



ECP Sustainability Policy (Abridged)

Vision

ECP believes that responsibly managing Environmental, Social, and Governance (ESG) risks and opportunities is fundamental to its investment strategy. From a risk mitigation perspective, incorporating ESG considerations into decision-making and ownership practices makes commercial sense and is a fiduciary responsibility. Meaningful inclusion of ESG matters also translates into commercial opportunity. Good ESG practice contributes to, among other benefits, the building of strong workforce talent and positive brand recognition, ultimately driving business expansion and innovation and contributing to sustainable development on the African continent.

Approach

ECP's ESG management system applies to all investments and is informed by the International Finance Corporation (IFC) Performance Standards, an international benchmark for the identification and management of environmental and social risks. ECP embeds ESG considerations into all steps of the investment process from pre-screening to exit. In assessing opportunities, we apply an exclusion list to screen out investee companies whose primary operations do not meet our minimum threshold. We then categorize each potential investment according to its likely ESG risk profile.

Based on the risk categorization of a potential investment, ECP plans and undertakes commensurate ESG due diligence activity. The process evaluates company performance against respective national statutory requirements and international best practice including the IFC Performance Standards, International Labor Organization Core Labor Conventions, and World Bank Group's Environmental Health and Safety Guidelines.

Following due diligence, ECP recommends and works with the company to develop a commercially viable action plan prioritizing risk management strategies for the highest-impact risks identified. Where it is unfeasible to avoid negative impacts, ECP strives to incorporate solutions to minimize these effects. Following this process, ECP integrates ESG undertakings into all partnership agreements.

ECP views ESG engagement as continually developing. Throughout the life of an investment, ECP collaborates with investee companies to progress towards increased alignment with international standards. Through periodic outreach and monitoring visits, and leveraging resources made available by our investors, we seek to understand, to report on, and to respond appropriately to investee company ESG accomplishments and challenges. Ultimately, we strive to see investee companies implement their ESG action plans and to contribute to the advancement of sustainable development across Africa.

Commitment

ECP management is committed to the meaningful inclusion of ESG matters in investment activities as outlined in this policy, and ECP maintains a dedicated ESG team to implement this policy. In May 2010, ECP signed the United Nations' Principles for Responsible Investing (UNPRI) to demonstrate our commitment to responsible investing.