**Environmental, Social and Governance Statement**

## Introduction

City Natural Resources Growth and Income PLC (the "**Company**") is a UK listed investment company whose objective is to provide shareholders with capital growth and income from a portfolio of mining and resource equities and mining, resource, industrial and other fixed interest securities. The Company has appointed Tufton Investment Management Ltd ("**Tufton**"), as its Investment Manager. The Board fully supports the growing importance placed on ESG factors when asking the Company's Investment Manager to deliver against the Company's objectives. The Board has requested that the Investment Manager take into account the broader social, ethical and environmental issues of companies within the Company's portfolio, acknowledging that companies failing to manage these issues adequately run a long-term risk to the sustainability of their businesses.

**Tufton Investment Management Ltd - Responsible Investment Policy incorporating our ESG Statement**

Tufton Investment Management Ltd views ESG factors as significant drivers influencing financing costs, risk assessment, valuations and performance. By embedding responsible investment into its investment process, Tufton seeks to enhance its ability to identify value, investment opportunity and risk, and to generate the best possible returns and outcomes for its clients.

Tufton is a signatory to the United Nations-supported Principles for Responsible Investment ("UN PRI"), having become a signatory on 12 December 2018, and reports annually under the PRI Reporting Framework.

Tufton regards stewardship as an integral part of managing its clients' assets. For listed equity holdings such as the Company's portfolio, stewardship is exercised principally through voting and engagement. Each investment case includes an assessment of the ESG factors judged to be financially material to the issuer and its sector, drawing on issuer disclosure, direct contact with management, and third-party ESG data and ratings. Where a material ESG risk is identified, it is documented in the investment case together with an assessment of whether it is reflected in the price and whether it is capable of being addressed through engagement. Holdings are monitored on an ongoing basis, and material ESG events – such as serious incidents, controversies or enforcement actions – trigger a review of the investment case and, where appropriate, engagement, a reduction in position size, or exit.

Tufton Investment Management Ltd has published its Responsible Investment Policy and a link to that policy can be found here:

https://www.tufton.com/responsible-investing