

Equitix Responsible Investment Policy

November 2022

Policy Responsibility	General Counsel and ESG Manager
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Last Approval Date	November 2022
Policy Review Frequency	At least annually
Next Review Date	November 2023

1. Introduction

Equitix Holdings Ltd and its subsidiaries (collectively “Equitix”) invest, develop and manage on behalf of fund investors, small to mid-sized core infrastructure assets.

It is our belief that the long-term stewardship of the assets we invest in should include the consideration of material environmental, social and governance (ESG) factors throughout the investment decision making process and on-going asset management period.

Equitix defines Responsible Investment as the integration of material ESG considerations into the investment decision making and asset management processes in the belief that these factors can have an impact on financial performance.

The Responsible Investment Policy is applicable to all investments made by Equitix from the date of publication. Legacy investments made prior to the publication of this policy will have followed historic processes regarding ESG integration. In the case of any conflict between the Responsible Investment Policy and the Limited Partnership Agreement (LPA), the LPA shall prevail.

2. Purpose

The Equitix mission is to create a lasting legacy for generations by investing in high-quality infrastructure assets and long-lasting partnerships which can support improvements to our environment and facilitate critical services to communities whilst achieving a financial return for investors.

This document sets out Equitix’s commitment to the integration of ESG in delivering on this mission. The policy articulates how Equitix approaches Responsible Investment as part of its role as an active steward and fiduciary fund manager.

Equitix remains committed to upholding its approach to Responsible Investment having been a signatory to the Principles for Responsible Investment (PRI) since 2010.

3. Scope

This Policy applies to Equitix and its employees. Employees are requested to read the Policy and refer to its contents during the exercise of their function. New joiners are asked to confirm that they have read and understood the Policy as part of the on-boarding process.

Equitix will apply this Policy to all investments made following the first publication date listed on the title page. There may be some circumstances in which Equitix has limited ability to influence and integrate ESG considerations at the asset level, for example where Equitix takes a minority shareholding, or where legacy contractual arrangements limit the extent to which ESG improvements can be made.

Notwithstanding these issues, Equitix will apply the ESG standards set out in this Policy as far as possible.

4. Responsible Investment Beliefs

ESG and long-term financial performance are not mutually exclusive. The integration of ESG considerations into the investment process is complementary to the high level of financial and commercial scrutiny each investment opportunity receives by our skilled in-house teams and Fund Investment Committee (FIC). Equitix considers ESG in its investment activities through a range of processes:

- (1) identifying ESG risks/opportunities
- (2) managing ESG risks/opportunities
- (3) targeting ESG outcomes for addressing these risks and opportunities with the asset; and
- (4) aligning ESG outcomes with sustainability-related goals which have a positive impact on society and/or planet.

ESG integration is an opportunity. The emergence of new regulatory frameworks, higher market expectations and stakeholder pressures to see investment deliver on environmental and social challenges are seen by Equitix as an opportunity to continue evolving and enhancing its approach to ESG in a way that delivers value for our investors and the communities served by our assets.

Partnerships support superior results. An active approach to asset management is seen as vital to developing long-lasting partnerships and ensuring that our assets continue to serve the needs of society.

Honesty, integrity, and sound moral principles. Our belief is underpinned by a firm commitment to conducting our business in a way that remains anchored to strong principles and creates a working environment that is healthy, empowering and fulfilling for all of our employees.

5. ESG Governance

Equitix is committed to the integration of ESG across all key business lines and support functions.

Oversight of ESG risks and opportunities starts with the Board of Directors, and specifically the General Counsel who has Director-level responsibility for ESG and sustainability. The Equitix Board's ESG-related responsibilities include:

- Reviewing and approving the Equitix Responsible Investment Policy, and related ESG documents, at least annually
- Reviewing a periodic ESG update submitted by the ESG Manager which details progress on ESG integration
- Responding to material ESG issues which are considered necessary to escalate to the Board, if and when such issues arise
- Monitoring progress against Equitix's ongoing ESG and sustainability objectives

The Fund Investment Committee (FIC) is responsible for scrutinising material ESG considerations and monitoring adherence to fund-specific ESG requirements. An FIC ESG Sponsor leads on the scrutiny of ESG aspects of each investment opportunity,

ensuring that the investments team presents the material ESG factors associated with an investment opportunity in a clear, balanced and decision-useful way.

6. ESG and the Investment Process

ESG Considerations

Every investment will typically present its own set of material ESG factors, and as such, the ESG integration steps applied by Equitix are designed to ensure that these can be identified and appropriately considered, taking into account potential financial implications, as well as impacts to key stakeholders, such as employees and local communities.

Alongside these unique factors, Equitix considers the following non-exhaustive list of key ESG themes throughout the investment process:

Environmental
<ul style="list-style-type: none"> • Greenhouse Gas (GHG) Emissions • Renewable and non-renewable energy production and consumption; • Air pollution; • Biodiversity; • Water and wastewater; • Waste (including hazardous waste)
Social
<ul style="list-style-type: none"> • Human rights • Community relations • Employee health and safety
Governance
<ul style="list-style-type: none"> • Applicable laws and regulations, including anti-corruption and anti-bribery • Board representation • Asset policies and processes
Climate
<ul style="list-style-type: none"> • Physical impacts of climate change • Transition risks and opportunities of climate change

Integration in Investment Stages

Equitix endeavours to consider all relevant and material ESG factors throughout the investment process, including pre-investment due diligence, asset management, and reporting. The activities, objectives and tools typically utilised throughout the investment process are summarised in the table below:

Investment Stage	ESG Action	Objective	Supporting Tools
Pre-investment project evaluation	<ul style="list-style-type: none"> • ESG Screening • Contribution to sustainability outcomes 	<ul style="list-style-type: none"> • Identify ESG due diligence requirements • Support request for external ESG advisor if needed 	<ul style="list-style-type: none"> • Survey tool containing: • Exclusion list of activities and high-risk geographies • Sector specific ESG risks and opportunities guidance
Investment Due Diligence	<ul style="list-style-type: none"> • ESG Due Diligence 	<ul style="list-style-type: none"> • Identify material ESG 	<ul style="list-style-type: none"> • ESG survey

	<ul style="list-style-type: none"> undertaken in line with ESG survey questions ESG risks and opportunities presented to FIC 	<ul style="list-style-type: none"> risks and opportunities Devise mitigation measures if necessary Respond to FIC challenges on material ESG issues 	<ul style="list-style-type: none"> External consultants where required Action plan template
Portfolio and Asset Management Period	<ul style="list-style-type: none"> Review ESG survey results as presented to FIC Manage material ESG risks and maximise ESG opportunities Support asset-level ESG data collection and reporting 	<ul style="list-style-type: none"> Improve ESG characteristics over time, where possible Investor reporting Set ESG KPIs 	<ul style="list-style-type: none"> ESG survey Internal ESG database ESG performance data Regulatory reporting and disclosure guidance
Exit	<ul style="list-style-type: none"> Review and consolidation of historic ESG performance 	<ul style="list-style-type: none"> Present accurate ESG profile of an asset / fund 	<ul style="list-style-type: none"> Asset-level ESG data Regulatory requirements related to the marketing of financial products, where applicable

7. Key Roles and Responsibilities

ESG Manager

The ESG Manager is principally engaged in the development and implementation of the Equitix ESG and sustainability strategy. The remit of the ESG Manager encompasses the development of a framework for ESG integration across the investments and asset management teams, maintaining expertise across key regulatory frameworks and aligning Equitix accordingly, monitoring and reporting on the ESG performance of assets, supporting asset and sector level engagement on ESG issues, delivering internal ESG education, and communicating the Equitix ESG strategy to investors and wider stakeholders.

Investments

The investments team is responsible for integrating ESG considerations into the investment origination process for both primary and secondary deals. Members of the team ensure that investment opportunities are not in contravention of the Equitix exclusions list, align with applicable fund ESG policies, and present material ESG issues to the FIC through internal documentation.

Asset Management

Throughout the long-term stewardship period, the asset management team is responsible for ensuring that assets are monitored from an ESG perspective. This includes helping to facilitate an annual ESG assessment and taking steps to address any material ESG risks and opportunities which are identified as a result of this exercise.

Business Development / Investor Relations

The BD/IR team are primarily responsible for communicating the Equitix ESG strategy to investors in a clear and informed way. This includes facilitating sessions between investors and the ESG Manager to understand the priorities of investors from an ESG perspective and ensuring these are addressed through reporting and ad hoc updates.

8. Applicable Responsible Investment standards and frameworks

Climate Change

Equitix acknowledges the impact of climate change. We are aware that business decisions made at a corporate and investment level can impact climate change and we recognise the issues this presents for our clients, the community, and the planet.

We recognise the risks that climate change presents to our funds and assets in the short, medium, and long term. We support the objectives of the Paris Agreement and the need for the world to transition to a lower carbon economy, consistent with the goal of limiting global warming to well below 2, preferably 1.5 degrees Celsius, compared to pre-industrial levels.

We commit to working with our portfolio to identify and mitigate risks, whilst also identifying and maximising the opportunities presented by climate change.

Our climate-related workstreams include:

- Continuing to further investment into climate transition solutions, building on our established track record of investing in low carbon and sustainable infrastructure
- Calculating our own business emissions footprint and identifying opportunities to decarbonise in line with achieving net zero by 2050 or sooner
- Supporting portfolio assets to calculate GHG emissions and identifying opportunities to decarbonise in line with achieving net zero by 2050 or sooner
- Conducting an assessment of climate change risks across the portfolio and using the findings of this exercise to inform the development of a robust climate strategy to mitigate identified material risks
- Reporting in line with the recommendations of the Taskforce on Climate-related Financial Disclosure (TCFD) from 2023

Principles for Responsible Investment

Equitix has been a signatory to the Principles of Responsible Investment since 2010 and currently holds a '4*' rating for Direct - Infrastructure and a '4*' rating for Investment and Stewardship. Equitix commits to continue its support across the following principles:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.

4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

United Nations Sustainable Development Goals (UN SDGs)

Equitix recognises the importance of utilising the UN SDGs in an evidenced and targeted way to ensure that its activities can contribute towards specific targets and indicators, with ongoing monitoring of these contributions over time.

A bespoke categorisation framework has been developed as a result of identifying where the capacity metrics of Equitix assets align with SDG targets and indicators.

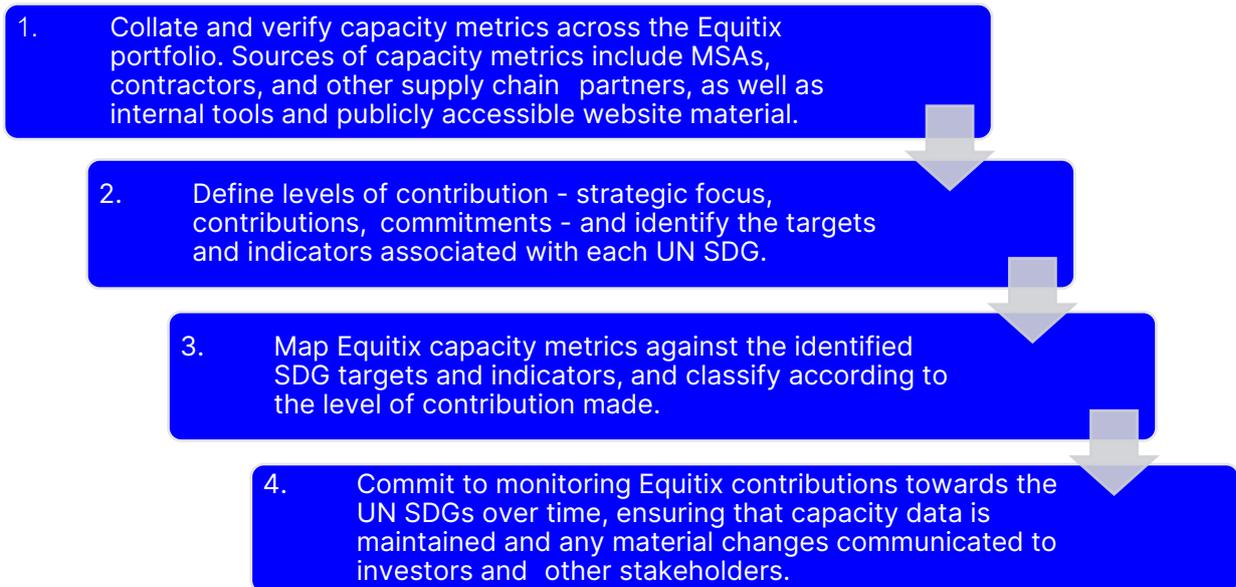
The prioritisation framework has identified Equitix contributions as follows:



Figure 1: Equitix UN SDG Prioritisation Framework

Methodology statement

Equitix has undertaken the following steps to develop the SDG Prioritisation Framework:



Modern Slavery

Equitix has a zero-tolerance approach to modern slavery. The firm is committed to acting ethically and with integrity in all our business dealings and relationships; and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in the business.

Equitix, in pursuing primary development projects, does not engage with construction, operations and facilities management contractors where the risk of slavery and human trafficking exists. Pursuant to Equitix's Anti-Slavery Policy, staff are required to undertake due diligence to confirm that any entity with whom Equitix engages in a business relationship has an anti-slavery policy and controls in place to ensure compliance by its own staff and representatives.

The Equitix Anti-Slavery Statement is reviewed and signed at least annually and is available to read on the Equitix website.

9. Reporting and Disclosure

Fund-related Reporting and Disclosure

Pre-contractual disclosures and periodic ESG reporting are important for investors in understanding how non-financial risks and opportunities are identified, monitored, and managed throughout the entire investment lifecycle.

As part of its ongoing commitment to the Principles of Responsible Investment (PRI), Equitix completes an annual assessment related to its responsible investment practices, with the results of this assessment available to investors and public through the PRI website.

Following alignment with the Taskforce on Climate-related Financial Disclosure (TCFD) framework, Equitix will provide investors with information on how the manager of each fund considers climate-related risks in its strategy, governance, risk management, and metrics and targets. This will be reported to investors periodically.

For those funds and managed accounts falling 'in scope' of the Regulation (EU) 2019/2088 ('SFDR') and Regulation (EU) 2020/852 (Taxonomy Regulation), the manager

provides the relevant pre-contractual disclosures in the fund private placement memorandum (PPM) and/or other pre-contractual material. Periodic reporting is also provided through a dedicated Responsible Investment section of fund reports.

Serious ESG Incident Reporting

ESG risks are communicated to Equitix through a range of channels as appropriate to the type and severity of the risk. These channels commonly include Project Company Board reports, as well as procedures put in place by the providers of operations and maintenance (O&M) activities through Managed Service Agreements (MSAs) to communicate serious incidents or accidents to the Project Company. For the most serious incidents, Equitix asset management teams would expect to be contacted as soon as possible.

Training

Ongoing training and development opportunities are integral to embedding good ESG practices throughout the investment lifecycle. Equitix approaches training and development on a team-specific basis by ensuring that each team is informed of regulatory developments, examples of ESG best practice, and understanding their role and responsibilities related to ESG integration.

Internal resources are continually developed and updated to ensure applicable explanatory guides, policies and case studies are available for staff to read to support their overall level of comprehension and understanding on ESG.

From time to time, and where deemed beneficial for individuals or teams, Equitix will engage third party resources to assist with training. Employees are also encouraged to pursue courses on an individual basis if there is clear professional benefit to be derived from completing ESG-related studies.

10. Objectives for next 12-month period

Equitix is working to ensure ESG continues to be integrated across the business and seeks to achieve this through a number of key initiatives which will continue to be implemented over the next 12 months. Performance against these objectives will be monitored and updates communicated by the next review date as stated on the title page:

2022 Objectives	Status	Summary
Implement new tools for the screening and evaluation of investments from an ESG perspective, and for the collection of relevant ESG data for internal performance monitoring purposes as well as investor reporting	Achieved	<ul style="list-style-type: none"> Internal processes for ESG screening implemented and will continue to evolve in line with regulatory standards and general good practice ESG data collection tool licensed and implemented for portfolio monitoring and reporting purposes
Align with the recommendations of the TCFD framework and communicate how Equitix considers climate-	In progress	<ul style="list-style-type: none"> Data collection exercise is supporting improved understanding of portfolio GHG emissions Portfolio-wide climate risk assessment to be completed in 2023

related risks and opportunities through its investor reporting		
Develop a clear ESG training and development programme and provide opportunities in this area for O&M providers to strengthen understanding across ESG risks and opportunities	Achieved	<ul style="list-style-type: none"> • ESG workshops delivered to management teams, MSA and O&M providers to support enhanced data collection • Ongoing ESG updates provided to internal teams through presentations and guidance materials
Develop a framework for managers to apply in assessing employee performance related to ESG and sustainability, as appropriate across different business lines, functions and levels of seniority	In progress	<ul style="list-style-type: none"> • Initial framework for assessing performance against policies in place, recommending that demonstrated alignment with Responsible Investment Policy is one factor managers can consider as part of the performance review process.

11. Review

Equitix recognises the rapid pace at which ESG and sustainability are developing in the financial services industry, and specifically within investment fund management.

Equitix commits to reviewing the content of this Policy at least annually but will undertake more frequent reviews when necessary.

12. Contact Information

Any questions or queries regarding this Policy should be directed to the Equitix ESG Manager, Joe Robinson, using the following contact information:

Email: jrobinson@equitix.co.uk

Address: 3rd Floor (South), 200 Aldersgate Street, London, EC1A 4HD