



ESG Scoring Methodology

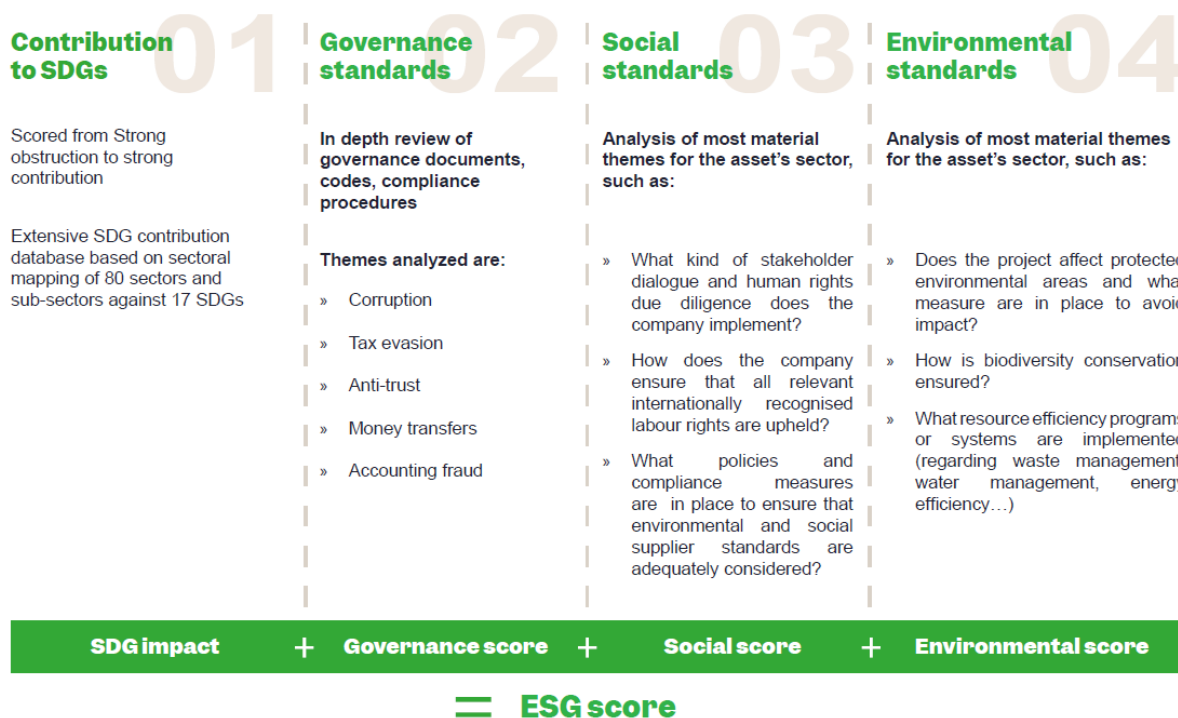
01. Methodology overview

Our current ESG assessment is based on a proprietary industry-specific ESG rating methodology developed with ISS-ESG. It allows to identify and assess the impact of investments considering the SDGs, and more broadly their ESG performance. This analysis is fully integrated in the investment process.

A high-level summary of this methodology is provided below:

- » **Contribution to SDGs:** the sectors that are not excluded from the outset (i.e. non-conventional fossil fuels, coal, etc. see exclusion policy) are assessed according to their potential contribution to SDGs. The main SDGs targeted by our strategies are SDG 3 (Good Health and Well-being), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation, and Infrastructure), SDG 10 (Reduced Inequalities), SDG 11 (Sustainable Cities and Communities), SDG 13 (Climate Actions).
- » **Governance standards:** assessment focused on governance. Analysis of shareholders and key stakeholders in the project, through controversy checks and review of applicable governance policies to ensure that key issues, including anti-corruption, anti-trust, tax and accounting fraud, have been appropriately addressed.
- » **Social and environmental standards:** assessment focused of Environmental and Social performance. Analysis of E and S policies and their implementation based on sector-specific indicators. Risk factors are subject to strict requirements to ensure they are sufficiently mitigated.

Illustrative Overview of Scoring Methodology



Each investment is attributed a score. Investment not reaching a minimum score of 25 at the time of investment decision will be rejected. Investments will be deemed making a contribution to sustainable development if they combine contributions to SDGs and a score of at least 50 as per the methodology.

02. Data Sources and Processing

To carry out its assessments, Infranity relies on its in-house Sustainability team to review and maintain numerous streams of data and sustainability information, including:

- Internal review of documents published by investees and on direct exchanges with them.
- Reviews of external sources of information such as ESG rating agencies (in particular ISS-ESG), news databases (in particular World-Check by Refinitiv for controversies), etc.

To ensure data robustness in our systems, our in-house Sustainability team work closely together to assess the data quality and consistency. Systematic controls and specific analysis are performed on external ESG data, and an annual quality review is performed. To that extent, Infranity Sustainability's team is in ongoing contact with the data providers to challenge their views.

At the moment, the combination of multiple external data providers, the numerous quantitative and qualitative metrics does not allow to calculate and provide the proportion of estimated data.

Limitations to methodologies and data

Limitations to the methodologies and data referred to in the above sections include but are not limited to:

- Availability and accuracy of ESG data from some of the portfolio companies. Although constantly improving, ESG reporting by companies is still very heterogeneous. To make the analysis as relevant as possible, Infranity concentrates on those sustainability issues most likely to have a concrete impact on the reviewed assets and on the company. These key issues are defined by sector and are regularly reviewed. They are, however, not exhaustive.
- As any ESG analysis methodology, the scoring method used by Infranity can lead to different interpretations by different analysis and therefore lack of consistency.

To ensure that such limitations do not affect the achievement of the environmental or social characteristics promoted by the financial product, Infranity has implemented the following safeguards:

- All ESG assessments are reviewed by a team of ESG experts during the investment process in order to ensure the consistency of the results and scores attributed.

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.

03. Funds ESG KPIs

All funds at Infranity are subject to an average ESG Scoring, as well as an SDG contribution which depends on the composition of their portfolios. Fund's averages are calculated based on an average weighted by commitments post repayments of each asset in the fund. They are updated on a quarterly basis based on the potential changes of ESG scores of assets, the new assets added to the fund (or potential exits) and the evolution of the commitments post repayments of assets.