



I&M GROUP PLC EXTRACT OF ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM

Environmental and Social Management System (ESMS)

We are committed to conducting our business in a responsible, sustainable, and ethical manner. Our Environmental and Social Management System (ESMS) is a core component of our risk management framework and supports the integration of Environmental, Social, and Governance (ESG) considerations across all our operations.

ESMS enables us to systematically identify, assess, and manage environmental and social risks, including climate-related risks, across our value chain. It is embedded within our broader Enterprise Risk Management System (ERMS), ensuring that these risks are considered alongside other key risk categories in our decision-making processes.

Our Approach

Through our ESMS, we focus on:

- Climate Risk and Resilience: Managing physical and transition risks associated with climate change, and supporting alignment with the goals of the Paris Agreement
- Environmental Stewardship: Promoting responsible resource use, pollution prevention, and biodiversity protection
- Labor and Social Standards: Promoting fair, inclusive, and safe working environments
- Ethics and Governance: Upholding integrity and accountability in all stakeholder engagements

Standards and Frameworks

Our approach is aligned with internationally recognized standards and frameworks, including:

- IFC Performance Standards on Environmental and Social Sustainability
- World Bank Group Environmental, Health, and Safety (EHS) Guidelines
- Equator Principles (where applicable)
- UN Guiding Principles on Business and Human Rights
- ILO Core Labour Standards

Screening and Exclusions

We apply environmental and social risk screening to all relevant activities and transactions. This includes:

- Risk categorization and due diligence in line with applicable standards

- Identification and mitigation of material environmental and social risks
- Ongoing monitoring and reporting, where required

We do not support activities that are inconsistent with our environmental and social commitments, including those included in our internal exclusion list, which reflects international good practice and applicable regulatory requirements.

Governance

Oversight of environmental and social risk management is embedded within our governance structures.

- **Board Oversight:** The Board of Directors, through its relevant committees, provides oversight on ESG matters, including environmental and social risk management, ensuring alignment with the Group's strategic objectives and risk appetite.
- **Management Responsibility:** Senior management is responsible for the implementation and integration of the ESMS across the organization. This includes ensuring that appropriate policies, procedures, and controls are in place to manage environmental and social risks effectively.
- **Risk Management Integration:** Environmental and social risks are managed within the broader Enterprise Risk Management framework, with clear accountability, reporting lines, and escalation mechanisms.
- **Continuous Improvement:** We are committed to ongoing enhancement of our ESMS to reflect evolving regulatory requirements, stakeholder expectations, and international best practices.