



PCEF-POL-001

ESG Integration Policy

Premier Choice Energy Fund Ltd

Version	1.0	Effective Date	May 2026
Next Review	May 2027	Classification	Controlled Document
Owner	Compliance & Risk	Approved by	Board of Directors

1. Purpose & Scope

This Policy sets out the approach of Premier Choice Energy Fund Ltd ("PCEF" or "the Fund") to the integration of environmental, social, and governance ("ESG") factors across all investment activities, including origination, due diligence, portfolio monitoring, and exit.

The Policy applies to all employees, investment professionals, and third-party advisers acting on behalf of the Fund. It is reviewed annually by the Board of Directors and the Compliance function.

2. Our ESG Philosophy

PCEF believes that ESG factors are materially relevant to the long-term performance and risk profile of battery energy storage system (BESS) infrastructure investments. As a specialist clean energy fund, our core investment thesis is itself aligned with the energy transition, but we hold our internal governance and operations to the same standard.

We are a signatory to the UN-supported Principles for Responsible Investment (PRI) and align our reporting with the Task Force on Climate-related Financial Disclosures (TCFD) and the UK Sustainability Disclosure Requirements (SDR).

3. ESG at Origination

3.1 Initial Screening

All prospective investments undergo an initial ESG screen prior to Investment Committee consideration. The screen evaluates:

- Environmental impact: land use, ecology, noise, grid constraint reduction, carbon displacement
- Social impact: community engagement, local employment, stakeholder consultation
- Governance: developer track record, corporate structure, conflicts of interest, integrity checks



3.2 Exclusions

PCEF will not invest in projects that: involve forced land acquisition without community consent; have material unresolved environmental violations; are associated with sanctioned or debarred counterparties; or fail our AML/KYC baseline requirements.

4. ESG in Due Diligence

For all investments proceeding to full due diligence, an ESG Assessment Report is prepared by the investment team and reviewed by the Head of Technical and the Compliance function. The Report covers:

- Planning and Environmental Impact Assessment (EIA) review
- Biodiversity Net Gain (BNG) assessment — minimum +10% target
- Grid constraint analysis and renewable curtailment reduction impact
- Carbon displacement calculations (tCO₂e/year)
- Community benefit fund commitments
- Supply chain ESG due diligence (battery manufacturer labour standards, conflict minerals)

5. Portfolio Monitoring & Reporting

ESG metrics are collected and reported quarterly across all operational assets. Key performance indicators include:

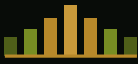
- CO₂e displaced per MWh delivered (grid carbon intensity basis)
- TWh of renewable energy enabled annually
- Biodiversity Net Gain achieved vs target
- Lost Time Injury Rate (LTIR) across construction sites
- Community benefit fund distributions
- Scope 1, 2, and 3 emissions across fund operations

Annual ESG and Sustainability Report published in Q2 each year covering fund-level and portfolio-level disclosures.

6. Governance & Accountability

The Board of Directors has ultimate responsibility for ESG oversight. The Head of ESG (reporting to the CIO) is responsible for day-to-day implementation of this Policy. The Compliance function provides independent review and challenge. ESG performance is a standing item on the quarterly Investment Committee agenda.

AUTHORISATION



Role	Name	Signature	Date
Chief Executive Officer	_____	_____	May 2026
Chief Compliance Officer	_____	_____	May 2026
Board Chairman	_____	_____	May 2026

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