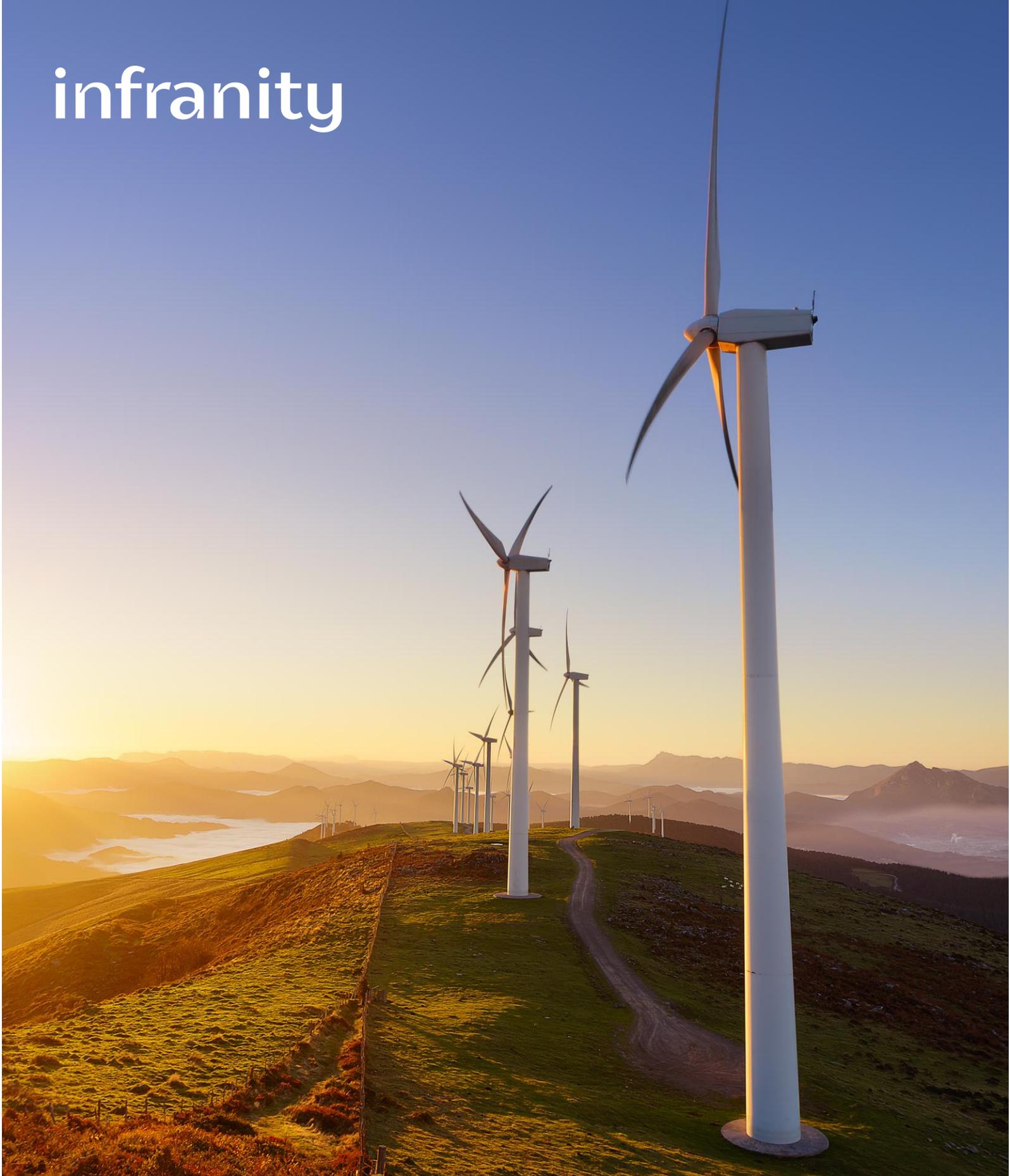


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Sustainable Investment Policy

June 2024

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01. Infranity's Vision

We are long-term investors with commitments extending beyond economic cycles. As an asset manager specialized in infrastructure investments, we seek to unlock potential for positive impact on the economy and society, achieving financial and sustainability performance.

Our approach to sustainable investing extends to broad environmental and social dimensions. Beyond the fight against climate change, we aim at supporting resilient, inclusive and sustainable economies, notably through the rational use of resources, biodiversity protection, mitigation of pollution, and access to essential services.

A. Acting as a responsible investor

Aware of the high social and environmental risks infrastructure assets may also be exposed to, we adopted the concept of double materiality: we not only assess and manage the risks associated with pressing socio-environmental challenges on our assets, especially climate change, but we consider the potential adverse impacts of our investments on people, society, and the environment.

B. A holistic vision of sustainability

We endorse initiatives and frameworks that support a holistic vision of sustainability. This approach, for the asset class is based on applying the following three principles:

- 1 | Aiming at aligning the climate trajectory of our portfolios with the Paris Agreement objectives: beyond integrating from its inception the alignment with the objectives of the Paris Agreement as a key pillar of its strategy, Infranity also committed to the Net Zero Asset Managers Initiative (NZAMI) to affirm its determination to contribute to the mitigation of climate change.
- 2 | Seeking to contribute to the UN Sustainable Development Goals (SDGs) with a focus on key themes that can be meaningfully addressed through infrastructures:
 - a. Sustainable and resilient infrastructures (SDG 9),
 - b. Environmental transition, through climate action, green mobility, efficient waste and water management (SDGs 6, 7, 11, 12, 13),
 - c. Social progress and inclusive economies, through investments in digital transformation & accessibility, and investments in social infrastructures in the health and education sectors (SDGs 3, 4, 10, 11).
- 3 | Setting ESG standards including meeting minimum social safeguards and DNSH¹ principles (no significant harmful impact on sustainable development).

C. Sustainability at the heart of our investment process

Our sustainability ambitions are transposed into our practices, with sustainability considerations integral to Infranity's investment cycle, from the investment decision and portfolio constructions, all the way through to the holding period, by engaging with our investees, monitoring and reporting on performance.

¹ "Do not significantly harm"

D. We are a corporate citizen and an active member of the sustainable finance community

We seek for our organization as a whole to understand and support our approach to sustainability. We train our professionals to embed sustainability in our culture and to deliver our positive impact ambitions.

We strive to be at the forefront of innovative thinking on sustainability-related issues in the financial world. We dedicate time and effort to support industry initiatives, and collaborate and share knowledge with stakeholders to advance our practices and contribute to making Finance part of the solution.

02. Sustainability Risk Policy

A. Purpose and scope

The Sustainability Risk Policy summarizes the activities Infranity performs when handling and monitoring of sustainability risks during the investment decision-making process.

Since the sustainability risks can impact the performance of the funds under management, Infranity, as Portfolio Management Company and AIFM, applies the approach described in this Policy to strengthen its fiduciary duties towards the investors of its funds and to comply with the SFDR requirements.

B. Sustainability risk assessment

Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could negatively impact the value of Infranity's investments. Sustainability Risks can result in increased running cost, decreased revenues, potential need of capital expenditures (Capex)/ Extraordinary Expenses, loss of value and/or contingent liabilities & provisions.

Sustainability risk assessment is fully integrated in the investment decision-making process of Infranity, and takes into account as required specific clients' agreements, fund rules, prospectuses and other documents of products managed by Infranity.

ESG analysis performed at fund and asset level is intended to detect sustainability risks and opportunities that can impact investment and fund performance. In particular, the identification of sustainability risks aims at ensuring such material risks are properly identified, assessed and considered based on their likelihood of occurrence and severity, and where possible mitigating actions are identified and properly implemented. In addition, the on-going analysis and monitoring performed by Infranity aims at capturing the evolution of such risks over time.

C. Sustainability risk measurement

Sustainability risks are measured in a qualitative and quantitative manner where data is available to meaningfully support such quantitative assessment.

Sustainability risks can be measured both in absolute and in relative terms. The identification of sustainability risks aims at ensuring such material risks are identified, assessed and considered based on their likelihood of occurrence and severity, and, where possible, that mitigating actions are identified and implemented. Depending on the severity of the sustainability risks, a stress testing would be performed to assess the potential impacts of sustainability risks on the returns of the financial products.

Infranity's performs such analysis in-house based on its own expertise as well as the expertise of external expert advisors and data providers. Where possible Infranity takes advantage of its direct access to the companies it invests in to collect data and develop granular knowledge of its exposure.

D. Sustainability risk screening

Infranity may use a range of sustainability screening criteria informing Infranity's investment selection and ensuring compliance with guidelines of funds and accounts under management, including:

- » Negative / exclusionary screening, aimed at limiting investments based on specific sustainability criteria. Within Infranity investment universe, as far as sectors and asset type are concerned, climate-related risks (whether physical or transition risks) as well as biodiversity-related risks are chief considerations and primary sources of exclusions;
- » Norms-based screening, to restrict investments in financial instruments issued by issuers not meeting minimum international sustainability/ESG standards.

03. Sustainable Investment Strategy

A. Overview

To support our intention to invest for net positive impact ("NPI")² and transform our commitments into concrete actions, Infranity has designed a specific approach to ESG integration throughout its processes.

Infranity's ESG and impact investing approach is based on selecting investments for their impacts on:

- » contribution to the UN SDGs,
- » the Paris-Agreement climate trajectory,
- » and meeting adequate ESG standards / risk mitigation, including minimum social safeguards and no significant harmful impact on sustainable development.

This approach is designed to ensure that investments comply with our holistic view of sustainability. This notably means that investments, beyond their contributions to SDGs and climate trajectory alignment, need to demonstrate adequate/progressive governance standards and environmental & social safeguards.

We have low appetite for investments that contribute little to sustainability, and no appetite for those that (i) do not sufficiently consider sustainability factors in their planning, design, constructions or operations, or (ii) significantly obstruct it. We do consider investments that accelerate the transition towards sustainability when the investee is committed to that transition with measurable and achievable metrics within a clear timeframe.

In order to do that, Infranity applies a strict exclusion policy available as a standalone document on our website and uses methodologies³ to assess ESG performance, compatibility with the Paris Agreement and sustainability risks which are applied at different stages of the investment process. These assessments inform investment decisions, allow the monitoring of ESG performance and sustainability objectives, and form the basis of ESG reporting to investors.

This approach and associated methodologies are consistently applied across our investments. However, certain strategies or funds may have specific sustainability objectives which may involve specific selection criteria and/or more restrictive focus. This may be the case for thematic funds for example.

B. Sustainable Investment Definition

According to the Sustainable Finance Disclosure Regulation (SFDR), 'sustainable investment' means:

- » an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water, and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy,

² A net gain to society and the environment

³ ESG methodologies are described in internal standalone documents.

- » or an investment in an economic activity that contributes to a social objective, in particular, an investment that contributes to tackling inequality or that fosters social cohesion, social integration, and labor relations, or an investment in human capital or economically or socially disadvantaged communities,
- » provided that such investments do not significantly harm any of those objectives,
- » and that the investee companies follow good governance practices, in particular concerning sound management structures, employee relations, remuneration of staff, and business ethics.

Infranity emphasizes the need for greater transparency when deriving criteria from this high-level definition. To achieve this goal, Infranity has published a standalone Sustainable Investment Definition Guideline, available on the website, which provides concrete and operational criteria to identify and select sustainable investments in their own context, asset class, methodologies, and investment universe.

C. Sustainable Investment process

Infranity's investment process goes through several gates at which ESG analysis is performed to inform the decision to proceed to the next stage:

- Asset origination or screening, where investments that are compatible with Infranity's holistic vision of sustainable development are selected and screened through our exclusion policy.
- Due diligence, where an in-depth ESG analysis is carried out, including climate trajectory and sustainability risks assessment.
- Investment decision, where the Investment Committee makes the investment decision based on the analysis presented and endorsed by an opinion of the Head of Sustainability.
- Post Investment decision, further analysis may be performed if requested by the committee and negotiations on ESG objectives may be pursued with the investee company.

The details of this process are described in Infranity's investment processes as well as the ESG due diligence guidelines.

D. Holding period

a. Monitoring

During the monitoring phase, impact targets / sustainability objectives as well as main ESG issues / KPIs, contribution to UN SDGs, climate trajectory are monitored. This leads to the regular revisions of ESG scores and to the tracking of their evolution. ESG scores are reviewed periodically, subject to the approval of the investment committee.

Infranity reports regularly to its investors on ESG performance, sustainability objectives, climate trajectory of the assets as well as the portfolios (see details of ESG reporting below). While holding debt or equity investments, Infranity engages with investee companies and exercise its rights. This can span from monitoring adequate information reporting to enforcing specific ESG covenants on the debt side, to designing agreed-upon action plans to deliver sustainable performance on certain equity positions with sufficient level of control.

b. Engagement

Infranity is an active owner and incorporate ESG issues into its ownership policies and practices. The Engagement Policy outlines its strategy for promoting long-term engagement on behalf of the shareholders, which includes specific principles, minimum requirements and conditions for exercising the shareholder's rights and managing relationships with third parties.

c. Reporting

We are committed to providing information on each managed fund, including their ESG performance and progress towards sustainability goals. These reports will be accessible to our investors and interested stakeholders. We employ appropriate communication channels, and measures are in place to ensure the availability of information.

A quarterly ESG report is issued for each Fund under management. This report includes:

- » When the Funds maturity and thematic warrant it a detailed assessment of each asset's and the portfolio's alignment with the Paris agreement. KPIs such as tons of CO₂ avoided or added with respect to the reference scenario and the investment carbon footprint (tons of CO₂ / M€ invested) are presented for the portfolio.
- » The identification of the SDGs to which the assets contribute.

- » The monitoring of SFDR metrics such as the share of investments promoting Environmental and Social characteristics and the share of sustainable investments when applicable. Alignment with the EU Taxonomy is also disclosed when available.
- » The ESG scoring of each asset, based on our scoring methodology and the average portfolio score.
- » Specific ESG KPIs relevant to each asset which may be reported by the investee companies.

We integrate and report on the green share (as defined by the EU taxonomy) of our portfolio As a signatory of the Principles for Responsible Investment, Infranity provides the necessary data for the PRI annual reporting.

04. Governance & Sustainability Organisation

A. Governance and integration process

Sustainability is at the heart of Infranity's activity and has been placed at the highest level of the organization. A Managing Partner oversees Infranity's Sustainability strategy and practices, a Sustainability Committee including the executive committee members of the firm has been established, and a reporting on Sustainability matters is made to the firm's Board of Directors.

Infranity Board of Directors reviews and approves the Sustainable Investment Policy upon the proposal of the Managing Partner in charge of Sustainability (Infranity's Head of origination), following the recommendation of Infranity Sustainability Committee. The Managing Partner in charge of Sustainability is accountable for and the Sustainability function is responsible for the implementation of the Policy.

Infranity Sustainability function, under the direction of the Managing Partner in charge of Sustainability and recommendations of the Sustainability Committee, steers and implements the sustainability strategy of the firm. This mainly includes sustainability objectives and associated methodologies, sustainability risk assessment framework in collaboration with the Risk function, ensuring the proper implementation of the Policy and in particular the systematic integration of ESG/sustainability analysis in the investment process, definition and implementation of ESG plans / initiatives in relation to portfolio investments (in coordination with the investment and portfolio monitoring teams), the collection of data and ESG reporting, and adequate information and training of Infranity personnel in relation to sustainability matters. Furthermore, the Infranity Sustainability function supports the investment process through the provision of formal ESG opinions to the Investment Committee, as well as of views and research on relevant ESG issues.

In addition, the Sustainability function, through its Head, acts as Secretary of the Infranity Sustainability Committee. It prepares for the benefit of the Sustainability Committee regular reports on the overall sustainability performance and achievements of Infranity and its funds and accounts under management, and alerts the Sustainability Committee on relevant issues. It also supports the drafting of an annual report on Sustainability performance and the implementation of the Policy addressed to the Board of Directors.

Infranity's Sustainability committee is composed of the Managing Partners and the Heads of support functions (including Investor Relations, Operations, Compliance, Risk, Legal and Sustainability functions) and may invite an independent senior sustainability advisor. It is chaired by the Managing Partner in charge of Sustainability and meets at least quarterly to provide input to the sustainability strategy and monitor its implementation, performance and risk at firm and/or fund under management levels.

Internally, the Board of Directors is informed by the Managing Partner in charge of Sustainability at least annually of the implementation of this Policy and more broadly on sustainability performance and issues.

B. Internal Controls

Infranity has implemented a robust framework of internal controls to ensure the effective integration of ESG considerations throughout the various stages of funds' management. These controls are categorized as follows:

a. First Level Controls:

First level controls are conducted by the Sustainability function and the Investment team. They encompass the following key activities:

- Regular updates of the fund's ESG threshold and conducting annual assessments.
- Verification that all assets undergo a comprehensive ESG assessment, including the presentation of the ESG score and, if applicable, an improvement plan, during the Sustainability committee for all assets.
- When applicable, ongoing monitoring of the implementation of improvement plans for assets.
- Continuous monitoring of the fund's ESG performance.

- Collection and monitoring of mandatory ESG indicators.
- Regular review and updates of the sustainability-related policies.
- Preparation of the main ESG reports, both at fund and entity level.

b. 2nd Level Controls:

Compliance and Risk Management perform additional level controls to ensure adherence to legal documentation requirements across all processes related to managed funds. These controls include:

- Reviewing ESG assessments of assets prior to investment.
- Ensuring the effective implementation of asset improvement plans.
- Verifying the conformity of reports with regulatory requirements.
- Reviewing the implementation of stakeholder engagement activities.
- Verifying that all relevant documentation is published in accordance with applicable regulations.

05. Glossary and Definitions

| Acronym/Term | Explanation/Definition |
|----------------------|--|
| Infranity BoD | The Board of Directors of Infranity |
| CEO | Chief Executive Officer |
| ESG factors | Environment Social and Governance |
| SDGs | Sustainable Development Goals |
| PAI | Principal Adverse Impacts |
| SFDR | Sustainable Finance Disclosure Regulation, EU regulation 2019/2088 |
| TCFD | Task Force on Climate-related Financial Disclosure |
| PRI | Principles for Responsible Investment |
| Article 173 | Article from the French Law relative to energy transition and green growth (7 August 2015) |
| GHG | Greenhouse gas |

06. Annexes

A. Annex I – Concordance tables with standards and regulations (PRI, SFDR, Art. 173, TCFD)

a. SFDR (related to Art 3. and art 4.)

SFDR related policies are integrated through Infranity sustainable investment policy. The table below provides indications regarding the identification of SFDR requirements.

| | |
|--|--|
| Inclusion of sustainability risks | Sustainability risks policy [02 Sustainability Risk Policy] Controversies analysis – cf. Asset origination and doc 7.6 Exclusion policy Exclusion policy – cf. Asset origination [03 C Sustainable Investment process] and doc 7.6 Exclusion policy Asset-level ESG KPIs – cf. Due Diligences [03 C Sustainable Investment process] Climate transition risk – cf. Reporting/alignment with Paris agreement [03 D Holding period] |
| Information on PAIs | Exclusion policy – cf. Asset origination [03 C Sustainable Investment process] and doc 7.6 Exclusion policy ESG indicators – cf. Statement on PAI |

b. PRI

| | |
|---|---|
| Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes. | Sustainability risks policy [02 Sustainability Risk Policy] Our approach to ESG integration [03 Sustainable Investment Strategy] |
| Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices. | Our approach to ESG integration – cf. Holding period [03 Sustainable] |
| Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest. | ESG indicators – cf. Reporting – [03 D Holding period] |
| Principle 4: We will promote acceptance and implementation of the Principles within the investment industry. | Signatory commitments – Cf. Founding principles [01 Infranity's Vision] |
| Principle 5: We will work together to enhance our effectiveness in implementing the Principles. | Policy update – Cf. Founding principles [01 Infranity's Vision] |
| Principle 6: We will each report on our activities and progress towards implementing the Principles. | As a PRI signatory, Infranity will answer to PRI annual questionnaire. |

c. TCFD⁴

| | |
|----------------------------|---|
| Governance | Cf. Governance and organization [04 Governance & Sustainability Organisation] |
| Strategy | Cf. Founding principles [01 Infranity's Vision] |
| Risk management | Sustainability risks policy [02 Sustainability Risk Policy] Controversies analysis – cf. Asset origination [03 C Sustainable Investment process] and Exclusion policy Exclusion policy – cf. Asset origination [03 C Sustainable Investment process] and doc 7.6 Exclusion policy Asset-level ESG KPIs – cf. Due Diligences [03 C Sustainable Investment process] Climate transition risk – cf. Reporting/alignment with Paris agreement [03 D Holding period] |
| Metrics and targets | Alignment with Paris agreement – cf. ESG reporting [03 D Holding period] ESG indicators – cf. Reporting – [03 D Holding period] |

B. Annex II – Infranity's adhesion to sustainable finance initiatives

Our Commitments are further anchored in Infranity's adhesion to high profile initiatives, including:

- » **Signatory of the United-Nations Principles for Responsible Investment** ("PRI").
- » **Member of the Institut de la Finance Durable**, the Paris-based organization promoting sustainable finance
- » **Sponsor of the 2 Infra Challenge** initiative providing a tool to measure the climate trajectory of infrastructure assets.
- » **Sponsor of CDC Biodiversité Global Biodiversity Score**, an initiative aiming at providing a tool measuring the biodiversity footprint of activities/investments.
- » **Member of the Net Zero Asset Managers Initiative** that aims to galvanize the asset management industry to commit to a goal of net zero emissions.
- » **Member of the International Climate initiative**, first international initiative of the private markets sector aiming at better understanding and managing the risks associated with climate change.

⁴ Starting from 2024 and the application of the ISSB standards, the work of the Task Force on Climate Disclosure (TCFD) has been considered as completed by the Financial Stability Board. Nevertheless, companies can continue to use the TCFD recommendations.