



**Ember
Infrastructure**

**Confidential Private Placement
Memorandum**



EMBER INFRASTRUCTURE FUND II, LP (A Delaware Limited Partnership)

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

This Private Placement Memorandum (this “Memorandum”) is furnished on a confidential basis for the purpose of evaluating an investment in limited partner interests in Ember Infrastructure Fund II, LP a Delaware limited partnership (together with its parallel funds, the “Fund”). This Memorandum and the information contained herein may not be reproduced or distributed to others, at any time, in whole or in part, for any purpose, and may not be used for any other purpose, without the prior written consent of Ember Infrastructure Fund II GP, LP, a Delaware limited partnership (the “General Partner”), and all recipients agree that they will keep confidential all information contained herein not already in the public domain and will use this Memorandum for the sole purpose of evaluating a possible investment in the Fund. Acceptance of this Memorandum by prospective investors constitutes an agreement to be bound by the foregoing terms. Prospective investors are not to construe the contents of this Memorandum as legal, business, tax, accounting, investment or other advice. Each prospective investor should consult its own advisers as to legal, business, tax, accounting, U.S. Employee Retirement Income Security Act of 1974, as amended, and (the “ERISA”) other related matters concerning an investment in the Fund.

The limited partner interests are being offered as a private placement to a limited number of investors and will not be registered under the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the “Securities Act”), or the securities laws of any U.S. state or non-U.S. jurisdiction and may not be sold or transferred without compliance with all applicable U.S. federal and state and non-U.S. securities laws. The Fund will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder (the “Investment Company Act”). Consequently, investors will not be afforded the protections of the Investment Company Act. Neither the U.S. Securities and Exchange Commission (the “SEC”) nor any U.S. state or non-U.S. securities commission has reviewed or passed upon the accuracy or adequacy of this Memorandum or the merits of the offering described herein. Any representation to the contrary is unlawful.

Investment in the limited partner interests will involve significant risks due to, among other things, the nature of the Fund’s investments. See Section VII – “Certain Risk Factors and Potential Conflicts of Interest” in this Memorandum. Investors must have the financial ability and willingness to accept the risks and lack of liquidity characteristic of the investment described herein. There will be no public market for the limited partner interests and such interests, subject to certain limited exceptions, will not be transferable.

This Memorandum is not an offer to sell to any person, or a solicitation to any person to buy, limited partner interests in the Fund in any state or jurisdiction in which such an offer or solicitation would be prohibited by law or to any person who is not an “accredited investor” as defined in Regulation D under the Securities Act. Interests in the Fund will be offered only in such non-U.S. jurisdictions, if any, as the General Partner approves in advance at its sole discretion. No person other than the General Partner has been authorized to give any information concerning the Fund or this offering or to make any representation not contained in this Memorandum. To invest in the Fund, each prospective limited partner will be required to execute a limited power of attorney and a subscription agreement (which shall bind the prospective limited partner to the Fund’s agreement of limited partnership). In the event that any terms, conditions or other provisions of such agreements (or any related agreements) are inconsistent with or contrary to the description of terms set forth



in this Memorandum, the terms, conditions and other provisions of such agreements shall control. Before the final closing of the Fund, the General Partner and its affiliates reserve the right to modify any of the terms of the offering and the limited partner interests described herein. Upon request, this Memorandum and any copies thereof are to be returned in their entirety to the General Partner.

Certain information contained in this Memorandum constitutes “forward looking statements” that can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “estimate,” “intend,” “continue,” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Furthermore, any projections or other estimates in this Memorandum, including estimates of returns or performance, are “forward looking statements” and are based upon certain assumptions that may change. Due to various risks and uncertainties, including those set forth under Section VII – “Certain Risk Factors and Potential Conflicts of Interest,” actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. Moreover, actual events are difficult to project and often depend upon factors that are beyond the control of the General Partner and its affiliates. Neither the delivery of this Memorandum at any time nor any sale hereunder shall under any circumstances create an implication that the information contained herein is correct as of any time after the earlier of the relevant date specified herein or the date of this Memorandum. In addition, unless the context otherwise requires, the words “include,” “includes,” “including” and other words of similar import are meant to be illustrative rather than restrictive.

Certain information contained herein relating to the Fund’s targets, intentions or expectations, including with respect to the size and type of individual investments, is subject to change and no assurance can be given that such targets, intentions or expectations will be met. Certain information contained herein (including forward-looking statements, economic and market information, and portfolio company data) has been obtained from published sources prepared by other parties and in certain cases has not been updated to the date hereof. Neither the Fund, the General Partner nor any of their respective affiliates or employees have updated any such information to the date hereof or undertaken any independent review of such information, nor have they made any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any of the information contained herein (including, but not limited to, information obtained from third-party sources), and they expressly disclaim any responsibility or liability therefor. Statements contained in this Memorandum (including those relating to current and future market conditions and trends in respect thereof) that are not historical facts are based on current expectations, estimates, projections, targets, opinions and/or beliefs of the General Partner. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. In addition, no representation or warranty is made with respect to the reasonableness of any estimates, forecasts, illustrations, prospects or returns, which should be regarded as illustrative only, or that any profits will be realized. Statements set forth in this Memorandum expressing beliefs or expectations or views or opinions are those of the General Partner, unless stated otherwise.

Certain information herein refers to certain trends in infrastructure and related industries. There can be no assurance that such trends will continue during the life of the Fund. The information presented herein is intended to demonstrate the types of investment opportunities (and the currently expected ranges of investment opportunities that the Fund expects to invest in its target sub-sectors) that the Manager (as defined herein) may consider on behalf of the Fund and how the Manager intends to approach and evaluate potential investment opportunities. Due to numerous factors, including risks related to the markets in general and the implementation of any specific investment program, actual investments made by the Fund (and the



amount of capital invested in certain of the Fund's target sub-sectors) may differ materially in terms of identity and/or nature from those of the past or potential investment opportunities discussed herein. The representation of the General Partner in connection with the private placement described herein by Kirkland & Ellis LLP (the "Law Firm") is limited to the specific matters as discussed under Section VIII – "Certain Legal, Regulatory and Tax Considerations" in this Memorandum. Each investor's investment in the Fund will be denominated in U.S. Dollars (\$) and, therefore, will be subject to any fluctuation in the rate of exchange between U.S. Dollars (\$) and the currency of the investor's home jurisdiction. Such fluctuations may have an adverse effect on the value of, price of or income or gains from an investor's investment in the Fund.



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EXECUTIVE SUMMARY

Introduction

Ember Infrastructure Management, LP (“Ember”, the “Firm”, “we” or “us”), an independently owned private equity firm, is raising Ember Infrastructure Fund II, LP a Delaware limited partnership (together with its parallel funds, the “Fund”, “Fund II” or “EIF II”). EIF II will continue the approach taken by its predecessor fund, Ember Infrastructure Fund I, LP (together with its parallel funds, “Fund I” or “EIF I”), of focusing on North American mid-market companies and assets that deliver critical infrastructure solutions across three investment verticals: Energy Transition and Decarbonization, Resource Efficiency and Management, and Climate Resilience and Adaptation.

EIF II seeks to make predominantly control-oriented equity investments, ranging between \$50 and 100 million, in businesses with ample growth potential and that are supported by real assets characteristics (each, a “Portfolio Investment”).

Ember believes the Fund's investment opportunity set in the middle market is expansive and features favorable competitive dynamics as a result of what we observe to be a lack of infrastructure-specific capital and expertise.

The Ember team's extensive shared experience across an array of sectors spanning conventional and sustainable energy and infrastructure enables us to develop constructive, bilateral relationships with best-in-class management teams that can lead to compelling proprietary investment opportunities.

Ember pursues a disciplined underwriting approach that seeks to achieve capital preservation and high-conviction base returns with multiple ways to capture upside potential. During our investment hold period, Ember actively engages with portfolio company management teams to drive value creation opportunities, including operational enhancements, platform expansion and capital structure optimization, while maintaining strong emphasis on risk management and downside protection.

We believe that EIF II offers exposure to an attractive investment opportunity arising from the ongoing energy transition and increasing demand for climate-related solutions. The Fund also aims to provide access to a market segment that we believe is under-represented in many real assets portfolios, both in terms of business size and sectors.

Background

Ember was founded in 2018 to fill the capital and investment knowledge gap in the North American mid-market infrastructure space, and to capitalize on the investment opportunities created by the accelerating transition to low-carbon energy and the expansion of climate-related infrastructure solutions.

Ember announced the launch of its inaugural fund, EIF I, in the spring of 2020. EIF I held its final close in June 2022 with \$341 million in capital commitments from a diverse group of institutional investors. EIF I's portfolio consists of six investments representing close to \$241 million in invested and reserved capital, and one investment opportunity in late diligence stage. When completed, this investment is expected to be the last investment from EIF I. The majority of EIF I investments were sourced on a proprietary basis, highlighting our strategy of avoiding competitive auctions and leveraging bilateral relationships to identify or create investment opportunities.



Ember is led by Elena Savostianova, the Firm's Founder and Managing Partner, who has over two decades of experience in the infrastructure, conventional energy and renewable power sectors. Ms. Savostianova most recently served as Principal in the CAPS team at Global Infrastructure Partners ("GIP") and was previously a Director in Credit Suisse's Power and Renewables Investment Banking team. Ms. Savostianova chairs Ember's Investment Committee.

Ember's senior investment team includes a group of energy and infrastructure investment professionals with an extensive history of over 15 years working together at best-in-class infrastructure investment firms, financial institutions and renewable energy companies such as GIP, Credit Suisse and SolarCity.

Ember has a fully built platform across investment, corporate services, and operating functions with 20 professionals. The investment team consists of 10 investment professionals, supported by a team of five professionals who oversee all non-investment related areas of the firm, including operations, capital formation & investor relations, finance, legal, and ESG functions. Three Operating Partners with significant sector and C-suite experience further enhance Ember's sourcing, diligence, and operating capabilities, and at times, participate in senior management of portfolio companies.

The investment team is also supported by Steve Greenwald, Senior Advisor. Mr. Greenwald was most recently head of project finance at Credit Suisse and brings to Ember his unrivaled 40+ years of expertise in the infrastructure sector. He is a non-voting member of the Investment Committee, where he contributes his insights on risk analysis, economic and market cycles, and financial structuring.

Highlights

Ember believes that EIF II represents an attractive investment opportunity for the following reasons:

Sector specialist dedicated to energy transition and climate infrastructure solutions.

Ember is a specialist investor focused on companies and assets delivering critical infrastructure solutions across Energy Transition and Decarbonization, Resource Efficiency and Management, and Climate Resilience and Adaptation. Our specialization in these areas is central to our strategy, allowing us to build an extensive industry network that gives us demonstrated access to distinctive, high-quality investment opportunities. Our sector specialization also accelerates our ability to identify the opportunities that best match our investment criteria and enables us to efficiently set the right value creation and exit plans for our Portfolio Investments.

The energy transition and climate solutions ecosystems are rapidly evolving. Regulatory frameworks, end-users needs and preferences, and emergence of new technologies are many of the factors shaping the transition to more sustainable infrastructure solutions. As a sector specialist, Ember is well-positioned to manage these complexities and take advantage of potential opportunities at each of our Portfolio Investments.

Cohesive and experienced team.

The Ember team currently includes 20 professionals with highly complementary skill sets and deep financial and operational expertise across conventional and renewable energy, and infrastructure. The team includes 10 members of the investment team, five operations, finance, legal and investor relations professionals, three Operating Partners and a Senior Advisor.

Senior members of the Ember investment team have an extended history of working together at different institutions. Five members of the investment team previously worked at GIP, including Ember's founder Elena



Savostianova, as well as the Firm's principals Mary Weisskopf and Caleb Powers, and vice presidents Alex Smyk and Barret Veazey. Prior to GIP, Ms. Savostianova and Ms. Weisskopf were part of Credit Suisse's Power and Renewables Investment Banking team, where they worked closely with Senior Advisor Steve Greenwald. While at Credit Suisse, Ms. Savostianova and Ms. Weisskopf also worked extensively with Partner Bob Kelly, a veteran of the conventional energy and renewable power sectors, who served as Chief Financial Officer of SolarCity and Director of the Board at Mosaic. Our partners and principals have an average of more than 20 years of experience, advising, executing and managing investments in the energy and infrastructure sectors.

Ember's operations team includes seasoned operations, finance, legal and investor relations professionals. Partner Peter Milligan, who serves as General Counsel, Chief Compliance Officer & ESG Officer, has over 14 years of experience in the private equity deal execution space. He was most recently a member of Weil, Gotshal & Manges LLP's private equity group. Head of Capital Development Maria Rengifo has 18 years of investment banking and fundraising experience. She was most recently at Credit Suisse. Brad Yankiver, who serves as Chief Operating Officer and Director of Investor Relations, has 16 years of experience in the financial services sector, including private equity operations and client relations. He was most recently at private equity firm Motive Partners. Kristel Ermel, who has 16 years of experience in fund accounting in the private equity sector and serves as Director of Finance. She was most recently at private equity firm The Beekman Group.

In addition to the investment team, Ember is further supported by three Operating Partners, each with over 20 years of sector experience. Mike De Castro (waste management specialist) has served in several leadership roles at global and regional companies, including Covanta, Air Products (NYSE:APD) and Interstate Waste Services. Mike McGettigan (water and wastewater management specialist) has held multiple senior executive roles across both multinational public corporations and middle-market private equity-backed companies, including GE Corporate (NYSE:GE), GE Water, ITT Advanced Water Treatment (now Xylem, NYSE:XYL), and AECOM (NYSE:ACM). Jeff Snyder (water and wastewater management specialist) who has held senior roles at Aries Clean Energy and MaxWest Environmental Systems.

Under-represented and under-capitalized North America, mid-market infrastructure solutions space.

EIF II is focused on mid-market infrastructure companies and assets requiring equity investments between \$50 and \$100 million. We believe this market segment is underserved by the broader private capital market, particularly by infrastructure specialist investors, who have traditionally concentrated their efforts in large-cap investments. This capital and expertise imbalance provide Ember with a sourcing and origination edge. Our deal identification and origination approach, wide industry network and deep sector expertise allows our team to source investment opportunities often through bilateral relationships and long-term partnerships. Establishing a close dialogue with management teams, where we add value to their business from day one, ultimately enables us to stay outside of competitive auctions, allowing us to access opportunities at attractive entry points.

Disciplined approach to underwriting and value creation.

Our underwriting approach places significant emphasis on capital preservation and downside protection. We look for companies and assets with strong business profiles, including real assets characteristics such as cash flow visibility, experienced management and operating teams, and high barriers to entry. In addition, we often implement structural enhancements in our investments to further mitigate risks, such as milestone-based capital deployment and preferred equity instruments.



We leverage the sector expertise of both our investment professionals and Operating Partners, to identify opportunities for value creation at our Portfolio Investments. The Firm works side by side with management teams to help them implement growth plans that include operational enhancements, platform buildouts (expansion, integration, consolidation) and Infrastructure-as-a-Service implementation.

Combined, our underwriting principles and value creation blueprint aim to deliver superior risk-adjusted returns.

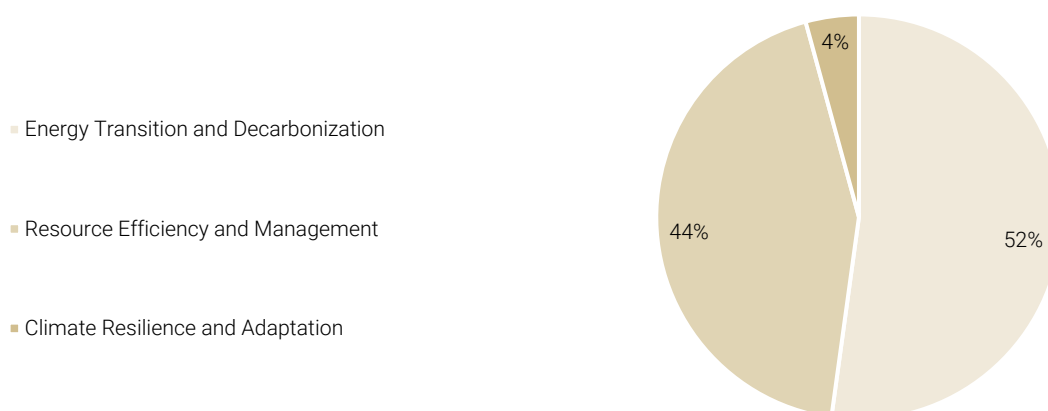
Well-constructed Fund I portfolio.

Ember's inaugural fund, EIF I, is comprised of six investments with a total of \$241 million in invested and reserved capital and one investment opportunity at a late stage of due diligence. This portfolio demonstrates Ember's ability to:

- Source, execute, and manage mid-market infrastructure, growth-oriented investments, including within often under-represented subsectors, such as water and wastewater treatment, baseload renewable energy, stormwater management, and community solar;
- Drive growth and value creation within portfolio companies;
- Manage risks and provide for downside protection via rigorous underwriting and structural enhancements; and
- Build a diversified portfolio with investments across our investment verticals and target subsectors.

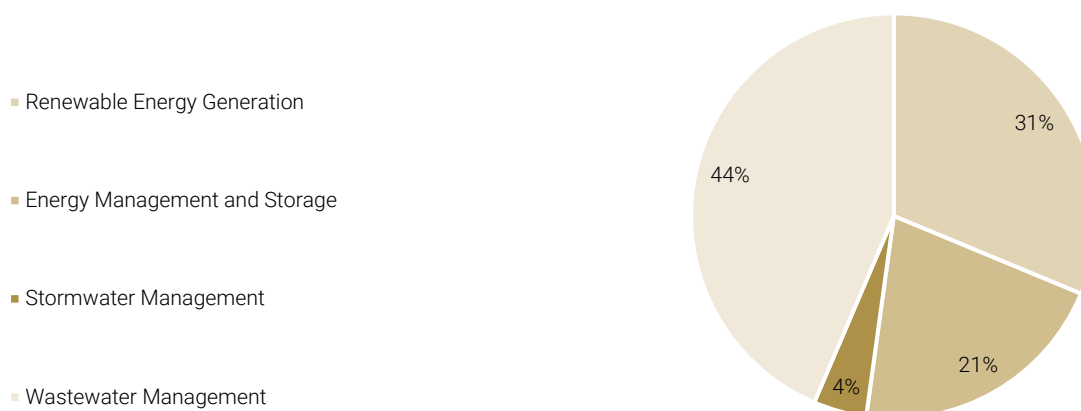
EIF I Portfolio (as of August 7th 2023) – Equity Invested

By Investment Vertical





By Subsector



Alignment between the success of portfolio companies and positive environmental outcomes.

Since Ember was founded, our objective has been to support management teams building and expanding infrastructure solutions that will address persistent challenges in decarbonization, resource management and climate adaptation. While we invest in companies and assets based on their business fundamentals, we intend for every Portfolio Investment to further one or more United Nations Sustainability Development Goals (SDGs), such as increasing renewable energy generation, reducing carbon emissions, diverting waste from landfills, supporting the health of water systems and building resilient communities.

EIF I supports the following SDG goals: SDG 6 – Clean Water & Sanitation, SDG 7 – Affordable & Clean Energy, SDG 8 – Decent Work & Economic Growth, SDG 9 – Industry, Innovation & Infrastructure, SDG 11 – Sustainable Cities and Communities, SDG 12 – Responsible Consumption & Production and SDG 14 – Life Below Water.



SUMMARY OF KEY FUND TERMS

The following information is presented as a summary of certain of the Fund's terms only and is qualified in its entirety by reference to the "Detailed Summary of Fund Terms" in Appendix A hereto and to the Amended and Restated Agreement of Limited Partnership of the Fund. Capitalized terms used but not defined in this Section have the meanings set forth in Appendix A.

The Fund:	Ember Infrastructure Fund II, LP, a Delaware limited partnership (together with its parallel funds and alternative investment vehicles)
The General Partner:	Ember Infrastructure Fund II GP, LP, a Delaware limited partnership (together with any general partner of any parallel funds and alternative investment vehicles)
The Manager:	Ember Infrastructure Management, LP, a Delaware limited partnership or an affiliate thereof
Minimum Commitment:	\$10 million
General Partner Participation:	2% of total non-affiliated Commitments; provided the amount of such participation shall not be less than \$5 million nor be required to exceed \$10 million
Commitment Period:	5 years from the Final Closing (subject to two one-year extensions with Limited Partner consent)
Term:	10 years from the Final Closing (subject to one one-year extension at the General Partner's discretion, and two additional one-year extensions with Limited Partner consent)
Preferred Return:	8%, compounded annually
Carried Interest:	20%
Clawback:	Yes
Management Fee:	During the Commitment Period, 2% of Commitments and thereafter, 2% of the Net Funded Commitments
Fee Income Offset:	100% of the Manager's share of all transaction, break-up, directors', monitoring, financing and other similar fees paid by a Portfolio Investment will offset against the Management Fee



INVESTMENT OPPORTUNITY AND TARGET SECTORS ¹

Ember is exclusively focused on mid-market infrastructure investments [predominantly] in North America, where Fund II [will] primarily deploy control equity investments ranging between \$50 and 100 million. Within our target market the Firm specializes in investments across three areas of critical infrastructure solutions: Energy Transition & Decarbonization, Resource Efficiency & Management, and Climate Resilience.

Ember believes that our target market and areas of focus provide an attractive opportunity for Fund II allowing it to capitalize on three key secular trends:

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- | | |
|--|--|
| 1. Significant infrastructure investment requirements | <ul style="list-style-type: none">▪ Significant investment is needed to support upgrades of aging infrastructure systems across the U.S. and Canada and to accelerate the region's transition to clean energy; ²▪ Tightening of environmental regulations at the federal and municipal level is putting additional funding strains on customers and end-users; ³▪ Landmark legislation supporting investment in the infrastructure space has the potential to catalyze private capital; ⁴ and▪ New commercial models, technologies, and innovative financing structures, including distributed infrastructure systems, Infrastructure-as-a-Service (IaaS) business models are increasingly needed to bridge the investment gap across clean energy and infrastructure sectors. |
| 2. Attractive mid-market capital dynamics | <ul style="list-style-type: none">▪ Persistent capital imbalance yielding favorable market dynamics for middle market investors;▪ Plentiful opportunity set supported by strong demand for sustainable infrastructure solutions and a wide range of financing sources for early stage businesses;▪ Wide latitude for building bilateral relationships to find or create investment opportunities outside of competitive processes allowing for favorable entry valuations and investment terms; |
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¹ Information and analyses herein are based on Ember's belief as of the date of this Memorandum. There can be no assurance that potential opportunities will materialize or that historical trends will continue during the life of any fund. Certain information contained in this Memorandum has been obtained from published and non-published third-party sources and has not been independently verified by Ember. Although Ember believes this information to be accurate, it does not assume responsibility for such information.

² G20's Global Infrastructure 2018 Outlook project. Boston Consulting Group report: Things to Know About Canadian Infrastructure published. 2020.

³ US water infrastructure: Making funding count. McKinsey. November 2021. California Air Resource Board.

⁴ The Inflation Reduction Act: Here's what's in it. McKinsey. October 2022. Canada's C\$80B response to U.S. clean energy push. Politico. March 29, 2023.



- Limited number of investors focused on middle market, particularly with extensive experience investing in and growing sustainable and distributed infrastructure businesses; and
- Preponderance of capital from large sponsors, asset owners, strategics, etc., focused on at-scale infrastructure businesses provides an opportunity for attractive exit valuation.

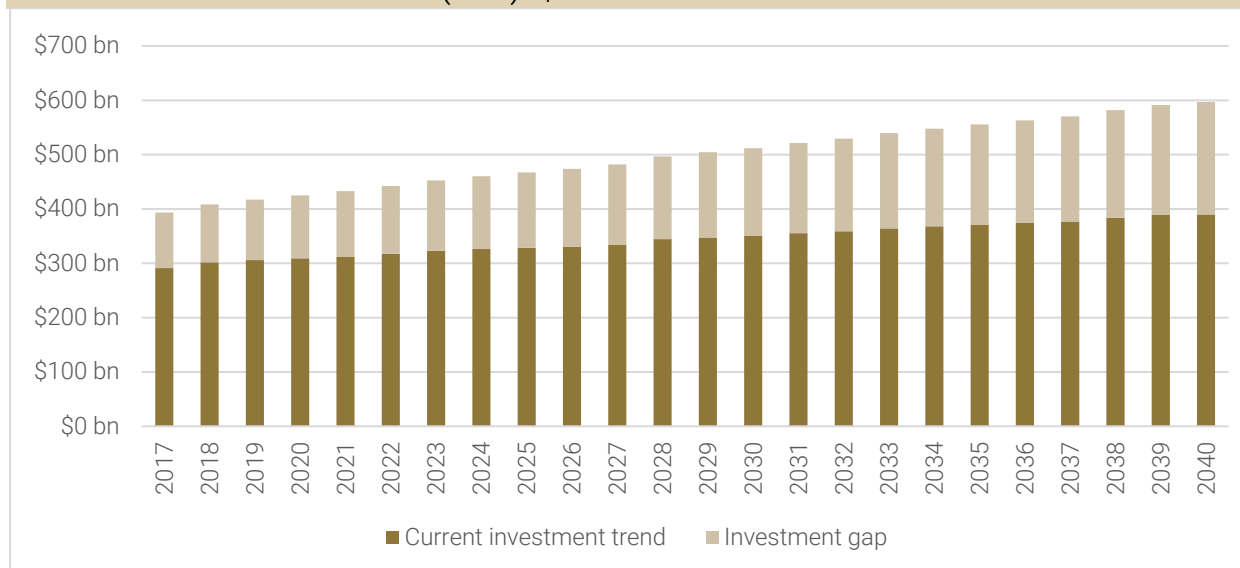
3. Strong sector growth:

- Growing demand for existing and new infrastructure technologies that enable the region's transition to low-carbon energy and more sustainable business models;
- Expanding demand for climate resilience and preparedness solutions in light of impacts from climate change; and
- U.S. innovation engine will continue to provide a strong pipeline of new energy transition and climate infrastructure solutions.

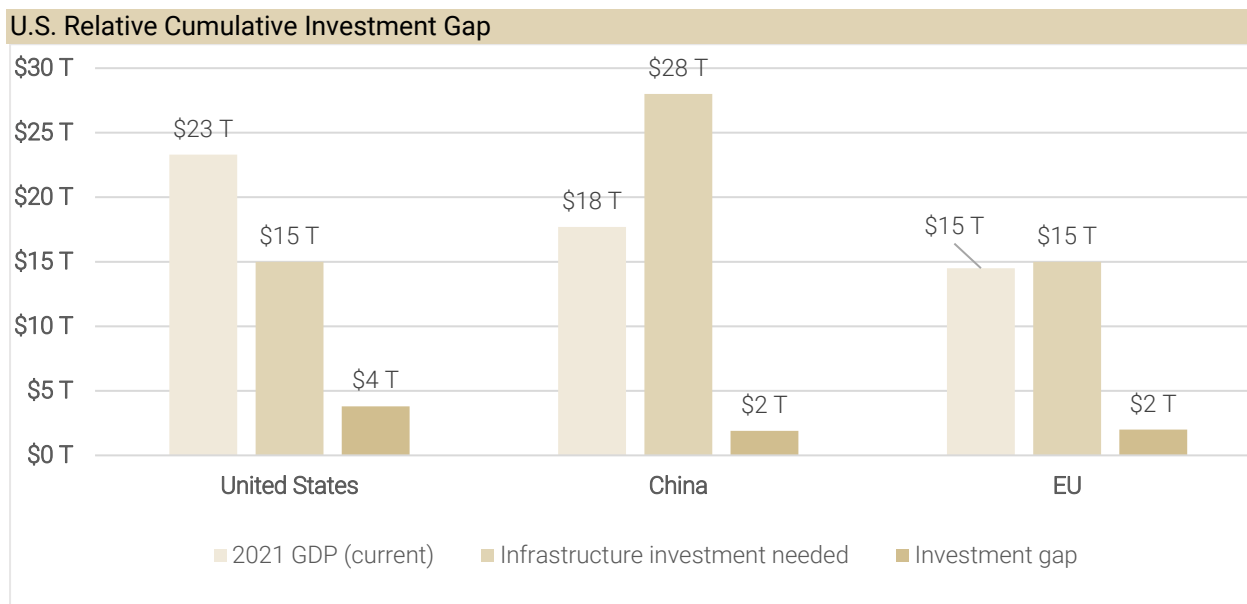
1. Significant Infrastructure Investment Requirements

The U.S. and Canada have accumulated a significant infrastructure investment deficit over the last decades. Investment is required to support upgrades of aging infrastructure systems and anticipated growth in demand across multiple sectors, including energy generation and transmission, water, wastewater and waste management, and transportation. The G20 Global Infrastructure Outlook estimates that by 2040 the U.S. could have a \$3.8 trillion infrastructure investment gap, surpassing that of Europe and China combined. Canadian thought leadership institutions estimate the infrastructure investment deficit in Canada falls between \$125 and \$300 billion.

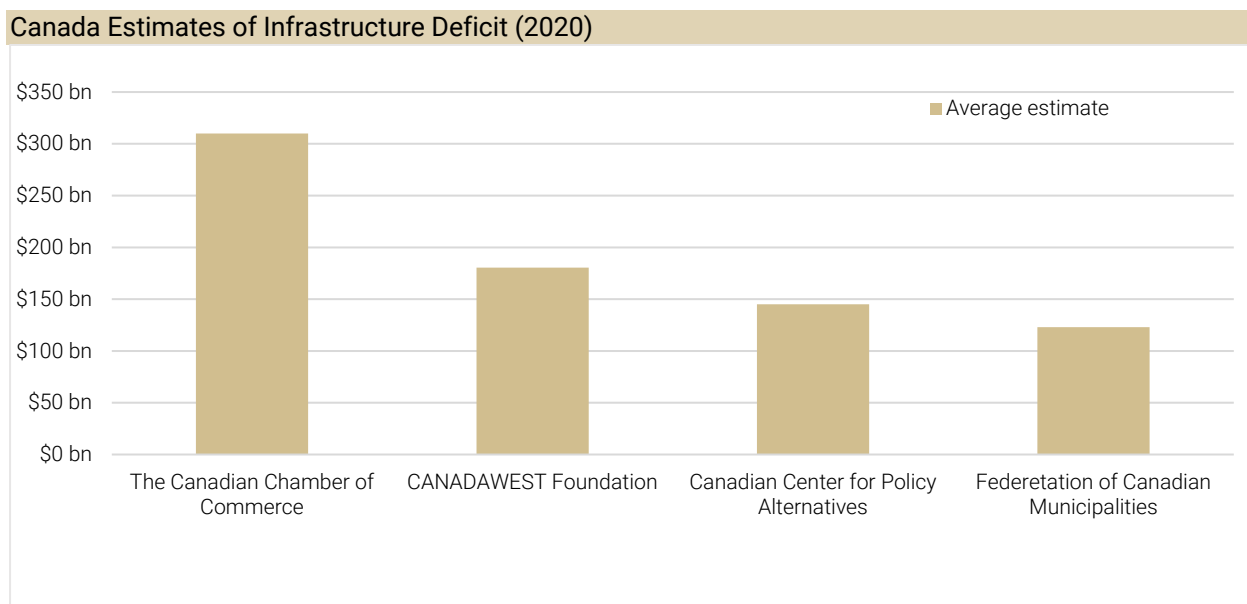
U.S. Estimated Infrastructure Deficit (2018) - \$3.8T



Source: Global Infrastructure Outlook. Assumes an annual GDP growth rate of 1.6%.



Source: *Global Infrastructure Outlook*. Assumes an annual GDP growth rate of 1.3% for Europe and 4.6% for China.



Source: *The Canadian Chamber of Commerce, Canada West Foundation, Canadian Centre for Policy Alternatives, Federation of Canadian Municipalities, BCG Analysis*. Note: Average estimated by Ember.

Adding to demand for infrastructure spending, federal and state regulators are more strictly enforcing existing mandates and also introducing regulatory constraints on greenhouse gas (“GHG”) emissions and a wide range of new environmental contaminants.

In California, the Advanced Clean Cars II regulation aims to achieve zero emissions passenger cars and light truck sales by 2035. The state has also implemented the Advanced Clean Trucks regulation targeting zero emissions medium and heavy-duty truck fleet by 2045. To date, 17 states have adopted all or part of

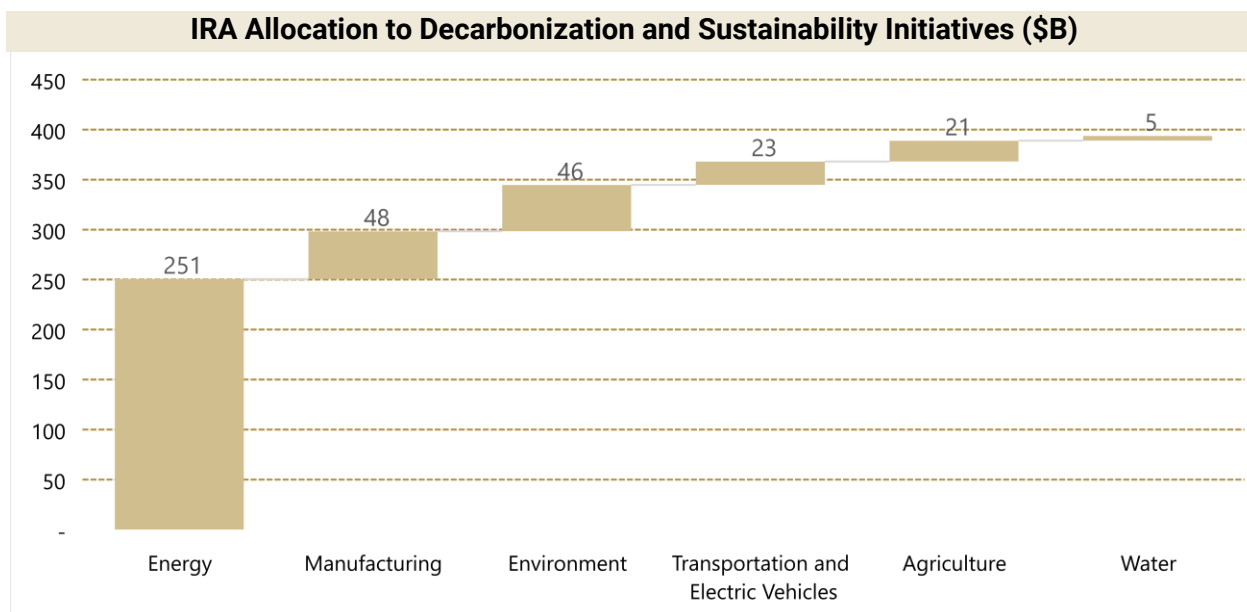


California's low and zero-emissions vehicle regulations, catalyzing new investment demands in charging infrastructure and other areas adjacent to the electrification of transport.

Another example of U.S. regulators tightening environmental rules, are the expanding regulations to address the prevalence of polyfluoroalkyl substances (PFAS) in drinking water. McKinsey has projected that new PFAS regulation could triple the yearly capital spending for utilities from 2021 to 2025.

While the investment deficit remains quite deep in the region, since 2021, the U.S. and Canadian governments have approved landmark investment bills that bolster efforts to upgrade critical infrastructure systems and accelerate the region's transition to clean energy. In the U.S., the Bipartisan Infrastructure Law (BIL), the CHIPS & Science Act, and the Inflation Reduction Act (IRA) have partially overlapping priorities and together introduce \$2 trillion in new federal spending over the next ten years. The BIL includes \$55 billion investment in drinking water, wastewater, water reuse and water storage infrastructure, including dedicated funding to address PFAs contamination. It also includes \$21 billion in environmental remediation and \$50 billion of resilience investments to protect the country against droughts, heat, floods, wildfires, and cyber threats. For its part, the IRA directs nearly \$400 billion in federal funding to clean energy through a mix of tax incentives, grants, and loan guarantees. In March of 2023, Canada unveiled an \$80 billion investment plan aimed at promoting clean energy (\$60 billion) and sustainable infrastructure (\$20 billion), also predominantly through tax credits.

The incentives offered by these bills have tremendous potential to mobilize significant private sector investments and accelerate the expansion of clean energy and climate focused technologies in the region.



Source: US Government, McKinsey.

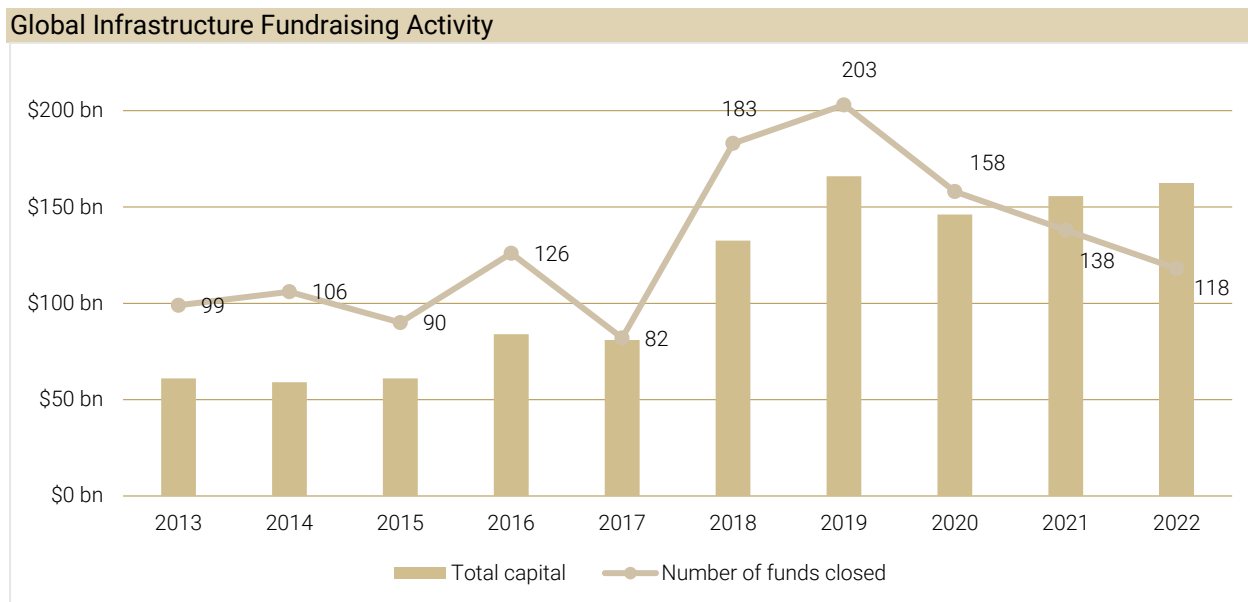
2. Attractive Mid-Market Capital Dynamics

In the past five years, infrastructure funds have raised record amounts of capital, globally. However, the number of funds closed has dropped significantly during the same period, leading fund managers to focus

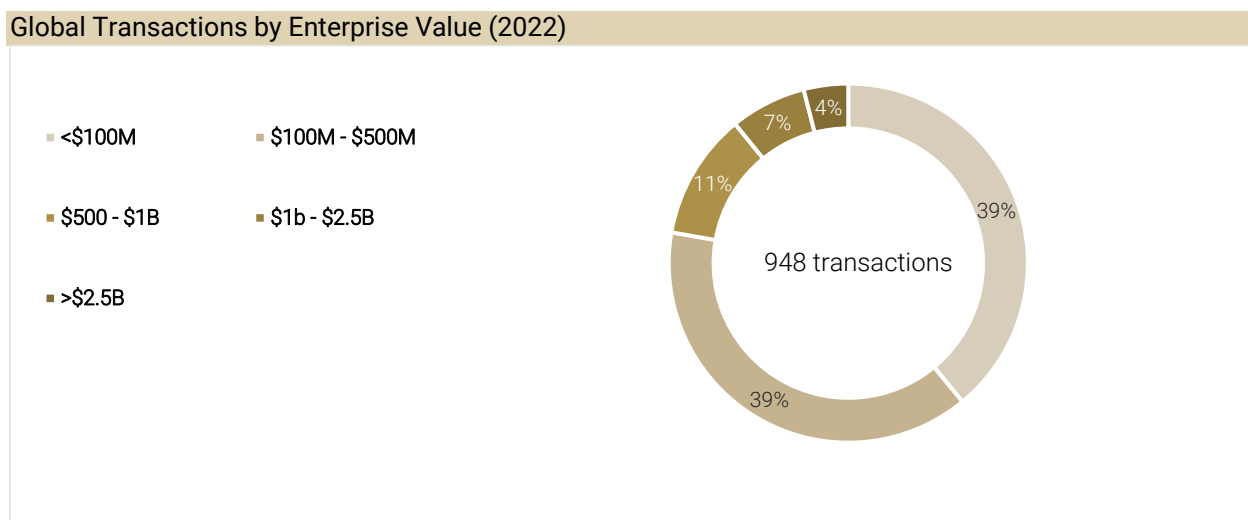


on larger deals. In 2022, 10 funds with an average size of \$9 billion accounted for more than half of the capital raised in the sector.

In addition to large and mega-cap funds, large institutional investors and sovereign wealth funds with dedicated pools of capital for infrastructure also compete for large transactions. However, as the chart below illustrates, the majority of transactions in 2022 (78%) involved assets with enterprise values of less than \$500 million.



Source: Infrastructure Investor. Closed-end funds. Global data. Hamilton Lane.



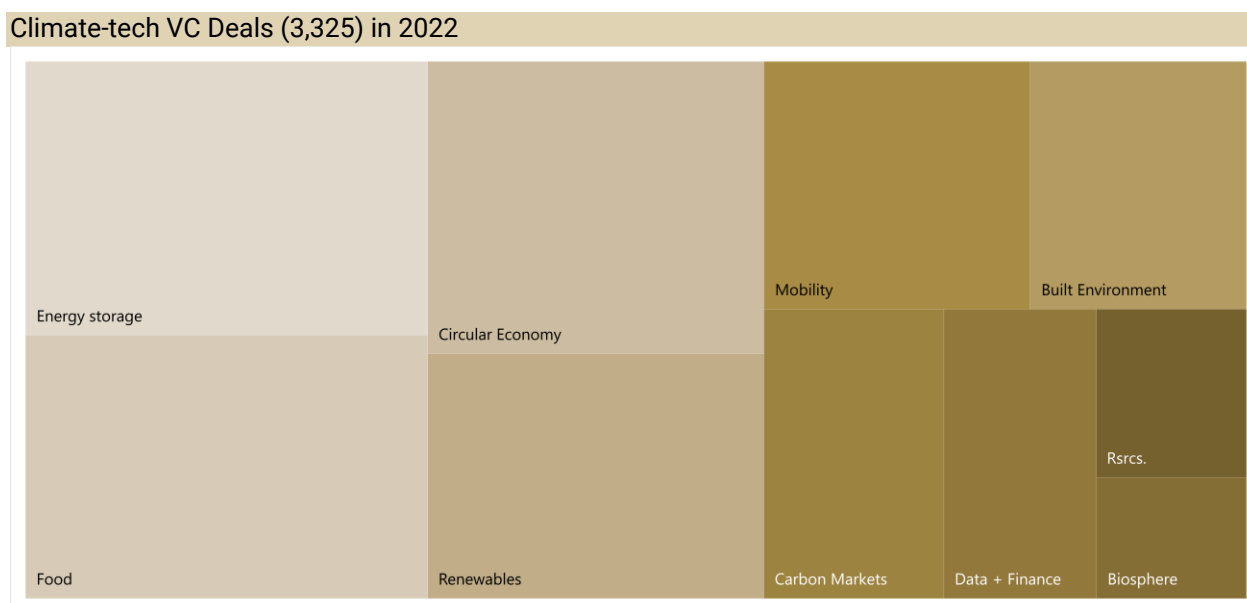
Source: Inframation. January 12, 2023. Global data.

This persistent capital imbalance is further accentuated in North America by a lack of infrastructure specialist managers. For the Fund, this translates into an opportunity to invest at attractive valuations, as most deals



can be found outside of competitive auctions. At the same time, exit multiples can be enhanced by the limited supply of assets that meet the minimum size requirements of larger funds.

The mid-market sector also offers multiple channels for sourcing deals, including family-owned businesses, companies supported by generalist private capital and an emerging cohort of climate technology companies supported by early-stage investors. In 2022, the U.S. venture capital sector invested over \$30 billion across a range of climate solutions. Furthermore, as illustrated in the table to the right, climate-tech funding is moving beyond power generation and transportation, with investments also going into agriculture and food and the circular economy. Many of these new solutions are capital-intensive and require an infrastructure framework as they become ready to scale up. Ember' is well-positioned to benefit from an ongoing pipeline of solutions.



3. Strong Sector Growth

The Fund will seek to partner with businesses delivering and enabling critical infrastructure solutions across three investment verticals and various subsectors with significant growth potential.

ENERGY TRANSITION AND DECARBONIZATION	RESOURCE EFFICIENCY AND MANAGEMENT	CLIMATE RESILIENCE AND ADAPTATION
<ul style="list-style-type: none"> ▪ Low Carbon Energy ▪ Energy Efficiency ▪ EV Infrastructure ▪ Distributed Generation ▪ Energy Storage ▪ Electrification 	<ul style="list-style-type: none"> ▪ Water Reuse ▪ Water Treatment ▪ Wastewater Treatment ▪ Waste Management ▪ Waste-to-Value ▪ Agricultural Efficiency 	<ul style="list-style-type: none"> ▪ Infrastructure Resilience ▪ Stormwater Mitigation ▪ Climate Event Mitigation & Recovery ▪ Coast and Waterway Adaptation

Growth across our first two investment verticals in North America is driven by more than the transition to renewable energy. Corporations are increasingly demanding products and services that reduce the carbon intensity of their operations and supply chains. Resource scarcity, tighter environmental regulations, and



higher costs of waste disposal are pushing end users towards an array of solutions geared at increasing efficiencies in areas like water reuse, waste recycling, and agriculture.

The effects of climate change are already happening in the U.S. and Canada, just as much as in the rest of the world. These include more frequent and intense heat waves, more severe droughts and wildfires, heavier precipitation and flooding, rising sea levels, and coastal storms. These events cause significant loss of property and, in many cases, direct and indirect harm to communities and individuals. As a result, there is an intensifying demand for companies and assets that provide resilience and preparedness solutions.

The following sections provide additional details on the market, regulatory and capital trends in these verticals and sectors as well as on the investment opportunities that EIF II intends to pursue.

3.1. Energy Transition and Decarbonization

EIF II will target investments in the following subsectors within the Energy Transition and Decarbonization vertical:

- **Low Carbon Energy**
- **Energy Efficiency**
- **EV Infrastructure**
- **Distributed Generation**
- **Energy Storage**
- **Electrification¹**

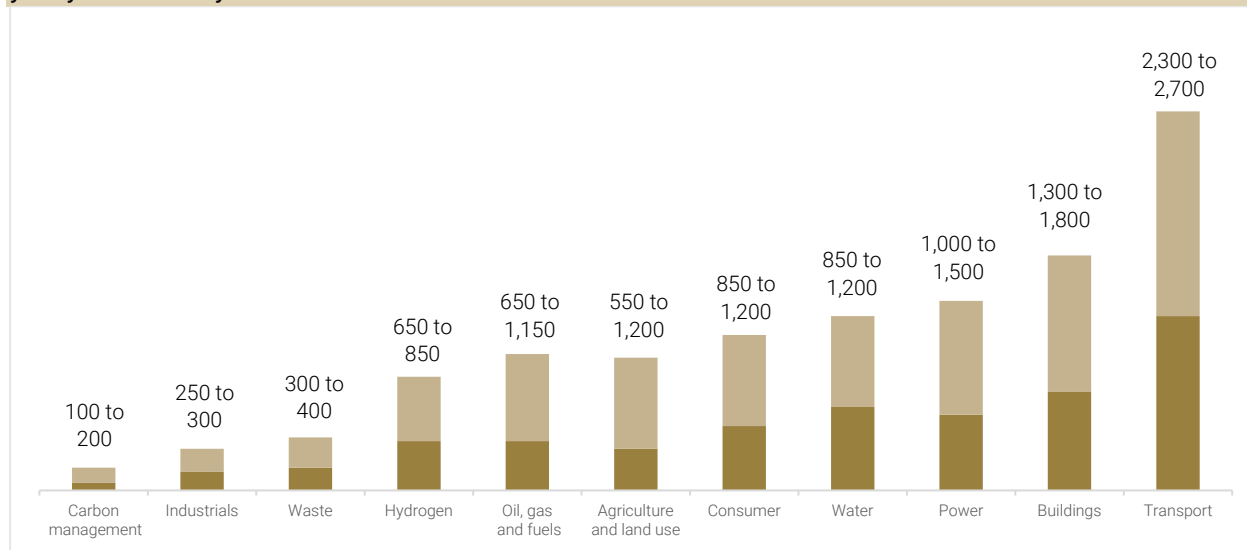
Trends and Investment Themes

The world is making bolder commitments towards a low-carbon economy. Almost all global emissions (90%) are now covered by net-zero pledges. A recent McKinsey report indicates this shift could trigger the biggest reshuffling of capital in history, boosting the demand for renewable energy and other low-carbon products and services, and significantly expanding their market size in some sectors.



Net Zero Transition Global Addressable Market Size (\$B)

McKinsey has identified 11 high-potential value pools which could be worth more than \$12 trillion of yearly revenues by 2030 as the net-zero transition advances.



Carbon Management	Industrials	Waste	Hydrogen	Oil, gas and fuels	Agriculture and land use	Consumer	Water	Power	Buildings	Transport
CCUS • Carbon offsets market • Tracking & measurements	Steel • Aluminum • Cement • Mining • Chemicals	Enablers of materials reuse • Industrial-and-mature materials processing • Materials processing innovation	Production • Transmission • End use	Electrification of upstream and downstream • Efficiency improvements • Direct emissions elimination • Sustainable fuels	Land and forest management • Agricultural production • Alternative proteins • Food waste reduction • Sustainable agricultural inputs • Sustainable equipment	Consumer electronics • Sustainable packaging • Sustainable fashion	Municipal water supply • Industrial water supply	Renewable power generation • Grid modernization and resiliency • Flexibility and energy storage • Power systems tech and analytics • Decommissioning and thermal conversion	Sustainable, design, engineering and construction advisory, Green building materials, High-efficiency equipment • Green building tech / operations	Electrification • Mobility • Charging infrastructure • Sustainable aviation

The U.S. is the second largest emitter of CO₂ (13.5%), even though it only has 4.3% of the world's population. GHG emissions come predominantly from the transportation (27%), electric power (25%), and industry (24%) sectors. In recent years, there has been a growing momentum for decarbonization in the U.S., driven by government entities and corporations. As previously discussed, federal and state governments have passed landmark legislation to reduce emissions and support clean energy, while companies from across all economic sectors have set science-based targets (including Scope 3) to align their operations with net zero goals. For its part, the investment community is contributing more capital into energy transition projects than ever before. According to BloombergNEF, the U.S. invested \$100 billion in energy transition in 2021, a 13% of global investment and a 27% increase from 2020.

Within this background, some of the key trends and investment themes impacting the Energy Transition and Decarbonization vertical and subsectors, include:



Energy security and resilience

Energy security and resilience have taken center stage in the wake of the Ukraine war, recent weather disruptions, and supply chain challenges to the energy sector. These events have highlighted the need to accelerate the transition to renewable energy while ensuring adequate system reliability. The production of renewable natural gas (RNG) and low-carbon fuels is increasing playing a relevant role in expanding renewable baseload electric power in the U.S. These fuels use organic and municipal solid wastes (MSW) as feedstocks, and there is a growing number of facilities in the country that are producing RNG. As of 2023, there are 250 operational RNG facilities, 112 under construction, and 125 planned. The feedstocks for RNG include MSW (69% of total feedstock), agriculture waste (19%), food waste (7%), and wastewater (5%).

Electrification

As electrification continues, opportunities to implement demand flexibility solutions broaden, enabling one of the cheapest mechanisms for reducing carbon emissions. All major electrified loads across homes, buildings, and transportation are now capable of cloud connectivity and grid-responsiveness through networking software or retrofit solutions. Connecting these loads to wholesale and retail energy markets and optimizing time-of-use and peak demand-based electricity rates creates economic benefits that can be shared with the load generators and the connectors.

Decarbonization of all sectors

The decarbonization of the broader economy is gaining momentum in key sectors like transportation, buildings, agriculture, and industrials.

In the transportation sector, the adoption of electric vehicles (EVs) is advancing, but progress is slower in the commercial fleet sector. In 2022, EVs were nearly 16% of new light-duty vehicle sales in California, according to data by PwC. In the 12 other states that have adopted the California zero-emission vehicle standard, EV sales exceeded 9%, but in the remaining states, the adoption rate was just 3.38%. Progress is slower in the commercial fleet sector. Challenges in the electrification of commercial fleets are link to technology and infrastructure constraints. Heavier vehicles put extra pressure on lithium-ion batteries and charging infrastructure for larger trucks (Level 3 DC charges) remains expensive.

Within the built ecosystem, decarbonization solutions range from emerging technologies in low-carbon building materials, electrification of building materials productions and scaling up of established solutions such as heat pumps and more energy-efficient lighting and cooling systems.

In the industrial sector, decarbonization is picking up speed as more corporations commit to emissions targets. The U.S. Department of Energy (DOE) have developed a roadmap to decarbonize industrial production, which includes four pillars: energy efficiency, industrial electrification, low-carbon fuels, feedstocks, and energy sources (LCFFES), and carbon capture, utilization, and storage (CCUS).

Expansion of biofuels

Production capacity for renewable hydrocarbon biofuels (consisting of renewable diesel, sustainable aviation fuels, and renewable gasolines) continues to grow, with a number of large-scale production facilities currently under construction and even more planned. These projects are being predominantly developed by traditional fossil fuel producers and refiners, as well as independent developers.



Ember Approach

EIF II will seek out investments that offer opportunities to enhance value through a combination of improved operations and cost savings, the ability to scale deployment, and financial optimization of at-scale portfolios of high-quality assets, contracts, or other recurring revenues. Target investments include the following solutions and business models:

Distributed assets

Distributed energy infrastructure including solar, bioenergy, hydro, wind, and storage solutions.

Scale assets

Renewable power generation assets predominantly adding base load to the energy matrix. This type of assets use feedstocks such as biomass, biochar, RNG, and biofuels.

Electrification and energy efficiency solutions

Scaling up of established solutions such as heat pumps and more energy-efficient lighting and cooling systems.

Enabling technologies

Related software, services, and marketplaces that facilitate deployment or enhance the efficiency of low carbon energy infrastructure

Emerging solutions

We track investment opportunities in the broad category of carbon marketplace solutions with an emphasis on identifying high-quality, certified carbon reduction and removal solutions, both for our existing portfolio and future investments. We also monitor nature-based carbon sequestration solutions, including soils, forests, and agriculture, which cross over with other Ember sectors.

There are a number of emerging energy technologies and business models currently being supported by government and university grants, institutional and corporate venture capital, and other research-driven investments. We continue to keep active dialogues with these companies and the investors supporting them to track the adoption and commercialization for potential entry points for EIF II. Carbon capture and sequestration/usage (primarily for industrial and commercial applications), hydrogen (for transportation and storage), long-duration storage, and green ammonia (primarily for fertilizer and transport fuel) are among the emerging subsectors we track in this category.

3.2. RESOURCE EFFICIENCY AND MANAGEMENT

The Fund will target companies and assets delivering Resource Efficiency and Management infrastructure solutions across the following subsectors:

- Water Reuse
- Water Treatment
- Wastewater Treatment
- Waste Management
- Waste-to-Value
- Circular Economy
- Agricultural Efficiency
- Industrial Efficiency



Water and waste management infrastructure systems in North America have specific sector dynamics, but they share common trends, including rapidly aging systems that require significant amounts of private investment in the coming years to meet growing demand for sustainability initiatives and tightening regulations. Water and waste systems also require upgrades that incorporate technologies to increase operating efficiency, while decreasing costs. These upgrades require private investment at residential, industrial, and municipal levels. Lastly, both subsectors suffer from high fragmentation which in turn provides an opportunity for consolidation.

Simultaneously, increasing economic and climate-related challenges in the agricultural and industrial sectors are rapidly expanding the demand for infrastructure solutions capable of driving resource efficiencies across their value chain in a cost-effective way.

3.2.1. Water Reuse, Water Treatment, Wastewater Treatment

The Fund intends to invest in opportunities in the water infrastructure sector, including water and wastewater solutions. We believe economic, regulatory, and environmental tailwinds continue to support robust long-term fundamentals for companies and assets that deliver solutions in these areas. Furthermore, business models are rapidly evolving in alignment with Ember's expertise in distributed, decentralized, and sustainability-oriented infrastructure.

Trends and Investment Themes

Significant underinvestment

North America faces not only the consequences of years of underinvestment in the sector but also challenges from a changing climate, high-population growth areas and water-intensive agricultural practices. To provide some context, U.S. utilities lose nearly two trillion gallons of water – or 15% of the total drinking water treated nationwide – to leaks each year with non-revenue water (NRW) rates as high as 43% in major U.S. cities. In some smaller rural communities, NRW rates exceeds 85%.

In its latest report card, the American Society of Civil Engineers (ASCE) estimates that more than \$1 trillion in investments across drinking water, wastewater and stormwater systems are needed between 2020 and 2029 with roughly 60% of this amount already funded. The BIL is a positive step to support investments in the sector (providing \$55 billion over 5 years for water projects, primarily focused on drinking water), but this represents only a fraction of the often-cited \$434 billion investment gap the ASCE estimates in its report. Indeed, even if the ASCE overstates the figure, municipal and corporate budgets alike will continue to be stretched to address a multitude of challenges as we discuss below.

Water quality degradation

Drinking water systems need significant investment mainly to maintain existing capacity. The Drinking Water Infrastructure Needs Survey and Assessment found that U.S. water systems need \$472.6 billion of investment by 2035 to continue providing clean, safe drinking water, including \$312.6 billion for distribution, \$83.0 billion for treatment, and \$47.6 billion for storage.

A study published in the Proceedings of the National Academy of Sciences in 2018 reported that as many as 21 million Americans relied on municipal water systems that violated health-based water quality standards. Now community drinking water systems are facing more stringent water quality standards and new threats from emerging contaminants like PFAS—a family of human-made chemicals used throughout industry and consumer products and that are associated with adverse health outcomes.



Increasing regulatory pressures

Over the last five years, federal and state regulators are not only more strictly enforcing existing mandates but also increasing regulatory limits in water management. In February 2021, the EPA announced actions to address PFAs. This follows the agency’s December 2020 revision of its Lead and Copper Rule. Additionally, dozens of municipalities are executing long-running programs to address combined-sewer overflows following noncompliance with requirements of the Clean Water Act.

A recent McKinsey report , notes that wastewater-discharge regulations for phosphorus and nitrogen are continuing to tighten across the U.S. as regulators ramp up efforts to tackle nutrient-induced algae blooms in waterways. The same study estimates that new PFAs regulation could lead to a threefold increase in related annual capital spending for utilities between 2021 and 2025. Estimates of the total PFAS remediation market potential can vary widely, but the 2022 Environmental Business Journal and 2022 American Chemical Society estimate 50,000+ sites over the next 20 – 30 years represent a \$160 billion market.

Persistent fragmentation

Water management in the U.S., remains a highly fragmented sector, inhibiting more efficient operations and funding and hampering innovation. In addition to the many challenges previously discussed, the sector is facing significant labor pressures. The Bureau of Labor Statistics estimated that 8.2 percent of existing water operators will need to be replaced annually between 2016 and 2026.

Efficiencies in the sector could potentially be achieved through the adoption of new technologies while consolidation has the potential to contribute to operational performance, as well as labor force and investment challenges

Size Categories of Community Water Systems					
System Size (population served)		Number of CWSs	Population Served (millions)	% of CWSs	% of U.S. Population Served by CWSs
Very Small	(25-500)	26,897	4.6	54%	1%
Small	(501-3,300)	13,321	19.2	27%	6%
Medium	(3,301-10,000)	5,010	29.5	10%	9%
Large	(10,001-100,000)	4,005	115.6	8%	37%
Very Large	(>100,000)	447	147.6	1%	47%
Total		49,680	316.5	100%	100%

Stress on water resources

Management of water resources has become increasingly complex due to the impact of drought, floods, and other effects of a changing climate as well as to fast growing residential and commercial areas and reliance on water intensive agriculture. Nutrient pollution in the form of nitrogen and phosphorus in surface and groundwater present a growing threat to communities and local economies. According to the EPA, in the U.S., 58% of river and stream miles, 40% of lake acres, 17% of estuarine square miles, and 23% of Great Lakes shoreline miles have been assessed to have excess nutrients. Excess nutrients can come from agriculture,



urban runoff, and wastewater treatment and cause water quality problems, such as algal blooms and fish kills.

Excess nutrients are a particular challenge in areas that rely on septic tanks to treat wastewater. In the United States, over 16% of households are not served by public sewers, and instead rely on septic tanks, many of which are deficient and contribute to the contamination of surface and groundwater. Coastal states such as Florida are already grappling with the negative environmental impacts of ineffective septic tanks. In the Mid and Western U.S., communities, governments, and businesses are experiencing pressure on their water supplies, in areas like the Central Valley of California, Arizona and even the Great Lakes.

Ember Approach

Faced with mounting water-related issues, we have seen customers become increasingly receptive to new, innovative solutions including new approaches, technologies, and commercial frameworks. We believe this development serves to increase the scope of capital deployment opportunities for the Fund across the solutions and business models below:

Outsourced solutions

Municipalities and industrials alike are increasingly amenable to outsourcing water and wastewater system management to qualified third parties. This approach allows companies to realize capex and operating expenses reductions, mitigate the effects of an aging water and wastewater workforce, and pay for performance rather than pay for assets via efficient and sensible risk transfer.

Receptivity to outsourced solutions creates opportunities for water and wastewater companies to both expand their addressable market and capture opportunities for recurring revenues for services that had previously been performed in-house.

Distributed infrastructure

Wastewater infrastructure is increasingly becoming distributed/decentralized to address regulatory constraints (e.g., more stringent effluent standards for industrial customers) and enable more sustainable solutions driven by customer preferences. This shift is capital intensive and creates opportunities for the thoughtful deployment of private capital.

Water reuse

Water scarcity caused by population growth and economic activity, climate/drought, and poor management, the rising cost of water and water treatment, and government mandates all support additional investments in water reuse, both on-site and at centralized locations.

Digital transformation and efficiency

A forward-thinking approach to technology has become a prerequisite for successful infrastructure investment, where smart water and energy management, predictive maintenance, automation and control technologies, and real-time monitoring via remote sensing (IOT) present meaningful cost savings opportunities. Infrastructure operators conducting business as usual will see margins erode as technology allows competitors to decrease operating costs.

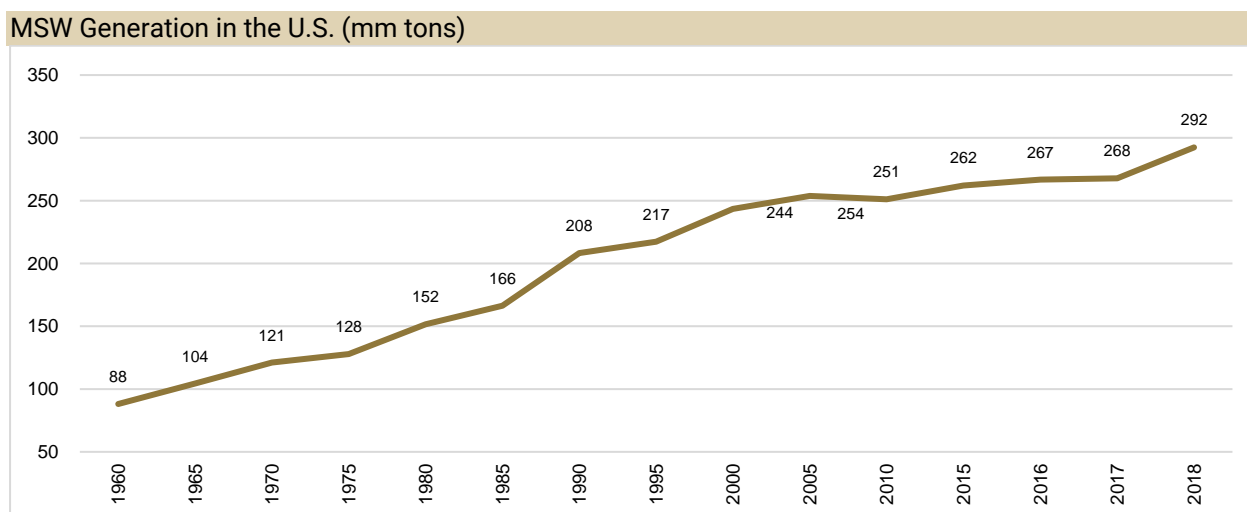


Consolidation

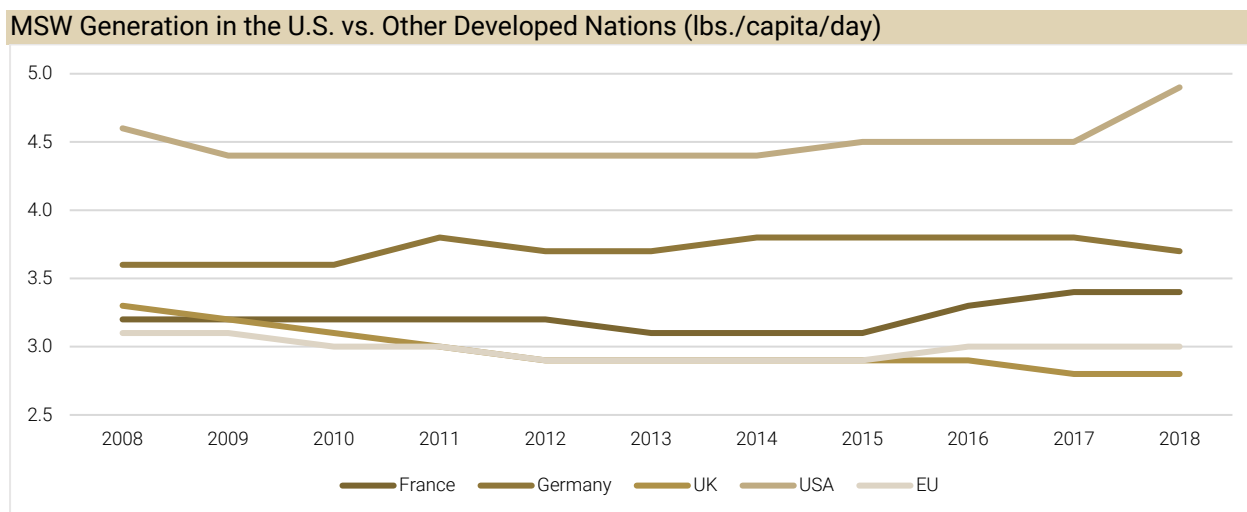
The water and wastewater sector remains highly fragmented. We believe consolidation will create synergies and reinforce winning brands, underscoring the importance of making investments that can participate in this trend either as consolidators, as targets, or both.

3.2.2. Waste Management, Waste-to-Value, Circular Economy

To provide some context, the U.S. generated an estimated 292 million tons of municipal solid waste (MSW) in 2018. Since 1960, the annual compound growth rate of MSW (2.1%) has surpassed that of the country's population (1.1%). Today, the U.S. is one of the world's largest waste producers per capita, generating an average of 4.5 pounds of municipal solid waste (MSW) per person per day, higher than the average of other developed countries, including France, Germany and the United Kingdom, which generate less than 4 pounds per person per day.



Source: EPA: National Overview: Facts and Figures on Materials, Wastes and Recycling (2020).



Source: OECD (2021) Municipal Waste, Generation and Treatment.



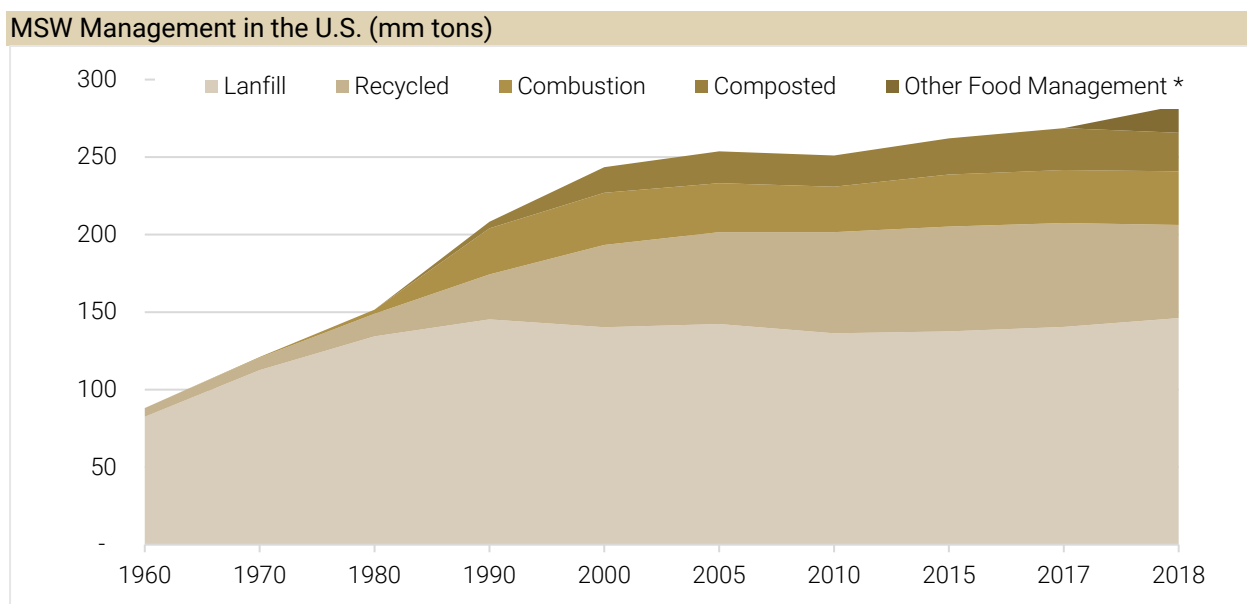
We have observed a growing opportunity set in the waste vertical, centered around various secular trends (discussed in detail below), including the need for increased resource recovery and reduced environmental impact for existing waste infrastructure assets, as well as new capital projects and business models for reuse and repurpose applications that have strong risk-adjusted returns due to rising tipping fees and recovered material revenues for landfill diverted materials. These increased cash flows are supported by compliance requirements relating to local, state, and federal regulations and voluntary corporate sustainability goals.

Trends and Investment Themes

Recycling rates have plateaued

In the last few decades, an increasingly larger portion of MSW has been diverted from landfills via recycling. However, the recycling rate has plateaued since the 2000s, hovering between 21 and 26%.

In response, the U.S. government has begun to take action. The EPA announced its National Recycling Goal in 2020, a 10-year benchmark to increase the recycling rate for all materials by 50%. In 2021, the BIL assigned funding across several areas of recycling including: Solid Waste Infrastructure for Recycling Grants (\$275 million), Reduce, Reuse and Recycle Education and Outreach Grants (\$75 million), Battery Collection Best Practices (\$10 million), and Voluntary Battery Labeling Guidelines (\$15 million).



Source: U.S. Environmental Protection Agency (EPA) (2020) *Advancing Sustainable Materials Management: 2018 Fact Sheet*. *Between 2017 and 2018, the EPA began implementing an enhanced food measurement methodology.

Landfill capacity is becoming more expensive and subject to tighter regulations

In 2018, over 50% of MSW generated in the U.S. was sent to landfills. There is an estimated 2,600 landfills, with over 1,270 currently open with varying amounts of remaining capacity. The average age of landfills is somewhere between 30 and 50 years old.

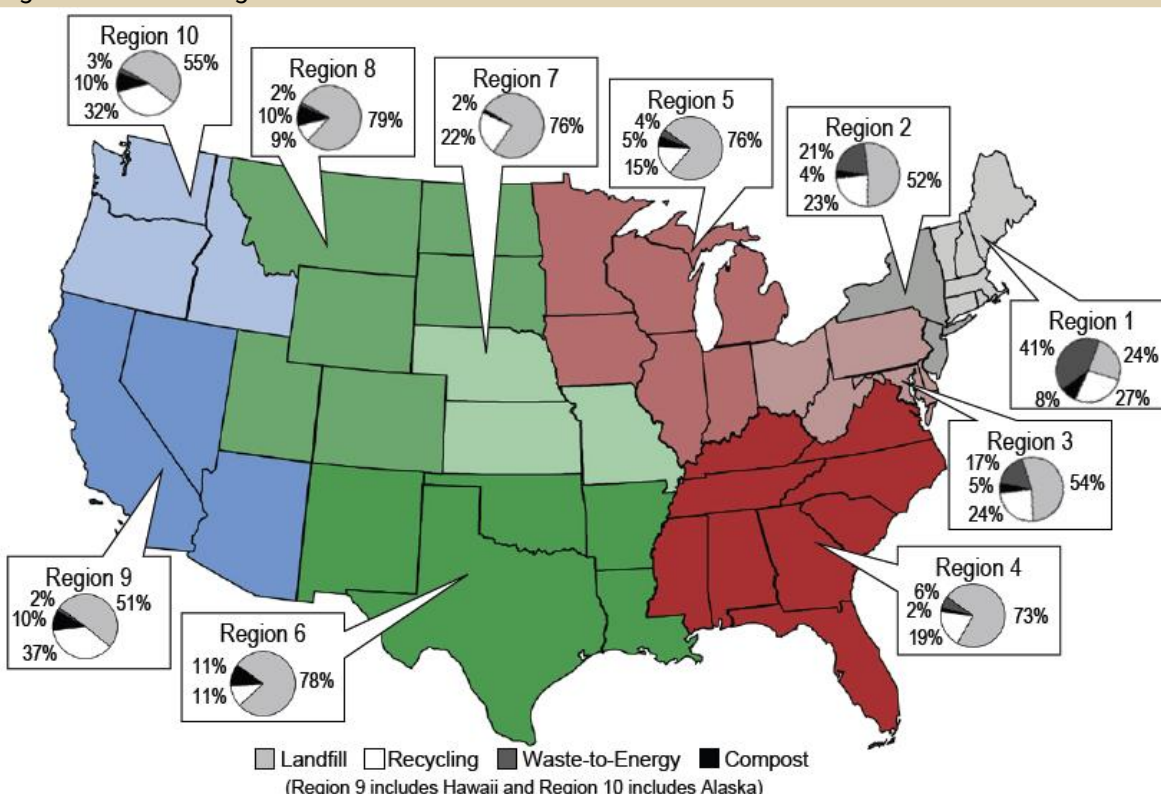
Tipping fees (trash collection fees resulting from operation and maintenance of landfills and recycling) vary across the U.S. reflecting available space for landfills. While average tipping fee in South Central states



(\$34.80) with more available space for landfills is about half of the average in the Northeast (\$67.39) the general trend across the country is one of increasing fees. Efforts in recycling are driven by cost to landfill as reflected in MSW management practices across different regions in the U.S.

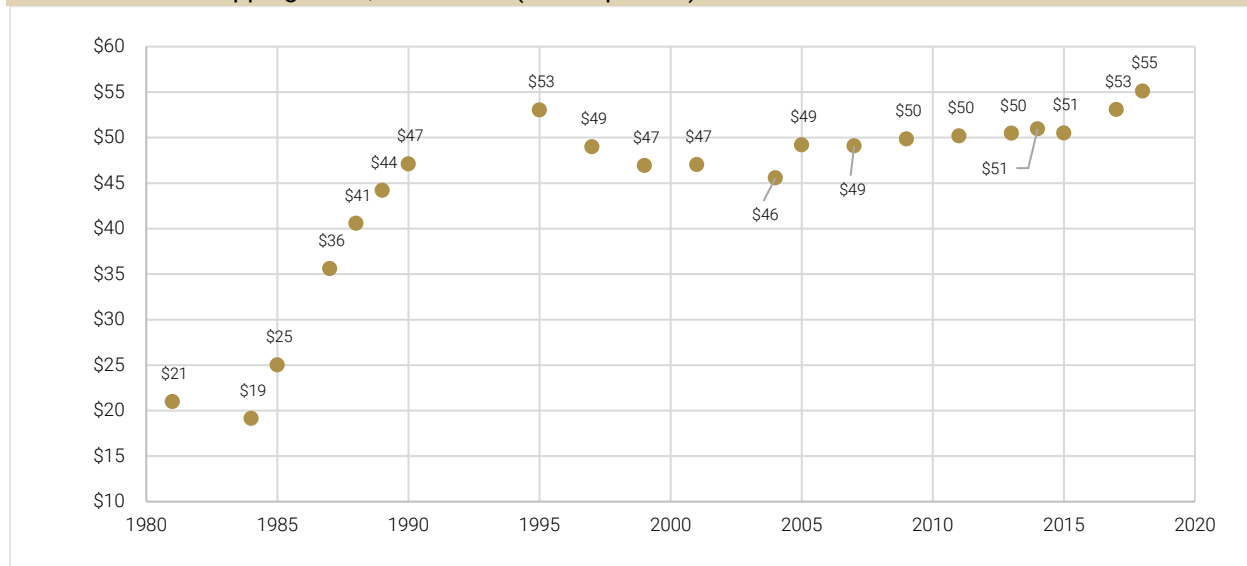
An ongoing concern for landfills and other solid waste management systems are emerging contaminants such as PFAS, pharmaceuticals, pesticides, industrial chemicals, surfactants personal care products, and more. Many of these emerging contaminants were used in many products that ended up in landfills. As a result, landfills are having to manage PFAS in groundwater, especially at historic landfills that were not previously constructed to today's specifications. PFAS are also being identified in landfill leachate that is sent to wastewater treatment plants.

Regional MSW Management





National Landfill Tipping Fees , 1982-2018 (\$2018 per ton)



Sources: EPA: *National Overview: Facts and Figures on Materials, Wastes and Recycling (2020)*. *The Journal for Municipal Solid Waste Professionals (2015) November/December 2015 MSW Management*.

Increasing focus on materials recovery

Trends towards reduction of GHG emissions, circularity as well as awareness of the vital role of certain materials required by the energy transition are increasing efforts directed at material recovery across industries.

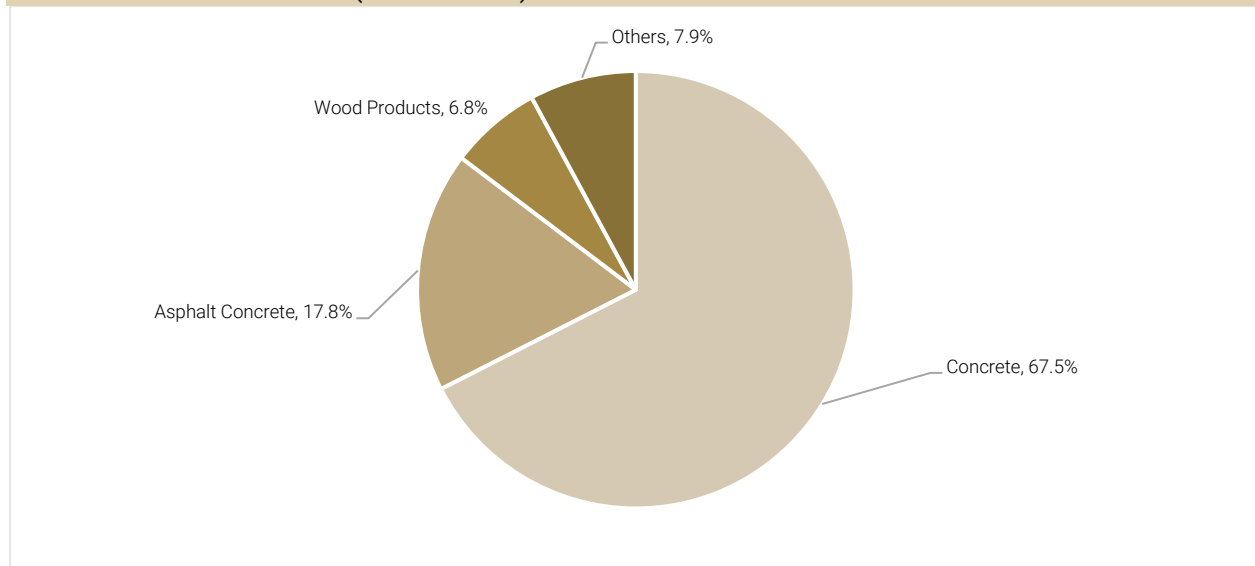
▲ **Construction and demolition (C&D)**

C&D waste in the U.S. is not included in MSW. C&D debris includes steel, wood products, drywall and plaster, brick and clay tile, asphalt shingles, concrete and asphalt concrete (asphalt pavement). In 2018, 600 million tons of C&D debris were generated with 144 million tons sent to landfills.

Materials like concrete, asphalt and steel are produced in some of the most carbon intensive and hard to abate processes, highlighting the need to ensure more material is recovered and follows a different end of life path.

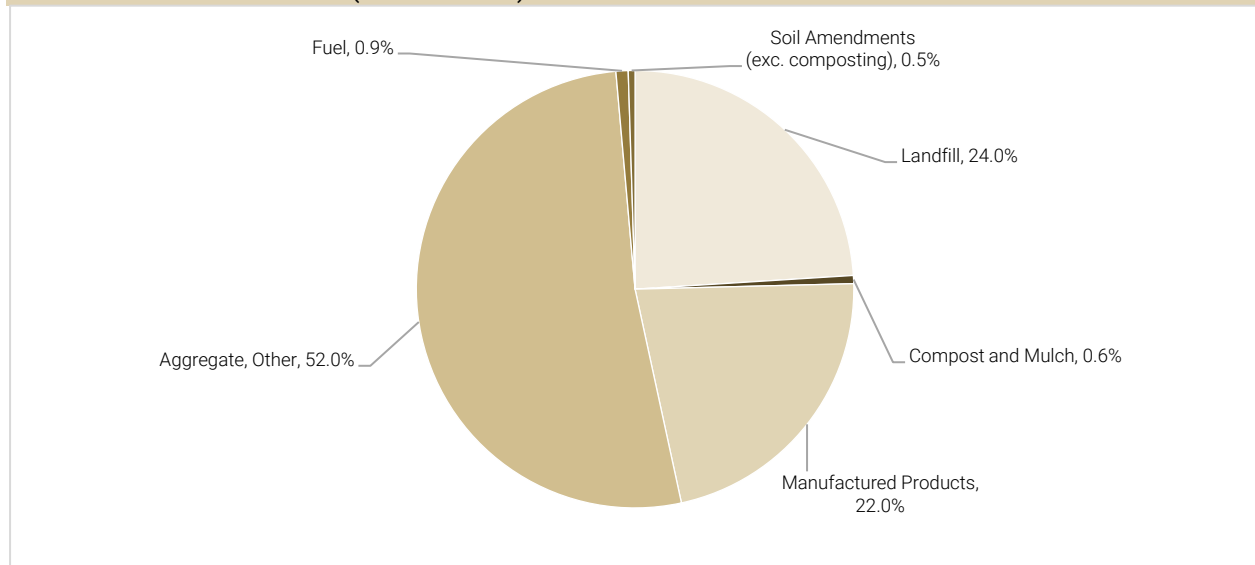


C&D Debris Generation 2018 (600 mm tons)



Source: EPA: National Overview: Facts and Figures on Materials, Wastes and Recycling (2020).

C&D Debris End of Life 2018 (600 mm tons)



Source: EPA: National Overview: Facts and Figures on Materials, Wastes and Recycling (2020).

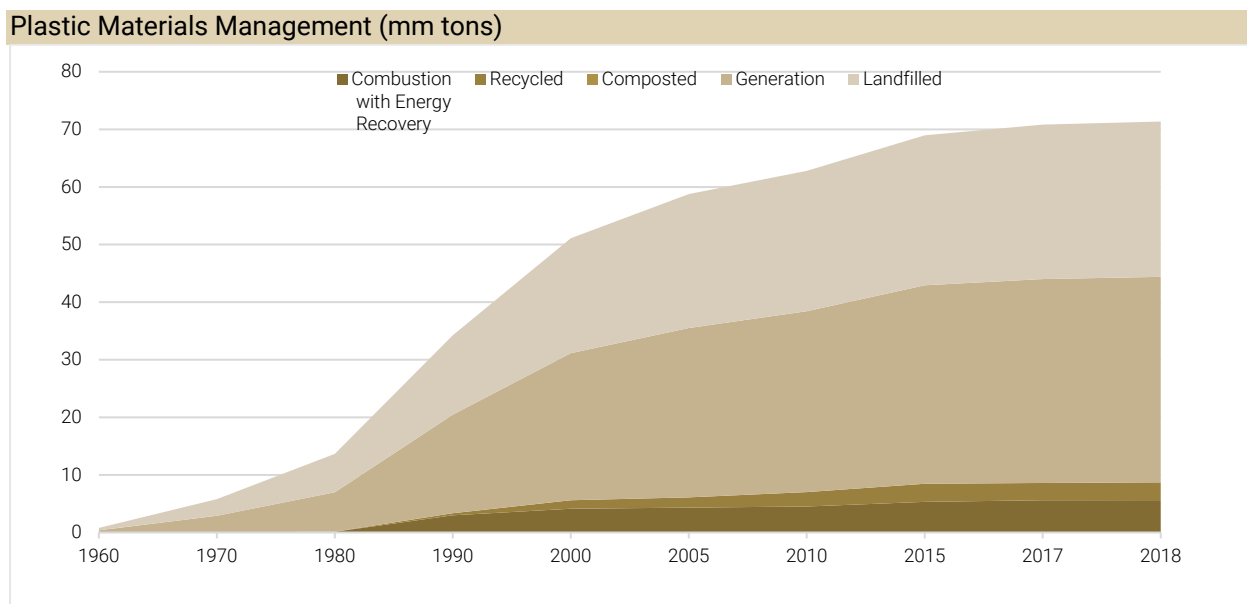
▲ Plastics

At 139 kg per capita per year (not including fiber and rubber polymers) North America has the highest per capita plastic consumption in the world and represents 19% of global plastics production and 21% of consumption. In 2019, 86% of plastic waste managed as MSW in the U.S. went to landfill with only 5% of plastic waste being recycled and 9% being combusted. This plastic lost to landfills had an average market value of \$7.2 billion.



Very modest improvements have been made over the last decade in terms of increasing recycling rates of plastics beyond PET and HDPE. And while plastic pollution has received significant attention from consumers, only recently has the chemical industry started to acknowledge its role in dealing with plastic waste and the potential of turning it into a significant profit center.

A real transition to managing plastics with a circular model will require significant investments in the waste-management industry that collects plastic waste if it is going to be able to handle massive new flows of used plastic streams.



Source: U.S. Environmental Protection Agency (EPA) (2021) "Plastics: Material-Specific Data."

▲ Critical materials

Mineral materials are integral to the functioning of countless products such as computers, aircraft, communication systems, electric vehicles, lasers, naval vessels, and various types of consumer electronics. Some of these minerals are in limited supply and techniques for their extraction incur high environmental and financial costs and pose geopolitical challenges to the U.S.

Energy critical elements (ECEs) are elements integral to advanced energy production, transmission, and storage. This category includes lithium, cobalt, selenium, silicon, tellurium, indium, and rare earth elements (REEs). REEs are a group of 17 elements used in various products, many of which are vital for renewable energy and energy storage. No readily available substitutes exist for most REEs. Unless action is taken, the U.S. could face an annual shortfall of up to \$3.2 billion worth of critical materials.

The Department of Energy (DOE) has launched a series of strategies for addressing material criticality including diversifying supply, developing substitutes, and improving reuse and recycling of critical materials. Currently, less than 1% of REEs are recycled. Every year, thousands of electronic products such as cell phones, televisions, and computers are thrown away. Metals recovered from these products can be effectively reused or recycled.



Ember Approach

In response to the various trends Ember observes across the waste management industry we focus on identifying businesses with an operating cash flow base to build upon through enhanced resource recovery and reuse capabilities. We look to avoid auction processes due to valuation and competition dynamics, and we prioritize bilateral opportunities with existing owners and operating teams that are seeking a new capital partner in conjunction with M&A and new growth and expansion capital investment needs. Target investments include the following solutions and business models:

Advanced recycling

There are promising new methods to recycle a wider range of materials, including the recovery of ferrous and non-ferrous metals from metals and ash wastes. Additionally, we see the potential for contracts to develop supporting the repurposing of recycled materials for high-quality fuel used in thermal energy generation to reduce reliance on fossil feedstocks. In addition to these materials, we are looking at beneficial reuse and recycling of landfill-banned hazardous waste and problematic materials, including cleaners and chemicals, motor oil, electronics and batteries as potential investment areas.

Within the materials sector, and particularly in plastics, we are tracking multiple solutions ranging from improving recycling and recoverability rates to the development of alternative chemical and mechanical recycling and bio-based materials. In this sector, we've seen a push from large corporates partnering with technology developers and supporting pilot programs. We see an interesting opportunity to bring third-party capital providers with the expertise to help these technology developers build up platforms that can match the scale of their corporate partners' needs. However, these opportunities will need to be grounded in solid commercial agreements.

Biological treatment (primarily composting and digestion)

Biological treatment processes employ microorganisms to break waste down into useful elements. Composting and anaerobic digestion are the most common techniques. For composting, we are evaluating a wide range of organic waste streams, such as wasted food, yard trimmings, and manures (including biosolids sewage sludge). Composted material has the dual environmental benefit of diverting high methane waste material to create nutrient-rich materials, which reduces and, in some cases, eliminates the need for chemical fertilizers.

Source reduction

Perhaps the cheapest and easiest solution is reducing the sources of waste at production and consumption points. We are assessing ways in which combinations of software, hardware technology, and new business models can generate recurring revenues to add efficiency to companies' supply chains, maintenance programs, and other operations to reduce waste generation in industrial manufacturing applications.

Enhancing existing infrastructure

Beyond diversion methods, we are evaluating ways to reduce the environmental impact of the existing waste infrastructure system in the U.S. There are over 1,250 landfills in the U.S., and compliance with federal and state regulations requires a range of capital investment and environmental and other services, including (i) leachate collection and removal, (ii) groundwater monitoring systems, (iii) closure and post-closure care, (iv) composite liners, and (v) other operating practices. Additionally, more landfill owners are capturing and monetizing gas generated on their landfills to produce power and renewable natural gas.



Beyond landfill sites, there are waste transfer stations, scrap yards, and collections systems that can benefit from more investment in waste recovery, efficiency, and reuse capabilities, and we are looking into potential partnerships in connection with these opportunities. New advances in robotics, IoT, automated sorting could add to much needed efficiency along the value chain in waste management.

The waste management sector is also experiencing significant innovation, driven by strong venture capital investments in climate technologies that support the circular economy. These technologies include recycling and maintaining the integrity of a wide range of materials, such as textiles, plastics, building materials, and critical materials. Many of these new technologies will require infrastructure-like funding solutions as they scale up. Ember will continue to monitor these emerging solutions and companies to identify those that fit our investment criteria or that can be pursued by portfolio companies.

3.2.3. Agricultural and Industrial Efficiency

Participants across industrial, consumer, and agricultural sectors are looking to responsibly manage the natural resources and materials they consume. A significant number of public companies have set decarbonization goals and are focusing on tackling a variety of other sustainability issues across their production processes and supply chains. Solving these issues is giving rise to significant demand for climate technologies, which we anticipate could evolve into businesses with the infrastructure-oriented profiles that we target. Many of these sustainability solutions overlap with products and services provided by water, waste, and resources management businesses. Some of the critical sustainability or climate-related needs these solutions must meet include:

Agriculture	Industrials
<ul style="list-style-type: none">▪ Reducing the use of fossil fuels and fossil-fuel derived consumables (fertilizers).▪ Reducing the consumption of non-renewable resources.▪ Diverting waste from landfills and incinerators.▪ Reducing, recycling, and upcycling waste streams (e.g., food waste, biosolids, plastics).▪ Reducing the environmental impact on soils, air, and water resources.▪ Increasing revenue opportunities for agricultural constituencies (e.g., upcycling agricultural waste).	<ul style="list-style-type: none">▪ Reducing the use of fossil fuel-derived virgin materials (e.g., petrochemicals and plastics).▪ Reducing the consumption of non-renewable resources.▪ Diverting waste from landfills and incinerators.▪ Reducing, recycling, and upcycling waste streams (e.g., food waste, biosolids, plastics).▪ Reducing the environmental impact on soils, air, and water resources.

Trends and Investment Themes

The key trends and investment themes impacting these subsectors, include:



Agriculture Efficiency

Our focus on Agriculture Infrastructure is propelled by major trends, including (i) rising food consumption, (ii) reduced soil yields due to climate change, water availability and soil quality (70% of global freshwater is diverted for agriculture needs, while an estimated 80-96% of phosphorus mined worldwide is used in agriculture), and (iii) heightened concerns over food and water security.

Competitive pressures faced by farmers is driving projects that transform non-revenue producing acreage and agricultural waste into new products, including non-wood pulp, compostable packaging and medium-density fiberboard. In addition to creating new sources of revenue, many of these projects also focus on using more environmentally responsible production methods that reduce the use of water and hazardous chemicals.

Agricultural waste is finding its way up the value chain not only in the form of energy but also in the form of new products, such as fertilizers and natural ingredients for the food & beverage industry. Large corporations are driving investments in upcycling technologies and infrastructure in order to divert waste from landfills and low commercial value uses.

Industrial Efficiency

Investment opportunities within industrial infrastructure continue to enjoy strong tailwinds. State and federal regulations as well as corporate commitments to sustainability and resource efficiency encourage investment in a range of solutions promising to decarbonize and reduce waste across the global industrial complex.

Development of hardware and software technologies and new commercial models are attracting a significant influx of early-stage capital for climate-tech solutions across a range of sectors such as circular economy, materials, and the built environment.

In certain industries, business models are evolving to turn waste and other byproducts into profit centers. According to McKinsey, the chemical industry has recently started to recognize its role in dealing with plastic waste and is increasingly acknowledging that single use plastics should be replaced by products that are recycled as much as possible. McKinsey estimates that the chemicals industry could build a new and profitable branch of the industry based on recycled plastics, estimated to represent a profit pool of as much as \$55 billion a year worldwide by 2030. A real transition to managing plastics with a circular model will require significant investments on collection infrastructure to increase feedstock as well as investments in processing facilities and new technologies that not only improve material recovery rates but also reduce material degradation during the recycling process. As previously stated, the waste-management industry that collects plastics waste and does preliminary processing lacks scale today, something that will need to be addressed if it is going to be able to handle these massive volumes of plastic waste streams.

Ember Approach

With respect to solutions and businesses that could fit EIF II investment criteria, we intend to seek opportunities backed by experienced operating teams and anchored in strong commercial agreements that provide cash flow visibility and isolate cash margins from commodities cycles.

Within agriculture, we have focused on horizontal greenhouses and adjacent infrastructure, as well as emerging regenerative agriculture solutions. High-tech agriculture involves large-scale capital projects that once operational lend themselves to advantageous project financing solutions and replicability aimed at



portfolio build-out. We have further narrowed our focus with an emphasis on proven growing capabilities among management teams and strong unit economics, factoring in profit leakages for packaging and logistics, as well as strong commercial arrangements and routes to market.

Within regenerative agriculture, Ember tracks technologies, products, and software that aid with plant and soil health, increase yields per acre, lead to lower water usage, and displace harmful fertilizers that are derived from fossil materials.

Consistent with our approach to the waste vertical, Ember intends to target opportunities in waste upcycling, including solutions converting organic and inorganic waste streams into usable non-energy products like pulps, fibers, packaging, construction materials, and other consumer and industrial goods. Organic feedstocks are typically produced in the food and beverage industry, paper industry, agriculture, and households, while inorganic materials are derived from pre- and post-consumer processes that generate high volumes of fibers and plastic waste. Conversion technologies include biological, chemical, and mechanical processes.

3.3. CLIMATE RESILIENCE AND ADAPTATION

The Fund will target companies and assets that deliver sustainable infrastructure solutions in the following areas of Climate Resilience and Adaptation:

- Infrastructure Resilience
- Stormwater Mitigation
- Climate Event Mitigation, Remediation & Recovery
- Coast and Waterway Adaptation

While these solutions are a relatively recent investment area for some of our peers, EIF I's portfolio already includes investments in businesses that are dedicated or that contribute to improving the climate resilience and preparedness of their clients and customers. LID Technologies, a stormwater management platform, helps municipal and commercial clients increase the absorbing capacity of large surface areas such as sidewalks, parking lots and parks. Absorbing or porous surfaces are a rapidly expanding, proven solution to avoid significant water runoff during heavy precipitation events. Other companies in EIF I's portfolio also contribute to the resilience of their clients providing services such as onsite power backup generation (Caban Systems), around-the-clock renewable base load power (ReGenerate), and remediation of landfills and other hazardous waste sites which are vulnerable to extreme weather events (GWTT).

Trends and Investment Themes

Many experts believe that regardless of the ability to reduce the amount of GHG emissions in the atmosphere, the planet will continue to experience changes to weather patterns and sea levels in the coming years and decades. As a result, climate resilience and preparedness are increasingly important concerns for governments, property owners, and individuals who want to protect their assets and businesses from more frequent weather events, such as heat waves, severe draught and wildfires, rising sea levels and coastal storms and high precipitation and flooding.

We are already experiencing the economic and human cost of these events. Many of the U.S.'s critical infrastructure including levees, and legacy stormwater systems are struggling with the high cost of retrofits needed to address heavier precipitation and flooding. Federal funding, though up in recent years, still leaves a significant gap to be filled. In stormwater systems alone, government funding has averaged about \$250



million annually, leaving a growing annual funding gap of \$8 billion just to comply with current regulations. Property owners are increasingly struggling to obtain property insurance, as the larger insurance companies are retrenching not only from areas most vulnerable to extreme events but also from areas that are expected to experience impacts from climate change more gradually. In May of 2023, the largest homeowner insurance company in California, State Farm, announced that it would stop selling coverage to homeowners not just in wildfire zones, but everywhere in the state.

Infrastructure Vulnerability to Climate Change According to the 2021 Report Card for America's Infrastructure

Coastal Protection

Levees play a critical role in the protection of critical infrastructure, including over \$2.3 trillion of property and 4,500 schools. The U.S. Army Corps of Engineers estimates that \$21 billion is needed to improve and maintain the moderate to high-risk levees in its portfolio, which represents only about 15% of the known levees in the U.S.

Frequent extreme weather events put many communities at an increased risk of flooding and levee breaches, including those communities that were previously not in high flood risk areas.

Power Sector

Among 638 transmission outage events reported from 2014 to 2018, severe weather was cited as the predominant cause. The DOE found that power outages are costing the U.S. economy \$28 billion to \$169 billion annually.

Utilities have had to invest over \$285 billion in transmission and distribution infrastructure since Superstorm Sandy in 2011, partially to make the energy grid more resilient to future storms.

Stormwater Management

Given the recent increase in rainfall trends and urbanization, the actual capacity of a stormwater system is often less than the design standard. With more frequent high-precipitation events, the need to reduce combined sewer overflows (CSOs) has increased. CSOs discharge untreated wastewater and stormwater, often containing agricultural runoff and toxic substances, directly into nearby bodies of water. While the primary way to deal with combined sewers is the separation of storm and sewage systems this is unviable in high-density population areas due to costs and engineering challenges.

While stormwater utilities are on the rise, with more than 40 states having at least one, the impervious surfaces in cities and suburbs are also expanding, exacerbating urban flooding, which results in \$9 billion in damages annually.

Waterways

According to the ASCE most recent report card, changing climate is contributing to less predictable water levels and impacting the efficiency of the waterway system. When water levels are too high or too low, a river shuts down for barge traffic, and shippers are forced to utilize other modes of transport to get goods to market. For example, the Mississippi River in Baton Rouge was flooded for 67 days during 2018, which in turn forced hundreds of barges to offload their cargo and shippers to put their goods on trucks.



Ember Approach

Within this investment vertical, EIF II will target opportunities backed by experienced operating teams and anchored in strong commercial agreements and existing cash flows from O&M services. Ember will also seek those opportunities that can increase in scale and gain operational efficiencies. Some of the solutions and business models that the Fund will target include:

Green infrastructure

Stormwater runoff is defined as water that travels over impervious surfaces such as roadways, buildings, or parking lots, and landscaped or agricultural areas and is then collected and conveyed into streams, rivers, lakes, bays, or oceans. As impervious surfaces in increasingly developed cities and suburbs expand, so do the impacts of increased runoff from larger rainfall events which can lead to urban flooding. Green infrastructure systems have emerged as practical and economically viable alternative to the separate of stormwater and sewage systems. Green infrastructure solutions use porous surfaces and natural environments to manage stormwater. This type of solutions is being implemented by municipalities and real estate owners that see it as a cost competitive alternative to gray forms of infrastructure. Green infrastructure provides benefits by reducing runoff, minimizing erosion, and contributing to water quality improvements; examples include rain gardens, constructed wetlands, vegetative roadway bioswales, and permeable pavements.

Distributed infrastructure systems

Can help to shield communities from extreme weather events and allow them to bounce back faster. These systems can provide backup energy generation, wastewater treatment, emergency transportation infrastructure, and other critical services that are essential for resilience.

Application of new technologies

A range of existing and emerging technologies are being deployed to add resiliency and monitoring capabilities to critical infrastructure, including battery storage, field-based sensors, and drone and LIDAR (Light Detection and Ranging) monitoring. These technologies are demonstrating to be efficient and cost-effective mechanisms to improve resiliency across assets.



INVESTMENT STRATEGY

The Fund will continue the approach taken by EIF I of focusing on North American mid-market companies and assets delivering critical infrastructure solutions across three investment verticals: Energy Transition & Decarbonization, Resource Efficiency & Management, and Climate Resilience and Adaptation.

EIF II seeks to make predominantly control-oriented equity investments, ranging between \$50 and 100 million, in businesses that have ample growth potential and are supported by real assets characteristics, including established technologies, essential services, predictable cash flows, experienced operating teams, and high barriers to entry.

Ember believes the Fund's investment opportunity set in the middle market is expansive and features favorable competitive dynamics as a result of what we observe to be a lack of infrastructure-specific capital and expertise. The Ember team's extensive shared experience across an array of subsectors spanning conventional and sustainable energy and infrastructure enables the team to develop constructive, bilateral relationships with best-in-class management teams that can lead to compelling proprietary investment opportunities.

We believe that EIF II offers exposure to an attractive investment opportunity arising from the ongoing energy transition and increasing demand for climate-related solutions. The Fund also aims to provide access to a market segment that we believe is under-represented in many real assets portfolios, both in terms of business size and subsector.

EIF II's investment strategy is defined by the following key elements:

- Sector Focus and Specialization
- Middle Market Focus
- Proprietary Origination
- High-quality, Scalable Businesses and Assets
- Control-oriented Investments
- New Platforms
- Optimization of Downside Protection
- Alignment with ESG Principles and Positive Environmental Outcomes

Sector Focus and Specialization

Ember and EIF II's focus on energy transition and climate infrastructure solutions is a critical feature of our strategy, enhancing the effectiveness of our investment process from origination to exit. Our sector focus and specialization allow us to build an extensive industry network and identify high-quality investment opportunities within our target verticals and subsectors as demonstrated by EIF I's portfolio.

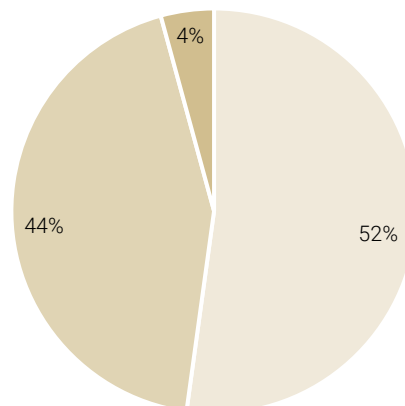
Ember's sector specialization also enhances our ability to establish and execute on value creation and exit plans of Portfolio Investments and to better evaluate and manage risks associated with clean energy and sustainable infrastructure solutions, where multiple factors such as regulatory frameworks, end-user needs, and emergence of new technologies, among others, are still evolving. As a sector specialist, Ember and the Fund are well-positioned to manage these complexities and take advantage of potential opportunities at each of our Portfolio Investments.



EIF I Portfolio (as of August 7th 2023) – Equity Invested

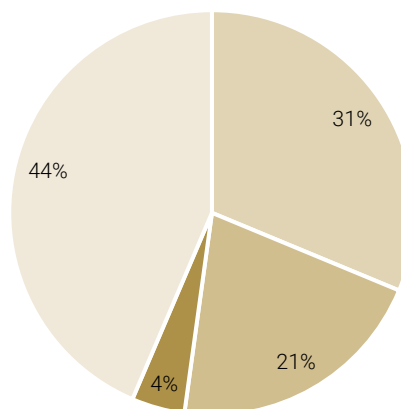
By Investment Vertical

- Energy Transition and Decarbonization
- Resource Efficiency and Management
- Climate Resilience and Adaptation



By Subsector

- Renewable Energy Generation
- Energy Management and Storage
- Stormwater Management
- Wastewater Management



Middle Market Focus

The Fund will focus on mid-market infrastructure companies and assets requiring equity investments ranging between \$50 and \$100 million in North America. We believe this market segment remains underserved by the broader private capital market and in particular by infrastructure specialist investors that have traditionally concentrated their efforts in large cap investments.

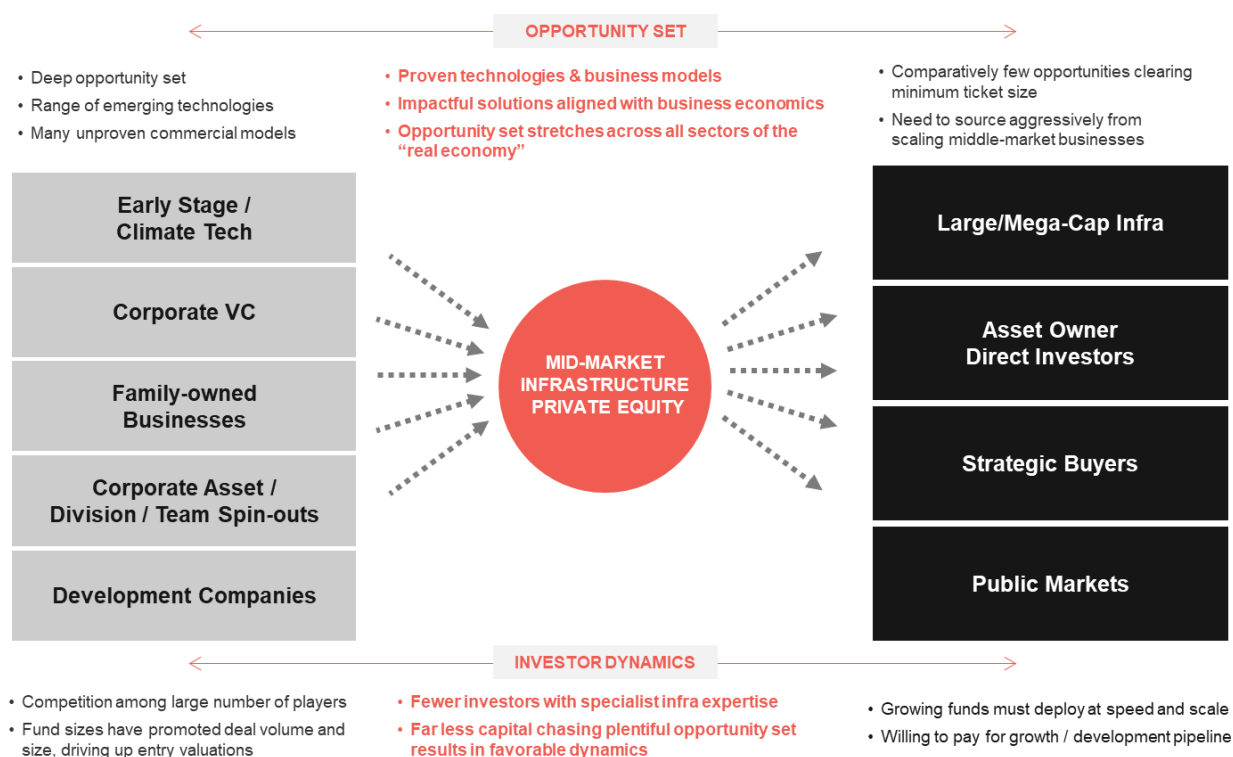
As a result of the limited competition, we encounter in the middle market infrastructure segment, Ember benefits from plentiful opportunities for proprietary origination and bilateral negotiations that we believe can lead to attractive acquisition valuations and terms.



The Fund’s focus on the middle market is supported by Ember’s experience and capabilities investing and operating in the middle market. These capabilities include:

- Ability to directly originate investment opportunities that are not intermediated by advisors or investment banks;
- Ability to manage a high-volume funnel of opportunities to efficiently focus attention on the most promising opportunities;
- Expertise in the specific opportunities and risks associated with middle market, growth-oriented infrastructure businesses; and
- Experience both underwriting and creating value in these types of businesses.

Market Dynamics



Proprietary Origination

Ember leverages a top-down thesis development process and bottom-up research and origination approach, which enables the team to originate proprietary investment opportunities that further the Fund’s strategy.

The team has built an extensive industry network and participates in an array of trade and industry associations and conferences, allowing access to proprietary opportunities furthered primarily via bilateral relationship-building and a constructive partnership approach. Management teams are attracted to Ember for our deep industry expertise, relevant networks, and ability to meaningfully guide and support the strategic and operational development of their businesses.

This distinctive approach, focused on proprietary opportunities, enables the investment team to identify investments that we believe can capitalize on growth momentum in our target sectors, have the potential to



become scalable platforms, are among the highest quality businesses within their market, and present an attractive risk-return proposition.

This element of the Fund’s strategy is demonstrated within EIF I, where the majority of our investments were originated and negotiated on a bilateral and proprietary basis, and one was originated via a limited auction:

EIF I Portfolio (as of August 7th 2023) – Origination Overview					
	Investment	Investment Area (Solution)	Sector	Origination	Origination Channel
<p>Legend: ■ Limited Auction ■ Proprietary</p>	ReGenerate	Decarbonization and Energy Transition	Bioenergy Regeneration	Proprietary	Investment team
	Caban Systems	Decarbonization and Energy Transition	Energy Management and Storage	Proprietary	Investment team
	SunShare	Decarbonization and Energy Transition	Community Solar	Proprietary	Investment team
	LID Tech	Climate Resilience and Adaptation	Stormwater Management	Proprietary	Investment team
	OnSyte Performance	Resource Efficiency and Management	Distributed Wastewater Treatment	Proprietary	Investment team
	GWTT	Resource Efficiency and Management	Industrial Wastewater Treatment	Limited Auction	Investment team

High-quality, Scalable Businesses and Assets

Ember’s strategy is based on the conviction that there are attractive investment opportunities with meaningful upside in the sectors we target. We also believe that to capitalize on these opportunities, it is important to ensure that investments are not only well-positioned to capture growth but also well-insulated against the risks and uncertainties of the transition to a low-carbon and resource-efficient world. As a result, when evaluating an investment opportunity, we look for business characteristics that include:

- Established technology that meets near-term customer needs;
- Management teams with demonstrated record of operational performance;
- Businesses that provide non-discretionary essential services, feature high barriers to entry, contractual or recurring revenues with high switching costs, and occupy competitive market positions; and
- Multiple avenues for value creation, including organic growth opportunities, roll-up opportunities, operational enhancement levers and capital structure optimization.

The table below summarizes the ways in which each of the investments in EIF I combines a resilient business profile with a number of upside opportunities.



EIF I Portfolio – Business Profiles and Avenues of Value Creation ⁵

Solution	Investment	Investment Overview	Business Strengths	Avenues for Value Creation
Decarbonization and Energy Transition	ReGenerate Control JV	Formed a new bioenergy generation platform in partnership with experienced operating team	<ul style="list-style-type: none"> Platform anchored with the acquisition of 50MW, fully-contracted bioenergy asset. Highly contracted cash flow profile with creditworthy off-takers. Robust, proprietary feedstock program. 	<ul style="list-style-type: none"> Operational enhancements. Roll-up strategy. Capital structure optimization.
	Caban Systems Structured Growth Equity	Tailored capital solution to provider of renewable power generation, battery storage, and site management for digital infrastructure	<ul style="list-style-type: none"> Established technology. High barriers to entry in the energy market for telecom carriers. Company's solution generates meaningful operational expense savings for customers. 	<ul style="list-style-type: none"> Operational enhancements. Infrastructure-as-a-Service (IaaS) implementation. Team augmentation.
	SunShare Structured Growth Equity	Tailored capital solution to accelerate growth of a proven end-to-end developer of community solar gardens	<ul style="list-style-type: none"> Established integrated platform with strong track record. Investment underpinned by NAV of fleet of operating assets Highly skilled team with commercial, technical, and regulatory expertise. 	<ul style="list-style-type: none"> Platform buildout, including expansion to new states. Business model evolution from build-to-flip to build-to-own.
Resource Efficiency and Management	OnSyte Performance Minority with Path to Control Equity	Investment in company that offers a solution for distributed wastewater systems. The solution delivers superior treatment performance and remote monitoring.	<ul style="list-style-type: none"> Established technology that meets regulatory requirements and are protected by proprietary intellectual property. Investment is anchored in an established septic tank management and operations (O&M) business with recurring cash flow. Technology supported by Internet of Things (IoT) to enable remote monitoring, which qualifies the systems to be included in public utility rate bases or serve as IaaS. 	<ul style="list-style-type: none"> First institutional investor. IaaS implementation. Roll-up strategy. Team augmentation.

⁵ This chart is for illustrative purposes only. The information reflects EIF I's portfolio as of the date of this Memorandum and is not indicative of EIF II's ultimate portfolio composition or investment structure. There is no assurance of the volume and/or the type of deals that will be in EIF II's investment pipeline.



	GWTT Control Equity	Acquired provider of full suite of industrial wastewater management and treatment solutions	<ul style="list-style-type: none"> ▪ Steady, recurring cash flow from O&M business. ▪ Robust project pipeline. ▪ Highly experienced management team. ▪ Significant regulatory tailwinds, including opportunity to capitalize on growing market of forever chemicals, including PFAS removal and treatment. 	<ul style="list-style-type: none"> ▪ Operational enhancements. ▪ Improvements in capex planning. ▪ Roll-up strategy. ▪ Capital structure optimization.
Climate Resilience and Adaptation	LID Tech Control Equity	Partnered with experienced storm management operator	<ul style="list-style-type: none"> ▪ Critical infrastructure services business with 3–5 year & recurring contracts. ▪ Patented product for NYC Green Infrastructure Program. ▪ Significant demand growth for stormwater management services across municipal, and commercial real estate property owners. ▪ Favorable entry valuation. 	<ul style="list-style-type: none"> ▪ First institutional investor. ▪ Operational enhancements. ▪ Capex planning. ▪ Roll-up strategy.

Control-oriented Investments

As with EIF I, EIF II will predominantly target control-oriented equity investments. This focus is aimed at giving us the flexibility to guide the development of our Portfolio Investments, apply our value creation blueprint, and appropriately manage risk throughout the term of the Fund’s ownership.

In instances where EIF II does not have controlling ownership of a portfolio company, it intends to secure a position with strong shareholder governance rights and significant involvement in governance processes, including board representation and veto rights over material business decisions. Additionally, Portfolio Investments may be structured to provide the Fund with conditionality or discretion over incremental capital deployment.



EIF I Portfolio (as of August 7th 2023) – Deal Structure Overview

	Investment	Control Type	Deal Structure	Board Representation
<p>CONTROL TYPE</p> <p>■ Control ■ Minority</p>	ReGenerate	Control	JV	2 seats
	Caban Systems	Minority	Structured growth equity	1 seat
	SunShare	Minority	Structured growth equity	1 seat
	LID Tech	Minority with Path to Control	Minority Ownership with Preferred Liquidation Rights	2 seats
	OnSyte Performance	Control	Control equity	2 seats
	GWTT	Control	Control equity	2 seats

New Platforms

Ember is adept at forming new platforms with experienced operating teams capable of executing on key investment themes and capital opportunities that we’ve identified within our investment verticals. Initial investment in a new platform is typically anchored through the acquisition of a high-quality asset or business.

In EIF I, Ember successfully established ReGenerate in the bioenergy space and is currently in advanced diligence to establish a new platform in the waste management business. The Fund intends to follow a similar strategy in identifying best-in-class operating teams and partnering with them to build new platforms with significant potential to scale.

Newly Established Platforms ⁶			
Investment	Opportunity	Operating Team	Anchor Asset / Business
ReGenerate	Create a scalable bioenergy platform, supported by (i) demand for renewable, carbon-neutral baseload power generation, (ii) favorable availability and pricing of feedstock and (iii) numerous undermanaged facilities as potential add-on targets.	<ul style="list-style-type: none"> Best-in-class management team with over 150 years of combined experience in the bioenergy space. Established track record in growing and optimizing the value of energy and waste assets. 	<ul style="list-style-type: none"> 50 MW bioenergy plant, fully contracted with creditworthy off-takers and with room for operational enhancements.
Waste Management Platform	Create a regional waste management platform to take advantage of a fragmented market, with (i)	<ul style="list-style-type: none"> Strong track record of integrating over 100 companies within larger 	<ul style="list-style-type: none"> Established operating hauling and collections business with key footprint in one of

⁶ This chart is for illustrative purposes only and is not indicative of EIF II’s ultimate portfolio origination or composition. There is no assurance of the volume and/or the type of deals that will be in EIF II’s investment pipeline.



Newly Established Platforms ⁶			
Investment	Opportunity	Operating Team	Anchor Asset / Business
	high concentration of family-owned businesses, (ii) significant growth prospects, and (iii) attractive entry multiples.	and independent waste businesses. <ul style="list-style-type: none"> Proven skill set in executing roll-ups, including KPI definition and tracking, business, and systems integration, and implementing value-creation initiatives such as route optimization, sales growth, and margin improvement 	Ember's target regional waste markets. <ul style="list-style-type: none"> Recurrent revenue from a stable book of clients.

Optimization of Downside Protection

One of the key elements of Ember's investment underwriting is to adequately manage and mitigate risks. In addition to seeking out high-quality assets with strong business profiles and a combination of real asset characteristics, one of Ember's core competencies is the team's ability to design and execute on investment structures to mitigate risks. The team often utilizes structural enhancements including preferred equity, earnouts, hurdle rates, reset mechanisms, capital staging, and collateral support, as well as equity-related and debt instruments, such as convertible and mezzanine notes. The team will develop structures that protect the Fund's interest while maintaining alignment with management teams. The table below shows examples of structures the team implemented in EIF I to provide downside protection to our investments:














Investment	Risk	Mitigation Solution
ReGenerate	<ul style="list-style-type: none"> Capacity sale risk 	<ul style="list-style-type: none"> Valuation fully discounted potential extension of renewable energy credits and an in-progress RFP that resulted in increased contracted capacity post-deal closing, instead incorporating purchase price adjustment mechanisms
Caban Systems	<ul style="list-style-type: none"> Site deployment risk 	<ul style="list-style-type: none"> Stage-gated funding tied to incremental signed purchase orders and contracts
SunShare	<ul style="list-style-type: none"> Development risk 	<ul style="list-style-type: none"> Investment backed by portfolio of existing operating assets with long-term contracts and subject to NAV covenant
LID Tech	<ul style="list-style-type: none"> Business growth risk 	<ul style="list-style-type: none"> Preferred liquidation rights & invested at valuation predominantly reflecting stable cash flowing services business supporting capital recovery downside scenario

Ember seeks to use leverage in Portfolio Investments prudently, considering the specific needs, cash flow profile, and debt capacity of each company. We also consider the optimal timing for long-term financing and hedging. In doing so, our team leverages their significant project finance and capital markets expertise as well as a large network of banking relationships.



Alignment with ESG Principles and Positive Environmental Outcomes

Since Ember’s inception, our objective has been to support management teams building and expanding infrastructure solutions that will address persistent challenges in decarbonization, resource management and climate adaptation. We seek out companies and asset that can deliver attractive risk-adjusted returns on the basis of their business strategy, yet their success is aligned with the advancement of one or more UNSDGs, including renewable energy generation, reducing carbon intensity, increasing resource efficiency, diverting waste from landfills, supporting the health of the natural environment, and enhancing the sustainability and resilience of our communities and the economy.

EIF I Portfolio – Alignment with Positive Outcomes				
Investment	Solution	Sector	Key Sustainability Metrics	UN Sustainability Development Goals
ReGenerate	Decarbonization and Energy Transition	Bioenergy Regeneration	Renewable energy generated (MWh/Year) GHG Emissions Avoided (tons of CO2/Year) Waste diverted from landfill (tons/Year)	  
Caban Systems	Decarbonization and Energy Transition	Energy Management and Storage	Renewable energy generated (MWh/Year) GHG Emissions Avoided (Tons of CO2/Year)	 
SunShare	Decarbonization and Energy Transition	Community Solar	Renewable energy generated (MWh/Year) GHG Emissions Avoided (Tons of CO2/Year)	 
LID Tech	Climate Resilience and Adaptation	Stormwater Management	Greened acres per year	  
OnSyte Performance	Resource Efficiency and Management	Distributed Wastewater Treatment	Wastewater treated (Gallons/Year) Pollutants removed (Tons/Year)	 
GWTT	Resource Efficiency and Management	Industrial Wastewater Treatment	Wastewater treated (Gallons/Year) Pollutants removed (Tons/Year)	

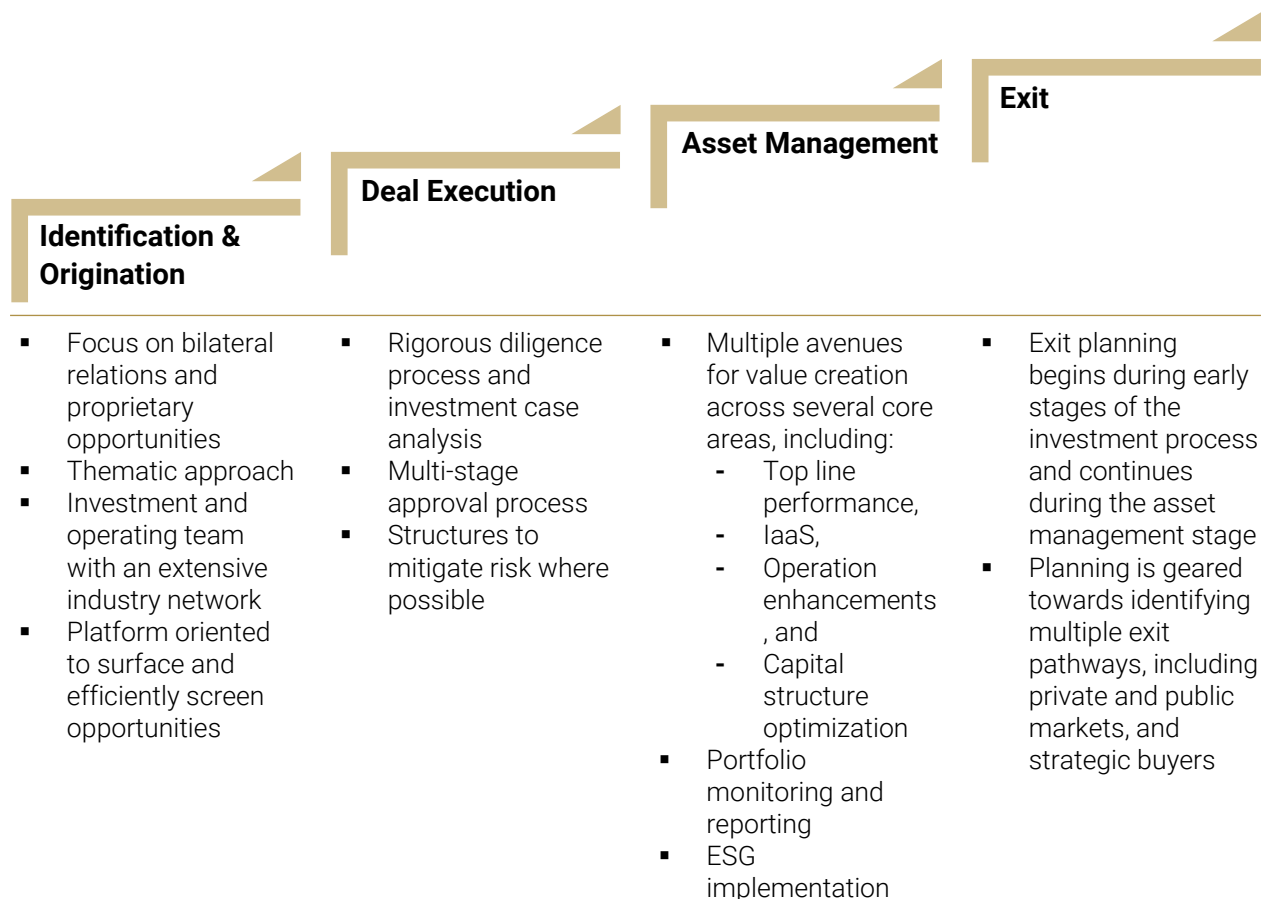
Furthermore, Ember avoids investing in businesses with unresolvable Environmental, Social or Governance (ESG) risks and liabilities. We believe that businesses with robust commitments to ESG principles are better prepared to respond to the regulatory and market challenges of the future that may otherwise negatively impact their profitability.

We expect that with frameworks for collecting ESG metrics and groundwork for action in place, these companies can not only react quickly in response to any future regulatory changes but are more likely to proactively seek opportunities to protect their profitability. We anticipate that the implementation of this framework for diligence and oversight of Portfolio Investments (inclusive of the ESG principles) will help to create a demonstrable track record of compliance, increasing the value of our Portfolio Investments at the time of exit.



INVESTMENT PROCESS

Ember’s investment process is designed to create value for our investors and Portfolio Investments across each stage of the investment cycle: Identification & Origination, Deal Execution, Asset Management and Exit.



Identification & Origination

Ember works to avoid competitive auction processes. Our first value creation lever is to originate proprietary investment opportunities via bilateral relationships in order to invest at favorable valuations and on advantaged terms. In some cases, the team generates opportunities by engaging with management teams to crystallize a strategy to build out their companies into leading platforms, leveraging both Ember’s capabilities and capital.

The origination process begins with the identification of potential investment themes across the verticals and sectors we target. The team conducts top-down analysis of key drivers of opportunity and risk within a potential investment thesis, such as technological developments, market dynamics, regulatory frameworks, end users’ needs and preferences, and capital requirements. For high-priority themes, the investment team proceeds to conduct a bottom-up process of systematically identifying management teams and companies via a range of channels including the team’s combined industry networks, trade show and conference



participation, traditional and social media sources, and a variety of data providers. The team endeavors to meet a spectrum of management teams operating businesses that fit a specific investment thesis. This helps to further refine our views on a specific sector of investment thesis and to develop a funnel of opportunities to track and consider for investment.

We then seek to follow a rigorous, but efficient, screening process in which we identify those opportunities that meet our key investment criteria.

Investment Execution

Overview

With each investment, Ember seeks to employ a rigorous evaluation process that incorporates (1) strict criteria for pursuing a potential investment opportunity, (2) an iterative and integrated process of negotiation, due diligence and post-acquisition planning oriented towards developing strong partnerships, (3) a multistage investment committee review process, and (4) a strong focus on risk management throughout.

Initial Screening, Evaluation, and Opportunity Development

Ember employs an integrated screening process in which our investment team, typically working side by side with our Operating Partners and selected specialist from our network, conducts initial evaluation and screening on a potential investment, identifying strengths and weaknesses of the business, understanding the drivers of value, assessing growth and value creation potential, and working to develop risk mitigants. In addition, Ember's investment team screens for unresolvable ESG risks as part of the preliminary investment review.

We believe that this process design not only allows us to identify material issues up front to avoid spending time and resources on opportunities with a low probability of success. Of equal importance, this phase of the process allows our team to build a productive business dialogue early on with sellers and management teams on ways to build on the existing business platform, giving Ember the opportunity to gain early buy-in regarding a potential investment that can improve our ability to transact on favorable terms.

Ember strongly prefers to consider opportunities on a bilateral basis and typically requires an exclusivity agreement with target companies before we commit significant time or resources to an opportunity.

Structuring to Mitigate Risk

Throughout the underwriting process, the Ember team undertakes a robust downside case analysis of the investment, including developing financial scenarios or sensitivity analyses that help us identify a range of potential outcomes based on variations in multiple internal and macro factors (economic environment, market trends, operating, financial and regulatory among others) that impact a business.

Ember believes that its investment team has the breadth of experience to negotiate transaction structures to mitigate risks and protect the investments while also accommodating the sellers' unique objectives. Examples of the types of structural enhancements the team uses include, preferred instruments, capital staging, structure management's equity as an earn-out, covenants for operating, financial, safety and ESG reporting requirements, and budget approvals.



Initial Memorandum

For actionable investment opportunities that meet Ember's investment criteria, the Ember investment team will prepare a preliminary memorandum outlining all relevant considerations including the business profile, financial analysis, investment strengths, key risks and mitigants, capitalization and potential structure of the transaction, and sustainability thesis.

The memorandum will be considered by the Investment Committee, which will evaluate if the opportunity has the potential to achieve the Fund's objectives and can approve moving forward with detailed due diligence.

Detailed Due Diligence

Ember's investment team, Operating Partners, and selected external advisors work closely together on detailed due diligence review. The Ember team analyzes a wide range of information detailing the nature of the business and the proposed investment, including financial, operational, technical, legal, regulatory, insurance and tax matters, as well as the underlying economic environment and market forecasts.

Ember completes comprehensive ESG due diligence simultaneously with business, accounting, engineering and legal due diligence. Our ESG due diligence criteria are intended to align with internationally accepted industry standards, including the Sustainability Accounting Standards Board (SASB), IFC Performance Standards, and World Bank EHS Guidelines to ensure we are capturing material information. When needed the team engages third-party ESG advisors in due diligence to the extent additional ESG expertise is necessary.

Approval and Deal Completion

Once due diligence is completed, the Ember investment team prepares a full Investment Committee memorandum and submits it to the Investment Committee for their review and approval. ESG diligence findings are included in the Investment Committee memorandum, categorized according to their materiality, together with an action for all high and low materiality findings and identification of any ESG-related value creation opportunities.

Asset Management

Once an investment is completed, the investment team and our Operating Partners work to implement value creation and risk mitigation initiatives identified during diligence. This can include plans for cost control, capex optimization, streamlining procurement and sales, and prudent financing. The Ember team leverages our Operating Partners to assist management in implementing these enhancements and when needed, engages external advisors. Progress is monitored via multiple touch points with management teams, including board meetings, project-specific meetings with management teams and periodic operational, financial and ESG reporting.

Value Creation

Businesses within our target market and investment verticals often stand to benefit from multiple avenues for value creation. Beginning in the early stages of the investment process, the Ember team, together with our Operating Partners and management teams, designs a value creation blueprint for each Portfolio Investment. This blueprint includes specific initiatives across one or multiple of the following value creation core areas:



VALUE CREATION BLUEPRINT ⁷			Implementation		
Core Areas	Example of Initiatives	Ember Team	Op. Partners	External Advisor	
Top line performance	Improvements in commercial risk frameworks	<ul style="list-style-type: none"> Ember's extensive experience in the renewable, energy, and infrastructure space allows the team to improve the commercial risk profiles of our portfolio companies by identifying key market risks, improving commercial agreements, and implementing hedging strategies when necessary. 	✓	✓	
	Sales acceleration	<ul style="list-style-type: none"> Ember's extensive industry networks, provides additional origination channels to our portfolio companies' sales forces. When Ember is the first institutional investor in a company, we provide capital and guidance with respect to the implementation of IT solutions to accelerate the sales cycle. 	✓	✓	
Infrastructure as a Service (IaaS)	Support transition to IaaS business model	<ul style="list-style-type: none"> Some of Ember's investments are well-positioned to transition from a capital expenditure (capex) sale to a long-term, contracted business model or Infrastructure-as-a-Service (IaaS). This presents a unique opportunity to build platforms that generate long-term, contracted cash flows, which are highly sought after by core and core+ investors. Ember's specialist approach to infrastructure allows us to structure and implement the commercial and financial frameworks for IaaS business models. 	✓		
Operational enhancements	Asset efficiency	<ul style="list-style-type: none"> Ember's Operating Partners can identify operational efficiencies via adequate planning for maintenance, controlled outages, feedstock management and internalization of key processes. The team will work with management to manage risks and incorporate best-in-class safety and ESG reporting and practices. 	✓	✓	
	Supply chain management	<ul style="list-style-type: none"> Supply chain management is critical for Ember's investments as they scale. Our Operating Partners and other supply chain management specialists provide support to management teams. 		✓	✓
	Technology upgrades	<ul style="list-style-type: none"> New technologies such as IoT, AI, drones and sensor monitoring, have the potential to increase efficiency and reduce operating costs. Ember will engage with external advisors that can provide guidance on implementation. 		✓	✓

⁷ This chart is for illustrative purposes only. The information is intended to provide examples of potential investment features. It does not represent any particular investment in the Fund.



VALUE CREATION BLUEPRINT ⁷			Implementation		
Core Areas	Example of Initiatives		Ember Team	Op. Partners	External Advisor
Financial performance	Cost control and liquidity planning	<ul style="list-style-type: none"> Ember works with management teams to instate a culture and framework of adequate cost control, targeting consistent profitability as a company grows. The team supports management in liquidity planning and provides companies with access to an expanded network of sources of capital. 	✓		
	Capex planning	<ul style="list-style-type: none"> Ember works with management teams to ensure a more predictable and capital efficient process, implementing best-practices in procurement strategies, commissioning and change order management. 	✓	✓	
	Capital structure optimization	<ul style="list-style-type: none"> Ember's extensive expertise in project finance, debt capital markets and asset-backed financing, positions us to structure and execute optimal long-term financing solutions for our portfolio companies. 	✓		
Growth	Strategic planning	<ul style="list-style-type: none"> Together with our Operating Partners and management teams, Ember formulates growth initiatives for portfolio companies, including expansion to new markets segments or geographies and roll-ups. 	✓	✓	
	M&A support	<ul style="list-style-type: none"> The Ember team brings significant M&A experience to management teams and supports them during the execution of acquisition processes, with strategic oversight and financing planning. 	✓		
Organization & Governance	Professionalization of the firm	<ul style="list-style-type: none"> Ember works with portfolio companies to improve operating, financial and ESG practices and to institute adequate compliance, and key employment policies. 	✓	✓	
	Team augmentation	<ul style="list-style-type: none"> Ember supports portfolio companies, when needed, in identifying and augmenting its team with top-quality professionals. 	✓	✓	

Monitoring and Reporting

Value creation, risk mitigation and in general operating and financial performance are monitored via multiple processes, including:

- Board oversight: Ember seeks to have board representation in its investments, which may include members of the Ember investment team and Operating Partners.
- Recurring reviews: Frequency of discussion will vary on underlying initiatives in progress but in general these are meetings in which management discusses the status of key tasks and initiatives with the Ember team, and our Operating Partners. A strong dialogue with management teams is critical to drive value creation initiatives and identify any potential risks.
- Monthly, quarterly and annual reports: including operating, financial and ESG reports.



- Weekly portfolio review meetings: the Ember investment team works collaboratively and meets frequently to discuss among other topics portfolio company performance.

ESG Implementation and Impact Monitoring

Ember believes that businesses with robust commitments to ESG principles can be better prepared to respond to the regulatory and market challenges of the future that may otherwise negatively impact their profitability. With frameworks for collecting ESG metrics and groundwork for action in place, these companies can not only react quickly in response to any future regulatory changes but are more likely to proactively seek opportunities to protect their profitability.

Ember's impact and ESG framework is integrated across our investment process and as discussed in Section [], begins during early screening of opportunities, and continues through due diligence. Ember seeks out investment opportunities that further one or more UN SDGs and avoids investments with unresolvable material ESG issues and liabilities.

During the asset management stage, Ember actively engages with companies across ESG implementation and impact monitoring. During this stage, we partner with asset or portfolio company management to familiarize the company with Ember's sustainability and ESG commitments. We also seek to implement action plans to address any ESG deficiencies identified during due diligence and verify that ESG-related policies and procedures are in place at the company level. Sustainability and ESG metrics are monitored at the asset level, similar to operating financial metrics. We believe measuring at the asset level allows us to obtain more accurate and meaningful data that lead to concrete actions, making companies more likely to proactively seek opportunities to protect and improve their profitability. In identifying what ESG metrics to monitor, we consider the risk profile of the company and consult the indicators recommended for the applicable industry by theGRESB Infrastructure Assessment as well as the IRIS Catalog of Metrics.

Sustainability and ESG metrics are reported by management teams at monthly, quarterly, and annual intervals, depending on the nature of the data and monitoring methods available. Ember is committed to being transparent with Limited Partners with regard to our ESG management practices. To that end, the Fund will communicate with Limited Partners with respect to material ESG-related matters and share ESG information in annual impact reports that include ESG findings for representative Portfolio Investments, including select sustainability metrics.

Exit


The Ember team plans for potential exit strategies during its investment analysis and incorporates a range of possible exit scenarios into its returns analysis and sensitivities. Ember primarily targets investments with meaningful runway for growth, and during the course of Ember's investment the Ember team seeks to implement operational improvements (including robust ESG policies and procedures), as well as other measures with the goal of both growing and de-risking the businesses, all with an eye to selling Portfolio Investments to a competitive market. We undertake an in-depth review of all potential options for exit, leveraging our team's extensive industry network and transactional experience. We seek to acquire and build investments that have multiple exit options, which may include a sale to strategic or financial buyers either through an auction or bilateral negotiations, or a merger transaction.



INVESTMENT SUMMARIES

The following pages contain brief summaries of Ember’s transactions. The summaries include background information, the transaction overview, post-acquisition value creation, operating performance and investment performance, when applicable.

Ember Infrastructure Fund I (EIF I) Portfolio Summary (August 7, 2023)						
INVESTMENT	VERTICAL	SECTOR	INITIAL INVESTMENT DATE	ORIGINATION	DEAL STRUCTURE	INVESTMENT STATUS
ReGenerate Energy Holdings LLC	Decarbonization and Energy Transition	Renewable Energy Generation	June 2021	Proprietary	Joint Venture	Unrealized
Caban Systems, Inc.	Decarbonization and Energy Transition	Energy Management and Storage	Aug 2021	Proprietary	Structured Growth Equity	Unrealized
SunShare Company Holdings, LLC	Decarbonization and Energy Transition	Community Solar	Sept 2021	Proprietary	Structured Growth Equity	Unrealized
Low Impact Development Technologies, LLC	Climate Resilience and Adaptation	Stormwater Management	Oct 2022	Proprietary	Growth Equity with Path to Control ⁸	Unrealized
OnSyte Performance, LLC	Resource Efficiency and Management	Distributed Wastewater Treatment	June 2023 ⁹	Proprietary	Control Equity	Unrealized
Ground/Water Treatment & Technology, LLC	Resource Efficiency and Management	Industrial Wastewater Treatment	June 2023	Limited auction	Control Equity	Unrealized
Waste Management Platform	Resource Efficiency and Management	Waste Management	Pending	Proprietary	Control Equity	Unrealized

ReGenerate Energy Holdings LLC Albany, New York		 ReGenerate <small>Bioenergy for a Sustainable Future</small>	
Investment Date	June 30, 2021	Status	Unrealized
Vertical	Decarbonization and Energy Transition Solutions Renewable Energy Generation	EIF I Ownership	83%
Sector		Transaction Security	Class A Units
Sourcing	Proprietary	Board Representation	2 representatives

⁸ 42% voting ownership. Consent rights over key topics, including debt issuance above certain thresholds, annual budget approval, asset sale and purchases not budgeted, affiliate transactions. Path to control via right (but not the obligation) to invest additional capital.

⁹ Fund I originally capitalized it due diligence and legal expenses, taking a minority ownership in the company. A larger investment into the company was made in June 2023 in connection with the acquisition of a O&M business in the state of Georgia.



Committed Capital	\$61.2 ¹⁰ million	Initial / Current Leverage	[Nil]
Invested Capital	\$40.2 million		
Realized Proceeds	\$0.4 million	Sustainability Metrics (FY 2022)	[]
Unrealized Value	\$39.8 million ¹¹	Renewable Energy Generated (MWh)	[]
Total Value	\$40.2 million	GHG emissions avoided (tons)	
Gross MOIC	1.0x Cost		

Note: Committed and Invested Capital, Realized Proceeds and Unrealized Value and Total Value and Gross MOIC as of March 31, 2022.

Company Overview

ReGenerate Energy Holdings LLC (“ReGenerate”) is a bioenergy generation platform whose facilities transform locally and sustainably sourced wood waste residues and woody biomass (e.g., from mill residue, forestry waste, recycling, and agricultural waste) into reliable, renewable baseload energy, steam, and other products. ReGenerate owns an aggregate portfolio of 137 MWs (gross) of biomass power generation, consisting of the three facilities: Albany, Georgia (50 MWs) – 100% ownership; Livermore Falls, Maine (39 MWs) – 55% ownership ; and Stratton, Maine (48 MWs) – 55% ownership.

Investment Thesis and Sourcing

Ember identified an opportunity to create a scalable bioenergy platform, supported by (i) demand for renewable, carbon-neutral baseload power generation, (ii) favorable availability and pricing of feedstock and (iii) undermanaged facilities as potential add-on targets that typically have strong contracted revenue profiles. Ember developed a close relationship with a team of experienced bioenergy generation operators (ReEnergy Biomass Operations or “ReEnergy”), which led to the formation of ReGenerate and simultaneous acquisition of the Albany, Georgia asset (AGE) through a non-auction process.

Transaction Structure

ReGenerate was formed as a joint venture with ReEnergy. Ember contributed capital to acquire AGE and support a portion of its credit support obligations, while ReEnergy contributed a 55% ownership stake in each of its Maine assets. Ember holds control of the ReGenerate through its ownership of Class A Units. To account for uncertainty around potential incremental contracted capacity and regulatory changes at the Maine facilities at the time ReGenerate was formed, an ownership adjustment mechanism was also implemented to either increase or decrease ReEnergy’s Class A Units based on outcomes for these events. ReEnergy manages ReGenerate’s assets through asset management agreements.

Business Profile

ReGenerate has a strong contracted cash flow profile, with [90]% of gross margin contracted and diversified across two power market regions. The company has creditworthy off-takers, including Georgia Power and

¹⁰ The Fund made an initial equity commitment of \$60 million in connection with its investment in ReGenerate Energy Holdings, LLC (“ReGenerate”), including a cash consideration of \$40.2 million in connection with the purchase of equity interests of Albany Green Energy, LLC (“AGE” or “Albany Green Energy”) (\$38.4 million contributed at initial close and \$1.8 million contributed in September 2022 to fund Ember’s share of the buyout of the remaining equity interests in the facility) and credit support of \$21 million related to contractual obligations of the Albany facility. Net Ember invested capital is \$48.7 million including the \$40.2 million cash consideration and \$8.5 million of cash collateral posted.

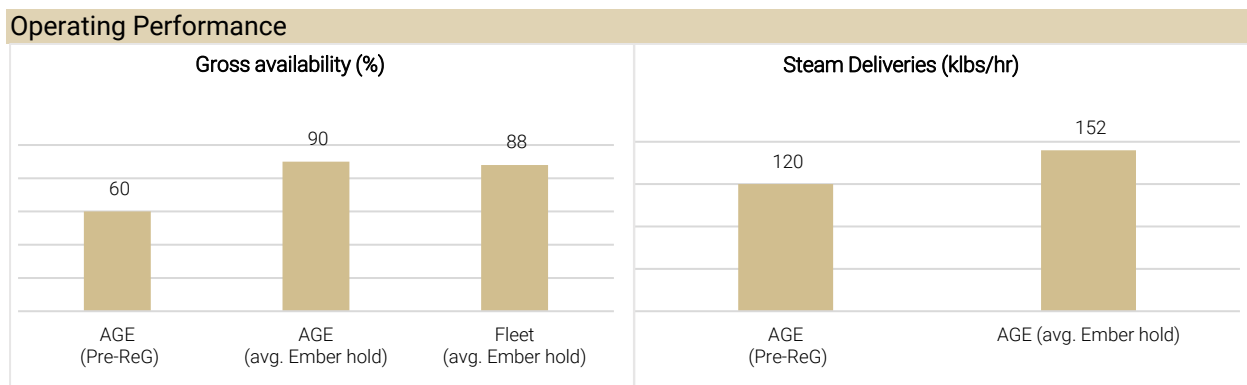
¹¹ In Q1 2023, ReGenerate paid the full interest accrued on member bridge loans that were provided to help satisfy energy hedge cash collateral requirements. The total investment value is held at cost, with the unrealized value reduced by the amount of member bridge loan interest received.



Procter & Gamble, for capacity, energy, and steam sales, with an average contract term of [] years. ReGenerate is managed by a best-in-class management team with over 150 years of combined industry experience in operations, commercial, and environmental excellence. The team has a demonstrated expertise in growing and optimizing the value of energy and waste assets. ReGenerate employs an industry-leading fuel management program with established relationships and programs for ample access to forest residues and other fuel sources.

Post-acquisition Value Creation


- **Integration of AGE:** Following the acquisition of AGE, Ember and ReGenerate’s management focused on integrating the facility and implementing best practices in operations and fuel procurement. As a result of these efforts, AGE’s key operating metrics, including gross availability and steam deliveries to Procter & Gamble have improved during Ember’s investment hold. The internalization of the facility’s fuel procurement process was completed five months ahead of schedule (March 2022 vs. plan of August 2022).
- **Operational Enhancements:** ReGenerate’s fleet operates at a strong gross availability of [87% to 90]%, consistent with similar top-performing biomass facilities. The company’s fuel management program has allowed the fleet to successfully manage feedstock costs during a volatile time in the energy markets.
- **Expansion Opportunities:** Ember has supported the company in active discussions for add-on acquisitions in bioenergy and adjacencies in the broader waste-to-value sectors, which include biomass power generation, landfill gas, composting, as well as other strategies to add new revenue streams to existing operating assets including biochar production and monetization of the associated carbon credits. The company is currently undertaking a series of capex investments, [partially] funded by the state of Main, to produce biochar at the Livermore facility.





Caban Systems, Inc.



SunShare Company Holdings, LLC Denver, CO			
Investment Date	September 17, 2021	Status	Unrealized
Vertica Sector	Decarbonization and Energy Transition Solutions Community Solar Gardens	EIF I Ownership Transaction Security	100% of Issuer \$18.5 Pref. Stock, 8% Dividend + 1.5x minimum base return + warrants
Sourcing	Proprietary	Board Representation	1 representative
Committed Capital Invested Capital	\$30.6 million \$18.6 million	Initial / Current Leverage	None at issuer level; project and portfolio debt at asset level
Realized Proceeds Unrealized Value Total Value Gross MOIC	- \$16.4 million \$16.4 million 1.2x Cost	Sustainability Metrics (FY 2022) Renewable Energy Generated (MWh) GHG emissions avoided (tons)	[]

Note: Committed and Invested Capital, Realized Proceeds and Unrealized Value and Total Value and Gross MOIC as of March 31, 2022.

Company Overview

SunShare Company Holdings, LLC (together with its subsidiaries, “SunShare”) is a leading full-service developer, owner, and operator of community solar gardens (CSGs), based in Denver, Colorado and founded in 2011. SunShare owns 23 MWDC of community solar assets across five operating facilities, a near-term development pipeline of 35 MWDC in Colorado and Minnesota, and mid-to long-term development pipeline of 200+ MWDC in the states of Colorado, New Mexico, Minnesota, Michigan, and other target markets.

Investment Thesis and Sourcing

Ember’s investment in SunShare was the result of a long-standing relationship between the company’s founder and Ember’s Partner Bob Kelly. Partnering with SunShare is an opportunity to provide a flexible capital solution to a proven end-to-end developer of CSGs, with strong downside protection and an attractive preferred return. CSGs is the fastest-growing segment of the U.S. solar market, supported by strong regulatory tailwinds, with 42 states having policy-enabled or utility-led community solar programs. The Inflation Reduction Act (IRA), signed into law in 2022, further increased incentives for sector participants via tax credits.

Transaction Structure

A new entity, the Issuer, was formed to own 100% of SunShare’s existing and future projects, management company, customer, and company contracts. Ember received preferred shares in the Issuer, with senior liquidation and distribution rights. The proceeds from issuance of preferred units are used for working capital and to fund direct costs of acquiring and developing projects owned directly and indirectly by SunShare, and Ember has funded a total of \$18.5 million of preferred units as of July 31, 2023, under an accordion feature



available through March 2024. Capital draws are subject to a minimum 1.5x net asset value (“NAV”) test of operating, under construction, or advanced development assets. The Issuer pays an 8.0% dividend, which may be paid in kind during the first 24 months of the investment. Ember has the right to put its preferred equity to the Issuer at a price that achieves an escalating Base Return following the occurrence of the earlier of the sixth anniversary of the initial investment or a liquidity event including a merger or change of control, at a minimum Base Return of 1.5x increasing to 1.8x at the full term. Ember also has the right to receive 20% of net proceeds generated from operating project sales to third parties until it receives an aggregate return of 2.0x its issued capital. The structure also includes warrants.

Business Profile

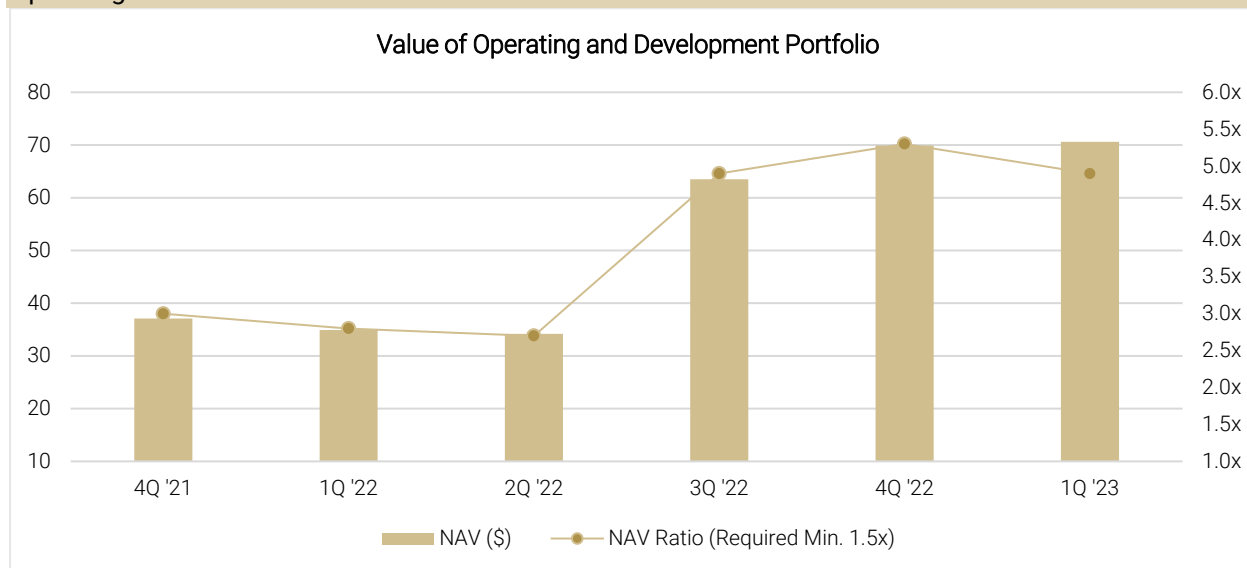
SunShare is a pioneer in the community solar space, with over a decade of experience developing and operating CSGs. The company has developed and transacted 150 megawatts (MW) across more than 30 project sites, and subscribed more than 16,500 residential, commercial, and industrial customers. SunShare has strong unit and developer economics, especially in light of incentives under the Inflation Reduction Act, passed in 2022. The company has demonstrated its ability to monetize projects at strong dollar-per-watt realized values across multiple transactions. SunShare has an effective sales strategy and robust collections performance. Over 99% of its managed solar assets are subscribed, with a 5-10% waitlist, and minimal default rates. The company's ownership of the full customer relationship lifecycle allows it to offer new services that are complementary to its core solar offerings, such potential offerings like energy efficiency and energy management. Its management team has multi-disciplinary execution experience across community solar programs and policy advocacy, multi-channel marketing, asset development, management, and operations, project financing, and corporate cost management.

Post-acquisition Value Creation

- **Business Model Transition:** Ember's investment in SunShare helped the company consolidate its transition from a develop-flip model to a develop-own-operate model. This strategy provides a path to significant synergies of scale, as SunShare can now capture more value from its projects over their lifetime, while opportunistically allowing for high value asset sales.
- **Platform Growth:** With Ember's support, SunShare is on track to more than double generation capacity in its core markets. The company currently owns and manages 23 MW_{DC} across 5 operating facilities in Minnesota and Colorado and expects to bring an additional ~35 MW_{DC} online in these states in 2024. In Colorado and Minnesota alone, SunShare has site control over parcels that can host up to 366 MW_{DC} and continues to participate in local utility RFPs.
- **Expansion into New Markets:** One of the key objectives of Ember's investment in SunShare was to provide the company with the financial backing to support growth initiatives aimed at landing and expanding in new state markets. In May 2023, SunShare received six project awards at 5 MW_{AC} each (30 MW_{AC} / 40 MW_{DC}) from the state of New Mexico. This represents ~90% of the possible individual allocation and ~15% of the 45 projects awarded in the overall process, which had a ~12% award rate (200 MW vs. 1,700 MW bid). This roughly doubles the company's late-stage development portfolio. This marks SunShare's successful entry into the New Mexico market, where the company has a broader execution plan.




Operating Performance



Operational Metrics	2021	2022	1Q 2023
Operating Facilities	5	5	5
Operating MW _{DC}	23	23	23
Pre-NTP MW_{DC} Contributing to NAV [1]	26	35	
Late-Stage Development MW _{DC}			
Subscribers (Owned and Third-Party Projects)	5,550	6,100	
Markets	CO, MN	CO, MN	CO, MN, NM



Low Impact Development Technologies, LLC Portland, ME			
Investment Date	November 3, 2022	Status	Unrealized
Vertical	Climate Resilience and Adaptation	EIF I Ownership	35%
Sector	Stormwater Management	Transaction Security	Common stock
Sourcing	Proprietary	Board Representation	2 representatives
Committed Capital	\$7.3 million	Initial / Current Leverage	[nil]
Invested Capital	\$7.3 million		
Realized Proceeds	-	Sustainability Metrics	
Unrealized Value	\$7.0 million ¹²	Greened acres per year	[]
Total Value	\$7.0 million		
Gross MOIC	1.0x Cost		

Note: Committed and Invested Capital, Realized Proceeds and Unrealized Value and Total Value and Gross MOIC as of March 31, 2022.

Company Overview

Low Impact Development Technologies LLC (“LID”) is a full suite provider of stormwater management services with over 15 years in operation. LID provides stormwater infrastructure inspection, operation, and maintenance services and is manufacturer of green infrastructure products including Stormcrete® modular precast porous concrete panels, which were recently accepted by New York City as its preferred green infrastructure solution for New York City rights-of-way.

Investment Thesis and Sourcing

Ember had long identified the stormwater management sector as a key area of focus. Stormwater infrastructure in the U. S. received a D+ in the latest ASCE report card , as aging and under-maintained stormwater infrastructure is insufficient to manage runoff from impervious surfaces in cities and suburbs. More frequent, high precipitation events cause overflowing of existing stormwater systems (often combined with sewage water) and represent one of the fastest growing sources of water pollution in many waterways across the U. S. Green infrastructure systems, which use porous surfaces and natural environment to manage stormwater, have emerged as practical and economically viable alternatives to the separation of stormwater and sewage systems, and are being implemented by municipalities and real estate owners that see it as a cost competitive alternative to gray forms of infrastructure. Through sector mapping and research, Ember identified LID. The company caught our attention as we learned about the pending codification of LID’s patented Stormcrete ® product into New York City’s green infrastructure plans. Ember pursued an introduction to the LID team through our industry network. At the time of our introduction, LID was planning on raising a small amount of capital to support increased Stormcrete ® manufacturing capacity at third party production facilities to meet anticipated New York City demand and other working capital needs. However,

¹² Invested Amount and the Unrealized Value for LID differ by the amount of transaction costs. Per ASC 820 the fair market value definition requires the exclusion of such transaction costs and presentation as an unrealized depreciation at this time. This does not impact the value of the assets.



after several rounds of discussions, both sides determined that a partnership with Ember could further enhance growth and professionalize the platform.

Transaction Structure

Ember initially invested \$7 million in LID and has rights associated with an additional \$22 million, including (i) a \$2 million investment upside option at the original valuation and (ii) a \$20 million right of first refusal to finance future organic growth or M&A. Further to our initial investment, the Fund owns 35% of the company's fully diluted capitalization (42% voting ownership). Ember will hold two out of five board seats. The Fund's investment features liquidation preference rights, providing structural downside protection.

Business Profile

LID operates two primary subsidiaries: (1) Stormwater Compliance, LLC ("SWC"), a stormwater infrastructure inspection, operation, and maintenance business, and (2) Porous Technologies, LLC ("PT"), a manufacturer of green infrastructure products. SWC provides stormwater inspection and maintenance services to real estate owners generally as required by local regulations (e.g., Unified Stormwater Rule in New York City) through contracts that typically have a three to five years initial term, with annual extensions thereafter. PT supplies green infrastructure products to private and public entities, which help reduce the strain on centralized stormwater management systems and reduce pollution and runoff into bodies of water. Its most significant product offering is Stormcrete®, a precast porous concrete slab that is installed as an alternative to impervious asphalt or concrete surfaces. LID is well positioned to capture significant growth as demand for green infrastructure and stormwater management services expands. The company's Stormcrete® product benefits from highly visible growth in the NYC market as the only specified precast porous concrete under NYC code ensuring durable market share.

Post-acquisition Value Creation

- **Sales Acceleration:** PT has not historically invested in any marketing or sales team beyond its founder and president Gregg Novick. Part of capital and support via our industry networks is to add sales and marketing personnel and resources and bring in additional administrative support to enable Gregg to dedicate more time and attention to building Stormcrete®'s brand and presence at trade shows and conferences, which can accelerate the products national sales.
- **Roll-up Strategy:** PT and SWC businesses have significant opportunity to scale via acquisitions given the fragmented nature of the stormwater management industry. LID management has already engaged in dialogue with precasters and other stormwater maintenance companies with capital needs. The Ember team brings significant M&A experience to support the LID team during the execution of acquisition processes, with strategic oversight and financing planning.
- **Professionalization of the Firm:** As the first institutional investor in the Company, Ember will support professionalization of management and processes including financial capabilities, growth and commercial strategy, and supply chain.



Operations Overview


Stormcrete® Porous Pre-Cast Slabs with Lifting Points



SWC Inspection and Maintenance Services





OnSyte Performance, LLC Suwanee, Georgia			
Investment Date	Oct 2022 ¹³ June 2023	Status	Unrealized
Investment Area / Sector	Resource Efficiency and Management Waste Management	EIF I Ownership Transaction Security	59% Preferred Equity
Sourcing	Proprietary	Board Representation	
Committed Capital Invested Capital	\$35 million \$35 million	Initial / Current Leverage	
Realized Proceeds Unrealized Value Total Value Gross MOIC	Sustainability Metrics Wastewater treated (gallons / year)		

Company Overview

OnSyte Performance, LLC (OnSyte) develops, markets, and operates proprietary distributed wastewater treatment solutions and services that reduce groundwater pollution and provide utility-like simplicity beyond the reach of traditional sewer systems. Through its proprietary combination of next-generation modular wastewater treatment systems, industrial internet-of-things (“IIoT”) architecture, and industrial automation technologies, OnSyte is transforming the traditional wastewater treatment industry by eliminating the need to pipe wastewater from the customer to the treatment plant. The company serves the Florida and Georgia markets.

Investment Thesis and Sourcing

One in four households in the U.S. is not connected to municipal sewer and wastewater treatment, instead relying on septic systems or cesspools, leaving property owners responsible for the up-front and long-term costs of installing, maintaining, and eventually replacing these on-site systems. Furthermore, these conventional systems were not designed for environmental protection and are a major source of nutrient pollution resulting in algal blooms, deoxygenation, ecosystem imbalance, and groundwater and marine contamination. Regulators are increasingly placing new restrictions on development and mandating legacy system replacements, even in areas where conventional sewer is not available. In anticipation of significant demand for solutions to upgrade aging and non-compliant systems Ember identified several management teams of companies delivering solutions in distributed wastewater treatment and began engaging with them, including the OnSyte founding team. In the fall of 2022 Ember reach out to OnSyte’s founding team and began developing a strong relationship that led to an 8-month exclusivity period to diligence the company and develop a business plan that both sides could agree on.

¹³ Fund I originally capitalized it due diligence and legal expenses, taking a small ownership percentage. A larger investment into the company was made in June 2023 in connection with the acquisition of a O&M business in the state of Georgia.



Transaction Structure

Given the length and potential cost of the diligence period, OnSyte agreed to let Ember capitalize its diligence costs into a convertible note, allowing Ember to potentially retain ~20% of the company even if terms were not agreed on for a larger investment. The diligence phase included active participation by Ember Operating Partner Jeff Snyder, who has extensive experience in the wastewater management sector. In June 2022, after the exclusivity period and jointly refining the company's business plan with its management team, including identifying potential M&A opportunities, Ember made a \$35 million controlling investment in OnSyte. The investment provided OnSyte with growth capital and funding for the acquisition of Banks Septic, a leading septic service and installation company in Georgia to greatly expand OnSyte's in-house installation and maintenance functions, enhance sales channels, and expand its service area, and acquired at an attractive entry multiple. The transaction established governance control by Ember at the OnSyte level with a 59% interest via preferred equity units. The preferred units are the senior-most capital in OnSyte's capital stack and entitle Ember, via liquidation preference, to 100% distributions until 10.0% IRR, plus pro rata share of distributions up to 2x MOIC after other shareholder's received their catch-up distributions.

Business Profile

OnSyte offers a disruptive distributed wastewater utility solution by integrating (a) proven modular underground wastewater treatment equipment (distributed wastewater treatment units ("DWTUs"), (b) a proprietary digital controller and IIoT remote monitoring & control software, and (c) a full suite of installation and O&M capabilities. The company's hardware plus software wastewater treatment solution, which delivers superior pollutant removal relative to traditional septic tanks while supporting third-party ownership, monitoring, and maintenance of distributed customer-sited equipment by a central operator is a compelling value proposition for end-users including homeowners, municipalities and real estate developers. The company benefits from a first-mover advantage, particularly in Florida, supported by a blend of technology, commercial agreements, and regulatory positioning that would be difficult to replicate. The acquisition of Bank Septic gives the business a predictable recurring annual revenue base of \$11.6 million from ongoing O&M and provides with expansion capacity in the state of Georgia.

Post-acquisition Value Creation

- **Expansion via M&A:** Ember provided ample support to the management team during the acquisition of Banks Septic, consolidating OnSyte's offering in the state of Georgia. Our team's extensive M&A strategic and execution capabilities enabled a rigorous valuation and diligence process.
- **Team Augmentation:** Ember is bringing experienced leadership to guide the company in this next growth stage. We have appointed John Cheslik as new CEO. John has over 30 years of experience in the regulated and non-regulated water and wastewater management sectors. John was most recently Vice President of Market Development at Veolia and Chief Operating Officer at SUEZ Environmental Services group.
- **Infrastructure as a Service (IaaS):** Ember's investment in OnSyte contemplates the establishment of an IaaS subsidiary once the opportunity set has scaled to \$5 million. An IaaS business model can both accelerate OnSyte's pipeline via customer financing as well as participate in a new infrastructure asset class with cost of capital arbitrage potential.



Operations Overview

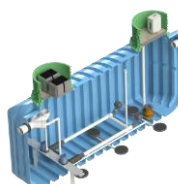
OnSyte is strategically located in the Southeast U.S. a region with significant environmental challenges due to high nutrient pollution of natural water sources caused by old and ineffective septic tanks:

- 2.7 million septic tanks in Florida, half of which will need to be replaced over the next 20 years, representing an addressable market of over \$30 billion
- An estimated ~25% of the existing installed base is failing or failed (~2.3 million units)
- Beyond the currently installed base, the home development market is rapidly expanding – the largest five Florida homebuilders filed permits for over 45,000 single-family homes in 2022
- State and federal funding is being mobilized to incentivize owners to replace old systems and regulation is tightening for new construction

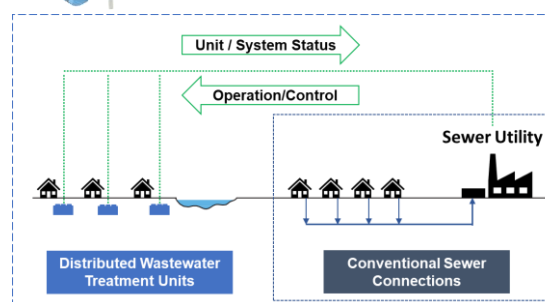
OnSyte combines a sequence batch reactor process to treat waste onsite. An IIoT device, developed by OnSyte, enables the unique capability of remote supervisory control and data acquisition. Currently, the company's units exceed the standards set by the FDEP permit for DWTUs. The remote control gives OnSyte's solution the unique capability of becoming a utility rate base service. OnSyte's technology is also the only one available in the market that qualifies under FDEP code to treat domestic waste to secondary treatment standards.

Following the acquisition of Banks the company has [] full-time employees. The management team has considerable technical and regulatory expertise.


Sequencing Batch Reactor Septic System



IoT Controller





Ground/Water Treatment & Technology, LLC			
Wharton, NJ			
Investment Date	June 20, 2023	Status	Unrealized
Vertical	Resource Efficiency and Management	EIF I Ownership	97%
Sector	Industrial Wastewater Management	Transaction Security	Common stock
Sourcing	Limited Auction	Board Representation	3 representatives
Committed Capital	\$39.2 million	Initial / Current Leverage	[Nil]
Invested Capital	\$39.2 million		
Realized Proceeds	-	Sustainability Metrics	
Unrealized Value	-	Wastewater treated (gallons	
Total Value	-	/ year)	
Gross MOIC	1.0x Cost		

Company Overview

Ground/Water Treatment & Technology, LLC (GWTT) offers a full suite of water management and treatment solutions including customizable equipment rental, operations and maintenance services, dewatering, and groundwater remediation. Founded in 1996, GWTT’s core operations in the Mid-Atlantic and Northeast serve customers across a range of end markets including utility, infrastructure, chemical, pharmaceutical and commercial real estate. The company’s core solution offerings address a broad range of water treatment needs stemming from industrial processes and the construction industry. In addition, GWTT has also successfully executed on larger dewatering and groundwater remediation projects across the country, particularly within the water treatment market driven by EPA-mandated Coal Combustion Residual (“CCR”) unit closures and the burgeoning market for remediation of PFAS-contaminated sites.

Investment Thesis and Sourcing

Ember had long identified the industrial wastewater treatment sector as a key area of focus given growing demand in municipal and industrial end markets driven by aging municipal infrastructure, increasing industrial water treatment needs, and water reuse applications. GWTT’s controlling shareholder, a financial sponsor, ran a limited sale process in which, following an initial diligence phase, Ember secured an agreement to move into a period of exclusivity to complete confirmatory due diligence and deal documentation.

Transaction Structure

Ember acquired 97% of the company’s common equity, with the remainder held by management. Ember has established an incentive plan for key management via incentive units that participate in value creation above common equity receiving a full return of capital. The incentive units are subject to time- and performance-based vesting schedules.

Business Profile

GWTT is led by a deeply experienced management with more than 150 years of combined industry expertise. GWTT offers highly specialized services that enable its diverse set of long-term customers to meet wastewater management mission-critical objectives and non-discretionary regulatory requirements. GWTT



represents an attractive opportunity for organic growth in established and emerging regulatory driven markets, as well as a platform for additional bolt-on M&A over time. The company is well-positioned to benefit from state and federal regulators tightening water quality requirements across an expanding set of contaminants as well as growing demand for industrial wastewater treatment generally.

Post-acquisition Value Creation

- **Organic Growth and Roll-up Strategy:** Ember seeks to support management in pursuing a comprehensive organic and M&A growth strategy that includes entering new end markets and growing the company's presence in industrial wastewater treatment nationwide. This will include expanding the long-term contracted operations & maintenance business as well as opportunistically investing in the more asset-intensive rental and financed water services business (i.e., "water management-as-a-service").
- **Team Augmentation:** Ember is bringing experienced leadership to guide the company in this next growth stage. We have appointed Operating Partner, Mike McGettigan to the company's board of directors. Mike has over 25 years of experience as a growth leader with a record of profit & revenue expansion, value creation, operational excellence, and risk management in P&L & BD roles. Mike worked alongside Ember during the due diligence process for GWTT's acquisition.

Operations Overview

GWTT is strategically located in the heart of industrial water treatment activities.

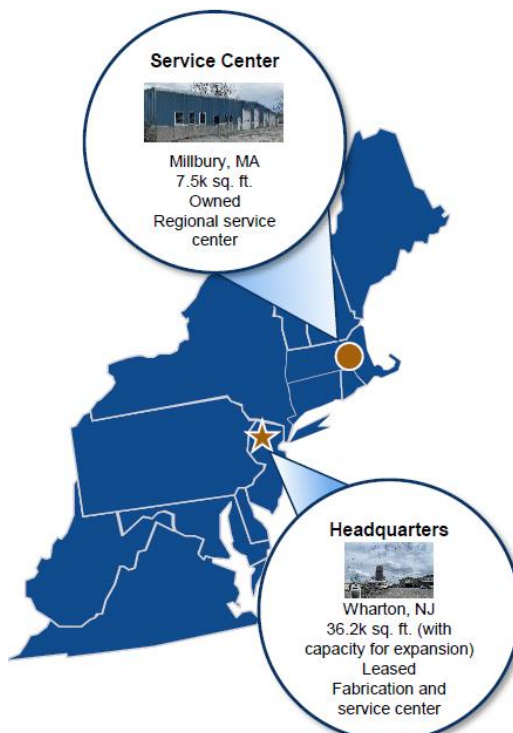
- States in this region, with a long industrial history, are currently at the forefront of environmental regulation
- Includes 62% of the 469 Superfund Sites in the U.S.
- Since 2019 there's been a 3x increase in PFAS site locations
- 490 landfills

The company has 111 full-time employees, including six professionals in key management functions with an averages 14 years in tenure at the company.

GWTT is a total water management solutions provider operating in four segments:

- Remediation contracting: full-service environmental solutions to all groundwater remediation projects.
- O&M: ongoing O&M services of installed groundwater remediation, collection, sub-slab depressurization and soil vapor extraction treatment systems.
- Equipment rentals: deployment of customized water treatment equipment for rent.
- Dewatering: designs, manufactures and operates dewatering systems commonly associated with new build construction and necessary for large scale projects.

Current Geographic Footprint





The company executes on ~100 projects per year with repeat customers within its core solution offerings. Long-term customers include large industrial, pharmaceutical, utilities and engineering and consulting companies, including General Electric, Bayer, conEdison, Skanska and AECOM.

The company maintains a robust asset fleet including more than 700 pieces of specialized equipment that it rents to customers, often coupled with an operations and maintenance offering. Current Geographic Footprint



Earthwise Environmental Solutions, LLC Elizabeth, PA			
Investment Date	Pending	Status	n.a
Investment Area / Sector	Resource Efficiency and Management Waste Management	EIF I Ownership	100%
		Transaction Security	Common stock
Sourcing	Proprietary	Board Representation	[] representatives
Committed Capital	[\$50] million	Initial / Current Leverage	[nil]
Invested Capital	[\$22.5] million		
Realized Proceeds	n.a	Sustainability Metrics	
Unrealized Value	n.a	Waste Diverted from	
Total Value	n.a	Landfills (tons)	
Gross MOIC	n.a		

Company Overview

Earthwise Environmental Solutions, LLC (Earthwise) is a newly formed diversion-led waste and environmental services company led by an experienced team of industry professionals. The team has over 100 years of combined experience and a strong track record of executing tuck-in acquisitions, implementing recycling programs, and other growth initiatives, both at large waste companies and standalone regional companies. Earthwise’s seed acquisition is a Western Pennsylvania based collections business with an established footprint in commercial, municipal, subscription residential, and roll-off services. The Earthwise business plan is to continue acquiring various types of waste and environmental collections and post-collections infrastructure assets, primarily in Central Ohio, Central & Western Pennsylvania, and Eastern Kentucky regions, and implement operational, financial, and sustainability enhancements to ultimately create a leading waste and environmental platform underpinned by sustainability, safety, and customer service excellence.

Investment Thesis and Sourcing

The waste management industry remains highly fragmented with a high concentration of family-owned businesses, located in regional markets with growth tailwinds, who are reticent to sell to larger incumbent waste players. This dynamic allows for bilateral sale processes, mainly driven by relationship building. Ember was introduced to a strong operating team (now Earthwise’s management) through our Operating Partner, Mike De Castro. The team had a solid track record of acquiring and integrating companies in the waste management space and had an identified pipeline of opportunities for a regional roll-up, and they honed their business model and strategy alongside Ember. After conducting a detailed diligence on the team and the seed asset, Ember proceeded with the formation of Earthwise.

Transaction Structure

Earthwise is a newly formed entity, 100% owned by Ember. At transaction close, key members of management will receive rights to equity incentive units that will vest over time. These units grant them increased distributable cash flow allocations upon Ember’s common equity meeting various thresholds for IRR and MOIC, following a liquidity event. Formation of the company is simultaneous to the closing on the asset acquisition, a family-owned waste collections and hauling business.



Business Profile

Earthwise is led by a management team with a strong track record of integrating over 100 companies within larger and independent waste businesses. The team has a proven skill set in executing roll-ups, including KPI definition and tracking, business and systems integration, and implementing value-creation initiatives such as route optimization, sales growth, and margin improvement. The team's knowledge of the entire waste and environmental services ecosystem (collections, transfer stations, landfills, etc.) provides a unique opportunity to expand Earthwise's footprint into new asset types. Earthwise's first acquisition is a strong operating hauling and collections business with significant growth prospects and acquired at an attractive entry multiple. Ember believes this asset and the platform as a whole have the potential to grow into an integrated regional player.

Post-acquisition Value Creation

- **Capital Structure Optimization:** Ember will focus in improving the company's capital structure through equipment financing options and other cost-effective financing alternatives. Ember will provide the company with access to its wide network of banking relationships, including financial institutions with experience in the waste sector.
- **Roll-up Strategy:** Ember will support the management team in implementing the platform's roll-up strategy with its M&A execution capabilities.
- **Business Development:** Ember's investment team and Operating Partner Mike De Castro bring a rich network of industry contacts, providing additional origination channels for business development. Mike De Castro will be an integral part of this effort as a board member given his active dialogues with many companies interested in partnering with operating waste companies and experienced waste management teams, including technology providers, compost collection businesses, and waste majors looking for expanded collections and disposal partners.
- **Sustainability Initiatives:** Ember's investment in Earthwise is aimed at driving the business towards a more sustainable model, with a focus on materials recycling, landfill diversion, and fleet efficiency. This strategy is not only aligned with environmental goals, but we also believe that it is the general trend that will be followed by the broader waste industry. Ember will work with the management team to identify and enhance resource efficiency and sustainability attributes throughout the company's growing operational footprint. These initiatives have the potential to generate significant value through new revenue streams, reduced operating costs and broader exit options.



FIRM AND TEAM

The Ember team is based in New York, NY and has a highly experienced team comprised of 20 professionals, with highly complementary skill sets, some of whom have worked together for over 15 years. The Ember team participates in the performance of the Fund through the direct investment of their own capital, as well as through an interest in the General Partner's and/or the potential carried interest of the General Partner.

Ember is led by Elena Savostianova, the Firm's Founder and Managing Partner, who has over two decades of experience in the infrastructure, conventional energy and renewable power sectors. Ms. Savostianova most recently served as Principal in the CAPS team at Global Infrastructure Partners ("GIP") and was previously a Director in Credit Suisse's Power and Renewables Investment Banking team. Ms. Savostianova is the Chair of Ember's Investment Committee.

Senior members of the Ember investment team have an extended history of working together at different institutions. Five members of the investment team previously worked at GIP, including Ember's founder Elena Savostianova, as well as the Firm's principals Mary Weisskopf and Caleb Powers, and vice presidents Alex Smyk and Barret Veazey. Prior to GIP, Ms. Savostianova and Ms. Weisskopf were part of Credit Suisse's Power and Renewables Investment Banking team, where they worked closely with Senior Advisor Steve Greenwald. While at Credit Suisse, Ms. Savostianova and Ms. Weisskopf also worked extensively with Partner Bob Kelly, a veteran of the conventional energy and renewable power sectors, who served as Chief Financial Officer of SolarCity and Director of the Board at Mosaic. Our partners and principals have an average of more than 20 years of experience, advising, executing and managing investments in the energy and infrastructure sectors. Mr. Kelly, Ms. Weisskopf and Mr. Powers are member of the Investment Committee.

Ember has a fully built platform across investment and operations functions. The investment team has a total of 10 investment professionals supported by a team of five professionals overseeing all non-investment related areas of the Firm, including operations, capital formation & investor relations, finance, legal and ESG functions. The operations team includes seasoned executives: Partner Peter Milligan, who serves as General Counsel, Chief Compliance Officer & ESG and is a member of the Investment Committee; Maria Rengifo, who serves as Head of Capital Development; Brad Yankiver, who serves as Chief Operating Officer & Director of Investor Relations; and Kristel Ermel, who serves as Director of Finance.

In addition, Ember's investment team is further supported by three Operating Partners with significant sector and executive experience, who augment Ember's sourcing, diligence and operating capabilities, and at times, participate in senior management of Portfolio Investments. The investment team is also supported by Steve Greenwald as Senior Advisor to the Investment Committee. Mr. Greenwald was most recently head of project finance at Credit Suisse, where Ms. Savostianova and Ms. Weisskopf worked extensively under his leadership and mentorship. Mr. Greenwald is a non-voting member of the Investment Committee, contributing his more than 40 years of expertise in the infrastructure sector and bringing his unrivalled perspective across a wide array of matters including, risk analysis, economic and market cycles, and financial structuring.

Fund Management and LP Board of Advisors

The Fund will be controlled by the General Partner, which will make all investment decisions after consideration by the Investment Committee. In doing so, the General Partner will be advised by the Manager as to appropriate investment opportunities as described below.



General Partner

The general partner of the Fund will be Ember Infrastructure Fund II GP, LP (the “General Partner”), a Delaware limited partnership. The General Partner will control the business and affairs of the Fund. The General Partner will be controlled by Ember Infrastructure Partners, LLC, a Delaware limited liability company majority owned and controlled by Elena Savostianova (the “Founder”).

Manager

Ember Infrastructure Management, LP, a Delaware limited partnership, or an affiliate thereof, will be appointed as Manager by the General Partner and will be responsible for the conduct of the day-to-day operations of the Fund. The Manager will manage the affairs of the Fund, including investigating, analyzing, structuring and negotiating potential investments, actively managing and monitoring the performance of Portfolio Investments and advising the Fund as to disposition opportunities. However, all decisions relating to the selection and disposition of the Fund’s investments will be made exclusively by the General Partner in accordance with the Partnership Agreements (as defined below). In respect of its management of the Fund, the Manager will be controlled by the Founder.

Administrator

The Manager has engaged Ultimus Leverpoint Private Fund Solution, a third party, to provide fund administrative services to the Fund. The Administrator will receive an administration fee from the Fund and such fee will be treated as Partnership Expenses of the Fund and will not reduce the Management Fee.

LP Board of Advisors

The General Partner will establish a board of advisors composed of selected representatives of the Limited Partners (the “LP Board of Advisors”) to resolve certain material issues involving conflicts of interest, valuations and such other issues as the General Partner may bring before the LP Board of Advisors or as may be contemplated in the Partnership Agreements. Notwithstanding the foregoing, the LP Board of Advisors will have no authority to participate in the management of the business of the Manager or the Fund.

Fund Management and Oversight

Committee	Responsibility and Voting	Initial Members for Ember II
Investment Committee	<ul style="list-style-type: none"> Meets ad-hoc and has oversight over all Portfolio Investments including approval of all investments and divestiture decisions. Decisions requires unanimity 	Elena Savostianova Bob Kelly Peter Milligan Caleb Powers Mary Weisskopf Steve Greenwald (non-voting member)
Operations Committee	<ul style="list-style-type: none"> Generally, meets quarterly to review operational initiatives for the Firm. Manages day-to-day activities of Ember. 	Elena Savostianova Kristol Ermel Peter Milligan Maria Rengifo Brad Yankiver
Valuation Committee	<ul style="list-style-type: none"> Generally, meets quarterly to review and approve Portfolio Company valuations. 	Elena Savostianova Kristol Ermel Bob Kelly Peter Milligan



		Caleb Powers Mary Weisskopf
Conflicts Committee	▪ Generally, address conflicts of interest identified to the CCO	Elena Savostianova Kristel Ermel Bob Kelly Peter Milligan

The Ember Team

Elena Savostianova,

Founder and Managing Partner

Ms. Savostianova chairs the Investment, Operating, Valuation and Conflict Committees.

Ms. Savostianova has over 20 years of professional experience in the energy and infrastructure sectors. Prior to Ember, she served as a Principal with Global Infrastructure Partners ("GIP") CAPS team, focusing on renewable energy opportunities. Before GIP, Elena spent nearly a decade as part of Credit Suisse's Power and Renewables group where she was responsible for coverage of energy corporates with a focus on renewable energy and infrastructure, as well as financial sponsors active in the energy and infrastructure space. Her responsibilities included deal sourcing and execution of the complete capital stack, from equity transactions on the corporate side to senior secured debt underwritings at the asset level. Ms. Savostianova joined Credit Suisse in 2005. Previously, she was a member of Deloitte's Management Consulting division and the JPMorgan Chase Oil & Gas Investment Banking team.

Ms. Savostianova holds an M.B.A. from Yale University and a B.A. in Philosophy and Economics from Hamilton College.

Bob Kelly,

Partner

Mr. Kelly is a member of the Investment, Valuation and Operations Committees.

Mr. Kelly served as Chief Financial Officer of SolarCity Corporation, a distributed solar energy company, from October 2011 to August 2014. Prior to joining SolarCity, Mr. Kelly served as chief financial officer of Calera Corporation, a clean technology company, from August 2009 to October 2011, and as an independent consultant providing financial advice to retail energy providers and power developers from January 2006 to August 2009. Mr. Kelly served as Chief Financial Officer and Executive Vice President of Calpine Corporation (CPN NYSE), an independent power producer, from March 2002 to November 2005, as President of Calpine Finance Company from March 2001 to November 2005, and held various financial management roles with Calpine from 1991 to 2001. Mr. Kelly also served as the Marketing Manager of Westinghouse Credit Corporation from 1990 to 1991, as Vice President of Lloyds Bank PLC from 1989 to 1990, and in various positions with The Bank of Nova Scotia from 1982 to 1989.

Mr. Kelly is a member of the Board of Directors of Emrgy, Inc., a manufacturer of modular hydropower systems. He is a former member of the Board of Directors of Azure Power Global Limited (AZRE NYSE), an India based solar developer; Solar Mosaic Inc., a solar consumer finance company; Solix Algreredients, Inc., a developer of multiple high-value specialty algal products for the nutrition and personal care markets; and Fluidic Energy, a battery storage company.



Mr. Kelly holds a Bachelor of Commerce degree from Memorial University of Newfoundland and an M.B.A. from Dalhousie University, Nova Scotia, Canada.

Mary Weisskopf,

Principal

Ms. Weisskopf is a member of the Investment and Valuation Committees.

With nearly 15 years of experience in energy and infrastructure finance, Ms. Weisskopf was previously a Vice President on the investment team of GIP's flagship fund. Prior to her time at GIP, Ms. Weisskopf was part of Credit Suisse's Power and Renewables group within the Investment Banking division, where she was involved in the execution of a wide variety of M&A, strategic advisory, capital markets, and project financing transactions for developer, corporate, and private equity clients. Ms. Weisskopf began her career with Charles River Associates providing economic consulting services in the Energy and Environment Practice.

Ms. Weisskopf holds an M.B.A. from the University of Chicago Booth School of Business and a B.S. in Commerce and Economics from the University of Virginia.

Caleb Powers,

Principal

Mr. Powers is a member of the Investment Committee and Valuation Committees.

With over 15 years of experience in infrastructure finance, Mr. Powers was previously a Vice President at The Carlyle Group, where he led investment activities in the water & waste sectors, with additional transaction experience in the energy and agriculture sectors, for Carlyle's Global Infrastructure Opportunity Fund. Prior to his time at Carlyle, Mr. Powers was a Vice President with GIP in New York as a member of the investment team. Mr. Powers began his career in the Natural Resources Group at Deutsche Bank in New York, focusing on the power, utilities, and renewable energy sectors.

Mr. Powers received a B.A. from Dartmouth College.

Peter Milligan,

Partner, General Counsel & Chief Compliance Officer

Mr. Milligan is a member of the Investment, Operations, Valuation and Conflict Committees and he is also responsible for oversight of the Firm's ESG functions.

Mr. Milligan has over 14 years of experience in private equity deal execution. Prior to joining Ember, he was a member of Weil, Gotshal & Manges LLP's Private Equity group in New York where he represented private equity funds in connection with acquisitions, dispositions, minority investments, financings, joint ventures, and restructurings. Before practicing law, Mr. Milligan worked for the private equity fund Catterton Partners.

Mr. Milligan holds an M.B.A. from the Johnson Graduate School of Management, a J.D. from Cornell Law School and a B.S. in Chemical Engineering from the University of Virginia.

Maria Rengifo,

Head of Capital Development

Ms. Rengifo is a member of the Operations Committee. Ms. Rengifo leads capital formation across the firm's fund and co-investment vehicles and is responsible for the firm's client relationships.



Ms. Rengifo has over 20 years of experience in the financial sector. Prior to Ember, Ms. Rengifo was a director in the Latin America Investment Banking team at Credit Suisse where she was responsible for client coverage and leading the execution of a wide variety of M&A, IPO, strategic advisory and capital markets financings for corporate and financial sponsors. Ms. Rengifo joined Credit Suisse in 2005 as a member of the Latin America Debt Capital Markets team and then as a member of the Latin America Fixed Income team, where she led the execution of asset-backed transactions, bond offerings and syndicated loans for corporate clients and governments. Ms. Rengifo began her career at Citi's Bogota office.

Ms. Rengifo holds an M.S. in Finance from Boston College and a B.S. in Industrial Engineering from Universidad de Los Andes in Colombia.

Brad Yankiver,

Chief Operating Officer and Director of Investor Relations

Mr. Yankiver is a member of the Operations Committee.

Mr. Yankiver has 15 years of experience in the financial services sector. Prior to Ember, he was a Principal at Motive Partners, a private equity firm focused on the financial technology sector, where he served as Head of Investor Relations and Chief of Staff from the firm's inception in 2015. Previously, Mr. Yankiver was among the first team members at SimplyInsured, a technology company based in San Francisco that enables small businesses across the U.S. to provide affordable, high quality health insurance to their employees.

Mr. Yankiver began his career at Goldman, Sachs & Co. in New York, where he was a Vice President and led product development for the derivatives clearing businesses.

Mr. Yankiver holds a Bachelor of Science in Public Policy and Management from Carnegie Mellon University

Kristel Ermel,

Director of Finance

Ms. Ermel is a member of the Operations, Valuation, and Conflicts Committees.

Ms. Ermel is responsible for fund and management company accounting and reporting. Ms. Ermel has 17 years of experience in fund accounting in the private equity sector. Prior to Ember, she was Vice President of Finance at The Beekman Group, a lower middle-market private equity firm based in New York, where she managed fund and management company accounting, audit, tax and other aspects of the firm's operations. Previously, she spent nine years at various private equity investment firms including Pomona Capital and Pinebridge Investments, where she handled aspects of private equity fund accounting and administration. She started her career at Ernst & Young, providing audit services to clients in the financial services sector.

Ms. Ermel holds a B.S. in Public Accounting from Mercy College and a Diploma of Banking from Audentes University.

Alex Smyk,

Vice President

Mr. Smyk is responsible for sourcing, evaluation and execution of investment opportunities and portfolio company management. Mr. Smyk has 9 years of experience in infrastructure investing and finance. Prior to Ember, he was a member of the investment team at GIP, where he focused on the power and renewables sectors. Previously, he was a member of Citi's Power & Utilities group in the Investment Banking division.



Mr. Smyk holds a B.A. in Financial Economics and Environmental Science from Columbia University.

Barrett Veazey,

Vice President

Mr. Veazy is responsible for sourcing, evaluation and execution of investment opportunities and portfolio company management.

Mr. Veazy has 9 years of experience in infrastructure investing and finance. Prior to Ember, he was a member of the investment team at GIP, where he focused on the energy, power, and transportation sectors. Previously, Mr. Veazy was a member of Barclays' Global Industrials Group within the investment banking division.

Mr. Veazy holds a B.A. in Mathematics from Georgetown University.

Amaury Normand,

Senior Associate

Mr. Normand is responsible for evaluation and execution of investment opportunities in addition to portfolio company management.

Mr. Normand has 6 years of experience in the investment banking and private equity sectors. Prior to joining Ember, Amaury was with Rubicon Capital Advisors' Renewables and Infrastructure modeling team in New York focusing primarily on infrastructure, energy and utilities transactions. Mr. Normand started his career as an Investment Banking M&A Analyst with Perella Weinberg Partners.

Mr. Normand holds a Master of International Affairs in Global Energy Management and Finance from Columbia University and a B.A. (Magna Cum Laude) in Economics and History with a minor in Mathematics from the University of Pennsylvania.

Mark Westfall,

Senior Associate

Mr. Westfall is responsible for evaluation and execution of investment opportunities in addition to portfolio company management.

Mr. Westfall has 5 years of experience in energy investing and finance. He was most recently a member of the investment team at Energy Impact Partners, where he focused on the energy transition sector. Prior to EIP, Mark was a member of Citi's Energy and Industrials group in the Corporate Banking division.

Mr. Westfall holds a Bachelor of Business Administration from Texas A&M University.

Alex Kunce,

Senior Associate

Mr. Kunce is responsible for the evaluation, execution, and management of new investment opportunities and portfolio companies.

Mr. Kunce has over five years of experience in the investment banking and private equity sectors across a range of industries including energy transition, infrastructure & utility products, transportation & logistics, value-added distribution, and general industrials. Prior to joining Ember, he was a member of the investment



team at Gryphon Investors, where he was a part of the Industrial Growth Group. Mr. Kunce began his career in the Industrials Group at Rothschild & Co., a global investment bank.

Mr. Kunce received a B.S. in Finance from the Kelley School of Business at Indiana University.

Max Haager,
Associate

Mr. Haager is responsible for evaluation and execution of investment opportunities in addition to portfolio company management.

Mr. Haager has 3 years of experience in energy and real assets finance. He was most recently an Investment Banking Analyst with Moelis & Company's Global Energy Group, where he focused on mergers and acquisitions across energy infrastructure, energy services and natural resources. Mr. Haager began his career with Macquarie Group in the Investment Banking division.

Mr. Haager holds a Bachelor of Business Administration (Cum Laude) in Business Honors and Finance from Texas A&M University.

Steve Greenwald,
Senior Advisor

Mr. Greenwald has more than 40 years of experience in financial services and is among the most experienced project finance professionals in the U.S., having been on the forefront of the industry working across broad array of global energy and infrastructure projects during his career.

Mr. Greenwald joined Credit Suisse in 1979. Since then, Mr. Greenwald has worked on more than 200 projects with an aggregate value in excess of US\$250 billion. He has developed and/or implemented financing plans for independent power projects, telecommunications projects, paper mills, coal, diamond and copper mines, petrochemical and synfuel facilities, oil and gas projects and certain venture capital start-up situations. These projects have been located in North America, South America, Europe, Asia, Africa and Australia. At Credit Suisse, he most recently headed the firm's project finance group.

In March 2013, Project Finance International Magazine awarded Steve with a Lifetime Achievement Award – the only banker in the U.S. to be so honored. The magazine described him as “one of the most influential and most knowledgeable figures in the project finance world as it is known today.”

Mike De Castro,
Operating Partner

Mr. De Castro has over two decades of experience in the industrial waste management, waste-to-energy and environmental services sectors where he has served in several leadership roles at global and regional companies. Mr. De Castro also has extensive experience in the gas industry where he held key operating positions. Most recently, he was Executive Vice President, Supply Chain of Covanta, leading the company's global supply chain operations across 41 operating sites with over 2,600 employees. Prior to Covanta, Mr. De Castro was responsible for global fulfillment and operations at Air Products (NYSE:APD) across the company's operations in 50 countries. Mr. De Castro has also served as CEO of Interstate Waste Services, one of the largest independent, vertically integrated, environmental services companies in the Northeast. Mr. De Castro brings extensive expertise across areas such as sustainable waste management practices, supply chain, operational excellence implementation and ES&H processes.



Mr. De Castro holds an M.B.A. with high honors from Boston University, and a Bachelor of Science degree in Mechanical Engineering from the University of Alabama.

Mike McGettigan,

Operating Partner

Mr. McGettigan is an Operating Partner at Ember Infrastructure and serves on the Board of Directors of Ember portfolio company Ground/Water Treatment & Technology, LLC.

Mr. McGettigan brings over two decades of growth-oriented business leadership in the industrial, commercial, and infrastructure services markets, with a focus on the water/wastewater, environmental, engineering & construction, facilities, and operations and maintenance (O&M) sectors. Mr. McGettigan has held senior executive roles in strategy, commercial sales & marketing and operational P&L assignments across both multi-national public corporations and middle market PE-backed companies, including GE Corporate (NYSE:GE), GE Water, ITT Advanced Water Treatment (now Xylem, NYSE: XYL), PerkinElmer, AECOM (NYSE: ACM), APTIM (formerly a division of CB&I). In these roles, he has led organizations of nearly 1,000 employees and over \$250 million dollars in annual revenues, spanning multiple business lines and regions.

Additionally, Mr. McGettigan led or advised leadership teams on business transformation and value creation initiatives to professionalize and optimize organizations across sales and business development, risk and project management, operational excellence, and M&A deal due diligence.

Mr. McGettigan is a Navy Veteran and served on nuclear attack submarines. He holds an MBA from Duke University's Fuqua School of Business and a BS in Computer Science from the United States Naval Academy. He also has a Certificate in Sustainable Capitalism and ESG from Berkeley Law Executive Education and is a qualified Lean/Six Sigma Blackbelt through General Electric.

Jeff Snyder,

Operating Partner

Mr. Snyder has more than 28 years of experience in water and wastewater management. Most recently he served as Senior Vice President of Business Development for Aries Clean Energy. Previously, he served as Chief Marketing Officer for MaxWest Environmental Systems. Mr. Snyder has participated in raising corporate and project equity for gasification projects and has delivered lectures internationally on thermal conversion technologies. Over his career, he has worked at various waste disposal and utility companies, including Azurix N.A., Synagro Technologies, American Water Services, AquaSource Utility and Culligan Operating Services.

Mr. Snyder is a veteran of the United States Air Force where he participated in the operational development of the F-117A Stealth Fighter.