INVESTMENTS
WITH **PURPOSE**
FOR **PROFIT**
BY **PEOPLE**
FROM TRIPLE POINT

The Triple Point Navigator Strategy & The Triple Point Income Service

Environmental, Social and Governance (ESG) Integration Policy

June 2025

COMMITMENT

Triple Point Group (Triple Point) has made a clear commitment to sustainable business within our company mission. As part of this firm-wide commitment, each investment team has undergone a detailed investment process review to create an individual ESG programme, capturing the specific ESG requirements of our different investment and service products, which have then been summarised in their respective ESG integration policies. These policies are in addition to Triple Point's Responsible Investment Guide, which outlines key responsible investment positions adopted by Triple Point Group.

The Navigator Strategy and the Income Service are two of Triple Point's product services. Through these products, we invest into the following companies:

- Navigator Trading Limited and the partnerships through which it trades,
- Generations Navigator LLP and the partnerships through which it trades,
- Secured Fixed Income plc.

Henceforth, these companies will be collectively referred to as 'the Lenders.'

Consumer Facing Disclosures have been prepared for the Triple Point Navigator Strategy and the Income Service per the requirements of the Sustainability Disclosure Regulation. These documents are available on Triple Point's website and can be accessed here:

Navigator Strategy Consumer Facing Disclosure
Income Service Consumer Facing Disclosure

This ESG integration policy applies to the leasing and lending portfolio origination, execution and management services which Triple Point provides to the Lenders.

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1. BACKGROUND AND CONTEXT

Founded in 2004, Triple Point has successfully invested in a range of businesses and organisations. We strive to identify and unlock investment opportunities that have purpose, so we can help people and planet, while generating profit for investors.

For Triple Point, sustainability is defined as the consideration of both the current and the future state of the planet for all its inhabitants, to make decisions that will protect, improve, and not exploit people or the environment. We believe doing so results in better outcomes for our business, our customers, and society.

Our definition is built on our belief that the economy, environment and society are an interlinked system which will only function successfully if the boundaries of each are understood and respected. Society needs a sustainable economy, which takes account of this system and its boundaries, allowing people today to thrive without compromising the success of future generations.

We believe that capital markets can be a force for good to this end, and that they must be if a sustainable economy is to emerge. Our approach to sustainability consists of three steps:

Understanding the challenges - we ask of all our activities how they will contribute, or not, to a more sustainable economy.

Leading by example - by exhibiting behaviours and judgment that demonstrate our sustainability commitments and reassure our customers, we act as a trusted partner.

Picking the best assets - providing funding to assets and businesses capable of thriving in a sustainable economy, while driving long-term profits for our clients.

Outcomes relative to this approach are published in an annual sustainability report - the Triple Point Blue Book.

To support our sustainability commitments, Triple Point has designed and implemented a series of ESG integration policies across its various investment strategies. The purpose of each policy is to identify, monitor and manage ESG issues to minimise the risk of Triple Point investing in ways that could undermine our ESG principles.

We continuously review our ESG integration activities through our governance structures and this policy is updated annually to reflect the activities undertaken.

Triple Point's sustainability commitments are governed through three core elements.

First, all investments must be approved by the Triple Point Investment or Credit Committee, whose members receive ESG training. This review process ensures investment decisions are aligned with the strategy's ESG commitments and the organisation's ethos on corporate responsibility and responsible investment.

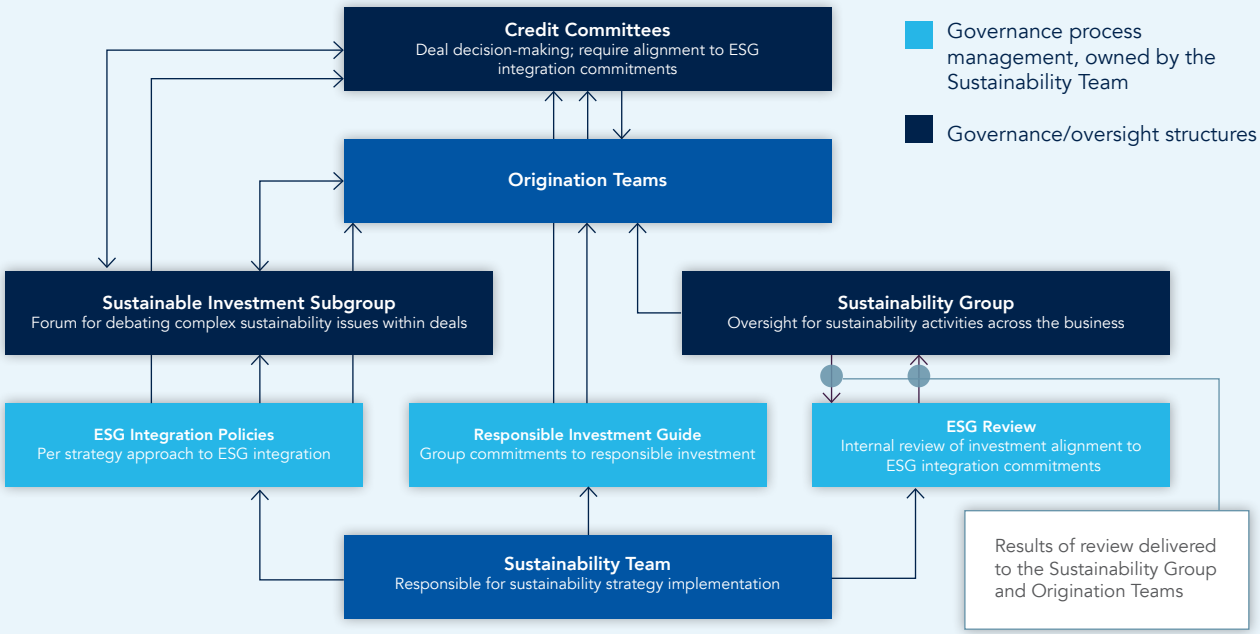
Second, Triple Point has a Sustainability Group which meets quarterly. The group reviews sustainability activities across the business including agreed KPIs, with members consisting of the two Managing Partners and key relevant business function heads. The meetings are minuted by the Company Secretary.

Reporting into this group is the Sustainable Investment Subgroup. This subgroup is responsible for discussing deals which present complex ethical, responsible, or sustainable investment issues.

Third, Triple Point's Head of Sustainability is responsible for running an annual ESG performance review of ESG integration by each strategy, to ensure teams are implementing the ESG activity committed to. The results and follow-up action of this review are shared with the Sustainability Group and with the investment teams.

1. BACKGROUND AND CONTEXT

Sustainability Governance



2. RATIONALE FOR ESG INTEGRATION WITHIN THE LENDERS

Triple Point strives to deliver more than just investment returns, and continually looks to create value for our investors, while considering our responsibilities to people and the planet. As the provider of portfolio services to the Lenders, Triple Point Private Credit extends this philosophy to the services it offers.

The Lenders provide funding to small and medium-sized enterprises (SMEs). There has been an acknowledged 'funding gap' for SMEs since the 1930s, but this has worsened in the aftermath of the 2008 financial crisis[1].

While larger corporates have been able to turn to the corporate bond market for financing, SMEs do not have this option, driving demand for additional sources of funding and creating space for non-bank alternative finance providers, such as the Lenders.

Despite the rapid growth of the non-bank lending sector, there is still a significant portion of the UK SME market that remains underserved. SMEs, however, are vital to the UK economy. In 2024, they accounted for 60% of UK employment and around half of business turnover[2].

By providing responsible lending, the Lenders have an opportunity to meet the need of an under-served segment of the market, while encouraging good corporate behaviour through due diligence which incorporates ESG factors and loan monitoring.

The Lenders offer diverse lending solutions, resulting in different risk profiles across the loan types:

Loan via	Secured Lending – SME Debt Finance	Secured Lending – Specialty Finance	Secured Property Finance	SME Leasing	Energy Infrastructure Lending
Description	Secured loans to small to medium-sized companies for growth, acquisition or existing shareholder buyout.	Secured loans to other lending businesses operating in other lending activities, i.e. bridge lending, micro ticket SME lending.	Loans for residential and commercial property development and bridging finance, secured against the property.	Leasing to enable financing to purchase business and service critical assets (e.g. card terminals).	Loans for energy infrastructure projects across the spectrum of the UK and European energy system.
Key counterparty	The borrowing SME.	A specialist non-bank lending business.	The borrowing developer or facilitator providing loans.	A lessee or facilitator providing lease finance.	Energy infrastructure borrowers.

These varying risk profiles must be carefully managed. We believe that ensuring that lenders take consideration of ESG factors into account during the lending process goes beyond responding to industry expectation. We believe it is critical for credit risk mitigation.

We also believe that in the case of SME lending, the Lenders can play a proportionate role in helping SMEs, and the intermediaries who loan to SMEs, to understand and drive their approach to risk management and opportunity development, through an improved understanding of material ESG factors. This, in turn, can strengthen the resilience of this sector's important contribution to employment and the UK economy.

[1] Andrew Haldane; "The UK needs a credit register to close its 'Macmillan gap'", The Telegraph, June 2014

[2] House of Commons Library, "Business statistics", November 2024

3a. APPROACH TO ESG INTEGRATION FOR LENDERS

A wide range of ESG issues and opportunities can impact the longevity of an asset's value (which is important when pricing leasing contracts on physical assets), and may have implications for a borrower's license to operate and ability to repay.

A lender's approach to ESG needs to be proportionate to the company size, sector, and ability to influence within the chain of lending. To support the Lenders in providing responsible lending activities, Triple Point takes the following approach:

Restricted sectors: We endeavour to ensure that the Lenders do not loan to any business, body or asset linked to the following sectors:

- Tobacco and related products;
- Adult entertainment (including pornography and violent content);
- Gambling (excluding charitable lotteries*);
- Controversial or unconventional weapons;
- Non-medical animal testing.

*Charitable lotteries funding good causes or raising funds for local charities can create positive social benefits. These are permissible transactions but subject to due diligence on the governance and management capacity of the organisation to ensure appropriate use of funds, including the requirement for some form of basic reporting system on use of funds/impact creation.

Further detail on these restrictions can be found in the Triple Point Responsible Investment Guide.

Once it is confirmed a client/asset is not exposed to any of the restricted sectors, we believe the following should be understood and proportionately accounted for, as far as is possible, in the loan approval process. Noting we take a sector materiality approach, thinking both about how such factors may impact the strength of the borrower, but also how their actions may impact wider social and environmental systems:

Environmental: consideration of carbon emissions, carbon vulnerability, and product footprint; exposure to and management of waste, water, and energy; pollution risks; biodiversity and land use; and raw material sourcing.

Social: consideration of the product or asset, its safety, quality, and fit with a more sustainable economy, including relevance/appropriateness to the locality, and supply chain management. We seek reassurance of good customer relations, including data security, and good labour management, including staff wellbeing, fair pay, diversity, health and safety, and recruitment and retention capacity.

Governance: should reflect management's responsibility and ability to promote a corporate governance structure that is responsive to stakeholders by addressing issues such as Boards & Trustees, pay structure, ownership, and accounting practices. The management of conflicts is examined, and, where appropriate, diverse boards and teams are preferred. The examination of governance also reveals company behavioural insights which can affect credit worthiness. In particular, we examine business ethics, anti-competitive practices, corruption and possible instability, and tax transparency.

For borrowers that operate in regulated industries, we examine whether sufficient governance is in place to ensure they continue to meet regulatory requirements.

3b. APPROACH TO ESG INTEGRATION FOR LENDERS

Beyond the exclusionary sectors and operational ESG considerations noted above, Triple Point recognise that certain sectors present a greater level of sustainability-related risk. This risk may be linked to:

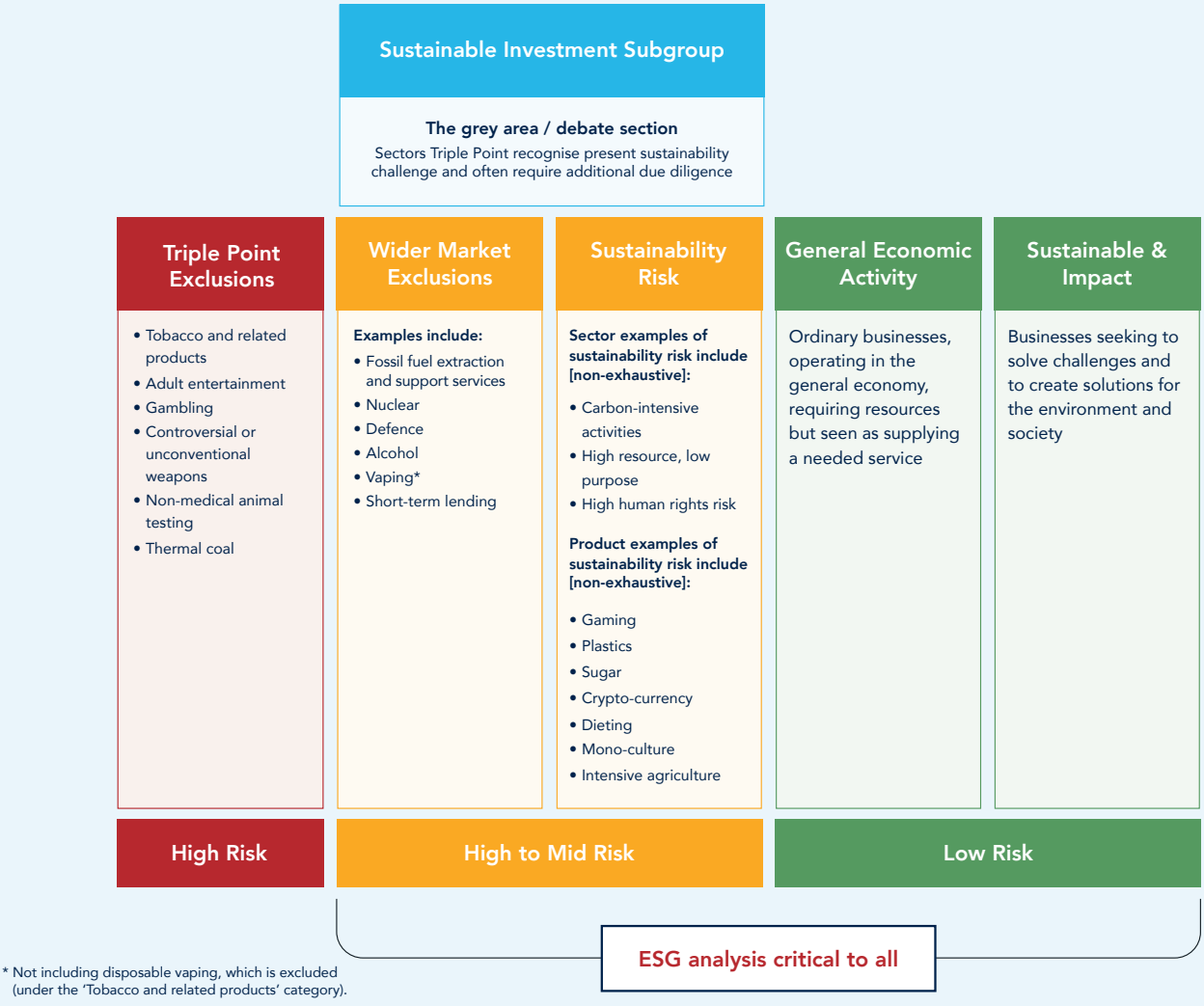
- reputation of the associated activities (linked to wider social and political perspectives);
- business viability (linked to long-term sustainability trends reducing the future success of certain business models); and
- overall strategy of the Lenders and their obligations to their investors.

Perspectives on such risks are subject to change. Unpicking the complexity of what makes something sustainable is not always straightforward. Some sectors require a moral judgement, while others are currently essential but we know must transition to respect resource limits and environmental impacts. In such cases, the scale and timing of that transition must be considered. Political and social circumstances change, and this becomes reflected in investor opinion.

Furthermore, the topic of sustainability is fluid, large and expanding. As this field matures, opinion and perspectives will change.

We seek to represent the best interests of our clients in the short and long term, to the best of our abilities. These positions remain under review and we use our dedicated Sustainability Team and Sustainable Investment Subgroup (SISG) to enable the continued debate of deals and of our risk appetite. We record sustainability rationale in Credit Committee papers, where appropriate, for consideration.

The Subgroup debates are framed with the structure outlined below



* Not including disposable vaping, which is excluded (under the 'Tobacco and related products' category).

4. IMPLEMENTATION OF ESG INTEGRATION

Each of the Lenders has worked with Triple Point to conduct a careful review of origination and lending processes to enable the implementation of practical, proportionate, and material ESG integration. There are two key elements to the approach:

i. Management (culture, capacity & governance) – this refers to the allocation of appropriate resourcing, training and senior support to ESG integration. It demonstrates Triple Point's actions have integrity aligned with the strategic position of the Lenders and oversight from senior management. Triple Point's Private Credit team provides portfolio services to the Lenders.

ii. Origination and execution (process & reporting) – this refers to action taken in the lending process to assess and improve ESG factors affecting the transaction, how these might affect the decision whether to proceed, and how we capture decisions and changes to ESG factors during the life of the loan.

The details below provide insight on the management of these two key areas. The details and examples are not exhaustive, but seek to provide clear evidence of the comprehensive nature of the integration process.

i. Management (culture, capacity & governance)

Who	ESG Action
Private Credit team	• All team members have an ESG induction, and certain team members ('ESG Champions') have taken on additional ESG responsibilities as part of their role and regularly meet with the Sustainability Team to drive key sustainability actions and progress. • All team members are expected to show ownership for good ESG throughout the loan process, and this expectation is explicitly shared with new hires. • We flag our ESG criteria and position with prospects and borrowers. • Individuals are empowered to explore novel financing solutions/incentives to drive best ESG practice.
Credit Committee	• Introduced ESG training for Credit Committee members.
Board review	• ESG insights and updates are shared with the Board.
Triple Point Sustainability Groups	• The Private Credit team reports key portfolio ESG information to Triple Point's Sustainability Group. • A member of the Private Credit team responsible for providing services to the Lenders is part of the Triple Point Sustainable Investment Subgroup and feeds back to the team and to the Lenders on a regular basis.
Prospects/Clients	• Explicit reference to importance of ESG in intermediary and client relationships.

4. IMPLEMENTATION OF ESG INTEGRATION

ii. Origination and Execution (Process & Reporting)

This section is divided into the following sub-sections[3]:

a. Secured Lending – SME Debt Finance and Specialty Finance

b. Secured Property Finance

c. SME Leasing

a. Secured Lending - SME Debt Finance and Specialty Finance

Process Step	ESG action	
	Integration	Example
Origination	• Strategic understanding of sustainability trends and emerging topics associated both with risk and opportunity, enhancing knowledge base applied to loan provision and ESG due diligence.	• We regularly review our approach to ESG and progress made. • ESG due diligence is shared with key business borrowers to raise importance of ESG to the lender. • We request the ESG policies of our borrowers.
Due diligence	• ESG due diligence checklist completed for new loans. • Due diligence questions inform lending decisions.	• We question all new borrowers on a range of ESG aspects from resource consumption to modern slavery and pay ratios.
Pre-Credit Committee review	• Mandated to discuss ESG weakness/concerns identified at due diligence and confirm ESG compliance before proceeding.	• ESG factors may result in further information being requested before proceeding to Credit Committee e.g. further evidence of data security measures.
Credit Committee	• Credit Committee papers include ESG information and draw attention to any strengths and weaknesses.	• We would highlight where ESG factors have influenced opinion on a company e.g. strong management structures and oversight processes.
Sustainability Investment Subgroup (SISG)	• Deals are brought for discussion to the SISG where wider ESG and/or sustainability risks and opportunities have been highlighted. The group will provide an opinion that must be shared with the Credit or Investment Committee for consideration.	• Reviewing selected deals where we have environmental, social or governance concerns. • Recommendation for enhanced ESG due diligence prior to Credit or Investment Committee review.
Board/external review	• ESG insights and updates are shared with the Board.	• The need to request additional clarification, and outcome, would be noted.
Portfolio management	• Ongoing use of ESG as part of repayment monitoring. • Encouraging companies to continue to improve where ESG issues arise during the loan term.	• Borrower watch-list is reviewed for any ESG-linked factors.
Further funding	• In-life events related to ESG/reputational issues are monitored and may impact appetite to lend to the same entity again.	

[3] For energy development projects, we follow a distinct set of ESG integration actions that encompass all the steps outlined for the different strategies above. Further information about the process can be found in the Triple Point Energy ESG Integration Policy, available on Triple Point's website.

4. IMPLEMENTATION OF ESG INTEGRATION

b. Secured Property Finance

Process Step	ESG action	
	Integration	Example
Origination	• Strategic understanding of sustainability trends and emerging issues associated both with risk and opportunity, enhancing knowledge base, applied to loan provision and ESG due diligence. • Raising awareness of ESG in the business supply chain.	• We regularly review our approach to ESG and progress made. • ESG expectations are flagged with potential borrowers or facilitators.
Due diligence	• ESG due diligence checklist completed for new loans. • Due diligence questions inform lending decisions. • At the point of practical completion, the team uses an ESG checklist to assess the development and compare its performance to the initial deal terms.	• We seek information from the developer on a range of relevant ESG topics such as exposure to Modern Slavery, health & safety records, environmental policy, biodiversity net gain, and target EPC rating.
Pre-Credit Committee review	• Mandated to discuss ESG weakness/concerns identified at due diligence and confirm ESG compliance before proceeding.	• ESG factors may result in further information being requested before proceeding to Credit Committee e.g. further evidence on labour policies.
Credit Committee	• Credit Committee papers include ESG information and draw attention to any strengths and weaknesses.	• We would highlight where ESG factors have influenced opinion on a company e.g. good health and safety record of proposed contractor.
Board/external review	• ESG insights and updates are shared with the Board.	• The need to request additional clarification, and outcome, would be noted.
Portfolio management	• Ongoing use of ESG criteria to inform dialogue with developers during build. • Encouraging improvement where due diligence process indicated weaknesses. • Updating (if needed) the practical completion ESG checklist at annual review.	• We interrogate the developer or facilitator for evidence of ESG implementation via regular site visits or audits.
Further funding	• In-life events related to ESG/reputational issues are monitored and may impact appetite to lend to the same entity again.	

4. IMPLEMENTATION OF ESG INTEGRATION

c. SME Leasing

Process Step	ESG Action	
	Integration	Example
Origination	• Strategic understanding of sustainability trends and emerging topics associated both with risk and opportunity, enhancing knowledge base applied to wholesale client selection and subsequent ESG due diligence. • Raising awareness of ESG with clients.	• We regularly review our approach to ESG and progress made. • ESG due diligence is shared with borrowers to demonstrate importance of ESG to the lender.
Due diligence	• ESG due diligence checklist completed for new leases. • Due diligence questions inform leasing decisions.	• We have developed ESG due diligence checklists appropriate for the borrower selection process, in particular seeking reassurance of no exposure to restricted sectors. • We request the ESG policies of borrowers and will include requirements in underwriting where relevant.
Pre-Credit Committee review*	• Mandated to discuss ESG weakness/concerns identified at due diligence, and confirm ESG compliance before proceeding.	• ESG factors may result in further information being requested before proceeding to Credit Committee e.g. further evidence of sector check process.
Credit Committee*	• Credit Committee papers include ESG information and draw attention to any strengths and weaknesses.	• We would highlight where ESG factors have influenced opinion on a borrower e.g. strong reporting processes.
Sustainability Investment Subgroup (SISG)	• Deals are brought for discussion to the SISG where wider ESG and/or sustainability risks and opportunities have been highlighted. The group will provide an opinion that must be shared with the Credit Committee for consideration.	• Reviewing selected deals where we have environmental, social or governance concerns. • Recommendation for enhanced ESG due diligence prior to board review.
Board/external review*	• ESG insights and updates are shared with the Board.	• The need to request additional clarification, and outcome, would be noted.
Portfolio management	• Ongoing use of ESG criteria as part of client monitoring.	• Lending client audit includes ESG section.
Further funding	• In-life events related to ESG/reputational issues are monitored and may impact appetite to lend to the same entity again.	

*Applicable to client selection, not subsequent individual loans.

5. BEING A RESPONSIBLE LENDER

In line with our sustainability commitments and our PRI signatory status, Triple Point recognises the importance of working with responsible lenders.

Lenders have a responsibility to borrowing counterparties to ensure that loans are structured in a way which is appropriate to their needs and circumstances, and which will result in the optimal outcome for both parties. Our lessors and lenders offer an efficient and flexible loan process, seeking to minimise burden, and ensure that terms are fair and appropriate. Similar high standards are expected from intermediaries.

Lenders also have a responsibility to investors to ensure that all the possible lending risks are considered, and ensuring the appropriate credit worthiness of the borrower. Equally, intermediaries are expected to adhere to similar risk assessment standards.

The role of integrating ESG into responsible lending decisions is continuously evolving and we seek to capture current best practice in our approach.

6. POLICY STATEMENT

Triple Point is committed to continually strengthening and improving ESG integration. This policy is reviewed by the aforementioned teams and the Sustainability Group, and updated as appropriate.

Toby Furnivall
Managing Director – Private Credit
June 2025