



Environmental, Social and Governance (ESG) Policy

Introduction

Persistent is a leading expert and pioneer climate venture builder, driven by the belief that building commercially successful businesses is the best approach to sustainable socio-economic impact in underserved emerging markets and that supporting clean energy production is the best strategy for fighting climate change. As such, we ensure that environmental, social and governance (ESG) criteria are fully incorporated into all our investment decisions.

This ESG Policy should be read together with the ESG MS.

Persistent will maintain adequate capacity and resources to facilitate the implementation and to promote this ESG Policy.

Document Owner: The ESG Officer, being the Persistent staff responsible for ESG matters.

Review: This ESG Policy shall be reviewed every 2 years. Reviews will be carried out by the ESG Officer and the Chief Legal Officer (CLO). Any changes should be approved by the Management Committee (MC) and the Board.

Reporting: Our ESG reporting is normally carried out on a quarterly basis to our investors, or as may be determined. Our ESG performance data and metrics will be published on our website (www.persistent.energy) on an annual basis for the information of external stakeholders.

Contacts: Any information or queries relating to ESG and Impact should be addressed to: impact@persistent.energy.

Date: 17 October 2024

Wairimu Karanja

Partner & Chief Legal Officer

ESG Policy

Our Commitment: as an impact venture builder, we aim to:

- Generate positive environmental, social and financial impact, while at the same time minimizing negative impact or ESG risks from our investments;
- Act in accordance with applicable laws and regulations, and require that our partner companies comply as well; and
- Act in accordance with the IFC Performance Standards (IFC PS) on Environmental and Social Sustainability, and align with other relevant requirements of international standards and principles such as the UN Principles of Responsible Investing and the GOGLA Consumer Protection Code.

Approach: Persistent has established and implements an ESG Management System (**ESG MS**) which implements this ESG Policy and which ensures that all potential investments are:

- **Categorised** according to their potential ESG risk profile;
- **Evaluated** through an ESG due diligence or similar form of robust assessment; and
- **Managed** in order to mitigate negative issues and to favour positive outcomes.

Following the approach outlined in this ESG Policy, Persistent requires all prospective entrepreneurs and investee/portfolio companies to undertake that their business is conducted in a way that:

- Complies with all applicable laws and regulations
- Complies with the IFC Performance Standards (IFC PS) on Environmental and Social Sustainability, and aligns with other relevant requirements of international standards and principles such as the UN Principles of Responsible Investing and the GOGLA Consumer Protection Code.
- Upholds high standards of business integrity and honesty;
- Excludes harmful ESG practices and commits to continuous improvement;
- Provides safe and healthy working conditions for all its employees and contractors;
- Seeks to enhance the sustainability economic development of the area in which the company operates; and
- Does not undermine climate change adaptation measures or weaken the ecosystem services that provide climate change resilience.

Policy Document Version Control

| Drafting & Amendment History | | | | | | |
|------------------------------|-------------------------------------|---------------------------|----------------|---------------|----------------|--|
| Version No. | Description of Amendments | Drafted By | Approved By | Approval Date | Effective Date | |
| 1.0 | First Version | Chief Legal Officer | | 28.01.2022 | 28.01.2022 | |
| | | | The MC & Board | 28.01.2022 | | |
| 2.0 | Amendments relating to the ACV Fund | Legal & ESG Associate/CLO | The CLO | 16.10.2024 | 17.10.2024 | |
| | | | The MC | 16.10.2024 | | |
| | | | The Board | 17.10.2024 | | |

