



Matanataki Pte Ltd and Matanataki Pacific Fund 1

Environmental, Social, Governance and Impact
Policy (including Climate and Biodiversity Policies)

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1. Introduction

Matanataki Pte Ltd (Matanataki) is a woman-founded business development and investment company in Fiji. At Matanataki we work to address complex environmental and development challenges by supporting and investing into Pacific-based businesses who share a vision to build a climate resilient and equitable future, creating positive change for the Pacific's people, land and reefs. In response to the urgent global threats we face, we believe in the ability of Pacific Island companies, entrepreneurs, and communities to be world leaders, building a liveable future through a regenerative and interwoven relationship between enterprise, people, and the planet grounded in equity and respect.

Matanataki commits to policies and structures to mitigate Environmental Social Governance (ESG) risks and create positive environmental and social impacts, starting with its own operations. Matanataki continues to assess how to develop, refine and implement the policies and procedures that identify and minimise organisation ESG risks most appropriately. Matanataki additionally strives to be at the forefront of internal organisation structures that model our value of economic, social and gender equity and environmental regeneration. Matanataki commits to values and principles, policies and programs which create positive impact social and environmental outcomes from our internal operations.

Matanataki recognises that governance risks, such as ethical misconduct, inadequate oversight, lack of transparency and communication, and failures in compliance, can significantly impact the integrity and success of our operations. To mitigate these risks, we implement robust governance frameworks that align with international best practices and our commitment to ethical and responsible business conduct.

All our investment decisions commit to not only do no harm but to actively contribute towards positive and measurable environmental and social change in alignment with our theory of change and principals.

Our Environmental Social Governance and Impact (ESGI) Policy outlining the commitments and principles is described in this document. It reflects the ESGI commitments of Matanataki and of the Fund Manager, Enyorra Private Equity Pte. Ltd. The ESGI Policy is applicable to Matanataki and Matanataki Funds. Specific Fund commitments are listed in Section 3.0.

Matanataki implements the ESGI Policy through the procedures in our integrated Environmental and Social Management System (ESMS) and Impact Measurement and Management System (IMMS). Application of these procedures ensures ESGI is integrated into our internal organisation operations and our investment life cycle.

This ESGI Policy should be read in conjunction with our other ESGI-related Policies including:

- Climate Policy (included herein)
- Biodiversity Policy (included herein)
- Animal Protection Policy
- Child Protection Policy
- Code of Business Conduct
- Conflict of Interest Policy
- Fraud & Corruption Prevention and Investigation Policy (also covering whistleblowing)

- Respect in the Workplace Policy (also covering sexual harassment)
- Code of Ethics
- Whistleblowing Policy
- Gender Equality Policy
- Human Rights Policy
- Indigenous Peoples Policy

Policies not contained within this document can be found in our Compliance Manual.

Appendix A presents a list of acronyms used in this Policy.

Matanataki has a grievance mechanism that enables third parties to raise concerns about the Fund's compliance with this Policy.

Members of the public may report alleged misconducts (including maladministration, discrimination, retaliation, fraud, corruption, collusion, coercion, obstruction, money laundering and terrorist financing) related to Matanataki's investments and potential investee companies to Matanataki's Legal Counsel via a written communication to:

Public Complaints:
Email: info@matanataki.com

This Policy has been reviewed and approved 28th January 2026 for immediate implementation.



Jodi Smith
Director/CEO, Matanataki Pte Ltd
Founding General Partner, Matanataki Pacific Fund 1

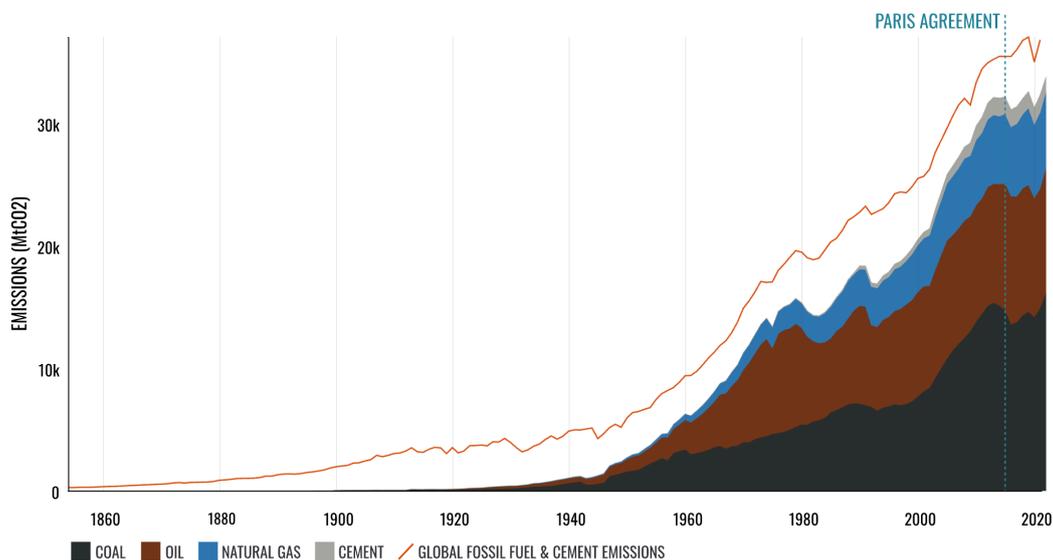
2. Compendium

Matanataki was created to place business in the service of all Life. The statistics, stories, people, quotes, images, and videos that follow mark the pivotal moments and learnings that have shaped our company’s journey, and that continue to anchor our resolve to stand with Mother Earth – even in the darkest hours.

“Over 70% of ... global CO2 emissions historically can be attributed to just 78 corporate and state producing entities.”

- The Carbon Majors Database Launch Report 2024¹

Carbon Majors & Global CO2 Emissions (1854–2022)



- The database categorizes entities into three types: investor-owned companies, state-owned companies, and nation-states. Historically, investor-owned companies account for 31% of all emissions tracked by the database (440 GtCO₂e), with **Chevron**, **ExxonMobil**, and **BP** the three largest contributors respectively. State-owned companies are linked to 33% of the database total (465 GtCO₂e), with **Saudi Aramco**, **Gazprom**, and the **National Iranian Oil Company** being the largest contributors. Nation-states account for the remaining 36% (516 GtCO₂e), with **China's coal production** and the **Former Soviet Union** the largest contributors.

Source: *The Carbon Majors Database*²

“81 Billionaires hold more wealth than 50% of the world combined.”

- Oxfam International , January 2023³

¹ <https://carbonmajors.org/briefing/The-Carbon-Majors-Database-26913>

² <https://carbonmajors.org/briefing/The-Carbon-Majors-Database-26913>

³ <https://oi-files-d8-prod.s3.eu-west-2.amazonaws.com/s3fs-public/2023-01/Survival%20of%20the%20Richest%20Full%20Report%20-English.pdf>

“That money could’ve only come from one place – there’s no other place for it to have come from, and that’s the earth. Somehow it was extracted from water, earth, air, trees, the bodies of the flying ones, the swimming ones, the creepy crawly ones, the four-legged ones, the labour of men, women, children. It has been extracted out the web of life, from Mother Earth and Life itself... So here is what I want us to consider: that is Life that is being hoarded, that is life which is being withheld from Life. And now Life is screaming out for life. And so what has to happen, is that life, which is being hoarded as wealth, which is being dammed up, those dams are going to have to come down. And that life that looks like money is going to have to be re-released back into Life. There is no other way for this to go.... We have to begin to create a circumstance for that to be able to happen, to be received and met, with an eye towards ‘ *We need to do this so the people can live. We want to live with all of our relations.* ’”

- Pat McCabe, *Woman Stands Shining*, 2021⁴

“It looked like a very beautiful sunlit graveyard, with beautiful gravestones.”

- Anohni on the collapsing of The Great Barrier Reef, 2025⁵

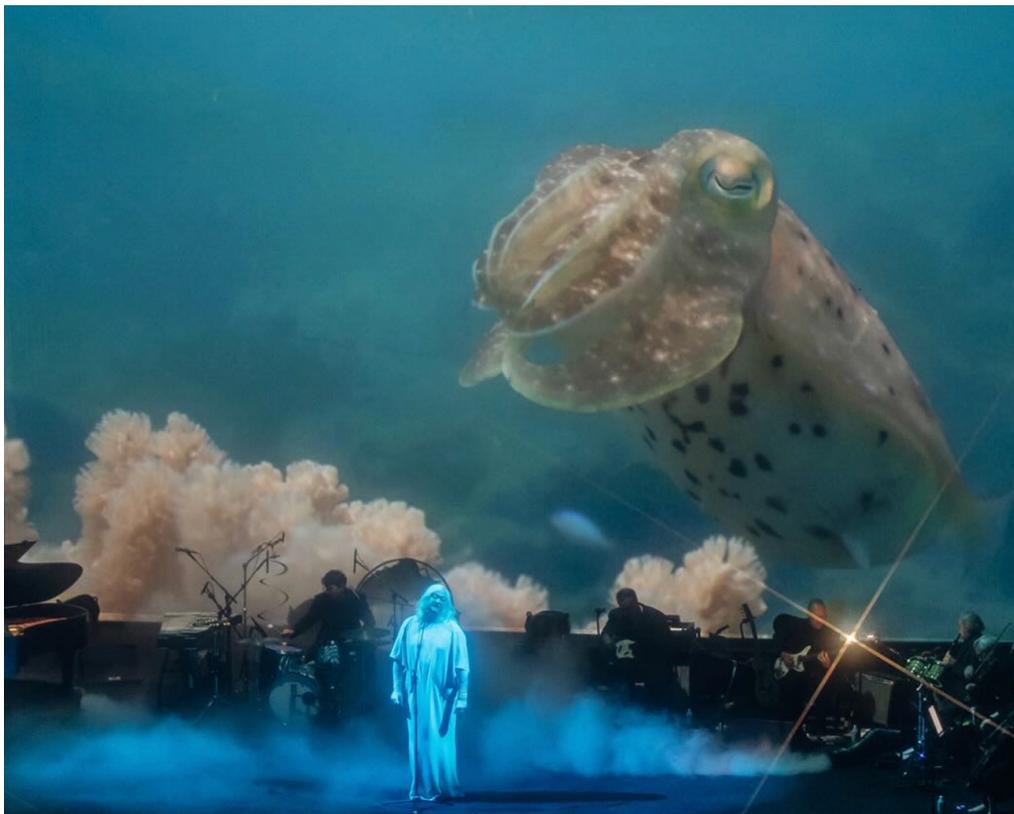


Image: *Mourning The Great Barrier Reef*, Sydney Opera House, 26 May 2025, credit: Jordan Munns

⁴ <https://www.youtube.com/watch?v=Bi9IT5DQsE4&t=144s>

⁵ <https://www.drownedinsound.org/anohni-shared-a-vision-of-our-future-now-i-cant-unsee-it/>

Oh, what'll you do now, my blue-eyed son?
Oh, what'll you do now, my darling young one?
I'm a-goin' back out 'fore the rain starts a-fallin'
I'll walk to the depths of the deepest black forest
Where the people are many and their hands are all empty
Where the pellets of poison are flooding their waters
Where the home in the valley meets the damp dirty prison
Where the executioner's face is always well hidden
Where hunger is ugly, where souls are forgotten
Where black is the color, where none is the number
And I'll tell it and think it and speak it and breathe it
And reflect it from the mountain so all souls can see it
Then I'll stand on the ocean until I start sinkin'
But I'll know my song well before I start singin'
And it's a hard, it's a hard, it's a hard, it's a hard
It's a hard rain's a-gonna fall

- Bob Dylan, A Hard Rain's Gonna Fall, composed 1962



Image: Patti Smith performs Bob Dylan's *Hard Rain's Gonna Fall*, Nobel Prize Award Ceremony, 2016, Copyright © Nobel Media AB 2016⁶

“The *Fanua* (*Vanua*, *Whenua*, *Fonua*) is where we are born from. The *Fanua* is the land the sea the sky the mountain. Who I am is the ecosystem. It is where we orient ourselves. The *Fanua* is home.... The *Fanua* is where we know who we are. The *Fanua* is our identity. The *Fanua* gives us shelter. The *Fanua* maintains the dignity of my people and harmony with the earth. We don't have a word for nature. We refer to our bodies as *Fanua*. The word for my

⁶ <https://www.youtube.com/watch?v=941PHEJHCwU&t=3s>

blood is *palapala*. *Palapala* means earth. New words from England have replaced *Fanua* with *real estate* or *property*. *Blood* does not mean *earth* in the English language. I am part of earth that stands up and walks. And I will return to lie down when death arrives. I will be absorbed back into the land, grateful to have been part of this miracle of life.

It is not possible to change human behaviour without reviewing our spirituality. We cannot just hope to technofix, spend and policy make our way out of climate emergency, corporate greed, bigotry, racist violence, blind hatred or crushing despair and loneliness. We need to reform our spiritualities. If our spirit is sick our behaviour will be unhealthy. For spiritual transformation our tasks as artists and leaders is to improve the quality of how the [people feel, hear, see and touch the world. And how do you touch the world? What is our human role on earth? For we are not lords, vandals or managers of earth. We are part of the process of earth and these processes have been here long before us and they will be here long after we are gone.”

- Lemi Ponifasio, Speech of Lemi Ponifasio at the Edinburgh International Culture Summit 2022 - Opening Session, 2016⁷



© photo: Sebastian Bolesch

Image: *Birds with Sky Mirrors*, credit: Sebastian Bolesch⁸

⁷ <https://www.youtube.com/watch?v=5rMrfneEp4c>

⁸ <https://www.youtube.com/watch?v=IZP0abZAYHY>

“In the countryside, under the streams
Suck the marrow out of her bones
Inject me with chemotherapies
Suck the money out of her face”

- Anohni, *Marrow*, 2016, video featuring Lorraine O’Grady



Image: Lorraine O’Grady performs in the music video for “Marrow” by Anohni, 2016, from ANOJNI: HOPELESSNESS (Secretly Canadian/Rough Trade) © & © Rebis Music 2016⁹

“Money seems to be upstream of every single problem we’re facing.
Money is the longest, deepest running unconscious agreement we’ve had.
It could mean anything we want it to mean.
And right now it’s putting people on the street, keeping kids hungry and destroying everything.
It’s already everywhere.
What would happen if we changed its meaning? If we changed the consciousness of it?
Since it’s already in everything, what would happen if we changed its meaning? Would it change the meaning of everything?”

-Pat McCabe, *Woman Stands Shining*, 2021¹⁰

⁹ <https://www.youtube.com/watch?v=Rb9XECERmlc&t=1s>

¹⁰ <https://www.youtube.com/watch?v=Bi9IT5DQsE4&t=144s>

3. Matanataki Environmental, Social, Governance and Impact Policy

3.1 Responsibilities

The Matanataki General Partners, and particularly the Matanataki Director/CEO as the ESGI Partner, are responsible for the oversight and implementation (budget and resources) of the ESGI policy.

The ESGI policy is implemented by all members of the Matanataki team through the lifecycle of the investment.

3.2 Vision, Values and Principles

Our vision is for vibrant, healthy and thriving ecosystems and societies in the Pacific, where the needs of all are met. To work towards this, we strive to accelerate the region's transition to regenerative production, by building local steward-orientated inclusive economies that respect and restore Pacific reefs, oceans, people and the web of life.

Our strategic impact goals are to:

- i. Increase coral reef climate resilience (and thus Pacific Island Countries' climate resilience) by reducing the drivers of coral reef degradation and restoring coral reef and linked systems. Drivers of degradation include but are not limited to waste management practices, fishing and marine activities, industrial and agricultural practices and land management.
- ii. Advance gender equity and gender smart capital
- iii. Contribute the economic development of Pacific Island Countries on a climate resilient, regenerative and inclusive pathway
- iv. Expand access to finance to underserved populations

To deliver on the strategic goals Matanataki will:

- Consider ESG issues - material ethical, environmental, social and governance risks and opportunities – in all investment decisions.
- Make impact investments with the primary intention of creating positive social and environment outcomes alongside a financial return.
- Engage in “*non-extractive*” impact investment where the returns to the lender do not exceed the wealth created by the borrower using the capital.
- Develop and grow regenerative businesses that return equal or greater value to the environment and communities than they use, by embedding regenerative practices across all portfolio companies.

Matanataki's impact strategy and strategic goals, although specific to our theory of change, align to global goals and national targets including The UN Sustainable Development Goals (SDGs), Planetary Boundary Framework, country-level National Development Plans, National Determined Contributions and National Adaptation Plans.

Matanataki's values with associated principles are as follows:

Right relationship with life

- Treat people, cultures, lands, oceans and all forms of life with dignity and care in every decision.
- Honour the more-than-human world as sacred, not merely as a resource.
- Act from a sense of kinship and interdependence with all forms of life.

Reciprocal justice and equity

- Ensure value, risk, and decision-making power are shared fairly among communities, workers, investors, and ecosystems.
- Structure capital to be non-extractive, with benefits flowing back at least in proportion to what is taken.
- Embed gender equity, labour rights, and access to remedy in all relationships and agreements.

Integrity and responsibility

- Take ownership for social, cultural, and ecological impacts and move quickly to repair harm.
- Adhere to clear ethical, ESG, and impact standards, and report transparently on performance.
- Welcome scrutiny and feedback and align behaviour with stated values.

Service to place and people

- Act first in service of Pacific communities, cultures, and ecosystems, not external interests.
- Centre Indigenous leadership, local ownership, and intergenerational stewardship in strategy and governance.
- Use skills, networks, and capital to strengthen local resilience and self-determination.

Restraint

- Respect ecological and social limits in growth, extraction, tourism, and resource use.
- Choose “enough” over “always more” when additional growth would undermine wellbeing or planetary boundaries.
- Avoid strategies that depend on over-consumption, over-leverage, or depletion of natural systems.

Regenerative systems change

- Support enterprises and practices that restore, heal, and strengthen ecosystems and communities over time, and channel human creativity explicitly toward the systems change that these enterprises can contribute to.
- Design portfolios and partnerships to shift underlying systems, not just individual firms; work at land- and sea-scape levels.
- Take thoughtful risks to demonstrate new models of economy that align prosperity with ecological limits and justice.
- Play a role in wisdomising money and capital by treating them as tools of relationship and stewardship rather than extraction, and by experimenting with ways of circulating capital that honour life, reciprocity, and shared flourishing, even while the exact pathways are still evolving.

3.3 Commitments and Requirements

To deliver on the strategic goals the following requirements will be applied to all investments:

- Compliance with national laws, regulations and international conventions and declarations on environment, labour, health and safety, social aspects and any standards that may be referenced therein.
- IFC Performance Standards (IFC PS).
- World Bank Group Environment Health and Safety (WBG EHS) General Guidelines and Good International Industry Practice standards (GIIP).
- Universal Declaration on Human Rights
- International Labour Organization (ILO) Fundamental Conventions
- ILO Fundamental Principles and Rights at Work and ILO Basic terms and Conditions of Work (amended 2022)
- Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct
- UN Principles of Responsible Investment (UN PRI)
- 2 X Challenge Criteria

And where applicable:

- UN FAO Principles for Responsible Investment in Agriculture
- WBG EHS General Guidelines and sector specific guidelines e.g. Agribusiness, Waste Management and Tourism.
- IFC's Good Practice Handbook on E&S Risk in Agro-commodity Supply Chains

Our impact measurement and monitoring will be aligned with the IMP / IRIS+ Five Dimensions of Impact framework.

Matanataki is committed to working alongside portfolio companies in meeting these standards, providing practical guidance and hands-on support so that compliance becomes a source of strength and impact rather than an administrative burden.

3.4 Exclusion List

Reflecting our vision and principles, Matanataki will not invest in sectors, industries or companies identified in:

- the World Bank International Finance Corporation (IFC) Exclusion List.
- the Harmonised European Development Finance Institutions' (EDFI) Exclusion List and the Harmonised EDFI Fossil Fuel Exclusion List.

The Matanataki Exclusion List is presented in Appendix B.

3.5 Policy Implementation and Review

Matanataki has developed an Environmental and Social Management System (ESMS), Gender Action Plan (GAP) and Impact Management and Monitoring system (IMM) to ensure that the

policy is fully implemented throughout the investment process. Together, the ESGI policy, the ESMS, GAP and IMM constitute Matanataki's combined framework of ESG and Impact management, with procedures which are fully integrated with the Matanataki Fund(s)' investment cycles and tools to support implementation.

This Policy will be reviewed at least once per year or when significant business process changes occur, to ensure the information contained herein is current and applicable.

4. Climate Policy

4.1 Purpose and relationship to the ESGI Policy

This Climate Policy operationalises Matanataki Pte Ltd (Matanataki) Environmental, Social, Governance and Impact (ESGI) Policy by setting out how climate-related considerations are integrated into investment decision-making and portfolio management in practice.

Consistent with the ESGI Policy, Matanataki recognises climate change as a defining systemic risk and a core determinant of long-term resilience, particularly in small-island and climate-exposed contexts. Matanataki seeks to manage climate risks responsibly, support climate-resilient development pathways, and avoid investment approaches that exacerbate vulnerability or exceed ecological limits.

4.2 Scope and applicability

This policy applies to:

- Matanataki Pte Ltd (MPL)
- Matanataki funds including Matanataki Pacific Fund 1 (MPF1); and
- Portfolio companies, on a risk-based and proportionate basis.

The application of climate-related requirements reflects the scale, sector, geography, and risk profile of each investment.

4.3 Climate considerations in investment decision-making

In line with the ESGI Policy's emphasis on systems-level resilience and long-term value creation, Matanataki integrates climate considerations throughout the investment lifecycle, including:

- Screening and eligibility assessment;
- Environmental and social due diligence;
- Investment structuring and approval; and
- Post-investment monitoring and engagement.

Climate considerations may include, as relevant:

- Physical climate risks, such as exposure to extreme weather events, climate variability, sea-level rise, and other climate hazards;
- Transition risks, including regulatory, market, technological, or reputational risks associated with the transition to a low-emissions economy; and
- Contextual climate vulnerability, particularly where investments interact with climate-sensitive livelihoods, ecosystems, or communities.

These considerations are assessed through MPL's Environmental and Social Management System (ESMS) and associated investment procedures.

Matanataki aligns its climate risk assessment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and, where applicable, the International Sustainability Standards Board (ISSB) S2 Climate-related Disclosures.

4.4 Climate resilience and impact orientation

Consistent with the ESGI Policy's focus on regenerative and non-extractive development pathways, Matanataki seeks to support investments that:

- Strengthen climate resilience and adaptive capacity;
- Contribute to emissions reduction or avoidance where relevant; and/or
- Enable climate-resilient livelihoods, services, and infrastructure.

Climate outcomes are pursued in a manner consistent with long-term commercial sustainability and are tracked through the Fund's Impact Measurement and Management System (IMMS).

While our primary focus is on resilience and adaptation, Matanataki encourages portfolio companies to monitor and, where material, report on Scope 1 and Scope 2 emissions. Where possible carbon reduction plans will be developed and implemented, seeking to minimise the carbon footprint of our investments.

4 Avoidance of maladaptation and ecological overshoot

In line with the ESGI Policy's commitment to restraint, planetary boundaries, and long-term systems health, Matanataki seeks to avoid investments that:

- Increase exposure or sensitivity to climate hazards;
- Shift climate risks onto vulnerable groups, ecosystems, or future generations;
- Deliver short-term gains while undermining long-term resilience; or
- Activities that degrade natural buffers (e.g., mangroves or coral reefs) that provide protection against climate-related hazards.

Where maladaptation risks are identified, investments will be re-designed, subject to enhanced mitigation, or avoided.

4.5 Governance and accountability

Oversight of climate-related matters sits within Matanataki's ESGI governance framework. Senior management retains responsibility for ensuring that climate risks and opportunities are appropriately considered alongside financial and operational factors.

Material climate-related risks, trade-offs, or incidents are escalated in accordance with the Fund's governance and escalation arrangements under the ESMS.

4.6 Monitoring, learning, and disclosure

Climate-related performance and outcomes are monitored through the IMMS and portfolio oversight processes. Lessons learned inform ongoing portfolio management and future investment decisions.

Material climate-related incidents are addressed in accordance with the ESMS incident management and reporting procedures.

Risk Assessment: Matanataki uses localised climate data and scenario analysis to assess the long-term viability of assets against projected sea-level rise and extreme weather

5. Biodiversity Policy

5.1 Purpose and relationship to the ESGI Policy

This Biodiversity Policy operationalises Matanataki Pte Ltd (Matanataki) ESGI Policy by setting out how biodiversity-related risks and impacts are identified, avoided, and managed in practice. Consistent with the ESGI Policy, Matanataki recognises biodiversity as foundational to ecological integrity, livelihoods, cultural identity, and climate resilience. Matanataki adopts a precautionary, non-extractive approach to biodiversity, seeking to avoid irreversible harm and to support responsible stewardship of land and sea systems.

1. Scope and applicability

This policy applies to:

- Matanataki Pte Ltd (MPL)
- Matanataki funds including Matanataki Pacific Fund 1 (MPF1); and
- Portfolio companies, on a risk-based and proportionate basis.

The level of biodiversity-related requirements applied reflects the nature, scale, and risk profile of each investment.

Beyond risk management, Matanataki adopts an ‘active ownership’ approach, providing technical support and guidance to portfolio companies to enhance their internal biodiversity management capabilities and drive positive nature-based outcomes.

5.2 Biodiversity context and materiality

Many of Matanataki’s current and prospective investment geographies are characterised by high biodiversity value, ecological sensitivity, and strong interdependencies between ecosystems and community livelihoods.

Biodiversity loss can create material environmental, social, operational, and reputational risks. Accordingly, biodiversity considerations form an integral part of the MPL and MPF1 environmental and social risk management framework.

5.3 Biodiversity risk screening and avoidance

In line with the ESGI Policy’s exclusion commitments and precautionary approach, MPL screens investments at an early stage to identify biodiversity risks.

The MPL and MPF1 seek to avoid investments that are likely to result in:

- Significant or irreversible biodiversity loss;
- Conversion or degradation of critical, high-conservation-value, or legally protected habitats;
- Activities inconsistent with applicable national laws or international biodiversity conventions.

Where unacceptable biodiversity risks are identified Matanataki will either decline the investment or, where feasible, work with the portfolio company to develop a time-bound Biodiversity Action Plan (BAP). This BAP must align with the Mitigation Hierarchy (Avoid,

Minimise, Restore, and Offset) to ensure no net loss, and where possible, a net gain for biodiversity.

For the purposes of this policy, Matanataki's definitions of "Critical Habitat", "Natural Habitat", and "High-Conservation-Value (HCV)" areas are aligned with the standards set out in IFC Performance Standard 6 (PS6) on Biodiversity Conservation and Sustainable Management of Living Natural Resources and EIB Environmental Social Standard (ESS) 4 Biodiversity and Ecosystems.

5.4 Application of the mitigation hierarchy

Matanataki requires all investments to apply the mitigation hierarchy to manage biodiversity impacts, prioritising:

- Avoidance: Designing projects to avoid impacts on biodiversity from the outset.
- Minimisation: Implementing measures to reduce the duration, intensity, and/or extent of impacts that cannot be avoided.
- Restoration: Rehabilitating degraded ecosystems or restoring habitats following exposure to impacts.
- Offsets: As a last resort, implementing compensatory measures for significant residual adverse impacts.

5.5 Biodiversity management and stewardship measures

Where biodiversity risks are identified, proportionate management measures are required at the investee or project level. These may include:

- Biodiversity management measures integrated into environmental and social action plans; and
- Biodiversity action plans or equivalent instruments for higher-risk investments.

Consistent with the ESGI Policy, biodiversity management approaches seek not only to reduce harm, but also, where feasible, to support ecosystem restoration and long-term stewardship.

5.6 Indigenous Peoples, customary tenure, and biodiversity

Matanataki recognises that biodiversity values are often inseparable from Indigenous Peoples' land, sea, and resource governance systems. Where investments interact with customary land or marine tenure, biodiversity risk management is aligned with culturally appropriate engagement and respect for Indigenous governance structures, consistent with IFC PS 7 Indigenous Peoples and EIB's ESS 7 Vulnerable Groups, Indigenous Peoples and Gender.

5.7 Indirect and supply-chain impacts

Matanataki acknowledges that biodiversity impacts may arise indirectly through supply chains or associated activities. Such impacts are considered where material and feasible, particularly where they may pose significant environmental, social, or reputational risk.

5.8 Governance, escalation, and incident response

Oversight of biodiversity-related risks and impacts forms part of Matanataki's ESGI and ESMS governance framework. Significant biodiversity impacts or incidents are escalated and managed in accordance with MPL and MPF1's incident management, reporting, and corrective action procedures.

5.9 Monitoring and reporting

Matanataki is committed to transparency and continuous improvement in biodiversity management. Biodiversity-related risks, mitigation measures, and outcomes are monitored through environmental and social supervision processes and, where relevant, through the Impact Measurement and Management System (IMMS). Corrective actions are implemented where monitoring identifies material issues.

- **Portfolio Monitoring:** Conduct annual biodiversity risk reviews of the portfolio using tools such as the IUCN Red List and IBAT.
- **Reporting:** Provide annual updates to our stakeholders on biodiversity performance, including key impact indicators (e.g., hectares protected or restored).
- **Framework Alignment:** aim to align with the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations to assess and disclose nature-related risks and opportunities.

6. Fund Specific Requirements

6.1 Matanataki Pacific Fund 1

Matanataki Pacific Fund 1 (MPF1) is a climate resilience impact fund targeting reef-positive and gender equitable SMEs across waste management, fisheries, agriculture and tourism in the Pacific.

MPF1 seeks to deliver risk capital and hands-on active ownership to Pacific reef-positive and gender equitable Small and Medium Enterprises (SMEs) across waste management, fisheries, agriculture and tourism. Leveraging the team's local and international experience as business operators and regenerative systems practitioners, the goal is to support entrepreneurs to accelerate the region's transition to regenerative production and to build local economies that respect and restore Pacific reefs, oceans and people.

MPF1 exists to bring investment to Pacific Island companies which are benefiting the wellbeing of all people and ecosystems. Consideration of ESG issues and impact potential is thus integral to the entire investment process, helping to ensure no harm is done and that the highest potential positive impact is created. ESG and impact processes not only help to reduce and manage risk, but also add financial, social and environmental value to portfolio companies.

The strategic impact goals of the fund are:

- Increasing coral reef climate resilience (and thus Pacific Island Countries' climate resilience) by reducing the drivers of coral reef degradation and restoring coral reef and linked ecosystems.
 - i. Improving waste management to reduce runoff of persistent organic pollutants, heavy metals, plastics and micro-debris from solid waste.
 - ii. Improving coral reef ecosystem health through marine ecosystem conservation, restoration, improved management, and reduction of fishing pressure.
 - iii. Improving ecosystem health and climate resilience through agriculture, to reduce destruction of ecosystems, runoff of sediments, nutrients, agricultural chemicals, pathogens, pharmaceuticals, plastics & micro-debris from agriculture and livestock.
 - iv. Improving land management.
- Advancing gender equity and gender smart capital.
- Contributing to the economic development of Pacific Island Countries, on a climate-resilient, regenerative and inclusive development pathway.
- Expanding access of finance to underserved populations, which includes empowering workers through freedom of association.

6.2 MPF1 Requirements

In addition to the Commitments and Requirements described in Section 2.0 of this policy MPF1 has the following requirements:

- European Investment Bank (EIB) Environmental and Social Standards (EIB E&S) 2022

- Green Climate Fund (GCF) Initial Fiduciary Principles and Standards (GCF IFPS) 2014 ;
- GCF Interim Environment and Social Safeguards of the Fund 2014 (GCF ESS)).
- To operate in a manner consistent with GCF's Indigenous People's Policy and GCF's Information Disclosure Policy

The fund and its portfolio will apply applicable GIIP and EU Best Available Technique Reference Documents (BREFs) for pollution abatement.

Matanataki has developed Key Performance Indicators (KPIs) to measure the Fund's strategic impact goals in ways that are material to the portfolio companies, as well as feasible and affordable to monitor. Wherever possible, these KPIs will be metrics that are aligned to the IRIS+ metric set, the metrics of key partners or the Fund's potential LPs.

Appendix A: Acronyms

BREF	EU Best Available Technique Reference document
EDFI	European Development Finance Institution
EIB	European Investment Bank
EU	European Union
EHS	Environment Health and Safety
ESG	Environment Social Governance
ESGI	Environment Social Governance and Impact
ESMS	Environment Social Management System
ESS	Environmental and Social Standards
GCF	Green Climate Fund
GFCR	Global Fund for Coral Reefs
GIIP	Good International Industry Practice
IFC	World Bank Group International Finance Corporation
IFC PS	IFC Performance Standards
IFPS	Initial Fiduciary Principles and Standards
ILO	International Labour Organization
IMMS	Impact Measurement and Management System
IRIS+	Global Impact Investing Network free access platform for managing impact
KPIs	Key performance Indicators
LPs	Limited Partners
MPF1	Matanataki Pacific Fund 1
(M)SME	(Micro) Small Medium Enterprise
OECD	Organisation for Economic Cooperation and Development
PICs	Pacific Island Countries
UN FAO	United Nations Food and Agriculture Organization
UN PRI	United Nations Principles for Responsible Investment
UN SDG	United Nations Sustainable Development Goals
WBG	World Bank Group

Appendix B: Exclusion List

Matanataki Pte Ltd and Matanataki Pacific Fund 1 adopt the following exclusion criteria:

1. Activities prohibited by national legislation or international legal instruments:
 - Investments that result in limiting people’s individual rights and freedom or that violate human rights.¹¹
 - Investments involving Forced Labour, or Child Labour as defined by ILO Conventions.
 - Investments issued by sovereigns and/or corporates, or mainly listed in countries, or related to individuals and/or other entities in a particular country identified and as specified in the United Nations Security Council Sanctions List, the list of high-risk jurisdictions subject to a “Call for Action” identified by the Financial Action Task Force and/or the European Sanctions List.
 - Investments issued by companies involved in the manufacturing of controversial weapons and/or essential components or services or through owned entities. These include anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons.¹²
 - Activities prohibited by national legislation or international conventions relating to the protection of biodiversity resources, or cultural heritage.¹³
 - Racist or anti-democratic media
 - Investments that could have significant adverse risks and/or impacts related to involuntary resettlement or indigenous peoples without free informed prior consent of such peoples.
 - Activities subject to international phase out or bans, including production of or trade in products containing Polychlorinated Biphenyls (PCBs); production, placing on the market and use of asbestos fibres¹⁴; production, use of or trade in

¹¹ Internationally recognised standards include without limitation the following:

- Universal Declaration of Human Rights.
- International Bill of Human Rights.
- International Labour Organization’s Fundamental Labour Conventions.
- International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.
- United Nations’ Guiding Principles on Business and Human Rights.
- United Nations Global Compact.
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.
- For sovereign issuers, human rights due diligence may rely without limitation on the Freedom House Index and the Transparency International’s Corruption Perceptions Index.

¹² Relevant international conventions include, without limitation, the Geneva Protocol (1925) (on chemical and biological weapons); the Treaty on the Non-Proliferation of Nuclear Weapons (1968); the Convention on the prohibition of biological weapons (1972); the Convention on Cluster Munitions (2008); Protocol III to the Convention on Certain Conventional Weapons (1980) (on incendiary weapons); the Convention on the Prohibition of Chemical Weapons (1993); the Convention on the Prohibition of Anti-Personnel Mines (Ottawa Treaty) (1997); the Treaty on the Prohibition of Nuclear Weapons (2017).

¹³ The underlying risks and impacts must be identified, assessed and systematically monitored throughout the investment cycle. Relevant international conventions include, without limitation, the Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention); the Convention on Wetlands of International Importance, especially as Waterfowl Habitat (Ramsar Convention); the Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention); the World Heritage Convention; Convention on Biological Diversity and Protocols.

¹⁴ Commission Regulation (EU) 2016/1005 of 22 June 2016 amending Annex XVII to Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) as regards asbestos fibres (chrysotile).

ozone depleting substances¹⁵ and other substances which are subject to international phase-outs or bans, including pharmaceuticals, pesticides/herbicides, chemicals¹⁶, and other hazardous substances; trade in mercury, mercury compounds, and a large range of mercury-added products¹⁷; production or use of or trade in persistent organic pollutants¹⁸; production or trade in wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

- Activities relating to the deliberate release of genetically modified organisms (GMO).¹⁹
- Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.²⁰
- Collection, treatment and disposal of hazardous waste, and waste incineration.

2. Alcohol: Production of or trade in alcoholic beverages, excluding beer and wine.

3. Tobacco: Investments issued by companies deriving revenue from the production, sales and/or distribution of any traditional tobacco products, as well as tobacco-related products (including without limitation e-cigarettes and next-generation tobacco/nicotine products) and/or tobacco-supporting services (including without limitation filters and smoking halls).

4. Energy sector: Investments related to the following activities:

- Coal (thermal and metallurgical), Oil and Gas: prospection, exploration, production, mining, processing (refining, liquefaction, regasification), transport, distribution and storage, associated infrastructure such as pipelines, provision of supporting products or services for thermal coal extraction, oil and gas;
- Construction of new or refurbishment of any existing coal fired power plant including dual fuel;
- Any business with planned expansion of captive coal used for power and/ or low heat generation;
- Energy production from fuels: power generation technologies resulting in GHG emissions above 100 gCO₂ per kWh of electricity generated, averaged over the lifetime for gas-fired power plants seeking to integrate low carbon fuels and large-scale heat production infrastructure based on unabated oil, natural gas, coal or peat.
- Nuclear energy: production, sales and distribution of uranium extraction, uranium concentration, refining, conversion and enrichment, the production of nuclear fuel

¹⁵ Ozone depleting substances (ODS) are chemical compounds that react with and remove stratospheric ozone, resulting in holes in the ozone layer. The Montreal Protocol on Substances that Deplete the Ozone Layer lists ODSs and their target reduction and phase-out date.

¹⁶ Based on Regulation (EU) No. 649/2012 of the European Parliament and of the Council of 4 July 2012 concerning the export and import of hazardous chemicals as amended; the United Nations Consolidated List of Products whose Consumption and/or Sale have been Banned,

Withdrawn, Severely Restricted or not Approved by Governments; the Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention); the World Health Organization Recommended Classification of Pesticides by Hazard.

¹⁷ Regulation (EU) 2017/852 of the European Parliament and of the Council of 17 May 2017 on mercury.

¹⁸ Based on Stockholm Convention on Persistent Organic Pollutants (POPs) as amended in 2009.

¹⁹ Unless in compliance with EU Directive 2001/18/EC and EU Directive 2009/41/EC, and related country legislation, as further amended.

²⁰ Based on Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal; Regulation (EC) No 1013/2006 of 14 June 2006 on shipments of waste; and Decision C(2001)107/Final of the OECD Council concerning the revision of Decision C(92)39/Final on the control of transboundary movements of wastes destined for recovery operations.

- structures, the construction and use of nuclear reactors, the treatment of spent nuclear fuel, nuclear decommissioning and radioactive waste management;
- Hydropower: Hydropower plants with a dam height of greater than 15 meters (from the fundament) or 5–15 meters dam height and a water reservoir of more than 3 million m³.
5. Biomass:
 - Business activities involving the production of bio-liquids or biofuels from non-waste sources (for the avoidance of doubt, the PI may invest in biogas or biomass projects).
 - Co-firing of biomass with fossil fuels, peat or hazardous waste (including waste wood that has been treated with wood preservation chemicals).
 6. Sourcing of biomass from primary moist tropical forests or from natural forests.
 7. Minerals: Extraction of mineral deposits from the deep sea²¹, as well as extraction or mining of conflict minerals and metals.²²
 8. Radioactive materials: Production of or trade in radioactive materials²³, including nuclear reactors and components.
 9. Conventional weapons and munitions: Investment issued by companies derive any revenue from firearms. It includes manufacturers of firearm weapons such as guns, rifles, and pistols, manufacturers of components and munitions of these weapons and retailers.
 10. Adult entertainment: Investments issued by companies deriving any revenue from pornography, prostitution or other adult entertainment. ~~This~~ Adult entertainment includes without limitation producers of adult movies, cinemas that show adult movies, adult entertainment magazines, and the broadcasting of adult entertainment.
 11. Gambling: Investments issued by companies deriving any revenue from gambling services (such as operation of casinos, lotteries, bookmaking, online gambling, etc.), gambling products (such as slot machines and other gambling devices) or supporting products/services to gambling operations.
 12. Palm oil: Investments issued by companies deriving more than 5% revenue from extracting, producing or distributing palm oil and that are not members of the Roundtable on Sustainable Palm Oil (RSPO) are excluded. These include companies involved in the upstream (plantations, mills) or downstream (refining/trading) palm oil value chain.

²¹ Deep sea is defined as the areas of the ocean below 200 m — The International Seabed Authority and Deep Seabed Mining, United Nations.

²² Minerals and metals covered by the Regulation (EU) 2017/821 laying down supply chain due diligence obligations for European Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas, as amended.

²³ This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where the radioactive source is trivial and/or adequately shielded.

13. Forests: Investments issued by companies involved in the conversion of natural forests into plantation or monoculture. This includes without limitation irrigated forests²⁴, logging, clear cutting or degradation of (and commercial concessions over) tropical natural forests or high conservation value forests in all regions, as well as the purchase of logging equipment for this purpose.
14. Fishing: Unsustainable fishing methods (such as drift net fishing in the marine environment using nets in excess of 2.5 km in length and blast fishing).
15. Animals: Animal and human reproductive cloning, as well as activities involving live animals for scientific and experimental purposes, including gene editing and the breeding of these animals.²⁵

²⁴ Except for temporary watering in the first three years after planting, which is allowed for the seedlings to develop deep rooting systems to ensure high survival rates.

²⁵ Unless in compliance with (EU) Directive 2010/63/EU as amended by Regulation (EU) 2019/1010 of the European Parliament and of the Council on the protection of animals used for scientific purposes.

CHANGE HISTORY LOG

<i>Revision</i>	<i>Effective Date</i>	<i>Description of Changes</i>
0	10-Mar-25	Approved by MPL Board, and formally adopted
1	24-Mar-25	Updated after review of IFC Performance Standards and EIB Environmental and Social Standards
2	23-Dec- 25	Streamlining policy and updating with reference to GCF and EDFIs policies.
3	28-Jan-26	Inclusion of Climate and Biodiversity Policies.