ESG Integration Strategy

Considering ESG factors in the Singularity's investment lifecycle

SINGULARITY AMC LLP

Version 1.2

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1. Introduction

Singularity AMC LLP ("Singularity") integrates environmental, social, and governance (ESG) factors into its investment governance to enhance value and act as a core risk management tool. The process of ESG Integration refers to a systematic approach that incorporates financial and material ESG considerations, as well as other investment factors, into decision-making processes. At Singularity, our approach does not exclude or impose predefined limits on investable universes. Instead, we focus on incorporating ESG considerations based on the available data and relevance to the specific investment context.

The objective remains core and aims to enhance long-term, risk-adjusted returns while reinforcing governance discipline. Singularity's ESG Integration Strategy aligns with the United Nations Principles for Responsible Investment (UNPRI) 2025 Reporting Framework. It reflects our commitment to sustainable growth, fiduciary responsibility, and creating value for our stakeholders. This document illustrates Singularity's structured ESG integration techniques and mechanisms, including governance frameworks, asset class-specific methods, risk management protocols, stewardship activities, ESG data systems, transparent reporting mechanisms, and an ongoing monitoring framework. The strategy will continue to evolve, illustrating our commitment to ongoing progress and future enhancements.

1.1 Principles of ESG Integration

Singularity's investment philosophies fundamentally encompass sustainability and recognize the significance of ESG integration, which can be achieved over the short, medium, or long term. These may differ among asset classes and strategies. Certain concepts may intersect and apply across all asset classes, while others are specific to strategies, classes, or regions.

- ESG in Every Decision: We will methodically incorporate ESG considerations into our investment analysis, decision-making processes, and portfolio management procedures
- Active Ownership: We will engage with investee companies to enhance sustainable practices and improve ESG performance
- Transparency & Accountability: We will ensure clear reporting disclosure of ESG progress and performance to investors and stakeholders, fully compliant with UNPRI's reporting standards and industry best practices
- Global Frameworks Alignment: We will align our investment practices, processes, and decisions with internationally recognized ESG frameworks and standards, which ensures adaptation with the continuous evolution of regulatory requirements and emerging best practices
- Stakeholder Engagement: We actively and consistently engage with all stakeholders, investors, regulators, investee companies, and communities to promote collaborative actions and mutual accountability for achieving sustainable development results

1.2 Purpose

The primary purpose is to create a cohesive, organization-wide strategy for integrating ESG factors into Singularity's investment philosophy, decision-making processes, and portfolio management systems. Our ESG Integration Strategy acts as Singularity's comprehensive ESG operational framework, embedding responsible investment principles across the investment lifecycle.

This strategy supports the implementation of our Responsible Investment (RI) Policy. It serves as the operating blueprint for aligning with the UNPRI 2025 Reporting Framework, including the PRI's minimum requirements. We intend to embed ESG to balance fiduciary responsibility, risk-adjusted return objectives, and stakeholder value creation.

Through formal and systematic ESG integration, we aim to protect capital, unlock long-term value, and ensure that ESG risk management and opportunity capture are integral to our investment lifecycle across private and listed equity strategies. Specifically, the ESG Integration Strategy is designed for:

- Embedding ESG at the core involves formally incorporating ESG factors into our investment philosophies, processes, and lifecycle management, covering private and listed equities
- Enhancing risk management by identifying, assessing, and mitigating financially material ESG risks early in the deal to safeguard against losses and preserve the long-term value for our investors and beneficiaries
- Driving the sustainable value creation by leveraging ESG prospects such as resource optimization, innovation, and societal impact for enhancing competitive advantage and promoting sustainable growth
- Ensuring governance and accountability by establishing a clear and structured governance framework, including defined roles, responsibilities, and oversight procedures to uphold elevated standards of ESG fiduciary duty
- Achieving UNPRI Compliance by aligning with the PRI 2025 minimum requirements and reporting framework, reflecting Singularity's commitment to annual disclosures and specific performance measures
- Delivering measurable milestones by executing on key deliverables, including approval from the General Partner, and RI policy coverage of >50% of Assets Under Management (AUM) by July 15, 2025
- Defining and establishing a continuous trajectory by expanding sector-specific ESG approach and officialising climate scenario analysis with a phased rollout of climate risk modelling soon through developing a structured climate risk premium methodology

1.3 Scope & Applicability

Our ESG integration plan applies to all investment strategies that Singularity manages or advises on in private and public markets. These guiding principles and procedures can be used at both the firm-wide and investment vehicle levels, subject to contractual obligations and applicable legal requirements. Singularity's ESG integration plan does not replace our RI policy but provides granular guidance on integrating ESG factors into the investment lifecycle:

- Covered Strategies and Asset Classes:
    a. Private Equity (PE) Funds: All growth and late-stage PE funds where Singularity exercises board representation or contractual ESG rights
    b. Listed Equity (LE) Portfolios: Actively managed and hybrid-listed portfolios where ESG integration informs security selection, weighting, and stewardship activities
    c. Co-Investments & Special Situations: Opportunistic investments and bespoke vehicles structured around a core ESG integration framework
- Funds and Vehicles: All live and operating funds, those trying to raise new money, and, when possible, older investees that can later include ESG terms through RI engagement and ESG acknowledgement letter or side letter provisions, ESG onboarding, and stewardship protocols
- Decision-Making Roles: Applicable to Singularity's investment decisions directly or indirectly through delegated structures. These decisions are followed by investment committee activities, deal team reviews, and stewardship exercises
- ESG Governance: The coverage applies during all the investment stages, such as screening, due diligence, investment approval, post-investment engagement, and exit
- This ESG Integration Strategy applies across all our AUM, including both invested capital and uncalled commitments, where Singularity exercises investment discretion or ESG governance influence

In-Scope Activities:

A. Pre-Investment ESG Workstreams
B. Investment Approval & Documentation
C. Post-Investment ESG integration
D. Exit-Phase

Geographical and Regulatory Context: Applies to all jurisdictions and markets in which Singularity invests, with ESG assessments tailored to local regulatory regimes, market practices, and material risk profiles.

Out of Scope:

A. Third-Party Managed Mandates: Funds or portfolios where Singularity lacks ESG veto rights or governance influence
B. Client-Directed Exclusions: Client-Directed Mandates with explicit exclusions from ESG requirements

1.4 Governance Mechanisms

Effective ESG integration at Singularity is driven by a clearly defined governance structure, with formal roles, accountability layers, and decision rights established across investment, ESG, and compliance functions. ESG is governed through vertical oversight from the General Partner to portfolio-level execution, ensuring that ESG risks are managed and responsible investment principles are embedded at every level.

General Partner

Our General Partner provides strategic oversight of ESG integration across the firm. They endorse the ESG Integration Strategy, review escalation reports, and receive quarterly updates from the Responsible Investment Committee. In addition, they also approve all ESG-related policies, RI engagement letters, side letters, and investor disclosures requiring material ESG content.

Responsible Investment Committee

Our Responsible Investment Committee (RIC) is the central governance body overseeing ESG implementation across Singularity. It comprises senior leadership, the Chief Investment Officer (CIO), the Chief Financial Officer (CFO), the compliance manager, and the ESG Officer. Responsibilities include:

- Approving ESG screening decisions and escalation actions
- Reviewing ESG red flag cases and key performance indicators (KPI) underperformance
- Reviewing quarterly ESG dashboards and investment compliance
- Coordinating PRI submissions and Limited Partners (LPs) ESG response

The RIC meets quarterly or as needed for incident escalations and stewardship reviews.

Chief Investment Officer and Fund Manager

The CIO is accountable for integrating ESG considerations across sourcing, due diligence, and investment committee (IC) preparation. The fund manager is responsible for applying ESG Due Diligence, coordinating with the ESG Officer to prepare the scorecard, and ensuring that IC memos include the ESG Inputs in their entirety and accurately. ESG performance is a standing item during deal review and monitoring discussions.

ESG Officer

The ESG Officer is the operational lead for ESG integration at the firm. Responsibilities include:

- Oversight and maintenance of ESG tools
- ESG red flag logging, scoring, and incident follow-up
- Delivery of ESG onboarding, training, and IC input preparation
- Coordination of PRI reporting, LPs disclosures, and board-level ESG materials
- Stewardship and engagement tracking, including proxy voting and company outreach

The ESG Officer serves as the direct interface between investment teams and legal for the enforcement and monitoring of side letters, RI engagement, and ESG acknowledgement letters.

Compliance Manager

The Compliance Manager ensures ESG obligations are contractually enforceable, legally sound, and consistent with Singularity's regulatory responsibilities. This includes:

- Embedding ESG clauses in the side letters, RI engagement, ESG acknowledgement letters, and fund documents
- Monitoring compliance with disclosure rights and ESG reporting covenants
- Ensuring escalation procedures and LPs notification protocols are followed
- Reviewing resolution documentation for red flag cases

The compliance manager maintains records of all ESG actions for a minimum of five years and verifies audit readiness for LPs and PRI reviews.

External Advisors

External ESG advisors (on a need basis) to:

- Benchmark Singularity's ESG practices against peer institutions and global norms
- Provide technical expertise on climate risk, human rights, data privacy, and other high-impact issues
- Support external LPs' responses, incident reviews, and PRI documentation

Escalation and Accountability

Every role described above is embedded within Singularity's formal escalation protocol. Red flags, ESG incidents, or underperformance against ESG KPIs are escalated from the ESG Officer to the RIC and, where unresolved, to the General Partner. All actions are tracked in the Red Flag & Incident Tracker.

2. ESG Integration Workflow

At Singularity, ESG integration is a structured and continuous process embedded throughout each stage of the investment lifecycle. We recognize that ESG maturity varies by company and strategy, but our objective remains consistent: to identify, assess, manage, and monitor financially material ESG risks and opportunities in every transaction.

The integration process spans three stages: Pre-investment, Post-Investment, and Exit; each incorporates Singularity's ESG approach, committee governance, and decision-making frameworks. This workflow is designed to align with the UNPRI reporting framework, ensuring implementation accountability, fiduciary oversight, and transparent reporting.

While this ESG Integration Strategy applies uniformly across the investment lifecycle, the execution mechanics vary by investment type. In PE transactions, Singularity generally has greater control and influence, enabling contractual ESG provisions, board-level implementation, and direct monitoring tools. In Private Investment in Public Equity (PIPE) and LE investments, where control is typically limited, ESG integration depends on engagement rights, proxy voting, investor coalitions, and voluntary disclosures. The applicable level of ESG enforcement is determined by deal structure, ownership position, and negotiated rights. The ESG integration workflow follows a structured seven-step process across the investment lifecycle from deal origination to exit, as illustrated in **Figure 1**.

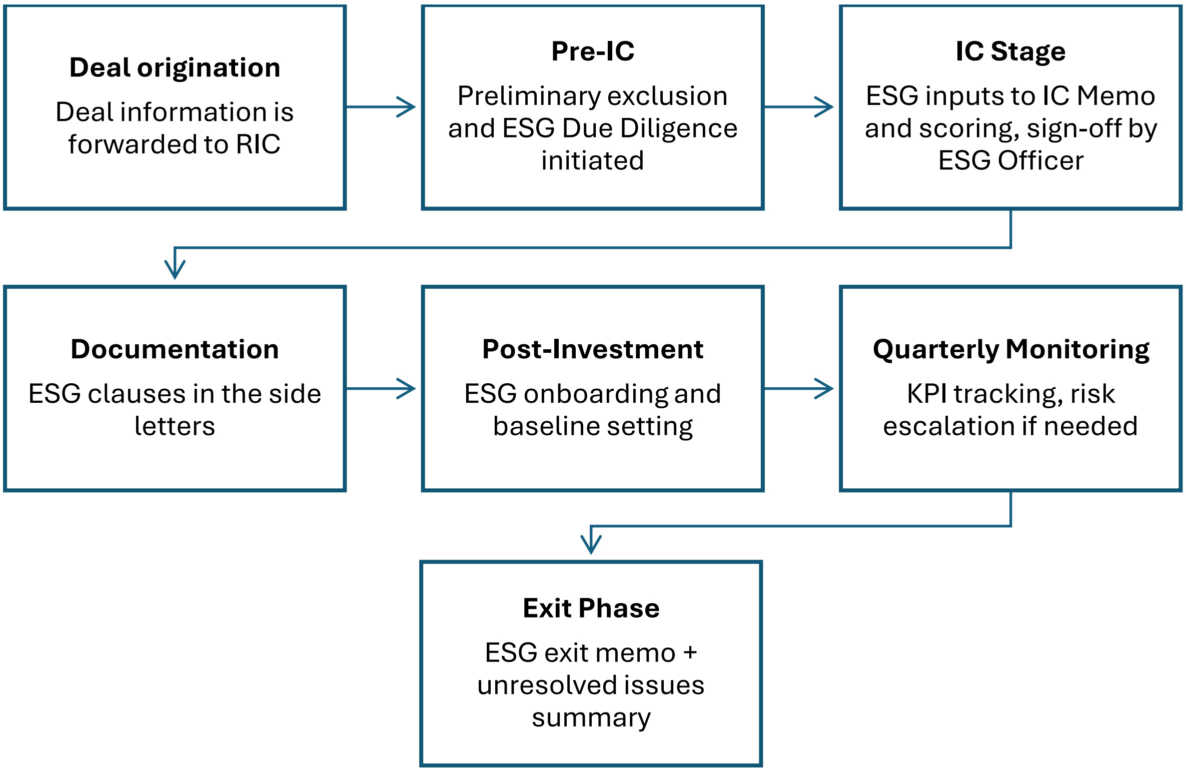

Figure 1 ESG integration workflow

2.1 Pre-Investment Stage

Once the investment proposal is referred to the investment team, it is forwarded to the RI Committee for ESG assessment. This stage involves structured ESG screening, due diligence, scoring, and contractual structuring before committing capital. Integrating ESG at this stage ensures that risks are identified early, mitigation plans are developed, and ESG priorities are incorporated into the deal from the outset.

ESG Screening & Exclusions

- All investment opportunities are first reviewed against Singularity's ESG Exclusion Policy, which screens out prohibited sectors, activities, and jurisdictions. This includes high-risk ESG areas such as arms and weapons, exploitative labour, and other activities listed

- Thematic & Strategic Fit: Deals are screened for alignment with our responsible investment themes, including energy transition, healthcare access, financial inclusion, and digital governance. This ensures strategic ESG alignment before allocating diligence resources
- The ESG Officer conducts preliminary ESG red-flag checks, which are flagged to the RIC if exclusions or controversies arise. Public controversies, whistleblower alerts, or stakeholder sentiment are scanned using external data sources and internal red flag thresholds
- At this stage, the ESG team outlines key ESG focus areas based on the company's sector and jurisdiction. These preliminary considerations guide the focus of the full ESG due diligence in the next stage

Preliminary sectoral and geographic materiality considerations are scoped during screening to shape the ESG diligence lens, which is fully applied in the next phase.

ESG Due Diligence and Pre-Investment Evaluation

Singularity's ESG due diligence process is designed to ensure that material ESG risks and opportunities are identified, scored, and integrated into every investment decision, without exception. The process is executed collaboratively between the Investment Team, ESG Officer, and Legal Team and is governed by PRI-aligned tools embedded in the deal approval pathway. ESG assessment is informed by leading global standards, including the Global Reporting Initiative (GRI) for impact-related disclosures and the Sustainability Accounting Standards Board (SASB) for sector-specific materiality guidance.

Due diligence is conducted, which covers sector-agnostic and sector-specific indicators across environmental, social, and governance dimensions. In parallel, the materiality mapping is applied to tailor focus areas based on the investee's sector, jurisdiction, and value chain exposure. This allows Singularity to differentiate between ESG risks that are material and actionable, versus those that are peripheral or immaterial at the current stage of company maturity.

All findings are scored using Singularity's scoring methodology, which produces numeric outputs based on severity, mitigability, and governance strength. Scores are generated at the sector and company levels to inform red flag status, track record documentation, and IC-level decision support.

The ESG outputs are then consolidated into the "ESG Inputs to IC Memo", a standardized insert submitted alongside the main IC memo. This document includes:

- A concise summary of ESG DD findings
- Key material risks and proposed mitigants
- ESG KPIs for post-investment tracking
- Governance structures and reporting protocols for implementation

ESG Officer sign-off is required before submission to IC, ensuring accountability and integrity of the presented ESG information. This insert acts as the formal ESG representation to the IC without altering the Asset Management Company's (AMC) standardized memo format.

ESG provisions are embedded in the RI engagement and ESG acknowledgement letters, as well as the Material ESG questionnaire for private equity transactions. These include negotiated ESG KPIs, quarterly disclosure obligations, and escalation rights. In PIPE or minority investments, contractual rights (such as observer status, voting alignment, or reporting access) are negotiated where feasible to maintain ESG visibility and influence.

The Investment Committee thoroughly reviews ESG findings, alongside financial, legal, and strategic factors. ESG performance and red flag exposure directly inform decision-making regarding deal approval. Sometimes, investment approval may be contingent upon completing ESG remediation steps, fulfilling negotiated commitments, or establishing board-level ESG oversight structures.

All ESG terms, operational or legal, are embedded into transaction documents or side letters and formally transitioned to the post-investment monitoring team for execution and tracking. ESG obligations captured at this stage, including KPIs and risk mitigation actions, are transferred into Singularity's ESG Tracker Systems.

2.2 Post-Investment Stage

Once the investment is approved, ESG integration enters the execution phase, where policies are operationalized, KPIs are tracked, red flags are monitored, and active stewardship is initiated. At Singularity, this stage ensures that ESG commitments are enforced, outcomes are measured, and fiduciary oversight remains active throughout the holding period. Post-investment ESG monitoring is adapted to reflect the limited control environment in PIPE and Listed Equity transactions. Where Singularity lacks board representation or contractual ESG rights, stewardship relies on shareholder engagement, proxy voting, and collaborative investor actions. To ensure fit-for-purpose ESG integration, Singularity calibrates its implementation approach based on the control profile of each investment.

Monitoring and Stewardship

Quarterly ESG performance is tracked through periodic ESG monitoring, which is aligned with the KPIs agreed upon during the investment. The ESG Officer reviews submissions and updates Singularity's KPI Tracker, noting:

- Progress against KPI targets
- ESG policy adoption and rollout
- Early warning signals or governance lapses

Stewardship responsibilities, including board-level oversight and escalation of ESG topics, are carried out in collaboration with the Deal**.** As part of the ESG onboarding process, each investee company receives a Material ESG Topics Questionnaire that captures baseline information on environmental, social, and governance (ESG) topics. The responses guide the finalization of ESG KPIs, stewardship priorities, and escalation readiness across Singularity's engagement activities.

Red Flags - Escalation Protocols

ESG integration is only as strong as our ability to identify, address, and escalate issues that threaten value, compliance, or reputation. To ensure timely response and governance accountability, we follow a structured escalation protocol that kicks in when ESG risks cross defined thresholds. Escalation is required when any of the following triggers occur:

- A portfolio company breaches ESG covenants or side-letter commitments
- A material ESG incident comes to light, such as an environmental violation, a governance lapse, or a labour-related controversy
- A red flag logged in the ESG Incident Tracker remains unresolved for more than one monitoring cycle
- The company failed to meet its agreed-upon ESG KPIs for two consecutive quarters.

Once a triggering event is identified, typically by the Investment Team or ESG Officer, it must be logged in the ESG Red Flag & Incident Tracker, along with a brief written summary. The ESG Officer formally notifies the RI Committee within ten (10) business days. The RIC must meet within one (1) month to review the issue, assign ownership for resolution, and set a timeline for mitigation. The ESG Officer tracks status updates every week until the issue is resolved. If it remains open for more than ninety (90) days, it is escalated to the General Partner for oversight.

All escalated matters are recorded in the ESG Committee's periodic review, form part of our annual disclosures, and PRI Transparency submission. Compliance ensures that a permanent record is retained and that resolution actions are auditable.

2.3 Exit

Singularity's exit strategy incorporates ESG considerations to evaluate long-term value creation, risk mitigation outcomes, and governance maturity at the portfolio company level. While formalized ESG exit assessments are still being developed across the industry, Singularity has initiated a structured review process to ensure that ESG learnings are captured at the exit point and reintegrated into future investment cycles.

For select transactions, the ESG Officer, in coordination with the Deal Team, prepares an ESG Exit Memo, which is reviewed by the RIC and retained as part of Singularity's ESG documentation archive. The memo includes:

- A summary of ESG KPI performance and disclosure compliance
- Review of any red flags, escalations, or unresolved incidents
- Assessment of governance enhancements and ESG system maturity

- Notable ESG achievements, recognitions, or impact metrics
- Key insights and learnings to inform future ESG screening, onboarding, and monitoring

Where relevant, ESG exit summaries may be included in LPs' reporting or cited in Singularity's annual PRI Transparency Report. These insights directly inform revisions to the ESG approach and policy enhancements across the investment lifecycle.

2.4 Integration of Human Rights and Climate Change Themes

As part of Singularity's progressive ESG integration journey, we have initiated structured incorporation of two globally recognised systemic themes: human rights (HR) and climate change (CC). These issues are critical to long-term value creation, fiduciary responsibility, and regulatory alignment under frameworks such as the UN Guiding Principles on Business and Human Rights (UNGP), the Task Force on Climate-related Financial Disclosures (TCFD), and the UNPRI.

Human Rights (HR)

- We have introduced HR relevance tagging in our ESG DD approach, ESG Scorecard, and Material ESG Topics Questionnaire
- Focus areas include labour rights in logistics chains, child labour, contract workforce safety, community impact, and supply chain due diligence
- Over time, we aim to incorporate risk-based human rights impact assessments for select sectors and support portfolio alignment with the UNGP and the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct

Climate Change (CC)

- Climate change is now a tracked cross-cutting theme within Singularity's ESG governance tools. This includes greenhouse gas (GHG) emissions across Scopes 1, 2, and 3, as well as energy transition roadmaps and exposure to physical and transition risks
- We have committed to developing a climate risk premium methodology and sector-level climate scenario assessments using frameworks such as TCFD and the Network for Greening the Financial System (NGFS) in the future
- These inputs will progressively inform portfolio climate maturity scoring, stewardship actions, and disclosures under PRI and LPs requirements

IFC Performance Standards (IFC PS)

- Singularity references the IFC Performance Standards on Environmental and Social Sustainability to guide the identification and management of environmental and social risks during ESG due diligence and monitoring, particularly for sectors or geographies with heightened exposure to land use, community relations, and resource-intensive operations.

- These standards serve as a reference point when evaluating potential red flags, structuring ESG risk mitigants, and setting expectations for investee alignment with good international industry practices (GIIP).
- Over time, we aim to incorporate IFC-aligned performance expectations for relevant investments, especially where local regulatory frameworks are underdeveloped or where international capital is involved.

Governance Integration

- The Responsible Investment Committee will oversee integration progress and advise on roadmap updates
- The ESG Officer tracks HR and CC-related KPIs and red flags using the internal ESG Tracker and quarterly monitoring

This framework ensures that HR and CC are not siloed, but fully embedded across Singularity's ESG due diligence, investment decisions, post-investment engagement, and exit planning.

3. Periodic Review and Updates

To maintain relevance and alignment with evolving global standards, Singularity AMC LLP will conduct a formal review of the ESG Integration Strategy on an annual basis. The ESG Officer leads this review in consultation with the RI Committee, and incorporates:

- Regulatory developments
- Updates to the PRI Reporting Framework or modules
- Internal lessons learned from implementation, monitoring, and exit reviews
- Feedback from LPs, General Partner, and external advisors

All updates are version-controlled and submitted to the General Partner for approval before integration into governance frameworks, investment protocols, and LP disclosures.