



Riverstone Holdings LLC – ESG Policy¹

Riverstone’s Approach to ESG

Energy is the world’s largest industry and significant capital is required to meet growing demand needs. Riverstone believes that implementing best-in-class environmental, social and governance (ESG) practices can improve a company’s performance and market value over the long-term. We believe that integrating material ESG factors across an investment’s lifecycle enables us to make well-informed decisions and is consistent with meeting our fiduciary duty to our investors.

Riverstone recognizes that climate change poses a systemic risk to the global economy, society and ecosystems, and is a driver of investment risk and opportunity, as the world transitions to a lower-carbon economy. We believe that our investments in the energy sector can and should have a positive impact on that transition, and that management of climate-related risk and opportunity is a core part of our approach to investing. We believe that operating with transparency and adhering to applicable laws and regulations is critical to our reputation within the energy industry as a trustworthy and fair partner.

We also recognize that scarce resources, changing consumer demands, supply chain issues, geopolitics, social norms, other ESG factors and ever-tightening regulations also pose increasing challenges and opportunities to companies around the world. Riverstone takes these issues into consideration across the investment lifecycle to help mitigate risks and drive value.

Integration

To give effect to this ESG Policy, Riverstone integrates ESG factors throughout the investment lifecycle as outlined below. Our investment teams leverage the templates and processes outlined in our ESG toolkit to consistently identify and manage material ESG risks and opportunities for Riverstone’s investments. While there are differences between asset classes due to the nature of those investments, the below outlines our general approach to diligence and engagement across the platform.

Due Diligence

- Each Investment Committee memo includes an ESG diligence scorecard, which assesses pre-investment ESG performance, incorporates our climate change screening questionnaire, describes findings from due diligence (including key ESG risks, observed good practices and improvement opportunities) and outlines any ESG actions required for advanced investments

Initial Investment

- In the first 100 days of ownership, we aim to collaborate with the portfolio company management teams to execute actions from the 100-day plans which reflect due diligence findings, and to help those portfolio companies establish policies, plans and processes to manage ESG risks and drive value creation
- Our ESG onboarding pack provides our portfolio companies with the criteria for meeting our ESG minimum expectations and details of our program, and highlights to them the likely touchpoints with Riverstone

Portfolio Engagement

- We collect data from portfolio companies through annual ESG questionnaires to assess alignment with our ESG minimum expectations, measure changes in ESG performance, and gather ESG key performance indicators

¹ While Riverstone seeks to integrate certain ESG factors into its overall investment management processes, including certain of the standards and strategies described herein, there is no guarantee that Riverstone will be able to successfully apply such strategies or will be able to successfully implement its ESG policy. Applying ESG factors to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Riverstone, or any judgment exercised by Riverstone, will reflect the beliefs or values of any particular investor. Furthermore, in this policy, we are not using the term “material” as it is used under the securities or other laws of the U.S. or any other jurisdiction, or as they are used in the context of financial statements and financial reporting. Materiality, for the purposes of this document should not, therefore, be read as equating to any use of the word in other reporting or filings.

- Based on ESG questionnaire responses, we generate annual ESG monitoring scorecards that summarize each portfolio company’s overall ESG performance against our ESG minimum expectations, frameworks and material factors; and in our subsequent feedback we highlight good ESG practices reported and recommendations for improvement for portfolio companies
- We periodically evaluate the climate-related risks and opportunities in our portfolio and collaborate with portfolio companies to mitigate risks and leverage opportunities

Exit

- Our deal teams summarize the ESG performance of our investments and, where appropriate, make relevant ESG disclosures and evaluate whether potential buyers’ ESG standards comply with all applicable laws

Climate Change

Riverstone acknowledges that climate change is a critical issue which poses a significant challenge to business and society, and commits to:

- Support the Paris Agreement and its goals to limit global warming to no more than 2°C above pre-industrial levels and pursue effort to limit global warming to 1.5°C above pre-industrial levels
- Continue to implement the recommendations of the emerging standards and regulations material to our business

In pursuit of this we are developing our strategy to address climate change in our investment process and we commit to update this policy accordingly as we make progress towards:

- Defining climate risk oversight and management responsibilities into our Investment Committee process
- Integrating consideration of climate risk and opportunities through the lifecycle of our investments
- Actively engaging with portfolio company management, to help them focus on reducing greenhouse gas emissions, and the identification/management/realization of transition and physical climate-related risks and opportunities
- Developing appropriate metrics and targets to track progress

Accountability

Riverstone has an ESG committee which is comprised of a cross-functional set of leaders and meets on a regular basis, provides leadership on ESG awareness within Riverstone and its portfolio companies, ensures consistent application of this policy and associated ESG initiatives across our activities and operations, and facilitates communication with our limited partners and other relevant stakeholders.

Professional Conduct and Ongoing Awareness

As a core pillar of our investment strategy, Riverstone commits to:

- Adhere to the highest standards of conduct and business practices, in accordance with all applicable laws and regulations, our code of conduct and other firm policies
- Conduct our business dealings to the highest standard of honesty, integrity, fairness and respect
- Comply with all relevant regulations governing the protection of human rights, occupational health and safety standards, environmental compliance, and labor and business practices within the jurisdictions in which we conduct business
- Ensure our partners are aware of our expectations regarding responsible business practices and consideration of ESG factors
- Require training on our ESG policy and related factors for all our investment professionals
- Distribute this policy and related ESG information to our investment professionals and to our portfolio companies and ensure they understand the expectations set forth in our guidance

Engagement

In support of this ESG Policy, Riverstone commits to:

- Integrate ESG factors throughout the investment process, considering material issues aligned to asset classes, sectors, and regions
- Work with limited partners to develop a reporting framework that both meets their needs and is appropriate for Riverstone’s investment portfolio
- Encourage dialogue on ESG factors, both with our limited partners and with other energy private equity firms, and industry bodies in order to improve responsible investment standards within the energy private equity space
- A program to raise awareness and enhance capability of partners, investment leads and analysts with regard to climate risk and opportunity
- Continually advance our understanding of ESG internally

We regard implementation of our ESG policy as an ongoing project and commit to review this policy and our ESG program’s effectiveness and implementation on a regular basis with Riverstone’s senior leadership team.

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