant authorities and/or other relevant person(s) to identify the appropriate resources to assess the find (e.g. archaeologist). • Based on the assessment, a management plan shall be developed in collaboration with the relevant authorities and/or relevant person(s). Options may include avoidance of the find through activity redesign or relocation. This is the preferred option. • Implement the management plan, and only after permission from the relevant authorities and/or other relevant person(s) is granted, can activities resume. 	Environmental and Social Manager	Chance find assessment reports, management plan and implementation records.
<p>Documentation</p> <p>The Environmental and Social Manager shall be responsible for ensuring the chance find is completely logged. A photo log, copies of communication with relevant authorities and/or relevant person(s) (including stop work and resume work orders) and implementation reports shall be maintained on site.</p>	Environmental and Social Manager	Chance find log including photos and other relevant documentation.

Appendix N NDF Serious ESG Incident Reporting Procedure



**Navis Decarbonization Fund
Serious ESG Incident Reporting
January 2026**



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Appendix A – Definition of Serious ESG Incidents	

1. Introduction

Navis is committed to the practice of responsible investing and strongly believes that it is a key enabler to improving a company's performance by driving sustainable growth, improving operating efficiencies, and managing risk.

To that effect, we have developed a Responsible Investment Policy and established an Environmental and Social Management System (ESMS) to ensure the consistent and comprehensive integration of ESG considerations throughout the investment process. Navis needs to be transparent on incidents that could have significant reputational and/or financial implications for Navis and its portfolio companies. Reporting these ESG incidents to Navis would also mean that Navis can provide the right support, ensure adequate corrective actions are taken and share lessons learned across the Fund and its portfolio companies.

Note that this procedure specifies the portfolio company's reporting obligations to Navis and is separate from the portfolio company's reporting obligations to government authorities or its own Executive Committee.

2. Objectives

The objectives of Serious ESG Incident Reporting are to:

- Provide a consistent approach in handling serious ESG incident notification, reporting and following-up actions
- Timely collect the necessary information to advise on appropriate corrective actions to prevent recurrence of the incident
- Determine if the incident meets the reporting requirements of other stakeholders (e.g., limited partners, investors, etc.)

3. Scope

This procedure applies to all private equity deals, and includes acquisitions proposed by any of the portfolio companies.

4. Definitions

Incident – an undesired, unexpected, or unplanned event or chain of events which has caused or could have caused an injury, disease, death, and/or damage to assets, the environment or reputation, breach of product safety, or affecting employee relations.

Lost Time Injury – any work-related injury which renders the injured person temporarily unable to perform any regular job or restricted work on any day after the day on which the injury was received. In this case "any day" includes rest day, weekend day, scheduled holiday, public holiday or subsequent day after ceasing employment.

Serious ESG Incident – means any significant social, labor, health and safety, security or environmental incident, accident or circumstance having, or which could reasonably be expected to have, a material adverse effect or material adverse impact on the implementation or operation of the portfolio company, including, without limitation explosions, spills that result in material pollution, any workplace accidents that result in death or lost-time of greater than one week, or any work stoppage as a result of labor unrest, community unrest, significant project opposition, or security incidents. An ESG incident is considered Serious if it meets the definitions provided in **Appendix A**.

5. Roles and Responsibilities

The roles and responsibilities specific to construction projects are as follows:

Role	Responsibility
Investment Team	<ul style="list-style-type: none">• Communicate to the Portfolio Company the requirements of this procedure• Maintain copies of required documents within the Navis Drive

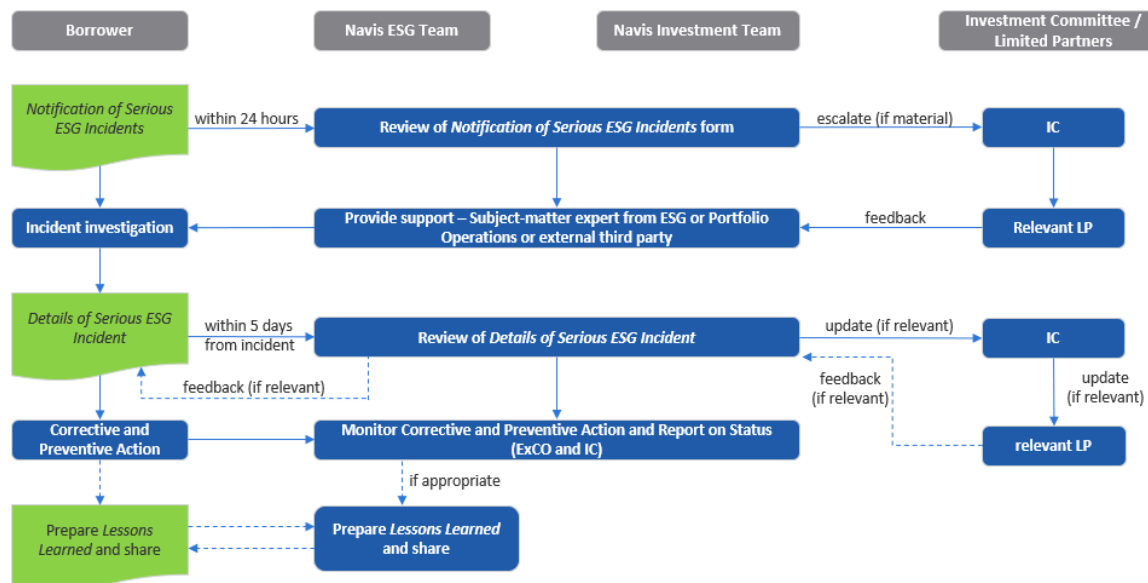
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Role	Responsibility
	<ul style="list-style-type: none"> Participate in the incident investigation, as necessary Respond to information requests from the Navis ESG Team regarding the Portfolio Company that might be pertinent to the incident investigation
Portfolio Company	<ul style="list-style-type: none"> Comply with Navis' Serious ESG Incident Reporting procedure Timely report serious ESG incidents in accordance with this procedure Timely report incidents to the appropriate government authorities, as necessary Conduct an appropriate incident investigation in accordance with any local requirements, if any Report status of incident investigation to Executive Committee (ExCo) and Navis Track the implementation of the corrective actions to prevent recurrence of the incident
ESG Team	<ul style="list-style-type: none"> Request information from Deal Team to further understand the details and background of the incident Review the serious ESG incident reported by the Portfolio Company Advise the Navis Legal Team and Senior Management of any serious ESG incidents that needs to be escalated Participate in the incident investigation, as necessary Share lessons learned from the incident to other Portfolio Companies
HR	<ul style="list-style-type: none"> Support the ESG Team in investigating employee-related serious ESG incidents
Legal	<ul style="list-style-type: none"> Advise on serious ESG incidents that needs to be reported to other stakeholders (e.g., government authorities, investors, etc.)

6. Procedure

The overall process for reporting serious ESG incidents is summarized in the figure below.

Figure 1. Overview Serious ESG Incidents Reporting



6.1. Reporting a Serious ESG Incident to Navis

Portfolio companies shall notify Navis of any serious ESG incidents, through the exercise of reasonable due diligence, no later than 24 hours after the portfolio company becomes aware using the *Notification of Serious ESG Incidents link*:

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https://navismanagerinvestmentholdcoltd.results-ap.highbond.com/survey_responses/Szyq72x5DYPoYzwXFQJP/edit

When uncertain whether to report or not, portfolio companies are still encouraged to report to Navis to aid in identifying the seriousness of the incident. Navis uses the Diligent platform to log and record serious ESG incidents.

The Navis ESG Team and Investment Team will review the incident and escalate material incidents to the Investment Committee (IC). The IC will then notify the relevant Limited Partners (LP) within three days of the occurrence of material incidents that could have a material adverse effect or impact.

If the incident is not considered serious upon the initial review of the Navis ESG Team and Investment Team, the portfolio company can proceed with its normal course of action for incidents. No further reporting to Navis is required.

6.2. Incident Investigation

For confirmed serious ESG incidents, the portfolio company shall conduct the incident investigation according to any internal investigation procedure and in compliance with any local regulations, if any. Navis may recommend its subject matter experts or external third-party experts to participate or provide inputs during the investigation. Similarly, LPs may also provide inputs or feedback during the investigation.

Upon completion of the investigation and not later than 5 days of the incident occurrence, the portfolio company shall provide Navis a more detailed summary report using the automatically generated link by the Diligent Platform to *Details of Serious ESG Incidents*. Personal details (e.g., name, address, date of birth, etc.) of individuals injured or involved are excluded for data privacy reasons. Navis ESG Team and Investment Team will review the report and provide feedback, as necessary. The Investment Committee and relevant LPs will also be notified of any significant updates from the initial notification.

6.3. Corrective and Preventive Action

The portfolio company shall implement the proposed corrective and preventive actions in a timely manner to prevent recurrence of the incident. The Navis ESG Team and Investment Team will monitor the implementation and report on the status update to the ExCo and the IC. The corresponding LPs will also be kept informed of the implementation status of the corrective and preventive actions, as necessary.

If appropriate, the portfolio company and Navis shall prepare a document containing lessons learned from the incident for sharing to its relevant stakeholders.

7. Training and Communication

To meet the objectives of this procedure, Navis will provide training and communicate as follows:

- Conduct training to all investment professionals to explain the principles and requirements of the Serious ESG Reporting procedure. For investment professionals that are new to Navis, training will be completed during the induction. Refresher training will be provided as and when needed to existing employees; and
- Include the communication of this procedure during the ESG Induction of each Portfolio Company. Refresher training will be provided as and when needed, including when there are changes in the management and ESG contacts.

8. Monitoring Records

The following monitoring records will be maintained:

- Training records; and
- Completed *Notification of Serious ESG Incidents* (online via Diligent platform) and *Details of Serious ESG Incidents* (online via Diligent platform).

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9. Review

The principles and procedure, including the definitions of serious ESG incidents, will be reviewed regularly, and in any event at least annually. Any changes required will be made and implemented.

10. References

BII ESG Toolkit (<https://toolkit.bii.co.uk/>)

IFC (2012), Interpretation Note on Environmental and Social Categorization and associated documents

NDF Responsible Investment Policy

NDF Environmental and Social Management System

11. Document Change Control

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Revision Number	Author	Document Status/ Change	Reviewer	Approver	Effective Date
00	P Gonzales	New Procedure	B Szegedi	M Octoman	01 May 2025
01	P Gonzales	Updated the online links and removed obsolete forms	B Szegedi	M Octoman	13 Jan 2026

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Appendix A Definition of Serious ESG Incidents

Incident Category	Definition
<p>Health and Safety</p> <ul style="list-style-type: none"> - Fatality, injury or illness - Compliance breach 	<p><i>Fatality, Injury or Illness</i> Fatality and/or multiple fatalities from an injury or illness OR Irreversible occupational illness which may also reduce quality of life (e.g., asthma, hearing loss, cancer, etc.) and/or occupational zoonoses contracted in the course of work. Note: Zoonoses (zoonotic diseases) are caused by infections that spread between animals and people OR Lost-time Injury/ Illness (LTI) resulting in seven or more consecutive days of incapacitation</p> <p><i>Health and Safety Compliance</i> Investigation by regulatory agency with actual or potential prosecution OR Breach of regulation, license or permit and/or serious incident that may result in threat of action (such as loss of permit, forced shut-down) and/or fine</p>
<p>Product Safety</p> <ul style="list-style-type: none"> - Consumers - Compliance Breach 	<p><i>Consumers</i> Consumer product caused or may have caused the death, serious injury or illness OR someone else considers the consumer product caused or may have caused the death, serious injury or illness OR Any voluntary product recall OR Any boycott of product or product similar in nature</p> <p><i>Compliance Breach</i> Product recall required by the regulator or other authority OR Investigation by regulatory agency with actual or potential prosecution OR Breach of regulation, license or Design Standard that may result in threat of action and/or fine</p>
<p>Environmental</p> <ul style="list-style-type: none"> - Compliance Breach - Uncontrolled Releases - Environmental Complaints 	<p><i>Environmental Compliance Breach</i> Investigation by regulatory agency with actual or potential prosecution OR Breach of regulation, license or permit and/or serious incident that may result in threat of action (such as loss of permit, forced shut-down) and/or fine</p> <p><i>Uncontrolled Release (emission to air, land or water)</i> Significant or persistent releases that are unconfined by the site boundary and/or widespread; irreversible or requiring long term recovery; with significant residual environmental impact</p> <p><i>Environmental Complaints</i> Legitimate complaints from members of the public due to generation of noise, dust, vibration, odour or other causing <i>sustained and repeated</i> periods of inconvenience and/or damage to property outside the fatality or workplace, the environment or human health OR Complaints leading to prosecutions and fines from regulators or authorities</p>

<p>Business Ethics</p>	<p>Incidents involving fraud, theft, dishonesty, corruption, bribery, facilitation payments, extortion, collusion, and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of the Code of Conduct</p> <p>OR</p> <p>Incidents defined above involving breach of Code of Conduct with third parties</p> <p>OR</p> <p>Other breach of regulation, license or permit that may result in potential or actual action and/ or fine</p>
<p>Employee Relations</p> <ul style="list-style-type: none"> - Misconduct - Working Conditions and Terms of Employment - Compliance Breach 	<p>Misconduct</p> <p>Employee has been terminated due to violent behaviour, bullying, sexual harassment, use of illegal drugs at workplace, endangered the health and safety of the employees or others, and other Code of Conduct breaches</p> <p>OR</p> <p>Any employee that has been <u>accused</u> of OR <u>received complaints</u> against in relation to bullying, discrimination or sexual harassment</p> <p>Working Conditions and Terms of Employment</p> <p>Any employee relations breakdown or trade union action or similar that has resulted in more than one day loss of production, such as strike, picketing, refusal to work, blockading of facilities etc</p> <p>OR</p> <p>Large number of Senior Managers and/or experienced, long-time employees resign from the company</p> <p>OR</p> <p>Any lawsuit relating to employees or management of labour</p> <p>Compliance Breach</p> <p>Multiple and/or repeated regulatory breaches, resulting in increased oversight by the regulator or other authority</p> <p>OR</p> <p>Regulatory breach that resulted in loss of license and/or fine</p>
<p>Property Damage</p> <ul style="list-style-type: none"> - physical damage or loss of use of assets (plant or equipment or facility) through wilful destruction, an act of negligence (fire, explosion) or act of nature (flooding, earthquake, typhoon, etc) 	<p>Incidents that result in damage or loss of plant, equipment or facility that results in shutdown of operations (full or partial) for longer than two weeks</p>
<p>Security</p> <ul style="list-style-type: none"> - Assets - People - Information - Product 	<p>Assets</p> <p>Incidents involving activism, theft of company property (total loss of more than \$50,000), unauthorised entry to facilities (burglary, robbery or other) and sabotage</p> <p>People</p> <p>Incidents involving threats by phone or directly, kidnapping, intimidation, blackmail/extortion and travel security (incident involving loss of life or hijacking or kidnapping)</p> <p>Information</p> <p>Incidents involving website hack, unauthorised access into the network system, unauthorised access and changes to company information</p>

	<p>(electronic or other), theft/ loss of employee data (actual or potential), ransomware and malware, theft or loss of company information (including customer/ client information) and electronic sabotage</p> <p>Product Incidents involving counterfeit product, loss of packaging with company logo/ brand, illicit trade of company products ('black market') or product misuse</p>
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Appendix O Gender-Based Violence and Sexual Exploitation, Abuse and Harassment Approach

NDF recognizes that Gender-Based Violence (GBV) and Sexual Exploitation, Abuse and Harassment (SEAH) are still prevalent issues in the geographies it targets to invest. Southeast Asia is identified as a major hub for human trafficking where women and girls are usually trafficked for sexual exploitation and forced labor. This document, therefore, describes NDF's approach in addressing and mitigating GBV and SEAH risks. Portfolio companies and/or projects are expected to adhere to the provisions set forth in this document and the NDF Environmental and Social Management System (ESMS).

NDF will incorporate budgetary requirements to implement the measures included in this document and/or will be finalized per investment on a case-by-case basis.

Identification and Risk Assessment

GBV and SEAH risks shall be included in the Environmental and Social Due Diligence (ESDD). The due diligence shall review the potential for these risks and will include reviewing the potential portfolio company's and/or project's existing policies and procedures that addresses these issues.

As part of the ESAP, portfolio company and/or projects shall develop policies and procedures to address and mitigate the risks associated with GBV and SEAH if these have not yet been developed.

The Portfolio company and/or project shall also review the supply chain for potential human rights issues, including GBV and SEAH issues (refer to *ESGMS-NDF-POL-004 NDF Responsible Supply Chain Policy (Labor)*). The stakeholder engagement process shall also consult relevant stakeholders such as local NGOs or survivor networks, especially when GBV and SEAH issues have been identified from past activities.

Portfolio companies and/or projects shall include GBV and SEAH risks during the conduct of E&S risk assessments. Mitigating measures shall be proposed for identified risks especially for those with higher probabilities of occurrence. Mitigating and preventive measures may include the following (but are not limited to):

- Develop policies and procedures on GBV and SEAH, including its supply chain
- Appoint a top-tier focal point or well-trained committee
- Involve workers' organizations, cooperatives or trade unions in developing policies and procedures
- Regular reporting on GBV and SEAH through workplace meetings
- Establish code of conduct and enhance the Employee Handbook
- Communication of company codes of conduct, and policies and procedures
- Ensure that workers in remote locations have access to the Grievance Redress Mechanism
- Include GBV and SEAH training during the onboarding process of new workers
- Conduct regular gender-sensitive safety audits to identify potential areas where workers feel unsafe
- Minimize isolated spaces in the workplace
- Review safety in design of living accommodations, and washroom facilities

Reporting and Response

Portfolio companies and/or projects shall develop a Grievance Redress Mechanism that incorporates the reporting of GBV and SEAH incidents. The mechanism will allow for anonymous reporting and handling of confidential and sensitive information. Recipients of such incidents shall be limited and confidentiality will be exercised. Refer to *ESGMS-NDF-POL-008 NDF Grievance Mechanism Policy*.

The survivor-centered approach will be taken into consideration when handling investigations of these reported incidents. A separate investigation committee will be developed depending on the nature of the case. The survivor's consent will always be taken when proceeding with the outcome of the investigation.

Support systems for survivors shall be provided. This may include shelters, counseling services, or legal assistance. Depending on the location and geographic location of the portfolio company and/or project, NDF can provide recommendations for appropriate support services. Moreover, the stakeholder engagement process would have identified the appropriate NGOs or community-based partners for these specific cases. Contacts within similar industry networks will also be leveraged.

Monitoring and Evaluation

The portfolio company shall periodically monitor the GBV and SEAH risks in its risk assessment and update these documents regularly or as required. The portfolio company shall also monitor corrective and preventive measures from past incidents to prevent recurrence of such cases.

NDF shall conduct periodic reviews of its portfolio companies and/or projects to identify high-risk geographies and activities. NDF will monitor:

- GBV and SEAH incidents
- Training and capacity building activities related to GBV and SEAH
- Implementation of mitigating and preventive measures identified in the ESAP or risk assessment
- Closure of ESAP items related to GBV and SEAH

NDF will report serious cases of GBV and SEAH and other serious ESG incidents to its LPs in accordance with *ESGMS-NDF-PRO-001 NDF Serious ESG Incident Reporting Procedure*.

Training

NDF shall conduct GBV and SEAH-related training to its employees including investment team members sourcing out investments in the specified geographies. Training sessions may also be extended to its portfolio companies for them to understand the special requirements in handling GBV and SEAH incidents, especially the survivor-centered approach. NDF will communicate with different NGOs, investors and working groups for the availability of specialized trainings on this topic.

Appendix P Stakeholder Engagement Framework

1. Introduction to the document

This Stakeholder Engagement Plan and Summary of Consultations has been developed to support the design of the proposed Green Climate Fund (GCF) project 'Navis Decarbonisation Fund I (NDF)' through the GCF Project Specific Assessment Approach (PSAA), as developed by Navis Capital (the GCF PSAA entity).

Stakeholder engagement is key for the successful implementation of NDF's activities and achieving the outcome of paradigm shift envisaged by NDF, which can be ensured through a wide, inclusive consultative process with engaging all relevant stakeholders and sectors. This approach complements the roles of internal NDF's stakeholders and promotes synergy in work.

The objective of this Stakeholder Engagement Plan is to map out key internal and external stakeholders of NDF, provide a summary of consultations during the preparation of NDF, develop a Stakeholder Engagement Plan identifying key activities pre- and post-GCF approval, as well as to outline the monitoring and evaluation (M&E) approach for stakeholder engagement.

2. Background: Navis Decarbonisation Fund I

The Navis Decarbonisation Fund aims to accelerate decarbonisation in Cambodia, Indonesia, Malaysia, Thailand, Philippines and Vietnam, countries with significant GHG emissions and climate vulnerabilities. The Fund will deploy US\$ 300m into climate adaptation and mitigation investments in the form of hybrid capital instruments to SMEs from sources previously not available to those countries. The investment strategy aligns with all the target countries' NDCs and NAPs, providing local authorities with new tools and partners to combat the impact of climate change and to enhance their decarbonisation efforts. The target countries were selected based on the social and environmental challenges faced by local populations as a result of climate change and the increasing need for low-emission solutions, coupled with the business opportunity and Navis' local presence within these Southeast Asian countries. The Fund is expected to reduce GHG emissions by Total lifetime estimated GHG emission reductions are assessed at around 7,328,866 t CO₂eq and have 1,307,995 direct and indirect beneficiaries in the target countries.

The Fund targets the following four investment categories:

- Energy access and power generation
- Infrastructure and built environment
- Low emission transportation
- Sustainable agriculture and water

The goal statement of the NDF programme is:

IF NDF mobilises USD 300m funding for deployment into decarbonisation technologies within SMEs and strengthens local capacity to finance high-impact climate investments

THEN GHG emissions will be reduced, and climate resilience will be improved across key NDC sectors that are replicated at scale

BECAUSE the commercial viability of private capital is demonstrated; rapid, market-driven decarbonisation and resilient solutions are adopted; and the knowledge and skills to support the climate transition is strengthened.

3. Approach to the stakeholder engagement

3.1 Background and rationale

Stakeholder engagement is critical for the Navis Decarbonisation Fund I (NDF) to align with GCF policies, ensure project efficacy, and uphold principles like transparency, inclusion, and country ownership.

On a Programme level, designing NDF with host country climate needs in mind is critical, while the resulting investment areas must match the Fund's risk/reward profile as well as align with the interest of potential investors. Therefore, NDF has been engaging with potential investors such as development financial institutions, commercial investors, philanthropies, and GCF itself, to design the Fund's strategy.

On a Country level, country ownership-related engagement is critical. The Fund adheres to GCF's No-Objection Procedure, requiring engagement with National Designated Authorities (NDAs) to secure host-country approval for projects. This ensures alignment with national climate priorities and regulatory frameworks. Beyond NDAs, the Fund will engage with ministries, local associations and NGOs amongst others, to ensure that post-investment key stakeholders are included.

On an investment-by-investment level, NDF identifies project-specific stakeholders, such the owners and employees of the portfolio company, local government units and community leaders, as well as civil organizations. In addition, a key element is identifying marginalized groups, and in accordance with Fund's and GCF's Indigenous Peoples Policy and Environmental and Social Policy, mandating stakeholder consultations to address concerns like land rights and community impacts. The Fund's grievance mechanism allows stakeholders to report issues, fostering adaptive project design. This aligns with GCF's emphasis on integrating community insights to enhance resilience and relevance. Navis also leverages its regional presence across Southeast Asia to collaborate with local stakeholders, ensuring projects address specific decarbonisation challenges (e.g., energy access, sustainable agriculture).

3.2 Stakeholder mapping and prioritisation

NDF utilizes a structured stakeholder identification and prioritization process aligned with GCF policies and international standards like the IFC Performance Standards, emphasizing relevance, influence, and vulnerability as key criteria. Key stakeholders are identified in section 4. – Stakeholder mapping, split into Programme / regional stakeholders (NDF internal, investors, non-investor DFIs, regional initiatives), National -level (NDAs, Ministries, agencies, associations) and Investment-specific (portfolio companies, marginalized groups, local governments, NGOs). This approach enables a direct and measurable engagement with stakeholders.

Further information on stakeholder mapping can be found in Section 4.

3.3 Approach to engagement at different levels

On a Programme level, engagement with Navis internal stakeholders and potential investors has been actively progressing since 2024. These engagements focus on strategy design, investor appetite and country needs and help shape the Fund's structure and strategy. As a result of this engagement, the Fund is on track for H1 2026 first close.

On National level, NDAs have been engaged since Q4 2024, mainly to better understand the PSAA approval process and its requirements, local NDCs/NAPs and how NDF assists with achieving such targets. Engagement with NDAs have progressed significantly in 2025 with several in person and virtual meetings, however final NOL approval timelines may vary.

On an Investment-level, stakeholder engagement to date has focused on potential investment opportunities which form the pipeline. Engagement has been focusing on identifying and progressing potential transactions at first close of NDF. As transactions progress, engagement will be widened to include investment-specific stakeholders such as marginalized groups where relevant.

Further information on stakeholder engagement status can be found in Section 5.

3.4 Gaps and limitations

Identify any challenges or limitations encountered during the PPF consultations (e.g., uncertain project pipeline, low responsiveness) and explain how these will be addressed during project implementation.

Stakeholder engagement across Programme level has progressed well. The NDF design and alignment with NDCs/NAPs resonates with potential investors.

On a Country level, NDA engagement has progressed slower than expected. This is mainly due to three key reasons:

- Approval process complexities: NDF is a multi-country programme with several investment themes, as such several line ministries are involved in the approval process which will increase approval timelines
- Change in NDAs: in case of certain host countries, GCF NDA teams have changed, extending time required for review
- Slow responsiveness: for certain host countries, NDA responses have been slow which may be due to unfamiliarity with the PSAA process and/or clear allocation of GCF NDA responsibilities within the country

NDF is working together with GCF to address these gaps and limitations and ensure that the NDAs have all the information and support to review and facilitate the final issuance of NOLs.

4. Stakeholder mapping

4.1 Programme / regional stakeholders

Fund-level stakeholder engagement focuses on strategic NDF stakeholders, such as the general partner, who acts as the Executing Entity, GCF, the anchor investor, and other development financial institutions and philanthropies who are expected to be key first close investors. The engagement focuses on

understanding their investment objectives and mandates, and making sure that those objectives can be effectively achieved by NDF. In addition, the engagement focuses on understanding reporting requirements and ensuring that adequate resources are assigned to manage the requirements.

In case of regional non-investor stakeholders such as multilateral organizations, ASEAN initiatives or similar private equity funds, the focus of the engagement is to understand their long-term regional objectives in the context of addressing climate mitigation and adaptation, as well as understand if NDF can be integrated as part of a larger initiative to have an even larger impact.

Fund-level and regional stakeholders may include but are not limited to the ones described in the table below:

Stakeholder Group	Interests and influence relevant to NDF	Proposed role in the programme
Navis as fund manager	- Direct influence on investment strategy, execution and post-investment management	- Implement investment strategy, drive value creation and exits
	- Ability to drive impact reporting and value creation	- Manage stakeholders, ensure know-how transfers
NDF DFI investors	- Ability to impact investment strategy and ESG requirements	- Provide guidance on good case practices for reporting
	- Ability to drive knowledge transfer	- Facilitate knowledge sharing, benchmarking, and dissemination of results
NDF philanthropic investors	- Ability to drive impact reporting and knowledge transfer	- Provide technical assistance grants to investee companies
	- Influence through advocacy, monitoring, and local knowledge	- Provide feedback and recommendations for programme improvements
Multilateral organization (non-investors)	- Direct influence on ESG-related policies, impact on local regulations	- Provide guidance on good case practices for reporting
	- Knowledge of local vulnerabilities and priorities	- Enable adaptation of interventions to local context
ASEAN Initiatives (FAST-P, SSFA, ASEAN-CRN)	- Influence over regional climate strategies and NDC/NAP implementation	- Potential additional private capital to be mobilized through partnerships and access to new investment opportunities

		- Potential to drive regulatory changes necessary for NDF implementation
Regional associations (SVCA, GPCA, AVPN)	- Ability to catalyze knowledge sharing	- Potential to drive change through dissemination of case studies and independent reports
Other funds	- Potential co-investors	- Potential additional private capital to be mobilized through co-investments
	- Potential buyers at exit	- Potential buyers of NDF invested companies which would inject additional growth capital, helping to mobilize additional funding

4.2 National level stakeholders

Engagement with national level stakeholders is essential for ensuring that NDF has a network of partners within each country to understand the local NDCs and NAPs, identify, and if necessary, tweak the NDF investment strategy, as well as to build a pipeline of investment opportunities which can meet NDF's range of adaptation and mitigation criteria. In addition, stakeholder engagement with governments is key to keep them informed on the Fund deployment's progress and how its impacts are contributing towards NDCs/NAP. Furthermore, engagement with national level stakeholders is required to help build institutional capacity, increase awareness, and support NDF's long-term sustainability, replicability and potential scale-up.

National-level stakeholders may include but are not limited to the ones described in the table below:

Stakeholder Group	Interests and influence relevant to NDF	Proposed role in the programme
NDA	- Oversight of climate finance, policy alignment, and regulatory approval	- Provide formal No Objection Letters (NOLs) and ongoing policy guidance
	- Influence over national climate strategies and NDC/NAP implementation	- Facilitate regulatory approvals and alignment with national priorities
	- Gatekeepers for GCF funding and project endorsement	- Participate in periodic consultations and monitoring

Government Ministries and Agencies (e.g. energy, finance, environment, agriculture)	- Oversight of specific climate finance strategy and policies	- Consult with NDF on alignment to NDCs/NAP or potential changes in target shifts
	- Influence over NDC/NAP commitments and strategic focus areas	- Participate in periodic consultations and monitoring
Sectoral and Industry Associations (i.e. Chamber of Commerce)	- Influence over policies for specific sectors	- Participate in targeted consultations on appropriateness of NDF interventions
National and regional banks	- Potential third party financiers for investee companies	- Provide third party capital to investee companies
Civil Society and Technical Partners	- Ability to assist with investments (i.e. due diligence providers)	- Provide due diligence services
	- Ability to impact local investment specific areas	- Provide inputs for local impact related consultations (i.e. ESIA's)
Regulators (i.e. Monetary Authority of Singapore, Malaysia Securities Commission)	- Direct influence on financial, ESG and climate policies, impact on local regulations	- Provides legal / governance framework
National NGOs	- Interest in ensuring transparency, inclusion, and environmental integrity	- Provide inputs for local impact related consultations (i.e. ESIA's)
Academia	- Ability to assist with industry-specific impact assessment	- Provide independent assessment of NDF interventions from impact perspective

4.3 Investment level stakeholders

Project level stakeholders are identified for each specific investment during the pre-due diligence process. Depending on the investment, specific stakeholder assessments may be conducted (i.e. indigenous peoples where applicable), where the outcome of the assessment is part of the post-investment Environmental and Social Action Plan. The assessment and post-assessment engagement takes into account both risks (i.e. gender-based violence), as well as value creation opportunities (i.e. equal employment opportunity with living wages / no wage discrimination based on gender).

Based on the interest and influence of each stakeholder group identified, where applicable and appropriate, the stakeholder will be incorporated into the project’s own Stakeholder Engagement Plan, which will be also part of the ESAP.

Investment-level stakeholders may include but are not limited to the ones described in the table below:

Stakeholder Group	Interests and influence relevant to NDF	Proposed role in the programme
Shareholders and employees of target investee company	- Direct influence on growth strategy and daily management	- Day-to-day and strategy relationship with the Fund
	- Know-how of underlying climate solution	- Interest to be aligned through investment structure
Marginalized Groups (e.g., women, Indigenous Peoples, smallholder farmers, informal sector workers, coastal communities, as applicable to a specific investment)	- Highly vulnerable to climate impacts and often underserved by finance	- Participate in targeted consultations, gender and social inclusion assessments
	- Directly affected by project activities and outcomes	- Receive prioritized support and capacity-building
	- Limited influence but high relevance for equitable benefit-sharing	- Provide feedback through grievance and monitoring channels
Local Government Units and Community Leaders	Direct relevance to project implementation at the sub-national level	- Support local stakeholder mapping and community engagement
	- Influence on local acceptance, land use, and community engagement	- Assist with site access, local permitting, and grievance mechanisms
	- Knowledge of local vulnerabilities and priorities	- Enable adaptation of interventions to local context
International Supply Chain Actors	- Influence over decarbonisation standards and market access	- Serve as offtakers, technology partners, or co-investors

	- Interest in green procurement, traceability, and emissions reduction	- Collaborate on scaling low-carbon solutions
	- Potential to scale impact through value chains	- Set standards and provide market signals for portfolio companies
Civil Society Organizations and NGOs	- Interest in ensuring transparency, inclusion, and environmental integrity	- Act as implementation partners for community engagement and capacity-building
	- Influence through advocacy, monitoring, and local knowledge	- Monitor project impacts and support grievance redress
	- Ability to reach marginalized groups	- Provide feedback and recommendations for programme improvement

5. Summary of consultations (occurred during project preparation stage)

5.1 Programme level consultations

NDF has been engaging with Programme level stakeholders since 2024. This early engagement has been critical in understanding the climate context, the actual Host Country needs and the investor appetite. As of May 2025, NDF has held discussions with over 100 potential investors, with profiles ranging from development financial institutions, philanthropies, commercial investors and family offices. Through this engagement NDF is able to ensure a successful first and subsequent closes, targeting the US\$ 300 million fund size. Internally, the NDF team has been engaging closely with the Navis partnership, presenting fundraising progress and pipeline 2-3 times per year. Due to this engagement, the partnership has provided approval to NDF to utilize resources and allocated a budget necessary to achieve first close.

In terms of non-investor engagement, NDF has been closely involved with select organizations and initiatives, such as the Singapore Venture and Private Capital Association's (SVCA) ESG and Sustainability Committee where the co-lead of NDF is a member of the Committee, as well as Global Private Capital Association (GPCA) where Navis has been a member for over 10 years. The nature of these engagement ranges from market and investment opportunity discussions, ESG and impact measurements, case studies and portfolio company value creation strategies, all in preparation for the NDF launch. NDF leadership has also been in regular contact with funds pursuing a similar strategy, to understand potential co-investment and partnership opportunities.

Provide information on any stakeholder engagement events, meetings or exchanges, including date and time, participants, agenda and purpose, along with summary of the meeting minutes or key discussion points. List of participants, summary of meeting minutes or key discussion points can be added to appendix (if lengthy).

5.2 National level consultations

National level consultations have been ongoing since June 2024 when GCF was originally engaged in becoming a potential investor in NDF. Since then, several country-level NDA meetings virtually and in person have been completed, mainly to understand the review and approval process required to issue NOLs, as well as to understand NDA priorities in terms of alignment with NDCs, NAPs and general communication.

Other national level consultations were held with commercial banks and advisors, mainly to understand the need for financing across the Fund's target investment themes.

5.3 Project level consultations (in case relevant)

Project level consultations were held with the target companies as listed in the pipeline. These engagements have been around the investment opportunities, how they fit with the NDF strategy and what the funding requirements and impact results are.

6. Stakeholder Engagement Plan (SEP)

6.1 Programme level SEP

Stakeholder engagement during the fundraising period of NDF with potential investors is frequent, typically focuses around NDF investment strategy, alignment with potential investors investment strategy and objectives. Internal stakeholder engagement for NDF remains key, a general update to the partnership is provided regularly, with more in-depth information during annual meetings.

For non-investor stakeholders, NDF will seek to identify and join relevant associations / initiatives which can help knowledge sharing and engagement cross-industries.

Stakeholder	Engagement strategy	Frequency	Methods of engagement
Navis as fund manager	- Regular updates on investment activities and portfolio companies to the Investment Committee	- IC meeting every 2 weeks on transactions, at least quarterly update on portfolio company performance	- In person and virtual meetings
	- Regular updates on overall fund performance to Navis Partners	- At least twice a year	- In person meetings during Partners' Meetings
NDF DFI investors	- Pre-NDF investment fundraising process-related engagement with a focus on due diligence and strategic alignment	- As required	- Due diligence meetings, virtual data room, on site meetings, portfolio company visits

	- Regular updates on overall fund performance and portfolio company performance	- Quarterly and annual reporting	- Quarterly financial performance update by Navis Portfolio Management Team
		- AGM once a year, LPAC at least once a year	- Navis Annual General Meeting, LPAC in person / virtually
NDF philanthropic investors	- Pre-NDF investment fundraising process-related engagement with a focus on due diligence and strategic alignment	- As required	- Due diligence meetings, virtual data room, on site meetings, portfolio company visits
	- Regular updates on overall fund performance and portfolio company performance	- Quarterly and annual reporting	- Quarterly financial performance update by Navis Portfolio Management Team
		- AGM once a year, LPAC at least once a year	- Navis Annual General Meeting, LPAC in person / virtually
Multilateral organization (non-investors)	- Regular in person discussions on market trends	- 1-2 times per year per multilateral organization	- Provide guidance on good case practices for reporting
	- Knowledge sharing through case studies and event participations (i.e. Ecosperity)	- 1-2 times per year	- Enable adaptation of interventions to local context
ASEAN Initiatives (FAST-P, SSFA, ASEAN-CRN)	- Regular in person discussions on market trends	- 1-2 times per year	- In person and virtual meetings
	- Potential active membership in select organizations	- 1-2 times per year depending on organization joined	- In person and virtual meetings
Regional associations (SVCA, GPCA, AVPN)	- Potential active membership in select organizations	- 1-2 times per year depending on organization joined	- In person and virtual meetings

Other funds	- Regular in person discussions on market trends	- 1-2 times per year per fund	- In person and virtual meetings
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6.2 National level SEP

National level SEP focuses on understanding and incorporating Host Country NDCs and NAPs into NDF's investment strategy, as well as obtaining NOLs as required by GCF. Post-GCF investment engagement with NDAs and relevant ministries remains key, so that there is information around the deployment progress on the fund and how the underlying portfolio companies are contributing to achieving the target GHG emissions and beneficiaries. The Fund will continue to engage with local players such as advisors and banks about transactions or external funding requirements. In addition, the Fund will closely work with NGOs and academia on specific topics.

Stakeholder Group	Engagement strategy	Frequency	Methods of engagement
NDAs	- Pre-NDF investment: regular in person and virtual meetings, as well as email updates to facilitate NOL approval and NDC/NAP alignment	- As required	- Regular in person and virtual meetings as required
	- Post-NDF investment: regular in person and virtual meetings, as well as NDA-specific event organized by NDF	- At least twice a year per NDA	- In person and virtual meetings, as well as NDA-specific event organized by NDF
	- Regular update on deployment and reporting on key indicators of underlying portfolio companies	- At least once a year	- Annual Sustainability / Impact Report, case book participation if available
Government Ministries and Agencies (e.g. energy, finance, environment, agriculture)	- Pre-NDF investment: regular in person and virtual meetings, as well as email updates to facilitate NDC/NAP alignment	- As required	- In person and virtual meetings
	- Post-NDF investment: regular in person and virtual meetings, as well as NDA-specific event organized by NDF	- At least twice a year per Ministry / Agency	- In person and virtual meetings, as well as NDA-specific event organized by NDF

Sectoral and Industry Associations (i.e. Chamber of Commerce)	- Regular in person discussions on market trends	- At least once a year	- In person and virtual meetings, event participation
National and regional banks	- Regular in person discussions on project specific funding	- As required	- In person and virtual meetings
Civil Society and Technical Partners	- Regular in person discussions on project specific due diligence or advisory engagements	- At least once a year	- In person and virtual meetings
Regulators (i.e. Monetary Authority of Singapore, Malaysia Securities Commission)	- Annual engagement on trends and compliance to regulations / annual audit	- At least once a year	- In person and virtual meetings
National NGOs	- Regular in person discussions on market trends	- As required	- In person and virtual meetings
Academia	- Regular in person discussions on project specific due diligence or advisory engagements	- As required	- In person and virtual meetings

6.3 Investment-level SEP

Investment-level SEP focuses on pre-investment engagement with groups and communities directly impacted by the investment, such as Marginalized Groups or local authorities. Post-investment will also include a day to day or regular engagement with the specific portfolio company, generally through executive committee discussions and daily work meetings.

Stakeholder Group	Engagement strategy	Frequency	Methods of engagement
Shareholders and employees of target investee company	- Regular in person or virtual engagement with key decision makers through executive committee	- Weekly / monthly as required	- In person or virtual meeting
	- Annual internal audits	- Annual	- In person / on-site meeting

Marginalized Groups (e.g., women, Indigenous Peoples, smallholder farmers, informal sector workers, coastal communities, as applicable to a specific investment)	- Pre-investment: regular engagement through investment team / advisors	- Regular as required	- In person / on site meeting
	- Post-investment: regular engagement according to specific SEP	- Regular as required but at least annual	- In person or virtual meeting
Local Government Units and Community Leaders	- Regular in person or virtual meetings on specific topics	- Regular as required	- In person or virtual meeting
International Supply Chain Actors	- Regular in person or virtual meetings on specific topics	- Regular as required	- In person or virtual meeting
Civil Society Organizations and NGOs	- Regular in person or virtual meetings on specific topics	- Regular as required	- In person or virtual meeting

7. Monitoring and evaluation of SEP

The monitoring and evaluation (M&E) approach for stakeholder engagement in the Navis Decarbonisation Fund I (NDF) is structured to ensure transparency, alignment with GCF policies, and adaptive management. Below is the detailed framework.

Key indicators are identified under the SEPs across Programme, National and Investment-specific levels under section 6.

Means of Verification will include but are not limited to:

- Documentation: Meeting minutes, attendance logs, and consultation reports
- Surveys: Post-engagement stakeholder satisfaction surveys
- Audits: Independent reviews of grievance redress mechanisms and feedback implementation
- Reports: Annual Performance Reports (APRs) and Environmental and Social Action Plan (ESAP) updates

Assigned Responsibilities

- NDF Team: oversees M&E implementation, coordinates with NDAs, and compiles reports.

- NDAs/Focal Points: Validate alignment with national priorities and provide no-objection certifications
- External Consultants: Conduct independent evaluations and gap analyses

Required Resources

- Budget: allocated for stakeholder workshops, third-party audits, and training programs
- Tools: Digital platforms for grievance reporting and stakeholder feedback tracking
- Staff: Dedicated ESG team members and regional liaisons utilizing the Navis Operations Team

Monitoring and Evaluation Plan

Phases and Focus Areas

Phase	Focus Areas	Key Evaluation Questions
Preparatory	Baseline stakeholder mapping, capacity assessments, and SEP finalization	<ul style="list-style-type: none"> - Are all key stakeholders identified and prioritized? - Are Host Country NDCs fully integrated?
Mid-Term	Engagement effectiveness, grievance resolution, and compliance with GCF policies	<ul style="list-style-type: none"> - How well are stakeholders' concerns being addressed? - Is the SEP achieving its objectives?
Terminal	Impact on GHG reduction, beneficiary outcomes, and lessons learned	<ul style="list-style-type: none"> - Did stakeholder input improve project outcomes? - What replication/scaling opportunities exist?

Integration with Broader Framework

The M&E process aligns with the Integrated Results Management Framework and NDF's Environmental and Social Policy requirements. Regular updates to the ESG Committee ensure adherence to the Navis ESMS Manual, which mandates annual reviews of ESMS effectiveness. This approach ensures stakeholder engagement directly contributes to NDF's paradigm-shift goals while maintaining accountability to GCF standards.

Appendix Q NDF Grievance Mechanism Policy



**NAVIS DECARBONIZATION FUND
GRIEVANCE MECHANISM
June 2025**

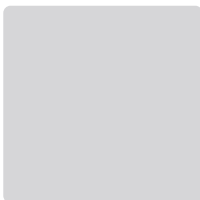
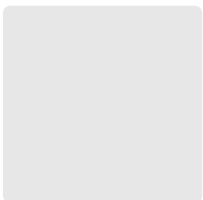


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Document ID:		ESGMS-NDF-POL-008 Navis Decarbonization Fund Grievance Mechanism			
Revision Number	Author	Document Status/ Change	Reviewer	Approver	Effective Date
00	P Gonzales	New Procedure	B Szegedi	M Octoman	12 Jun 2025

1. Introduction

Navis is committed to the practice of responsible investing and strongly believes that it is a key enabler to improving a company's performance by driving sustainable growth, improving operating efficiencies, and managing risks.

Operating with a Responsible Investment Policy and an Environmental and Social Management System (ESMS), Navis' business activities are guided by these policies and systems to ensure consistent and comprehensive integration of Environmental and Social (E&S) considerations throughout the investment process.

Navis welcomes feedback from our stakeholders as it enables us to bring a resolution to disputes, enhances the trust and confidence of our stakeholders, and identifies areas that need to be improved for current and future operations.

This policy is designed to ensure that complaints from those negatively affected by projects or programmes funded by the Green Climate Fund (GCF) such as the Navis Decarbonization Fund (NDF) have a safe avenue for reporting their grievances without fear of retaliation and that these complaints are acted upon in a timely manner. This includes internal grievances from workers or from external stakeholders including members of the community and/or indigenous peoples.

This policy outlines the Fund's requirements from portfolio companies in setting up their own grievance mechanism. The Fund's own grievance mechanism including links to GCF's Independent Redress Mechanism (IRM) is outlined in the NDF Environmental and Social Management System (ESMS) Manual.

2. Scope

This policy applies to investments in Navis' Decarbonization Fund (NDF), including acquisitions proposed by any of the portfolio companies.

3. Abbreviations and Definitions

Grievance Mechanism – a mechanism to receive and facilitate resolution of indigenous peoples' concerns and grievances.

Indigenous Peoples (IP) – there is no internationally accepted definition of indigenous peoples, and it is an evolving term. Various terms such as indigenous ethnic minorities, minority nationalities, first nations or tribal groups may also be used to identify indigenous peoples. It refers to a distinct social and cultural group possessing the following characteristics in varying degrees:

- Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- Customary cultural, economic, social, or political institutions that are separate from those of the mainstream society or culture; or
- A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.

4. Roles and Responsibilities

The roles and responsibilities are as follows:

Role	Responsibility
Navis	<ul style="list-style-type: none">• Communicate the Grievance Mechanism Policy and its requirements to the portfolio companies

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Role	Responsibility
	<ul style="list-style-type: none"> Maintain copies of relevant and required documentation within the Navis Drive for reference and data control Respond to relevant information and queries from the portfolio company Monitor and report on grievance trends to GCF
Portfolio Company	<ul style="list-style-type: none"> Understand and comply with this policy Receive and resolve grievances in a confidential and timely manner Conduct fair investigation to identify root causes of grievances Organize formal meetings to concerned parties Monitor and report on grievance trends to Navis
Affected stakeholder / Complainant	<ul style="list-style-type: none"> Raise grievances using the appropriate and available channels Participate in organized discussions to resolve grievances (unless anonymous)
Third-party platform providers	<ul style="list-style-type: none"> Maintain the online platform and/or hotline for receiving complaints Maintain confidentiality and anonymity of complainant, if requested
GCF and other stakeholders	<ul style="list-style-type: none"> Review implementation of the Grievance Mechanism Policy

5. Policy Requirements

All portfolio companies and projects under NDF are required to establish a formal procedure or process for dealing with grievances from internal stakeholders (e.g. workers) and external stakeholders (e.g. communities, indigenous peoples, etc.).

The grievance mechanism shall be guided by the following principles:

- The grievance process will protect the confidentiality of the complainant;
- The portfolio company will commit to resolving the grievance in a manner that is acceptable to the stakeholder affected;
- The portfolio company will commit to resolving the grievance in a fair and proper manner;
- The process will allow for representation where a grievance involves a group of employees or a community;
- Feedback will be provided to those involved;
- The process will prohibit retribution for filing complaints; and
- the process shall be aligned to local labour or indigenous peoples regulations.

This grievance mechanism shall include as a minimum:

- Assigning a responsible person, team or function to organize the resolution of the grievances,
- Defined timeframes for acknowledgement of receipt and resolution of grievances,
- Practical arrangements for maintaining confidentiality, reviewing and resolving grievances, including resources and organizational arrangements,
- Information on the grievance mechanism that is easily accessible.

5.1. Grievance Administration

All grievances shall be registered and logged regardless of the way in which they were received (e.g. verbally or in writing). The complainant shall receive an acknowledgment of receipt within a prescribed and reasonable timeframe unless it was raised anonymously. Filing the grievance shall not entail any expenses to the complainant. The portfolio company shall allow for flexibility and shall ensure that grievances are not dismissed on grounds of formality and/or procedure.

A resolution proposal shall be provided to the complainant within the allowed reasonable timeframe.

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A simple database may be used to manage and monitor grievances. The following information will be tracked unless the complainant chooses to be anonymous:

- Name and contact details of the complainant (optional if anonymous)
- The date and nature of the complaint
- Follow up actions taken
- Proposed resolution of the complaint
- How and when the relevant decisions were communicated to the complainant

The following indicative timeframe can be used as a guideline:

- Written acknowledgement of receipt of the grievance: within 7 days of receiving the grievance
- Proposed resolution: within 30 days of receiving the procedure

Grievances shall be reviewed as soon as they are received, and prioritized for resolution especially those that may require immediate attention.

Figure 1 provides a typical grievance management flow chart.

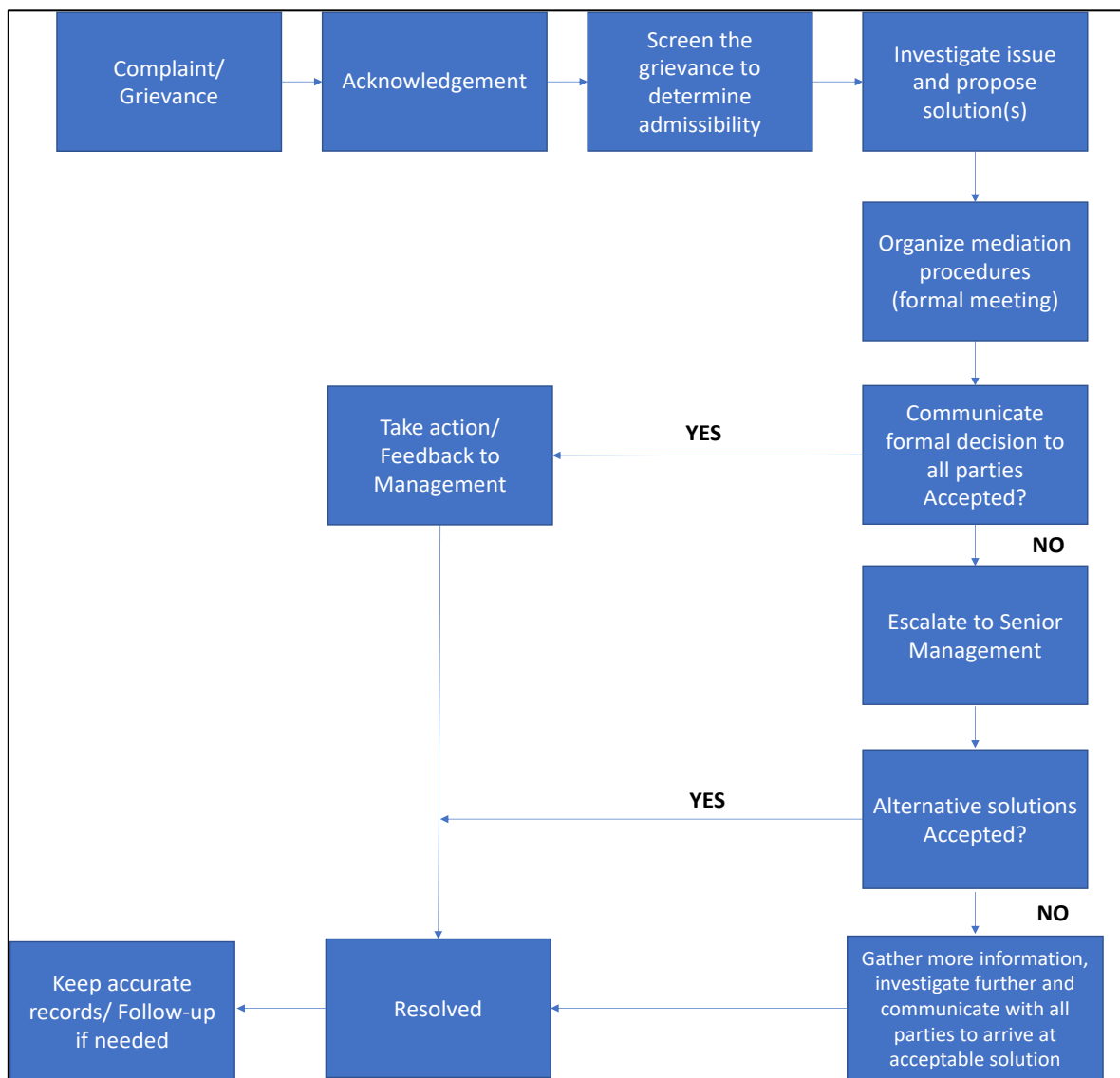


Figure 1. Typical Grievance Management Flow Chart

Navis Decarbonization Fund Grievance Mechanism Policy	Document ID:	ESGMS-NDF-POL-008
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5.2. Monitoring and Reporting

Portfolio companies shall include the following indicators in respect of internal and external grievances received:

- Number of grievances
 - opened in the period
 - resolved in the period
- Trends against previous reporting periods
- Category of grievances (e.g. noise, compensation, safety, etc.)

The portfolio company shall keep track of the profile of the complainants (if known) to determine if a certain group is most affected by potential negative impacts. However, if the complainant wishes to remain anonymous, the portfolio company shall respect their wishes and gather only the necessary information.

5.3. Avenues for Reporting Grievances

The portfolio company shall make reporting convenient and accessible. Reporting avenues may include:

- Company website
- Directly at portfolio company offices and/or directly to human resources or supervisors (for internal grievances)
- Telephone hotline

Appendix B provides a generic grievance form template and **Appendix C** provides a generic grievance register template. The portfolio company can use both templates in setting up their own system.

Navis has worked with different third-party platform providers that aid in setting up confidential grievance portals. These can be online portals or dedicated hotline numbers that can support different local languages. Navis portfolio companies will have access to these options.

6. Information Dissemination for Community Grievances

The portfolio company shall provide leaflets, specific mentions on websites, posters in administrative offices, strategic locations, etc. in order to communicate the availability of the grievance mechanism. For internal grievances, the portfolio company shall make the employees aware during onboarding, town hall sessions, and other means of company communications. For external grievances, the method used to publicise the availability of the grievance mechanism shall be culturally appropriate and in accordance with the stakeholder engagement plan or other means of consultation. Women and men may access information differently and account shall be taken to of this to ensure both have equal access to information in an appropriate form. General literacy of affected communities shall be taken into consideration when designing and implementing the system.

7. Review

The policy will be reviewed regularly, and at any event at least annually. Any changes required will be made and implemented.

8. References

[GCF Indigenous Peoples Policy](#)

[GCF Operational Guidelines: Indigenous Peoples Policy](#)

[IFC Performance Standards \(2012\)](#)

NDF Responsible Investment Policy

NDF Environmental and Social Management System

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Appendix A: Grievance Form Template

Grievant Information	
Date and Time of Grievance Submission	
Submission Channel (i.e., how was the grievance received)	
Complainant Name(s)	
Complainant Contact Number	
Complainant Address	
Anonymous?	<i>Yes / No</i>
Stakeholder Category	Internal / External
Stakeholder Group	Employee / Site Manager / Customer / Local Community / Government / Regulator / NGO / Civil Society Groups / Other
Stakeholder Name	

Statement of Grievance	
Date, Time and Place of Event/Issue	
Description of the Complaint	

Resolution / Actions recommended	
---	--

Received by	
Name	
Position / Department	
Date	

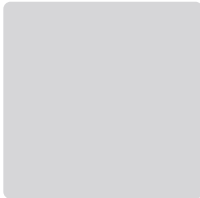
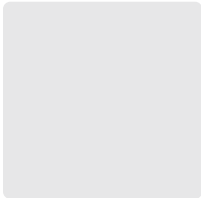
Administrative Information	
Reference Number	
Nature of Grievance	<i>Environmental (e.g., pollution, biodiversity concern) / Social (e.g. noise or other disturbance, damage to property, compensation requested, traffic congestion) / Health and safety (e.g. unsafe work practices, EMF) / Labour and working conditions</i>
Grievance Reported to	<i>Name and Position / Department</i>
Grievance Assigned to	<i>Name and Position / Department</i>
Feedback to Grievant?	<i>Description of feedback including date of feedback given</i>

Appendix R NDF Climate Risk and Opportunities Policy



**NAVIS DECARBONIZATION FUND
CLIMATE RISKS AND OPPORTUNITIES POLICY**

May 2025



1. Introduction

Navis understands that climate-related risks and opportunities are a key enabler to improving a company's financial and operational performance as they will be able to prepare for material current and anticipated risks while capitalizing on climate-related opportunities.

To that effect, we have developed a Climate Risks and Opportunities Policy ("Policy") for Navis Private Equity Funds ("NAF") to ensure a comprehensive understanding of the relevant physical and transition risks and opportunities of the potential investments starting from the pre-investment phase. This framework will enhance the systematic assessment of climate risk and leverage the opportunities of existing and future investments.

The Policy is integrated into NAF's Environmental and Social Management System (ESMS) to ensure consistent and comprehensive integration, and to guide internal processes. Navis will conduct a review of the Policy periodically, but at least annually, and update as appropriate.

2. Scope

This Policy will apply to all private equity investments considered by the Investment Committee (IC).

3. Roles and Responsibilities

The IC is responsible for ensuring the effective implementation and operation arrangements of the Policy, including communicating the Policy to all Navis employees. The IC will also oversee the management of climate risk and opportunities in a structured manner. The investment professionals are responsible for adopting the suggestions made by the ESG team pre- and post-investment. The in-house ESG team is responsible for driving and monitoring the implementation of the Policy, its upkeep throughout the investment period, and providing guidance and support to the investment professionals and portfolio companies, in collaboration with the Legal team.

This information would assist the ESG team to determine the initial key climate-related risk and opportunities it might face using the

4. Navis Approach to the Policy's Integration in the Investment Process

4.1. Pre-Investment

After a potential Target has been checked against the Navis Responsible Investment's Exclusion List and has been categorized using the Navis ESG Screening and Categorization Policy, the ESG team will collect pertinent information including – but not limited to – exact location of the underlying assets and information about its exposure and sensitivity to climate effects using the 'Climate Screening Form'. The ESG team, utilizing the Climate Screening Form and other information collected, will leverage the SASB Climate Risk Framework to determine the material Climate Risk Categories. This information will be presented in a climate heat map ("Navis Climate Heat Map") (see Appendix A for reference). The ESG team will also complete an initial qualitative scoring of exposure or risk with the use of an Impact Matrix (see Appendix B for reference). The ESG team will also use the SASB tool to identify the industry-specific metrics that the potential Target is recommended to disclose. Furthermore, the ESG Team, based on Navis' Guidelines for Climate Finance, Social Impact and ESG KPIs ("Guidelines"), shall determine whether the contemplated financing would qualify as climate finance, social impact or a combination thereof, as well as what additional ESG KPIs may be required to provide a reduced cost of financing.

The pre-due diligence information will be part of the IC materials under the summary of the ESG risks and opportunities at Deal Alert stage.

During ESG due diligence, the Navis ESG team or external ESG consultants as appropriate will provide a summary for the Target's risk and opportunities with description of each of the time horizons (short, medium, and long term), identification of the value chain stages being affected, and the magnitude and likelihood of their potential impacts, with a particular focus on the key risks being flagged out.

The time horizons are to be defined after considering the industry the Target's investment is in, and the associated business and investment cycles. The value chains stages being affected will be determined using the SASB Climate Tool, as well as Navis' proprietary evaluation of how material the risks identified are applicable to the potential investment.

If the identified climate related risks and opportunities are deemed to be significant (see Appendix B for reference) by the ESG team, additional quantitative assessment in the form of scenario modelling will be completed by an external advisor. A scenario analysis shall be carried out using a reasonable variety of future outcomes, both favourable and unfavourable. Aligned with the Paris Agreement in 2015 and TCFD recommendations, there would be at least a 2°C or lower scenario and a scenario related to the Nationally Determined Contributions (NDCs)¹. Additional scenarios would be those relevant to circumstances or scenarios as agreed with the external advisor. The outcome of the scenario modelling will be to understand the overall value at risk (see Appendix C for reference) and the potential costs to mitigate them. The climate related findings shall be presented to the IC as part of the ESG due diligence report.

Outcome/Impact: Completed climate screening form which will include a climate risk heatmap, detailed climate risk and opportunities assessment. If appropriate, value at risk determination using scenario modelling will be completed. The identified climate risk mitigation strategies and opportunities will be added to an Environmental and Social Action Plan ("ESAP"), where each action plan will be assigned a specific priority.

4.2. Investment

To manage the climate risk and opportunities for value creation in our portfolio companies post-investment, Navis will endeavor to undertake the following:

Monitor, Engage, and Support:

- Implementation of ESAP
- Climate risks identified during due diligence will be integrated into the enterprise management risk framework
- Conduct an annual review of all portfolio companies and develop the Navis Climate Heat Map. The Navis Climate Heat Map shall be updated on an annual basis
- Identify high climate-risk and/or high climate opportunities portfolio companies based on the Navis Climate Heat Map
- For portfolio companies who are rated as high risk (see Appendix B for reference), Navis ESG team shall conduct a detailed qualitative analysis taking into account TCFD or ISSB recommendations for time horizon and risk metrics
- If a portfolio company's climate-related risk impact is identified as material and likely, scenario modelling shall be completed to assess the value at risk based on a 2°C or lower scenario and a scenario related to the NDCs. Additional scenarios would be those relevant to circumstances or scenarios as agreed with the external advisor
- A stress test on the materiality of climate-related risks that the investment is exposed will be conducted by the Navis ESG team at their discretion
- In partnership with the portfolio companies, where climate opportunities are material, develop and monitor value creation initiatives based on climate opportunities for each portfolio company
- Review climate-related performances, and relevant updates (ie changes in the regulatory environment) at the Executive Committee meetings including implementation of climate action plans
- Navis ESG team will monitor the climate action plans and report on the status to IC regularly but at least annually
-

¹ NDCs are climate contributions that each country voluntarily pledges. The countries will then pursue domestic mitigation measures with the aim of achieving their NDCs. The NDCs are to be submitted to the UNFCCC every 5 years. These NDCs will determine whether the world achieves the long-term goals of the Paris Agreement.

Communicate:

- The climate-related risks and opportunities will be clearly communicated to the relevant stakeholders.
- Portfolio companies will be added into the Navis Climate Heat Map and risk register, with the Navis Climate Heat Map being available on the Navis website.

Output/Impact: Compliance with Navis Climate Risk Policies and Standards and appropriate oversight of the portfolio company's climate risk and opportunities. The Navis Climate Heat Map will show the material climate risk to each portfolio company for users and demonstrate Navis' efforts and progress of our ESG journey. ESAP implementation.

5. SASB Tool walk through

The SASB Materiality Map will be used to identify the issues that are likely to affect the financial condition or operating performance of the Target. The SASB Climate Risk Framework will pinpoint the relevant disclosure topics and highlight the climate risks that are applicable to the disclosure topics. The ESG team will then determine which risks are applicable and likely.

6. Scenario analysis walk through (As applicable)

6.1. Overview of scenario analysis

Scenario analysis is a process for identifying and assessing the potential implications of a range of plausible states under conditions of uncertainty. Scenarios allow an organization to explore and develop an understanding of how various combinations of climate-related risks may affect its business, strategies, and financial performance over time.

6.2. Steps to create a scenario analysis

External ESG advisors will endeavor to conduct the scenario analysis with oversight from Navis ESG team. The steps to create the scenario analysis include:

1. Identify which internal and external stakeholders to involve and how.
2. Assess the materiality of current and anticipated organizational exposures to climate-related risks and opportunities. For Targets with a more significant exposure to climate risk, a quantitative scenario analysis with respect to key drivers and trends that affect the Target should be conducted.
3. Determine what scenarios are likely given the current exposures and efforts. Input parameters, assumptions, analytical choices, and reference scenarios are to be considered.
4. Evaluate the potential effects on the organization's strategic and financial position under each of the defined scenarios.
5. Use the results to identify applicable, realistic decisions to manage the identified risks and opportunities.
6. Document the process and communicate the scenario analysis to relevant parties

The scenario analysis may include:

- The scenarios that were used for the assessment and the sources of the scenarios used
- An explanation of why said scenarios were chosen and assess the Target investment's resilience to climate-related risk and opportunities
- The time horizons used in the analysis
- The inputs parameters, assumptions, analytical choices, and reference scenarios used must be clearly stated and explained

7. Training

Navis will provide information and conduct training as and when required to ensure that Navis employees understand the impact that climate-related risks and opportunities have on the Targets. Navis ESG team will undertake relevant training or professional development to ensure that skills and competencies are maintained or enhanced.

Navis will provide information and conduct training to the portfolio companies as and when required to ensure that portfolio companies are aware of and understand the importance of climate-related risks and opportunities and the Policy.

A training needs analysis and plan will be established for all Navis employees and portfolio companies and revised periodically.

8. Management and Organization

Navis expects that portfolio company management teams and Executive Committees of portfolio companies actively monitor the climate-related performance of their companies. The ultimate responsibility for ensuring that the Policy is being implemented and followed resides with each portfolio company’s Executive Committee. The ESG team will present relevant updates (if any) to the IC.

9. Policy Review

The review of this Policy will be conducted regularly, and in any event at least annually. Any changes made will be communicated.

10. References

ACCA and University of Glasgow, Companies’ Readiness to Adopt IFRS S2 Climate-related Disclosures

<file:///C:/Users/jtan/Downloads/PI%20ISSB%20CLIMATE%20DISCLOSURE.pdf>

SASB Standards (2022), Climate Risk Technical Bulletin

<Climate-Risk-Technical-Bulletin2022-050222.pdf> (sasb.org)

ERM (2022), A Better Blueprint for Corporate Climate Scenario Analysis

<A Better Blueprint for Corporate Climate Scenario Analysis> (sustainability.com)

TCFD Hub

<The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities – TCFD Knowledge Hub> (tcfithub.org), E04 – Section D – Scenario Analysis.pdf (tcfithub.org)

ISSB S1 and S2

<https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/ifrs-s1-general-requirements/>

<https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/ifrs-s2-climate-related-disclosures/>

11. Document Change Control

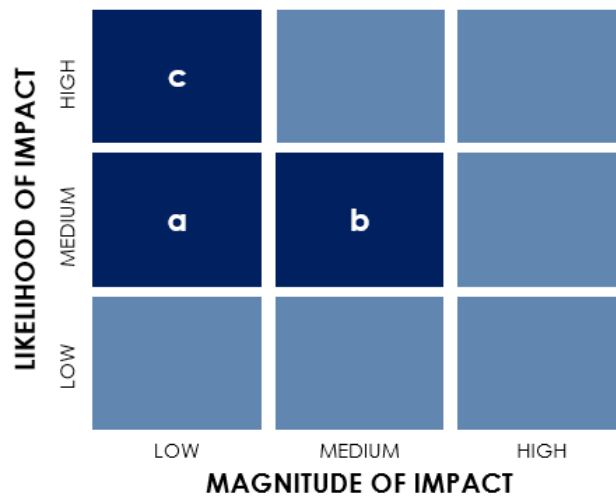
Document ID:		ESGMS-NDF-POL-005			
Revision Number	Author	Document Status/ Change	Reviewer	Approver	Effective Date
00	B Szegedi	New Procedure	M Octoman	M Octoman	01 May 2025

Appendix A – Target Climate Heat Map and Navis Climate Heat Map

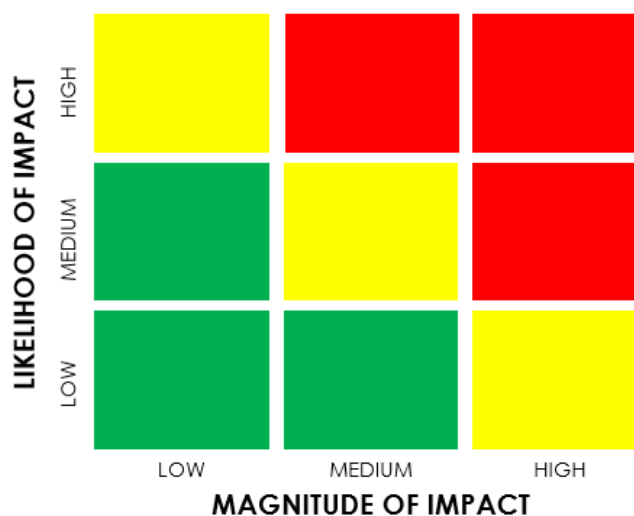
	Risk/Opportunity Type	Description	Time Horizon (term)			Magnitude of Impact			Likelihood of Impact			
			Short	Medium	Long	Low	Medium	High	Low	Medium	High	
Risks	Transition Risk	Policy and Legal Risk										
		Technology Risk										
		Market Risk										
		Reputation Risk										
	Physical Risk	Acute Risk										
		Chronic Risk										
Opportunity		Technology										
		Resource Efficiency										
		Energy Source										
		Products and Service										
		Markets										
		Resilience										

		Company A	Company B	Company C	Company D
Transition Risk	Policy and Legal Risk				
	Technology Risk				
	Market Risk				
	Reputation Risk				
Physical Risk	Acute Risk				
	Chronic Risk				
Opportunity	Resource Efficiency				
	Energy Source				
	Products and Service				
	Markets				
	Resilience				

Appendix B – Impact Scoring Matrix



- a) Policy and Legal Risk – Regulatory Changes
 - Recommendations made by regulatory authorities generally have a higher likelihood of being implemented within the country, however as it usually comes with a phased and tiered implementation timeline, a likelihood of medium was assigned for this risk.
 - As the Target investment has already made significant progress in incorporating the required regulatory changes, a magnitude of low was assigned.
- b) Acute Physical Risk – River and Flash Floods
 - Given that the facility is located by the coast, with there being a history of there being floods in the region albeit not often, a likelihood of medium was assigned for this risk.
 - The impacts of a flood would be devastating, however given the construction of the floodwall, a magnitude of medium was assigned.
- c) Climate Opportunity – Energy Source
 - Given that the country has released its plans to increase the use of renewable energy within the country to 70% by 2025, a likelihood of high was assigned.
 - Given that the Target does not use a large amount of electricity in its day to day operations, a magnitude of low was assigned.



The risks identified in the red region will be deemed as high/significant, yellow as medium, and green as low.

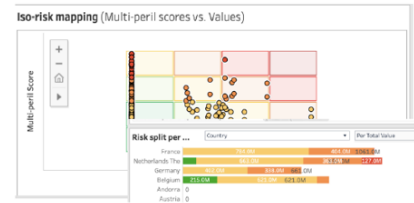
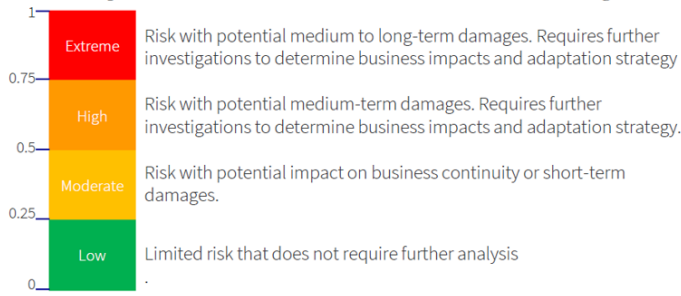
Risk Categorisation, Calculation & Financial ‘Value at Risk’

Multi-peril risk score calculation

Score calculated based only on an asset **exposition** to perils (relatively to the portfolio studied) and on the vulnerability depending on the type of building and industry.

$$\text{Hazard} \times \text{Exposure} \times \text{Vulnerability} = \frac{\text{Normalisation}}{\text{Risk Score}} = \text{Multi-peril Score}$$

The multi-peril risk score calculated for each site has different categories



Iso-risk score calculation

Iso Risk is absolute risk scoring of an asset multiplied by its financial exposure. This indicator allows to include the financial value of to their level of risk. The number obtained is then normalized between 0 and 1.

$$\text{Multi-peril Score} \times \text{Financial Value} = \text{Iso-Risk}$$

Appendix S NDF Responsible Supply Chain Policy (Labor)



**NAVIS DECARBONIZATION FUND
RESPONSIBLE SUPPLY CHAIN POLICY (LABOR)
May 2025**

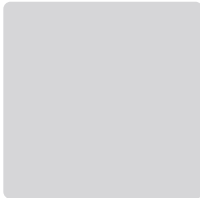
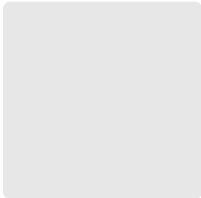


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1. Introduction

Navis is committed to the practice of responsible investing and strongly believes that it is a key enabler to improving a company's performance by driving sustainable growth, improving operating efficiencies, and managing risks.

Operating with a Responsible Investment Policy and an Environmental and Social Management System (ESMS), Navis' business activities are guided by these policies and systems to ensure consistent and comprehensive integration of Environmental and Social (E&S) considerations throughout the investment process.

Navis employs extensive due diligence and portfolio monitoring to understand the operational and E&S risks of its investments. Moreover, Navis recognizes that some industries and sectors in which it operates have built medium to high degrees of social and human rights risks within their supply chains.

This policy aims to guide portfolio companies to integrate responsible supply chain management into decision-making and practices. Specifically, Navis expects portfolio companies to incorporate a process of identifying, prioritizing, and mitigating supply chain risks, especially labor and human rights, in their systems and processes.

2. Scope

This policy is designed to help portfolio companies identify and mitigate risks that exist in their supply chain. This policy specifically considers supply chains in investments that largely depend on workers to power them and so focuses on relevant industry and internationally accepted labor and human rights standards, in addition to applicable local regulations and guidelines.

This policy applies to Navis private equity deals, including acquisitions proposed by any of the portfolio companies, and their primary suppliers (i.e., Tier 1) supplying directly to the portfolio companies. This policy excludes vendors or sub-suppliers that supply to the direct suppliers (i.e., Tier 2) and further upstream suppliers (i.e., Tier 3 onwards).

3. Definitions

Child Labor – exploitive work that deprives children of their childhood, potential, and dignity and impedes physical and mental development (ILO). Portfolio companies should follow all country-specific guidelines for child labor.

Forced Labor – work or a service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily (ILO).

Human Rights – rights inherent to all human beings, regardless of identity factors or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and more (UN).

Portfolio Company – private company that Navis has executed an investment in and is actively managing within their portfolio.

Primary Supplier/ Tier 1 Supplier – entities or individuals directly supplying goods or services to the portfolio companies.

Sub-supplier/ Tier 2 Supplier – entities or individuals that supply goods or services to the primary suppliers.

Migrant Workers – individuals who migrate from one area or country to another in pursuit of work, often for short-term or seasonal jobs.

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Grievance Mechanism – procedure that provides a defined framework for employees to address complaints or problems in the workplace.

Supply Chain – companies or people that supply products and/or services to the portfolio company.

Supply Chain Map – map of the supply chain indicating primary suppliers and sub-suppliers (i.e., Tier 1, Tier 2, Tier 3+) with identification of the nature of the suppliers’ activities.

Supplier Database – listing of supplier information including those defined in Section 5.2.

4. Roles and Responsibilities

The roles and responsibilities specific to construction projects are as follows:

Role	Responsibility
Navis Deal Team	<ul style="list-style-type: none"> Communicate this policy and the requirements to the portfolio companies Maintain copies of relevant and required documentation within the Navis Drive for reference and data control Respond to relevant information requests from the Navis ESG Team regarding Portfolio Company’s current business activities and proposed future activities
Portfolio Company	<ul style="list-style-type: none"> Understand and comply with this policy At a minimum, implement a system of screening its key Primary Suppliers largely depending on human capital with relevant E&S criteria including labor and human rights standards and guidelines Select Primary Suppliers that are compliant with national labor laws and regulations Undertake documentation and reporting of the supply chain assessment results to the portfolio company ExCo Report labor management performance to Navis Deal Team and Navis ESG Team
Portfolio Company’s Primary Supplier	<ul style="list-style-type: none"> Comply with the Supplier Code of Conduct of the Navis portfolio company Rectify gaps identified during the supply chain assessment
Navis ESG Team	<ul style="list-style-type: none"> Request information from Deal Team to understand Portfolio Company’s current business activities and proposed future activities Liaise with the portfolio companies on the creation of an action plan after the supply chain assessments Report the results of the supply chain assessments to the Navis Investment Committee

5. Requirements

5.1. Commitment and alignment with Navis requirements

Navis requires its portfolio companies to responsibly manage their Primary Suppliers following Navis’ ESG Business Principles relating to supply chain management and guided by *IFC Performance Standards 2: Labor and Working Conditions* as it extends the portfolio companies’ ESMS into their supply chain. Portfolio companies should recognize that just as the ESMS is critical in managing their labor risks and performance, this same system also serves as a foundation to drive the management of the labor risks and performance in their supply chain. Furthermore, portfolio companies, as part of their ESMS, should implement processes/es to identify, assess, and mitigate risks within their Primary Suppliers taking into consideration, but not limited to, the following:

- Abolishing child labor
- Preventing forced labor
- Defining working conditions and terms of employment, including complying with national labor laws

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- Promoting freedom of association, non-discrimination, and equal opportunity
- Developing and/or implementing a retrenchment plan
- Establishing a grievance mechanism
- Maintaining occupational health and safety

Portfolio companies should develop and implement a Supply Chain Policy and/or Supplier Code of Conduct to guide the procedures for managing their supply chains described as follows. At the minimum, the Supply Chain Policy and/or Code of Conduct should be implemented to all Tier 1 suppliers of the portfolio company.

5.2. Supply Chain Mapping

To better understand and characterize the supply chain, portfolio companies should create a supply chain map. This supply chain map does not need to be comprehensively detailed and multi-tiered, but at the minimum, should be able to identify all the portfolio company’s direct suppliers. Information from the supply chain mapping process should be regularly maintained through a supplier database.

Mapping the supply chain and maintaining a supplier database will help the portfolio company determine how much risk their direct suppliers pose to them. This policy requires portfolio companies to maintain a supplier database that includes, but not be limited to the following information:

- Location of business operation (region, country, and/or area inside the country)
- Industry or product category and production process within the product category
- Level of attention from activists, consumer groups, or the media
- Nationality or ethnic background of managers, supervisors, and workers
- Certification to labor standards or adherence to rigorous corporate or industry labor code
- Presence of management systems for internal and supply chain labor standards performance
- Estimated number of sub-suppliers and sub-contractors
- Percent of the portfolio company’s business that the supplier represents
- Difficulty of replacing them as a supplier
- Labor relations and legal history

5.3. Supplier Risk Assessment

Supply chain labor risks vary depending on the nature of the suppliers’ activities (i.e., primary/ Tier 1 supply chain may include manufacturers or processors, distributors or trading companies, retailers or importers, or service providers such as employment, security, food, dormitory, and/or cleaning services). Different types of suppliers possess different issues and risks.

Undertaking the supplier risk assessment requires prioritization. Portfolio companies should focus resources on suppliers posing medium to high risks and would cause more significant impacts to their sourcing and/or business needs. This prioritization enables portfolio companies to define which suppliers they will prioritize, conduct supplier risk assessments for, and continue to engage as part of regular monitoring and evaluation.

More specifically, this policy defines the minimum requirements on the conduct of supplier risk assessments.

- Risk assessments should be conducted for suppliers that have the highest risk areas and represent the largest purchasing volume.
- Risk assessments should be conducted for suppliers using subcontractors with high-risk areas even if they represent a small amount of volume (e.g., goods and raw materials), and services (e.g., recruiting, placing, or contracting labor).
- Risk assessments should be conducted for suppliers involved in direct manufacturing, trading, or importing.

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- Risk assessments should be conducted for suppliers with potentially poor social and labor risk management performance. Portfolio companies should give low priority for famous brands, international retailers, suppliers in good standing of multi-stakeholder systems and well-established industry initiatives, and suppliers with industry or labor standard certifications.
- Portfolio companies can conduct the supplier risk assessment internally based on their capacity and competency. Depending on the level and types of risks, portfolio companies should consider engaging third parties to conduct supplier risk assessments. Third parties should conduct assessments for suppliers with high-risk areas and representing large purchasing volumes.

Portfolio companies should establish their internal supplier risk assessment process and tools. Similarly, portfolio companies should define and agree with third parties on the minimum components of the supplier risk assessment. This policy requires portfolio companies to ensure that supplier risk assessments include, but are not limited to, the following components:

- Compliance with applicable labor national laws and regulations
- Labor policies and employment practices
 - Child labor and young workers
 - Freely chosen labor
 - Migrant workers
 - Non-discrimination and fair treatment
 - Wages, benefits, and working hours
 - Freedom of association
 - Non-discrimination and equal opportunity
 - Gender-based violence and harassment
 - Retrenchment
- Occupational health and safety
- Sub-supplier engagement process
- Internal and external stakeholder engagement and communications, including grievance mechanism

5.4. Supplier Onboarding

Information from the supplier risk assessment should inform the portfolio company’s supplier evaluation and onboarding procedures.

Portfolio companies should ensure that their Supply Chain Policy and/or Supplier Code of Conduct have been adequately communicated to their suppliers as part of their onboarding process. Furthermore, portfolio companies are required to maintain relevant documentation to ensure the commitment of their suppliers to identify and manage risks with considerations as listed in Section 5.1. This may be in the form of a supplier commitment letter and/or relevant clauses in the supplier agreement/ contracts.

5.5. Supplier Evaluation and Monitoring

Based on the results of the supplier risk assessments, portfolio companies should endeavor to implement a regular supplier evaluation and monitoring process. The process of prioritization and focus areas should be similar to those defined in the Supplier Risk Assessment in Section 5.3. The frequency of monitoring should be defined in the portfolio company’s Supply Chain Policy and relevant ESMS procedure/s.

Portfolio companies should ensure that results of the supplier evaluation are communicated to the suppliers and appropriate action planning and monitoring is agreed upon with the suppliers, if necessary.

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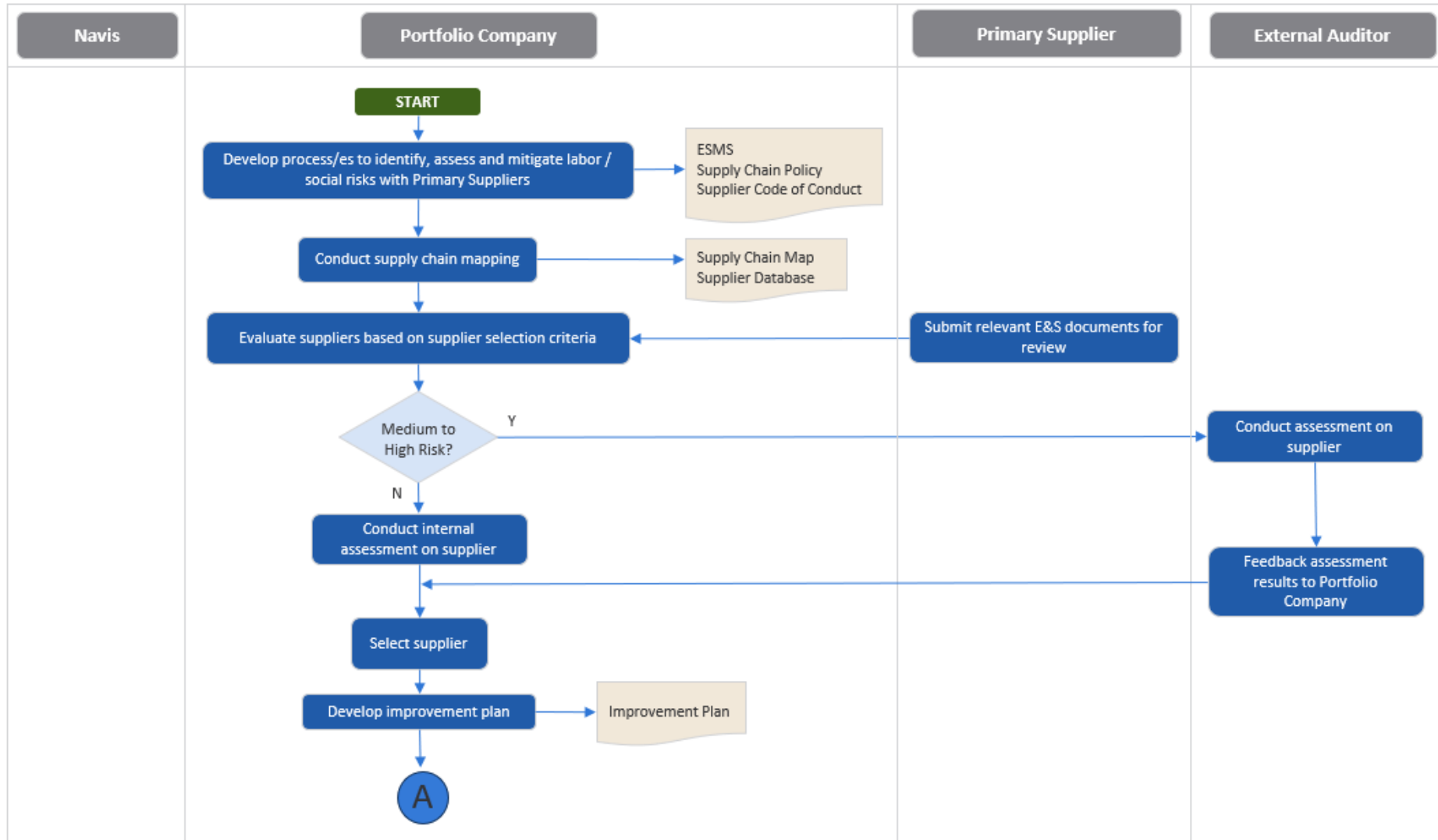


Figure 1. Supplier Selection, Evaluation and Monitoring Process

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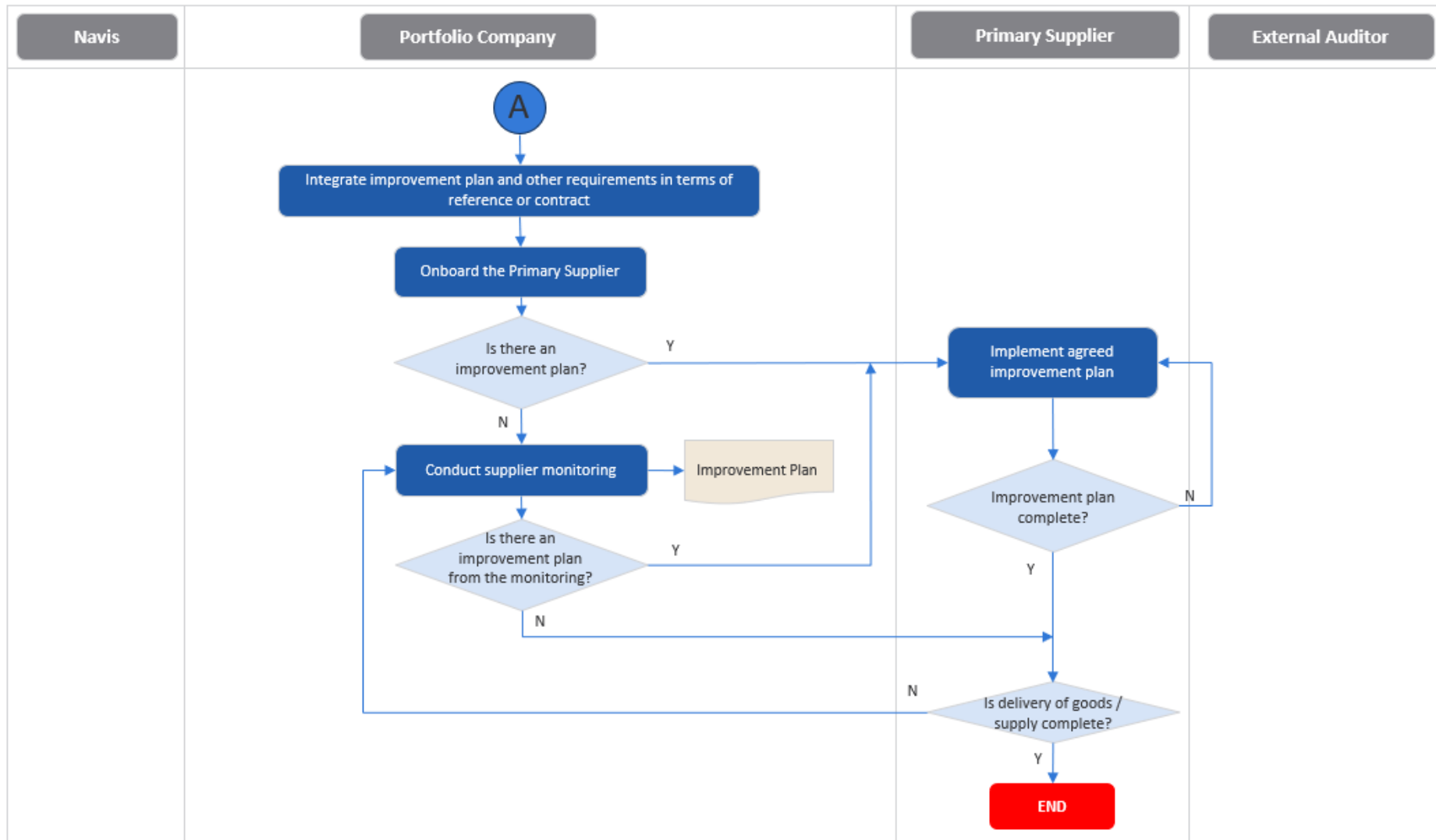


Figure 2. Supplier Selection, Evaluation and Monitoring Process (continued)

6. Training and Communication

To meet the objectives of this procedure, the Navis ESG Team will conduct training to the Navis Deal Team to explain the principles and requirements of this policy. For new Navis Deal Team members, training will be completed during the employee onboarding. Refresher training will be provided as and when needed, such as when changes are made to this policy.

Navis deal teams are to communicate the requirements of this procedure to the portfolio companies for their implementation.

Navis will endeavor to support portfolio companies in building awareness and their capacities to manage their supply chains.

Training will be conducted based on Navis' understanding of the supply chain risks, which will be informed by the Navis ESG team's monitoring of the portfolio companies' implementation of their supplier risk assessment and evaluation procedures.

7. Monitoring Records

As defined in Section 5, portfolio companies are required to maintain the following documentation:

- Supply chain map
- Supplier database
- Supply Chain Policy and/or Supplier Code of Conduct
- Supplier Risk Assessment reports
- Completed Supplier Evaluation forms and relevant reports/ documentations

8. Review

The policy will be reviewed regularly, and in any event at least annually. Any changes required will be made and implemented.

9. References

IFC Performance Standards (2012)

Navis Responsible Investment Policy

Navis Environmental and Social Management System

[Labour Standards in Global Supply Chains – ILO Training Module](#)

10. Document Change Control

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Revision Number	Author	Document Status/ Change	Reviewer	Approver	Effective Date
00	P Gonzales	New Procedure	B Szegedi	M Octoman	01 May 2025