



Environmental, Social and Governance Policy Statement

Updated: May 2022

Pure Cycle Corporation is a Colorado-based land and water resource development company that, when financially feasible, strives to integrate efficient and sustainable environmental, social and governance (ESG) initiatives into all aspects of our operations. We believe our commitment to socially responsible business practices fosters long-standing benefits for our stakeholders and the communities in which we live and operate, while concurrently preserving the natural world for the greater good of present and future generations. We acknowledge that our collective success can be attributed to the implementation of sustainable business practices that satisfy our stakeholders and said communities. Their input, in concert with our in-house expertise, helps us to establish accountability and encourage forward-thinking performance goals.

ESG INITIATIVES

Pure Cycle is committed to the following ESG initiatives:

- *Environmental Sustainability:* We are committed to exercising exceptional water conservation methods in a water-short region and executing forward-thinking, sustainable land development that meets or exceeds applicable regulatory requirements and satisfies current and future human demands.
- *Human Capital:* We are committed to cultivating ethical, respectful, and inclusive human relationships with internal and external stakeholders, including employees, business partners, vendors, contractors, suppliers, and the communities in which we live and operate.
- *Corporate Governance:* We are committed to instituting a decision-making framework that is predicated on sound financial decisions, transparency, and anti-corruption.

Our ESG Policy is overseen by Pure Cycle's Board of Directors. Executive management, including the Principal Executive Officer and Principal Financial and Accounting Officer, oversees the implementation of these policies and coordinates our efforts to identify, address, train, and report on our ESG risks and opportunities and foster a dialogue on these issues with ESG experts, internal and external stakeholders, and the public.

PROSPECTIVE ESG INITIATIVES

To assist Pure Cycle in our ESG journey, we have employed an ESG Initiatives Specialist, reporting directly to executive management, to assess our current ESG initiatives and recommend future ESG goal development.

Additionally, we recognize the invaluable insight that stakeholder engagement provides when identifying ESG risks and opportunities. In the future, we seek to carry out increased

stakeholder engagement, in addition to our in-house assessments, to further assist us in our determination of future and ever-evolving ESG initiatives.

For questions related to our Environmental, Social & Governance Policy Statement, please email ESG@purecyclewater.com.