

Bringing infrastructure to life

Equitix Responsible & Sustainable Investment Report
2023-2024



WILLIAM
MILVANNY
CAMPUS

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CEO welcome



Hugh Crossley
Chief Executive Officer
Equitix

The Equitix mission is to create a lasting legacy for generations by investing in, developing and managing global infrastructure assets which materially contribute to the lives of the communities they serve. Since inception, Equitix has focused on long-term responsible investment in assets which deliver positive environmental and social outcomes while achieving strong financial returns for investors.

In this report, we are pleased to showcase our continued progress on the integration of relevant sustainability considerations which guide our investment activities, commitments to investors, and continued focus on critical infrastructure assets that will underpin a lower carbon, better connected, and healthier future. Making progress against these goals requires us to embed sustainability considerations throughout our investment processes, designing the tools and resources needed to help our teams and portfolio assets.

A key priority for us throughout 2023-2024 has been the development of our understanding on portfolio climate risk and resilience, where we have aimed to gain deeper insights on what climate change means to assets operating across a wide variety of sectors and geographies. We have also undertaken engagement with industry and government on value-accretive sustainability initiatives, including participation in the National Wealth Fund Taskforce, supporting the UK government to develop opportunities for mobilising private capital into critical sectors and assets that will underpin green growth on the path to net zero.

As the use of sustainability-related criteria grows in infrastructure investments, we continue to identify opportunities to further integrate consideration of sustainability factors where they are relevant to client

and investment objectives. This includes projects we have underway to research novel climate-related financial model inputs, building our portfolio climate risk and resilience datasets, implementing asset-level actions on sustainability performance during the investment process, and reporting across a range of key frameworks to help our investors monitor performance.

In just 3 years since launching our updated sustainable investment capabilities, including sustainability-integrated fund strategies, due diligence processes, and approach to monitoring and reporting on the portfolio, we've been shortlisted for the IJ Global ESG Asset Manager of the Year, for the Principles for Responsible Investment (PRI) Recognition for Action Award – Climate, and the Institute of Asset Management (IAM) Team Achievement Award. This reflects the pragmatic, and materiality-driven approach we're taking to consider the long-term impacts of transitioning to a more sustainable future.

I'm encouraged by what we are achieving as a responsible long-term investor in critical infrastructure, and how we are supporting our clients in achieving their sustainable investment objectives. There is still more work to be done to maintain pace with evolutions in regulatory requirements and market practices, and we aspire to continue demonstrating leadership in line with our core values of partnership, excellence and trust.



01

Our responsible and sustainable investment strategy

Equitix is a leading international investor, developer and fund manager in infrastructure. Established in 2007, Equitix has made 360+ infrastructure investments and now oversees £11bn+¹ in Assets Under Management (AUM), bringing deep investment and operating expertise across sectors to create value for our investors.

Equitix employs over 200 people of 20 different nationalities based in 10 countries.

The scale of our portfolio and team gives us strategic insight and the unique ability to deliver diversified and enhanced value to our investors. Whilst our entrepreneurial spirit and agile approach to investing drive our business, we take our responsibility to integrate environmental, social and governance factors seriously. We are committed to being responsible investors.

1. As at 30 June 2024
2. All non-financial metrics are nominal – relative equity share is not considered i.e. values are totals, not pro rata for Equitix ownership %. Capacity numbers reflect operational assets, as well as the forecast capacities for assets under construction. Unless stated otherwise, non-financial data is provided as of June 2024

5* Investor

Principles for Responsible Investment (PRI)
Direct – Infrastructure and Confidence Building Measures categories (2024).
Signatory since 2010.

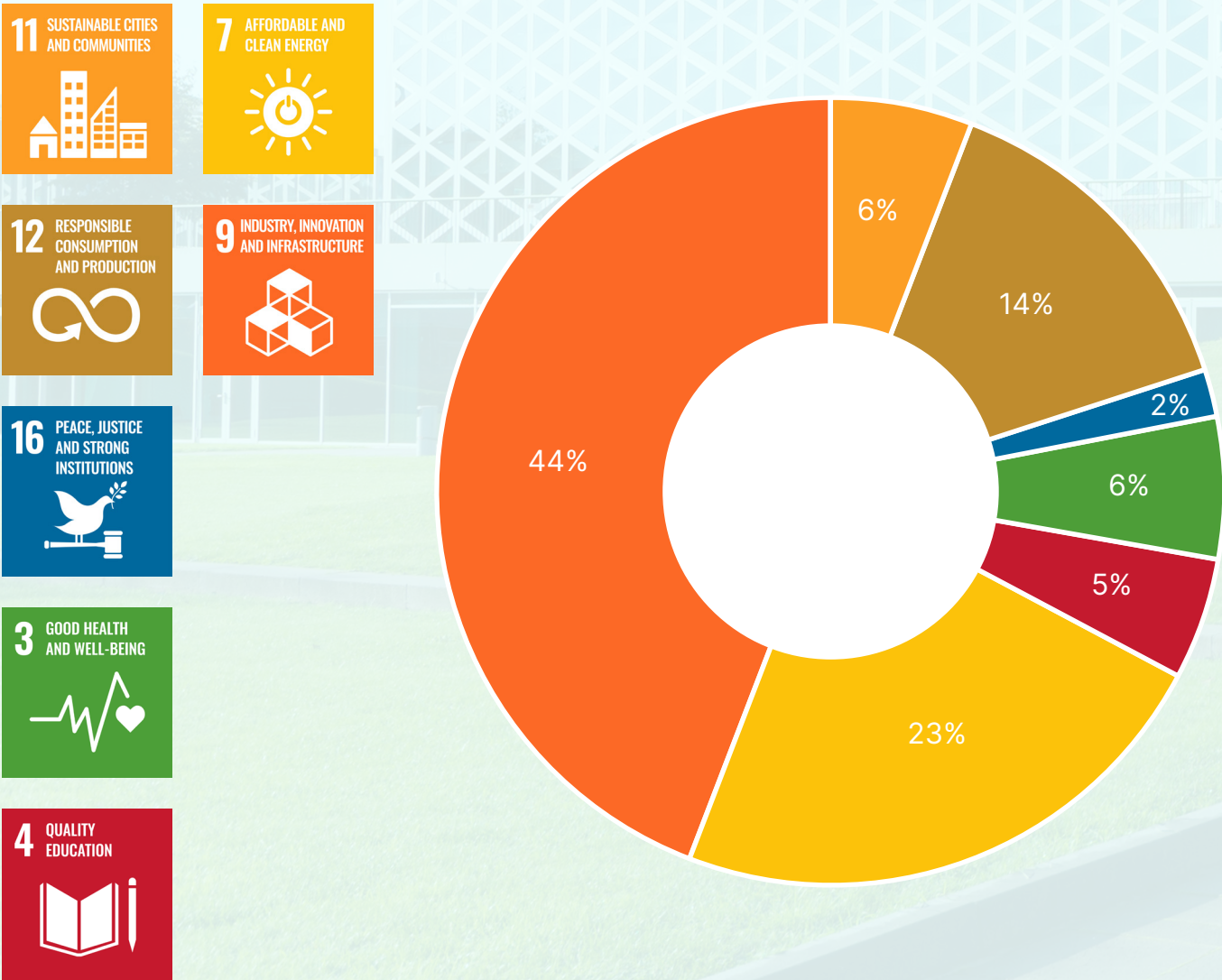
£11bn+

Assets under management

200+

Infrastructure professionals

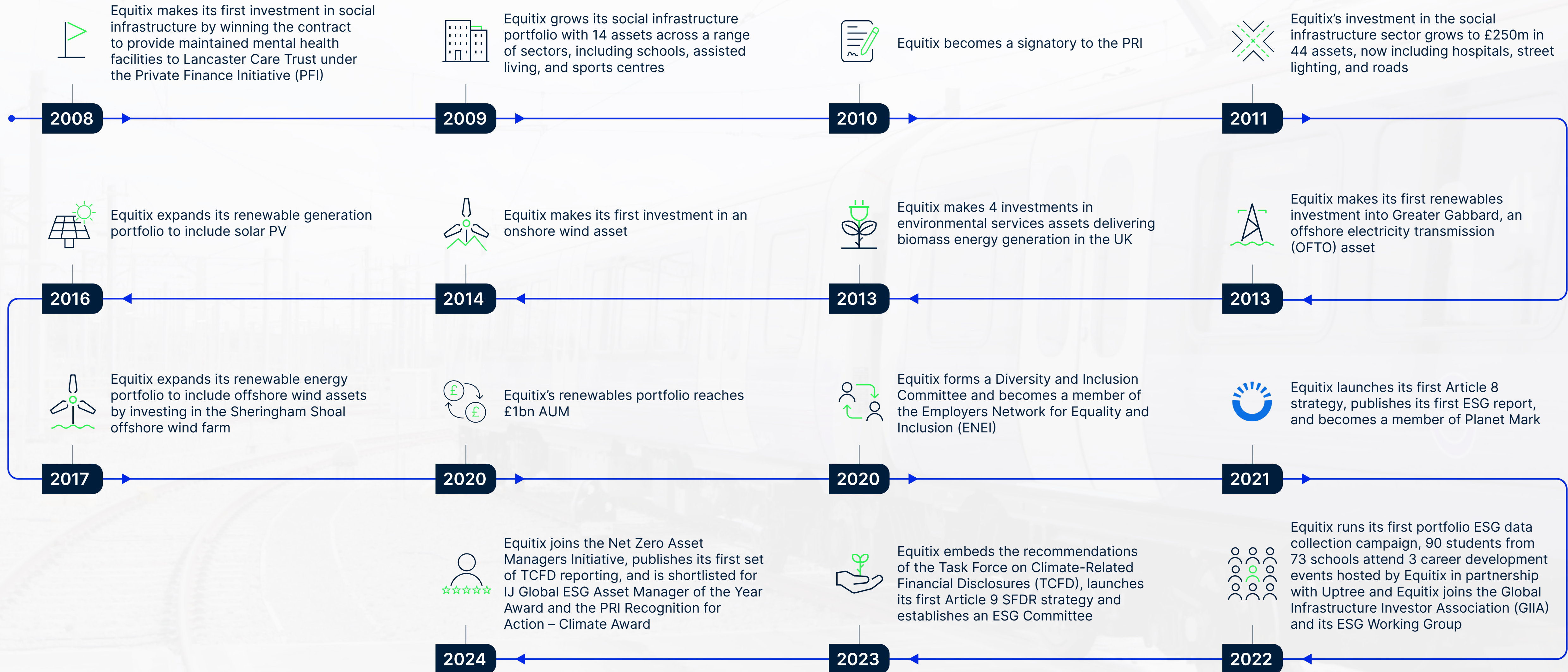
SDG alignment (% AUM) as at 30 June 2024



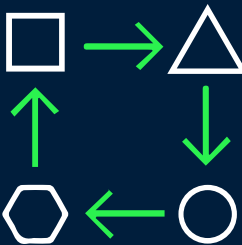
Sustainability snapshot²

 Social infrastructure	£2.2bn	80,000+ School pupil places	15,000+ Social housing dwellings
 Transportation	£1.8bn	5,500km+ Motorways and roads	56+ m km Travelled (2023)
 Renewable power	£2.7bn	7.9 GW Electricity generation capacity	2.5 GW OFTO capacity
 Environmental services	£1.6bn	6.9m tonnes Waste & biomass processing capacity	3,246 GWh Electricity generated (2023)
 Network utilities	£1.5bn	12m+ Smart meters	12,500+ km Electricity distribution
 Data infrastructure	£142m	2 Telecom projects	4,000+ Telecom towers

Responsible and sustainable investment milestones



Portfolio priorities

Portfolio priorities	 Climate Physical risk and resilience Transition risk and opportunity Decarbonisation to net-zero	 Environment and biodiversity Enhancement and impact mitigation Waste hierarchy and circular economy Asset end of life strategy	 Communities Asset employees and sub-contractors Asset clients Neighbouring communities	 Supply chain and governance Board representation and stewardship Supply chain oversight and standards Sustainability-related monitoring and reporting
	Key metrics • 40+ TCFD aligned reports on climate risk and resilience • 8.6 GW renewable energy capacity • 6.9m tCO2e estimated avoided emissions³	Key metrics • 0 reported negative impacts on biodiversity-sensitive areas • 6.9 Mt waste and biomass processing capacity	Key metrics • 6% AUM aligned to UN Sustainable Development Goal (SDG) 11 • Safe, resilient and sustainable society - including social housing, courts of justice, defence services, government buildings and police facilities	Key metrics • 330+ assets included in annual ESG assessment • 67% asset average response rate to annual ESG assessment between 2022-2023 • 429 supply chain development workshops delivered through Hub South West in 2022-2023

3. Equitix uses DESNZ’s “all non-renewable fuels” emissions statistic of 424 tonnes of carbon dioxide per GWh of electricity supplied in the Digest of UK Energy Statistics (July 2023) Table 5.14 (“Estimated carbon dioxide emissions from electricity supplied”)



What drives our approach

We are uniquely placed to support our clients to achieve their sustainable investment objectives. Our responsible and sustainable investment practices are shaped by three key drivers:

1. Client preferences

We are proactive in our understanding of current and prospective clients, prioritising the incorporation of material sustainability factors into our product offering and investment approach.

We communicate transparently on ESG and sustainability performance across our products, and report in line with key regulatory and investor frameworks including:

- Principles for Responsible Investment (PRI)
- EU Sustainable Finance Disclosure Regulation (SFDR)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Net Zero Asset Managers Initiative (NZAMI)
- UN Sustainable Development Goals (UN SDGs)

2. Firm ethos

Equitix was founded to invest responsibly and act as a trusted steward of mission critical infrastructure, which requires engaged asset management to support the delivery of high-quality services to communities. Therefore, our approach to investment requires consideration of sustainability factors which are expected to materialise over a long-term time horizon.

3. Opportunity and risk identification

By sourcing sustainable investment opportunities and identifying sustainability-related risks, Equitix focuses on investing in infrastructure with strong sustainability-related characteristics which are likely to benefit from long-term tailwinds in the transition to a more sustainable economy. Sustainability considerations are integrated throughout the investment lifecycle, from due diligence to portfolio monitoring and reporting to investors.

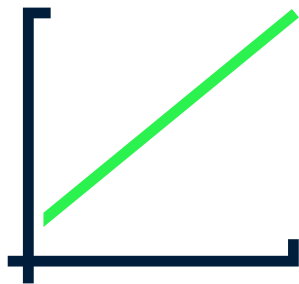
Grounded in core principles

The following key principles guide Equitix’s approach to investing responsibly with a long-term view:



1. Client-driven

- Listen, understand, and respond to client requirements and priorities related to responsible and sustainable investment



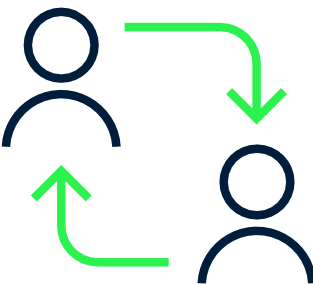
2. Consistent

- Be consistent in our approach, integrating sustainability factors where they are material to investment performance



3. Transparent and evidence-based

- Communicate transparently on strategy, objectives and outcomes related to ESG and sustainability
- Explain, in simple terms, the data, assumptions and impact of our activities



4. Leadership

- Demonstrate responsible leadership in mid-market infrastructure
- Engage positively with industry and government stakeholders on value-accretive sustainability initiatives

“Ensuring we continue to communicate our drive, ethos and ambition, with regards to the integration of responsible and sustainable investment considerations is an important element of our strategic business objectives. Actively listening, responding to and communicating with our clients allows our product offering to continue to meet their evolving needs.”



Gillian Wilson
Head of Marketing & Communications





Cross-business integration

Company-wide

We work to embed relevant sustainability considerations throughout the investment lifecycle and assign cross-business responsibilities to each of our teams. Below are some of the ways in which Equitix teams are leading the delivery of our responsible and sustainable investment strategy.

Team

ESG & Sustainability

Responsibilities

- Development and implementation of the ESG and sustainability strategy in line with regulatory and client requirements
- Leading the integration of sustainability considerations throughout the investment lifecycle
- Supporting engagement on material sustainability topics with underlying portfolio assets
- Communicating strategy and portfolio sustainability performance to investors

ESG sponsors



Joe Robinson*
Manager,
ESG and
Sustainability



Vic Palmer
Analyst,
ESG and
Sustainability



Charlotte Whittlesea
Analyst,
ESG and
Sustainability



Charlotte Tame
Analyst,
ESG and
Sustainability

Team

Business Development & Investor Relations

Responsibilities

- Understanding our client requirements and preferences on ESG and sustainability
- Clearly communicating our strategy and product sustainability objectives
- Keeping pace with evolving investor priorities to align ESG portfolio initiatives with client requirements

ESG sponsors



Holly Leonard
Manager, Investor Relations

Team

Investments

Responsibilities

- Completing Equitix's ESG due diligence processes to capture relevant information on sustainability opportunities and risks
- Implementation of fund-specific sustainability requirements
- Developing post-acquisition ESG action plans to uplift sustainability credentials where required
- Investment Committee review

ESG sponsors



Simon Green*
MD, Investments



David Harding**
MD, Finance

Team

Asset Management

Responsibilities

- Engaging with portfolio assets on material sustainability topics, including climate risk and opportunity
- Facilitating an annual ESG assessment to collect key ESG metrics for monitoring and reporting purposes
- Board level oversight of sustainability performance in line with fund and asset user requirements

ESG sponsors



Jack Scott
AD, Asset Management

*Pre-Fund Investment Committee member ** Fund Investment Committee member

Fund sustainability frameworks

Our products adopt certain sustainability-related criteria and processes which have been designed in line with the requirements of Article 8 and Article 9 SFDR.

Equitix products categorised as falling under Article 8 SFDR invest in infrastructure assets that promote a combination of positive environmental and social characteristics and apply good governance practices.

Equitix products categorised as falling under Article 9 SFDR have sustainable investment as their objective and achieve this by investing in infrastructure assets that contribute to an environmental or social objective, avoid significant harm to any other environmental or social objective, adhere to minimum social safeguards and apply good governance practices.

“As an ESG analyst I am motivated to contribute towards the investment of key infrastructure that is required to close the climate fund gap and meet the targets of the Paris Agreement. I enjoy integrating the wide ESG considerations into our investments, understanding the interconnections between the environment and society as well as targeting key global issues such as the transition to a low carbon economy, the protection of biodiversity and pursuit of social equality. Adopting this holistic approach is necessary for effectively analysing the sustainability risks and the potential long lasting value creation opportunities for assets throughout their investment lifecycle.”



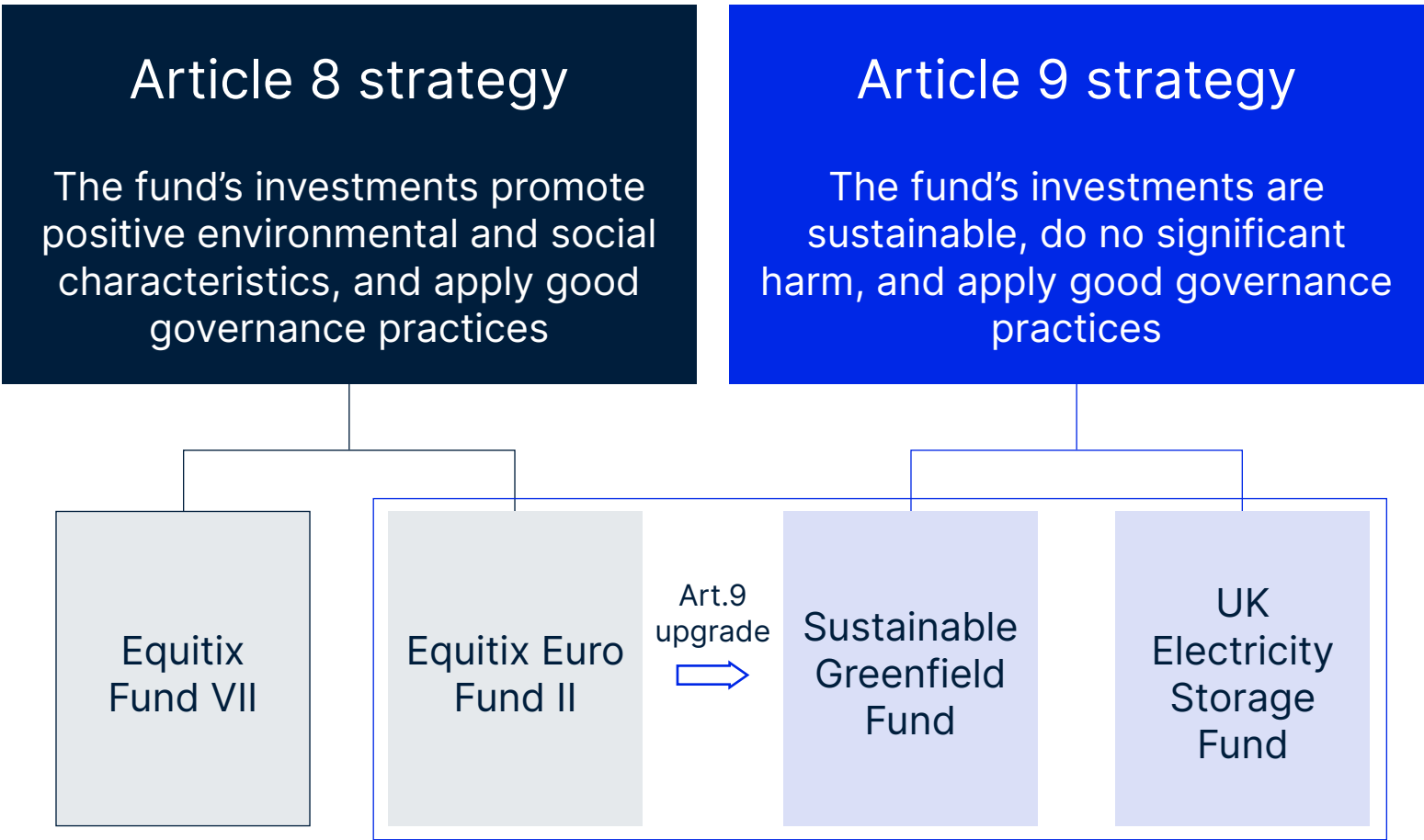
Charlotte Tame
Analyst, ESG and Sustainability

SFDR alignment⁴

>50%

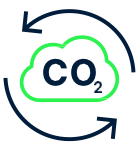
AUM categorised as falling under either Article 8 SFDR or Article 9 FDR

During 2024, Equitix amended its Euro Fund II strategy to align with Article 9 of the SFDR, increasing AUM associated with sustainable investment criteria.



4. As at 30 June 2024

Sustainable investment sectors and themes



Low carbon transition

Investments which support the transition to a low carbon economy through investment in renewable or low carbon energy generation and storage technologies, and in lower carbon waste management and energy recovery.

- Offshore/onshore wind
- Offshore transmission
- Solar PV
- Hydro dam/run of river
- Anaerobic digestion
- Biomass
- Energy from waste
- Clinical waste



Mobility

Investments which support transport capacity and maintain high environmental and safety standards.

- Rolling stock
- Rail infrastructure
- Motorways and roads
- Ports
- Car parks



Network enhancements

Investments which support quality, resilient and efficient utility and digital networks.

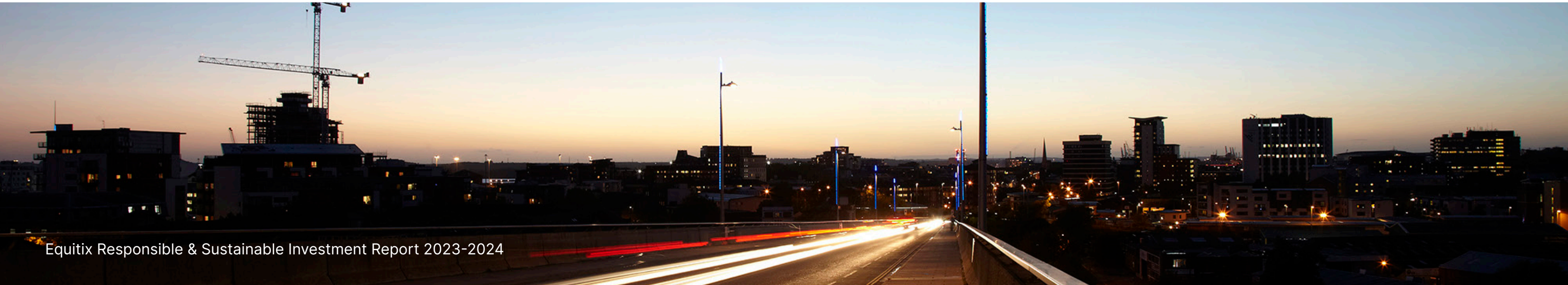
- Electricity distribution
- Gas distribution
- Smart meters
- Water meters
- Fibre networks



Social infrastructure

Investments which support the built environment for communities.

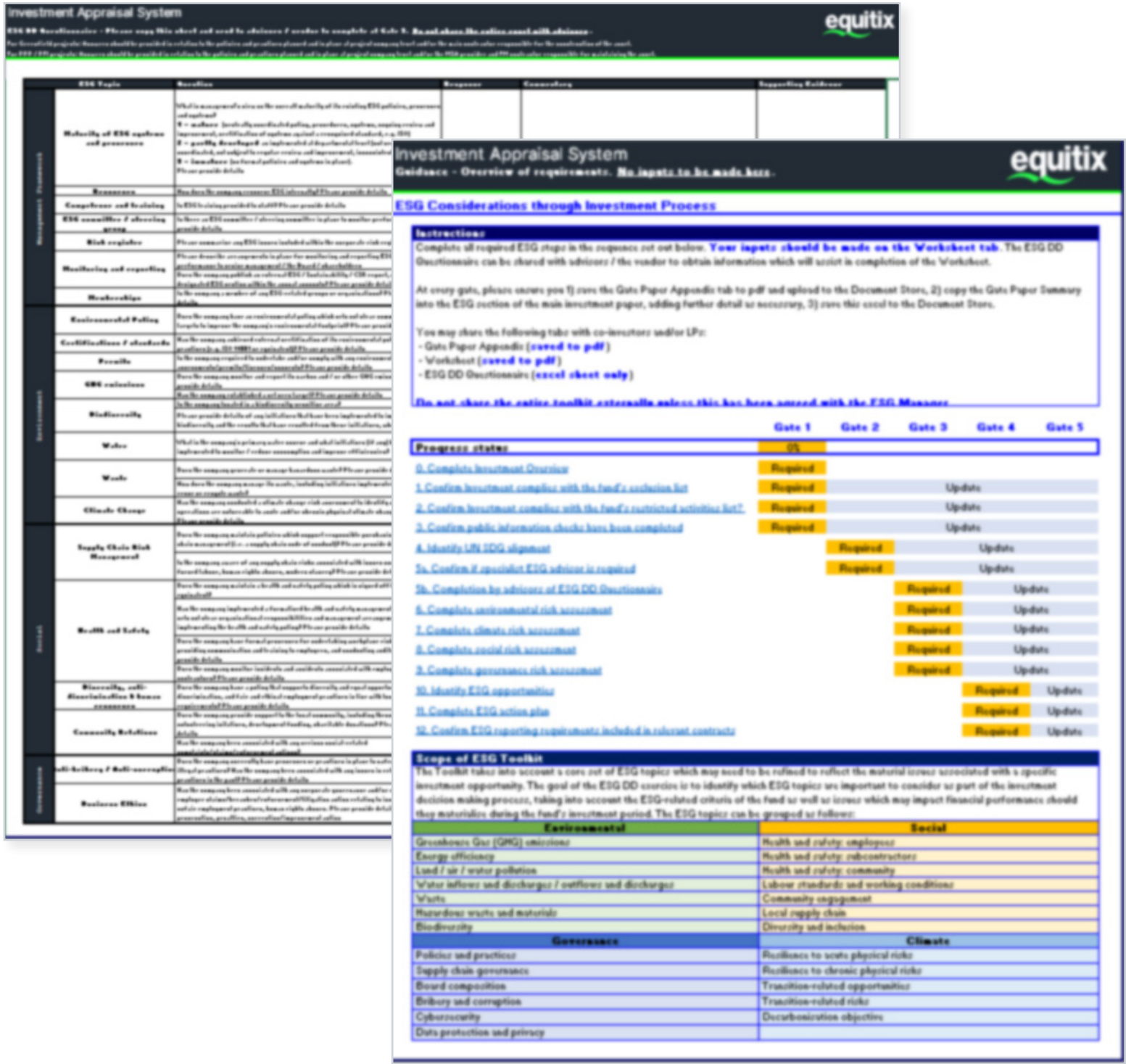
- Student accommodation
- Social housing
- Hospitals
- Assisted living/mental health
- Government buildings
- Street lighting



Pre-investment considerations

Sustainability factors are important considerations for investment in infrastructure and their integration into the investment lifecycle supports a holistic assessment of risk and potential opportunities to improve sustainable performance. Each investment will typically present its own unique set of sustainability risks and opportunities, which requires a nuanced approach to due diligence and monitoring.

To effectively incorporate sustainability considerations into our investment process, we have developed a bespoke ESG due diligence toolkit that is aligned to relevant frameworks, such as the Sustainability Accounting Standards Board (SASB), SFDR, TCFD and UN SDGs. The toolkit helps to structure a sustainability summary contained within the main investment paper, as well as identifying where post-investment actions should be taken to address issues identified at the pre-investment stage.



Case study: Project Ruler

The ESG due diligence process and framework was applied during an investment into a portfolio of 60,000+ operational home decarbonisation and energy transition assets in Germany that combine rooftop solar PV, battery storage, and EV charging systems into a packaged product.

The ESG due diligence process used SASB materiality maps and Equitix's own internal sector standards to identify 3 key areas for consideration:

- Supply chain standards
- Carbon intensity of polysilicon production
- End of life management of solar panels

Against these risks, the asset was acknowledged to perform well, following industry best practice and Equitix sought to apply 3 key recommendations through its post-acquisition management plan:

1. **Reporting:** in line with Equitix's fund and co-investor requirements.
2. **Supply chain oversight:** continuing to align with regulatory and industry best practice standards.
3. **Future optimisation opportunities:** ongoing consideration of opportunities related to Germany's transition to net zero.

"Applying a standardised sustainability toolkit during the pre-investment stage helps us to identify key sustainability opportunities and risk, and ensure alignment with our fund criteria. We also see sustainability playing an important role in primary development opportunities, where climate resilience, biodiversity, carbon reduction and social value are increasingly common factors to consider in the delivery of new infrastructure projects. Our approach brings these considerations into the investment decision making process."



Simon Green
Managing Director,
Investments



David Harding
Managing Director,
Finance



Assessing climate change

Throughout the year, Equitix has focused on building its understanding of climate vulnerability and resilience as part of its alignment to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). More details on Equitix’s climate strategy can be found in the [Equitix Climate Report⁵](#).

“At Equitix, we acknowledge the paramount importance of integrating climate-related risk considerations into the investment lifecycle. To ensure a climate-resilient portfolio, we engage directly with our underlying assets while also focusing on top-down research and development. We believe that a profound and pragmatic understanding of climate risk goes beyond regulatory compliance; it directly impacts the intrinsic value of our assets, making it highly relevant to both Equitix and our clients. Recognising the relative nascency of this field, we are collaborating with climate data experts to grasp the nuances of individual investments, leveraging satellite technology and proprietary AI techniques. With a strong emphasis on thought leadership and innovation, I am excited to disclose the outcomes through next year’s climate reports.”



Charlotte Whittlesea
Analyst, ESG and Sustainability

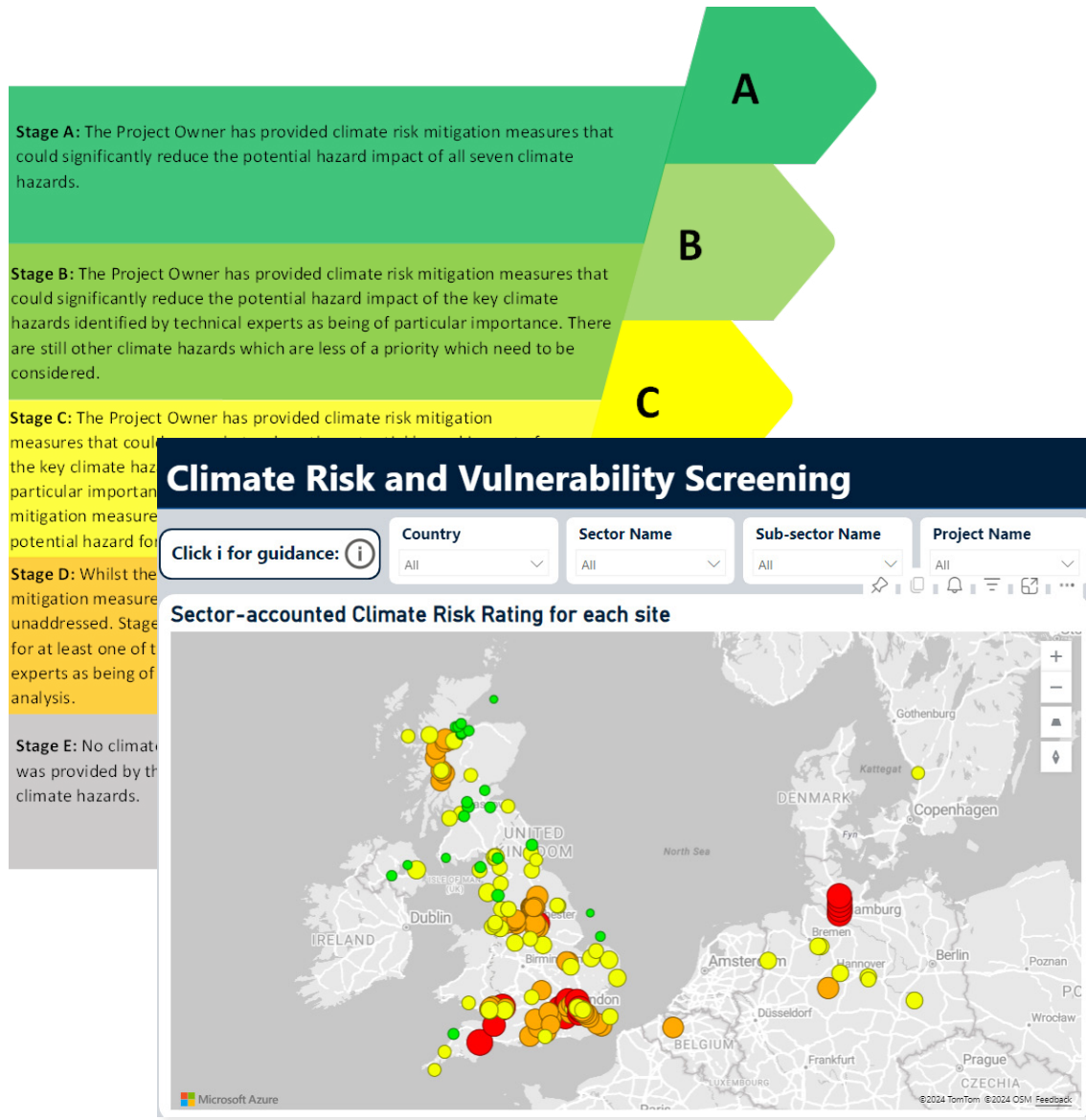
5. Available to read on the website here:
Final-Equitix-Climate-Report-YE_v8_15.08.24.pdf
Equitix Responsible & Sustainable Investment Report 2023-2024

Physical risk and resilience

We completed a physical risk screening across the portfolio, incorporating a range of climate hazards, scenarios and sector considerations and used the findings to identify a selection of prioritised assets based on combination of financial and climate-related criteria.

We subsequently engaged with the management teams, or equivalent, responsible for operating these assets through management Q&A and meetings to discuss the findings of the climate risk screening and identify mitigants planned or in place. The results of this exercise enabled us to categorise each asset based on maturity of its climate strategy.

Any mitigants identified were then categorised using the Intergovernmental Panel on Climate Change (IPCC) defined categories for adaptation actions (Ecological, Structural, Behavioural, or Institutional).

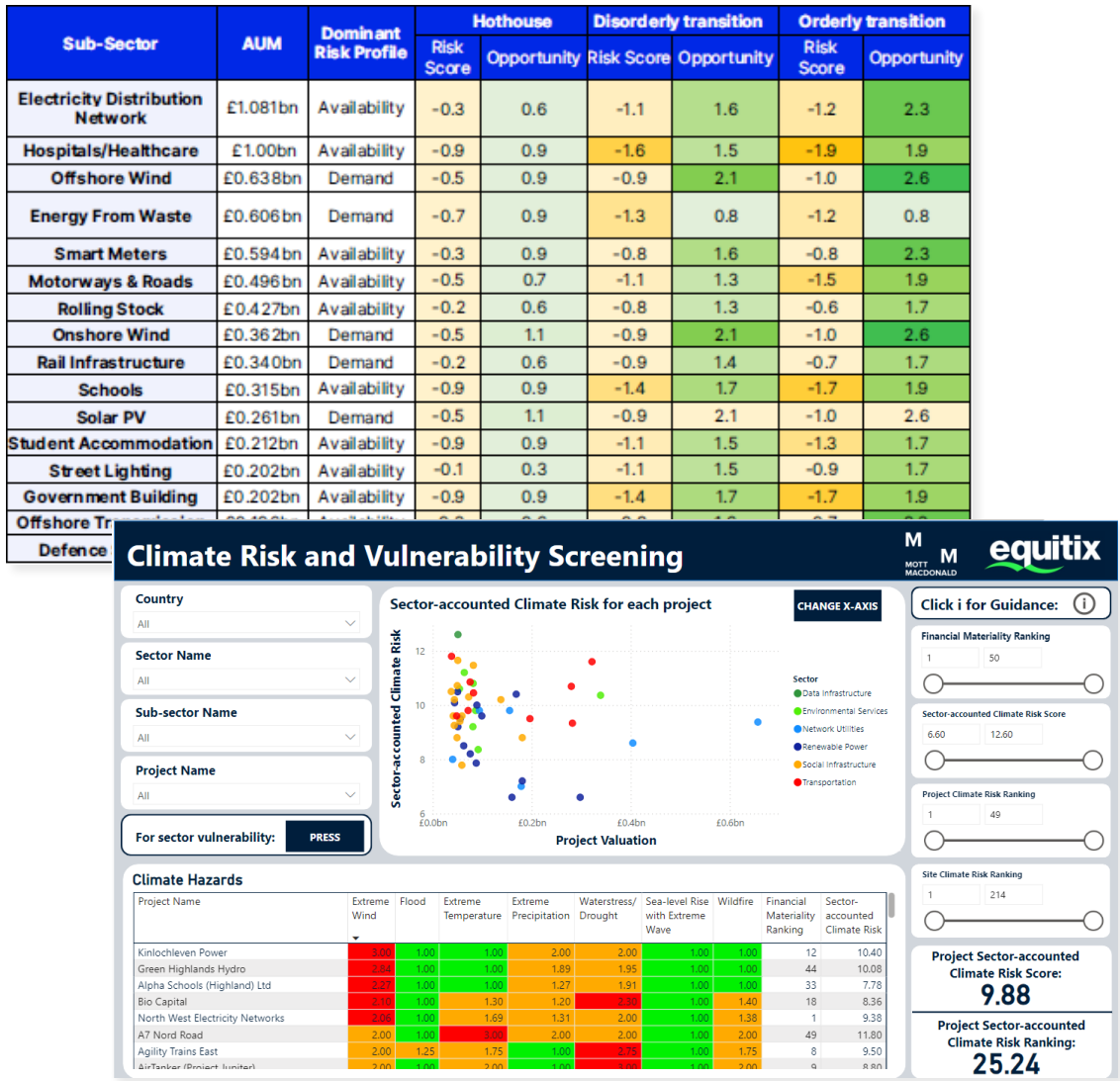


Transition risk and opportunity

Our transition framework applies a range of scenarios and sensitivities across the top 16 sub-sectors in the portfolio using 4 catalysts; policy, technology, access to finance, and consumer demand using a

- 2050 time horizon
- 1.5°C and 4°C temperature warming
- Consideration of an ‘orderly transition’ scenario (International Energy Agency (IEA) Net Zero Emissions by 2050), ‘disorderly transition’ scenario (Announced Pledges), and ‘hothouse world’ scenario (Stated Policies Scenario)

The findings of this assessment are incorporated into a climate transition playbook that can be referred to as part of ESG due diligence on new investments, monitoring of existing assets, and reporting to investors.



Case study: assessing climate resilience in the onshore wind sector

For several assets, we distributed tailored surveys requesting relevant management team members to explain what climate resilience measures were in place or planned at each location.

Mitigation measures were analysed against the IPCC-defined adaptation actions to determine appropriateness for reducing potential hazard impact.

For example, a climate resilience assessment was conducted on an onshore wind asset potentially exposed to extreme heat. Equitix was proactive in its approach and initiated further enquiries with the underlying Operations & Maintenance (O&M) team on temperature and heatwave resilience.

This resulted in the O&M team liaising with the turbine manufacturer to assess permissible temperature thresholds, confirming that even under the ‘worst-case’ scenario, the asset would not be materially impacted by the extreme heat risks identified.

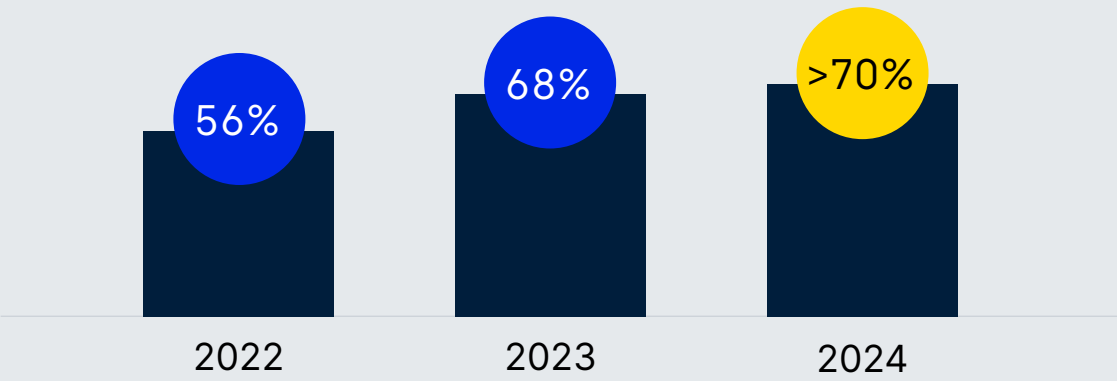


Building reporting capability in the portfolio

Asset-derived data is a prerequisite for integrating sustainability considerations into our portfolio sustainability monitoring and investor reporting. We are therefore committed to continue working with portfolio assets on ESG reporting in line with our product regulatory and investor requirements.

Using clear communication and distributing additional guidance materials to our portfolio assets, we've seen ongoing improvements in ESG reporting over the past 3 years with portfolio-wide coverage increasing from 56% in 2022 to 68% in 2023 and targeting >70% for 2024 by AUM.

Portfolio-wide coverage (% AUM):



In addition, even when in the position of a minority shareholder, we have worked in partnership with co-shareholders to progress implementation of good practices related to sustainability strategy, including standardisation of ESG reporting, development of net zero strategies, and implementation of relevant ESG-related policies.

Where possible, we also work to close the reporting loop by providing feedback to portfolio assets on how ESG data supports us in meeting regulatory and investor requirements. We believe this is important to building understanding and buy-in to our ESG reporting programme across the portfolio.



"As our investors increasingly recognise the importance of integrating sustainability into their portfolios, we diligently work to meet ESG data requirements, thereby delivering value and protecting against risk."



Holly Leonard
Manager, Investor Relations

Our extensive reporting suite

We understand the importance of reporting transparently on ESG and sustainability-related information to investors and key stakeholders, and we have been focused on delivering the data and analysis our investors need to satisfy their own requirements. During the year, we produced:

>80
bespoke ESG reports and tailored requests

30+
product level TCFD reports

30+
quarterly responsible investment updates

8
SFDR periodic reports

1
Equitix climate report

1
Responsible and sustainable investment report

1
PRI report

"Data is fundamental to sustainable investing. Through communication and collaborative efforts, we've improved our ESG reporting coverage to provide more transparency to investors. In doing this, we're building a shared understanding that ESG data isn't just about compliance, it's about creating practical insights that align with our asset management and investor objectives."



Jack Scott
Associate Director, Asset Management

"Our approach to sustainability risk management is comprehensive and dynamic. We employ a multi-faceted strategy that begins with our proprietary ESG due diligence toolkit, which helps us pinpoint material sustainability factors specific to each investment opportunity. Post-investment, we don't just identify risks—we actively work to mitigate them through tailored action plans. Our commitment extends throughout the investment lifecycle, with ongoing data collection, reporting, and targeted engagement with our investees. This continuous process not only helps us manage risks but also enhances our partners' sustainability competencies and uncovers new opportunities. We're not just assessing risks; we're fostering a culture of sustainable value creation."



Vic Palmer
Analyst, ESG and Sustainability

02

Portfolio sustainability



Transportation

Metric	Value
AUM in sector	£1.8 bn
Number of assets	39
Number of countries	10
High-level climate risk assessment implemented/planned	100% sector AUM
In-depth climate resilience assessment	40% sector AUM

SDG 9: Industry, Innovation and Infrastructure: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Reliable transportation infrastructure provides the underlying foundation to sustainable development by enhancing public mobility and enabling supply chains. As such, building and maintaining resilient, sustainable, and reliable infrastructure is one of the key targets of SDG 9.

As a responsible investor, Equitix has:

- Participated in initiatives shaping asset-level sustainability reporting and strategy
- Engaged certain assets in the sector on climate risk and resilience
- Reviewed transition risks and opportunities within the transport sector

Case study: HS1

High Speed 1 (HS1) is the UK’s only high-speed rail which allows for maximum speeds of up to 300kph. Connecting international high-speed routes, HS1 is an 109km rail line between St Pancras International and the Channel Tunnel.

Climate

- HS1 continues to deliver against its ambitious climate-related targets, including progress made on:
- HS1 energy being net-zero carbon by 2030/31 through measures such as heat pump installations, renewable electricity procurement, regenerative braking systems and modifications to electrical feeder stations
 - The development of a Climate Change and Adaptation strategy and implementation by 2024/25
 - HS1 wider emissions to be net-zero (GHG protocol) by conducting a carbon lifecycle assessment in the identification of the largest emissions sources

Supply chains

- HS1 promotes positive social outcomes by ensuring that supply chain considerations are firmly embedded within HS1’s management systems and culture by:
- The use of Office of Rail and Road’s Risk Management Maturity Model (RM3) to assess HS1’s maturity in managing health and safety risk and audits of its key suppliers
 - Identification of lower carbon materials such as low emissions steel and concrete
 - Working with supply chain partners to track progress against HS1’s 2030 net-zero target

Environment and biodiversity

- To protect and enhance the environment, HS1 is progressing the delivery of a 20% biodiversity net target by 2030 through:
- Identifying key habitat areas and key indicator fauna and re-baselining Biodiversity Net Gain metric using best practice techniques
 - Producing a Biodiversity Management Handbook (entailing site specific and general systems)

Sustainability-related governance

- HS1 has integrated good sustainability-related governance practices across the business by:
- Improving the frequency of climate reporting to the Senior Management Team
 - Enhancing the level of oversight through the Audit & Financial Committee and Board
 - Incorporating sustainability into procurement and supplier due diligence





Opportunities in the green transition

As consumer demand shifts towards decarbonised forms of transport, the transition to net zero is expected to drive opportunities across a range of sub-sectors:

Sub-sector	AUM	Sector opportunities
Motorways and roads	£591m	- Improvements in energy efficiency - Building out electric vehicle charging networks - Solar panel installation e.g. on sound barriers - Low carbon material utilisation
Rolling stock	£636m	- Enhancements in operational efficiency - Retrofitting fleets from diesel to electric hybrids
Rail infrastructure	£419m	- Consumer shift towards public transport - Solar panel installations and self-generation - Energy efficiency measures - Waste reduction and enhanced recycling measures

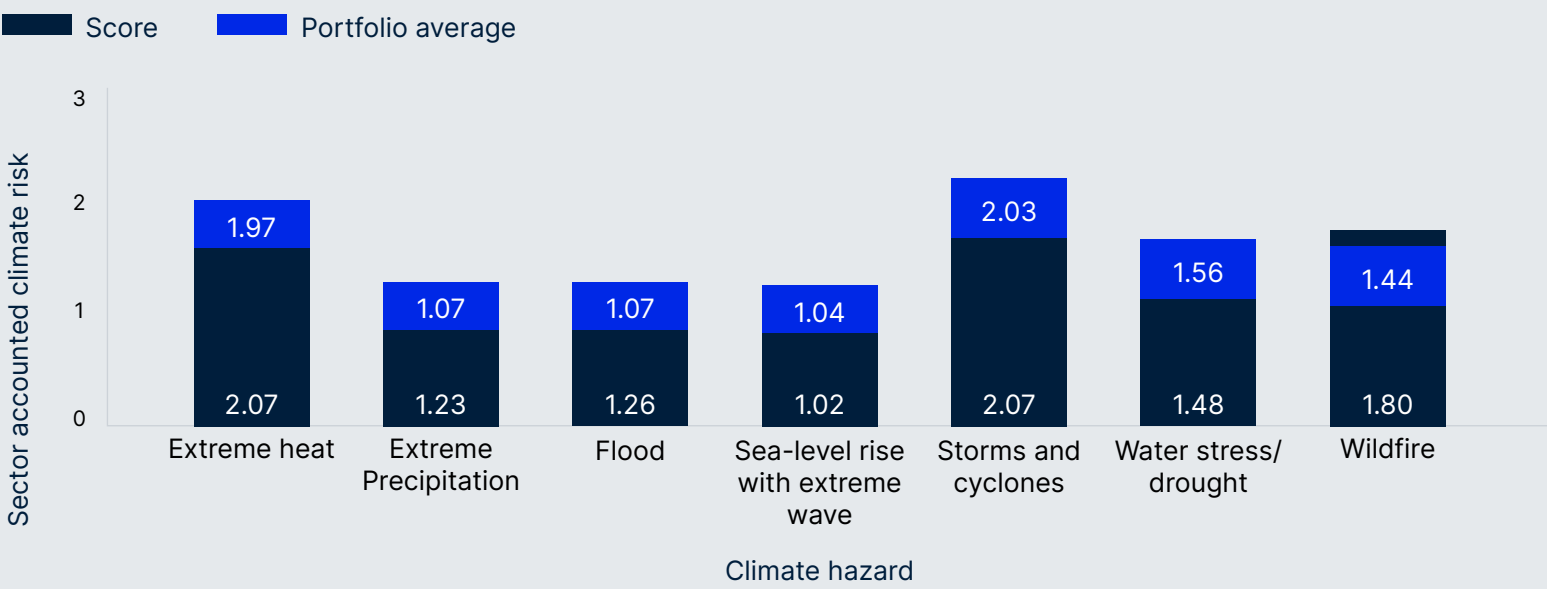


Physical climate risk and resilience

Equitix conducted a portfolio-wide physical climate risk and resilience assessment. A higher-level overview of the results for the transportation sector have been extracted from Equitix’s internal climate risk tool:

For more information, please see [Equitix’s annual climate report](#).

Sector accounted climate risk score benchmark



Sub-sector	Highest hazard(s)
Motorways & roads	Extreme heat
Rail infrastructure	Extreme heat
Rolling stock	Storms and cyclones

Overall sector
accounted climate
risk score



Environmental services

Metric	Value
AUM in sector	£1.6 bn
Number of assets	23
Number of countries	5
High-level climate risk assessment implemented/planned	100% sector AUM
In-depth climate resilience assessment	58% sector AUM



SDG 12: Responsible Consumption and Production: Ensure sustainable consumption and production patterns

The environmental services sector provides essential waste management services by diverting waste from landfill leading to avoided methane emissions whilst extracting energy and heat. Across our energy from waste (EfW), clinical waste and anaerobic digestion facilities, our environmental services assets continue to demonstrate positive environmental and social outcomes in alignment with SDG 12.

As a responsible investor Equitix has:

- Focused on knowledge sharing, working with an underlying asset to influence their TCFD framework and sustainability-related reporting
- Considered transition impacts, such as carbon pricing, on the sector
- Developed understanding of climate resilience through distribution of management surveys identifying climate mitigation measures on a selection of prioritised asset sites

Case study: Viridor

Viridor Energy (Viridor) operates a network of advanced energy recovery facilities throughout the UK. These facilities process over 3.5 million tonnes of non-recyclable household, commercial, and industrial waste annually. In doing so, they generate enough surplus electricity to power approximately 750,000 UK homes, significantly reducing the reliance on fossil fuel-based electricity generation.



Climate

Viridor acts in line with the Viridor Group’s decarbonisation strategy designed to help the business achieve net-zero by 2040 and net-negative emissions by 2045. The 5 key commitments underpinning this strategy are:

- Reduce direct emissions from all core operations by maximising process efficiencies
- Maximise waste recycling, including polymer extraction and recycling
- Capture and store carbon emissions from strategic sites
- Generate negative emissions by expanding carbon capture to the national network of sites and exploration of CO2 utilisation opportunities
- Supply more homes and businesses with clean heat



Supply chains

Viridor ensures supply chain collaboration through targeted best practice and culture sharing for its goods and services. The Viridor Group is implementing:

- Supplier Requirements for Supply Chain Partners including compliance with Viridor policies including its Health, Safety and Wellbeing policy, Modern Slavery statement plus alignment with its circular economy ambitions
- An annual statement setting out the steps taken to prevent modern slavery in the business and supply chains under section 54 of the Modern Slavery Act 2015
- Expansion of supply chain opportunities by developing new plastics sorting and reprocessing facilities to deliver green skilled jobs



Environment and biodiversity

Viridor has several strategies to reduce its environmental impact, prioritising circular economy initiatives and minimising plastic export. The Viridor Group has identified 5 ways to address issues to facilitate a plastic circular economy:

- End plastic waste export by reprocessing all four major forms of plastics
- Drive an infrastructure market for recycling and work with industry and government in recycling PET, HDPE, LDPE and PP by 2025
- Expand operations to hard-to-recycle materials
- Extract plastics from general waste streams and drive novel reprocessing techniques
- Use CO₂ captured from EfW plants to decrease dependency on fossil-fuel derived plastic



Sustainability-related governance

Viridor Energy and the Viridor Group ensure good sustainability related governance and oversight by:

- Viridor Energy Investment Limited participation in the Global Real Estate Sustainability Benchmark (GRESB)
- Planned disclosure against the 11 recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)
- Quarterly ESG Board committee with non-executive directors in attendance
- Effective Management systems in place including ISO 9001:2015, ISO 14001:2015, ISO45001:2018, ISO50001:2018





Opportunities in the green transition

Across the environmental services sector, we have observed opportunities, predominantly in EfW projects, in carbon capture and storage (CCS) and utilisation of waste heat:

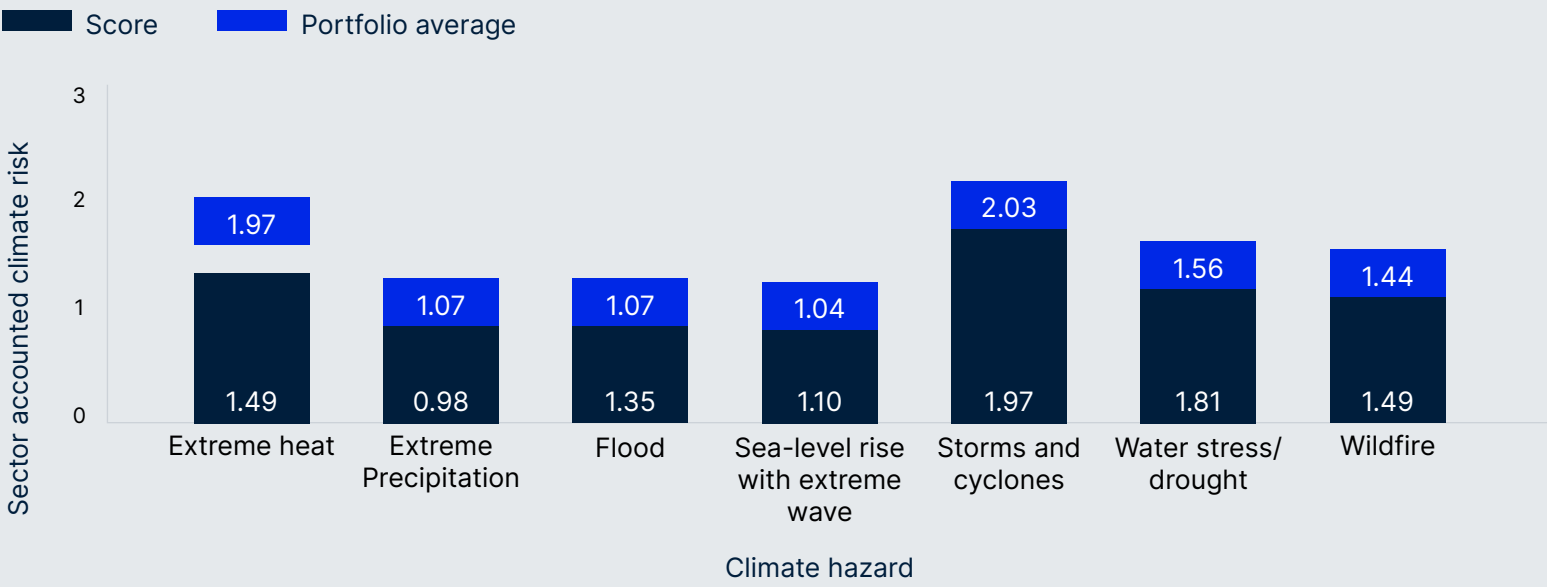
Sub-sector	AUM	Sector opportunities
Energy from waste	£1.2 bn	- Improvements in energy and operational efficiency - Polymer extraction and recycling - Installation of CCS technology - Supply of clean heat to residential and commercial buildings



Physical climate risk and resilience

Equitix conducted a portfolio-wide physical climate risk and resilience assessment. A higher-level overview of the results for the environmental services sector have been extracted from Equitix’s internal climate risk tool:

Sector accounted climate risk score benchmark



Sub-sector	Highest hazard(s)
Anaerobic digestion	Storms and cyclones
Energy from waste	Water stress/ drought
Waste to power generation (Biomass waste wood)	Storms and cyclones
Water treatment works	Storms and cyclones

Overall sector
accounted climate
risk score



Renewable power

Metric	Value
AUM in sector	£2.7 bn
Number of assets	53
Number of countries	12
High-level climate risk assessment implemented/planned	100% sector AUM
In-depth climate resilience assessment	78% sector AUM



SDG 7: Affordable and Clean energy: Ensure access to affordable, reliable, sustainable and modern energy for all

Equitix’s renewable infrastructure delivered low-carbon electricity across 16 jurisdictions, generating 17,833 GWh from June 2023 to June 2024—enough to power approximately 6.6 million homes⁶. These investments align with UN Sustainable Development Goal 7, which aims to ensure access to affordable, reliable, sustainable, and modern energy for all.

As a responsible investor, Equitix has:

- Collaborated on initiatives to develop ESG policies, GHG ambitions and reporting requirements for underlying renewables assets
- Integrated supply chain sustainability standards into due diligence on assets in the solar PV sector
- Commissioned research and development into climate-adjusted financial model inputs for the wind sector with grant funding provided by the UK Space Agency
- Conducted a climate resilience analysis which led to further enquiries undertaken by a project operations and maintenance (O&M) team into extreme heat resilience
- Hosted an internal workshop on climate risk and resilience to sector team members

6. Based on typical medium annual electricity use and actual generation figures from Equitix’s renewable assets from Jun-23 - Jun-24. All metric are nominal - relative equity share is not considered i.e. values are totals, not pro rata for Equitix ownership %

Case study: Hornsea One

Hornsea One was the world’s first offshore wind farm to exceed 1GW in capacity, generating enough renewable energy to power the equivalent of over 1 million UK homes whilst supporting a workforce of over 370 people.



Climate

In alignment with Ørsted, as the first energy provider to have an SBTi aligned net-zero target, Hornsea One is actively planning and implementing GHG reduction programmes by:

- Finding means to reduce emissions from operational activities, including marine transportation
- Ensuring that 100 % of its power consumption purchased from the grid is accompanied with green certificates, i.e. the market-based scope 2 emissions are zero
- Ørsted as O&M provider, engages with the supply chain to reduce scope 3 emissions
- External verification and assessment of emissions sources
- Supporting the Heavy Lift Cargo Drone (HLCD) trial, an initiative that will reduce GHG emissions by decreasing boat journeys and offline time for turbines



Supply chains

Hornsea One directly supports UK-based supply chains by:

- Placing major contracts with UK suppliers worth over £4.5 billion to date and £8.6 billion invested over the next decade
- Investments of over £45 million in the Humber region specifically for local community, education and skills development initiatives
- Accounting for supply chain emissions from manufacturing and installation
- Focusing on forced labour and supply chain traceability in due diligence approach including using country risk as a screening and assessment parameter



Environment and biodiversity

Hornsea One is committed to monitoring habitat impacts as part of its planning consents but also managing wider value chain impacts by:

- Taking appropriate avoidance, reduction and mitigation action to manage potential disturbances to habitats and displacement or loss of species in Hornsea One’s operations
- Monitoring and surveys (e.g. birds, seabed) to ensure environment is restored post construction and/or impacts are in line with those estimated and accepted as part of the development consents
- Implementation of ecological surveys including ornithological, LIDAR and digital aerial surveys



Sustainability-related governance

Hornsea One reports across a variety of global standards and frameworks and has policies and procedures in place for effective oversight of its activities including:

- Protection of whistleblowers through anti-retaliation policies and procedures
- Ensuring supplier compliance with code of conduct
- Effective Management systems in place including ISO 450001 and policies including but not limited to Modern Slavery Act Statements, Human Rights Policy, Just Transition Policy, Biodiversity and Stakeholder Engagement policies
- Participation in GRESB reporting framework





Opportunities in the green transition

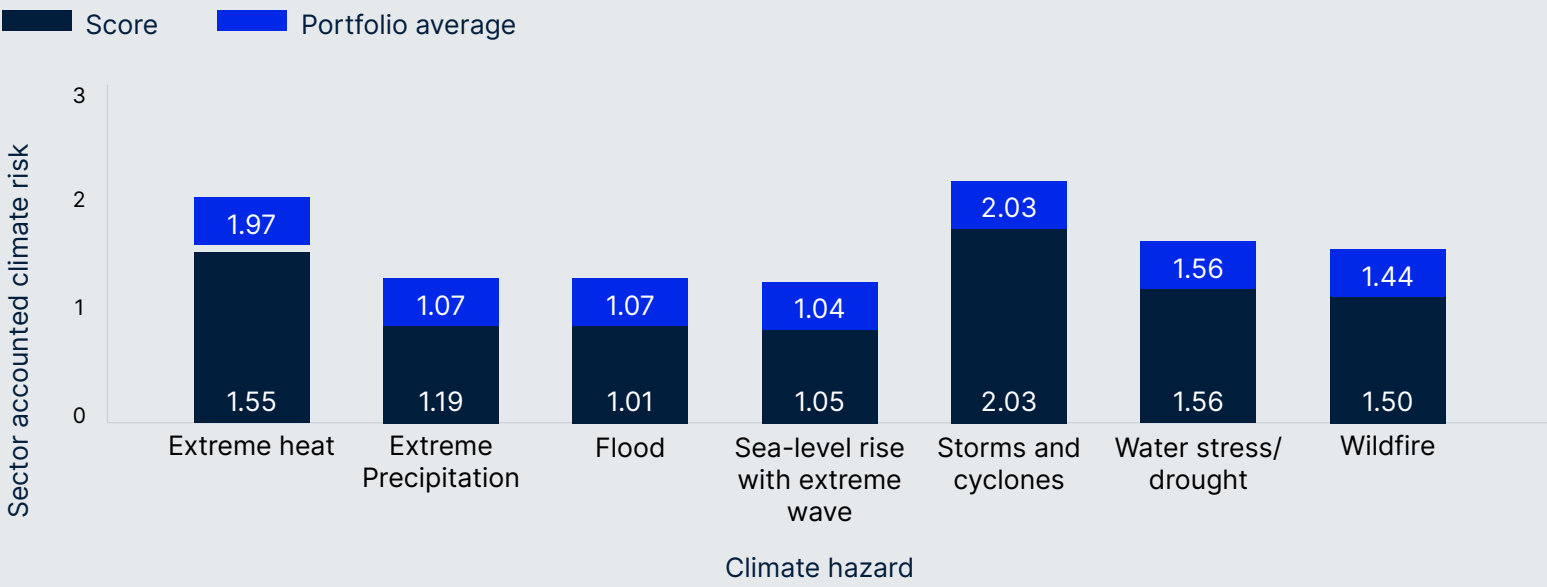
Across Equitix’s portfolio, the largest transition opportunities have been identified in its renewable energy projects. Under the IEA’s Orderly Transition scenario, renewables will account for 75% of new power generation by 2050, with wind and solar PV being the dominant contributors, driven by policy landscape and technological developments:

Sub-sector	AUM	Sector opportunities
Offshore wind	£1.3 bn	• Policy incentivisation for offshore wind developments • Technical potential to generate 18-times current global electricity demand (IEA, 2019b). • In the IEA’s Orderly Transition scenario, offshore wind becomes the single largest source of electricity, providing over a quarter of electricity supply by 2050.
Onshore wind	£531m	• Policy incentivisation for onshore wind developments • Under an Orderly Transition scenario, annual capacity additions of wind power will amount to 160 GW in 2025 and 280 GW in 2030
Solar PV	£386m	• Policy incentivisation for solar PV developments • Increasing investment and falling unit construction costs
Offshore transmission	£213m	• Policy incentivisation for offshore transmission developments • Enhanced offshore wind capacity could drive OFTO developments • Optimisation and efficiency opportunities

Physical climate risk and resilience

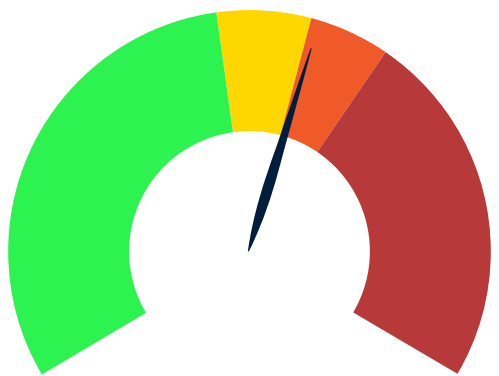
Equitix conducted a portfolio-wide physical climate risk and resilience assessment. A higher-level overview of the results for the renewable power sector have been extracted from Equitix’s internal climate risk tool:

Sector accounted climate risk score benchmark



Sub-sector	Highest hazard(s)
Electricity distribution	Storms and cyclones
Geothermal power	Extreme heat
Hydro dam	Storms and cyclones
Hydro run of river	Storms and cyclones
Offshore wind	Storms and cyclones
Onshore wind	Storms and cyclones
Solar PV	Storms and cyclones

Overall sector
accounted climate
risk score



Social infrastructure

Metric	Value
AUM in sector	£2.2 bn
Number of assets	187
Number of countries	7
High-level climate risk assessment implemented/planned	100% sector AUM
In-depth climate resilience assessment	28% sector AUM



SDG 3: Good Health and Well-being: Ensure healthy lives and promote well-being for all at all ages



SDG 11: Sustainable Cities and Communities: Make cities and human settlements inclusive, safe, resilient and sustainable



SDG 4: Quality Education: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



SDG 16: Peace, Justice and Strong Institutions: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Social infrastructure forms the backbone of society by providing essential services across sectors such as healthcare, education, and government. Our social infrastructure assets make contributions to several sustainable development goals including SDG3, SDG11, SDG4, SDG16.

As a responsible investor, Equitix has:

- Integrated sustainability due diligence and post-investment action plans into the greenfield student accommodation sector
- Explored decarbonisation opportunities across social infrastructure assets, which deliver emissions reductions and operational cost savings
- Undertaken a high-level climate transition risk and opportunity analysis across hospitals, schools, student accommodation, government buildings and defence

Case study: Residencia Universitaria Bellvitge S.L. (Project Higia)

Project Higia is a concession agreement with the Universitat de Barcelona and CyO Group for the design, build, financing and operations of a purpose-built student accommodation project. The project will look to incorporate a comprehensive sustainability management plan with a complementary strategy to foster good standards of environmental and social performance.

**Climate**

The project has planned to integrate climate considerations throughout the lifecycle of the project including:

- A post-acquisition agreement to measure and communicate the carbon footprint generated in the construction phase
- Development and implementation of climate change adaptation and mitigation plans
- Consideration of physical climate change risk factors in building design including thermal parameters and extreme weather events
- Pursuit of a ‘Leadership in energy and environmental design’ (LEED) certificate

**Supply chains**

Supply chain management is especially important in the construction phase of the project, with several measures implemented by the project to mitigate supply chain risk including:

- Human rights, workforce management, health and safety and supply chain considerations are reflected in an SPV policy
- The EPC contractor will prioritise local manufacturers and suppliers whilst maximising the use of km0 materials, identified as locally sourced to deliver economic value in surrounding communities

**Environment and biodiversity**

Project Higia plans to integrate material environmental considerations, including waste and water management, through the implementation of policies including:

- Incorporation of measures for pollution prevention and control in environmental plan across construction and operations
- Use of more sustainable resources in its construction practices
- An environmental plan which contains measures to reduce resource consumption, including development of an energy policy to minimise energy consumption and sustainable use and protection of water
- Maintains an ISO-14001 certified environmental management system
- No proximity to biodiversity-sensitive areas

**Sustainability-related governance**

As part of the due diligence process, Equitix ensured the implementation of effective governance in addition to processes in place:

- Post-acquisition agreement to deliver annual monitoring and reporting against key sustainability metrics in line with shareholder requirements
- SGE21 certified, a standard for implementing, auditing and certifying an ethical and socially responsible management system
- Relevant policies and procedures including an anti-corruption policy





Opportunities in the green transition

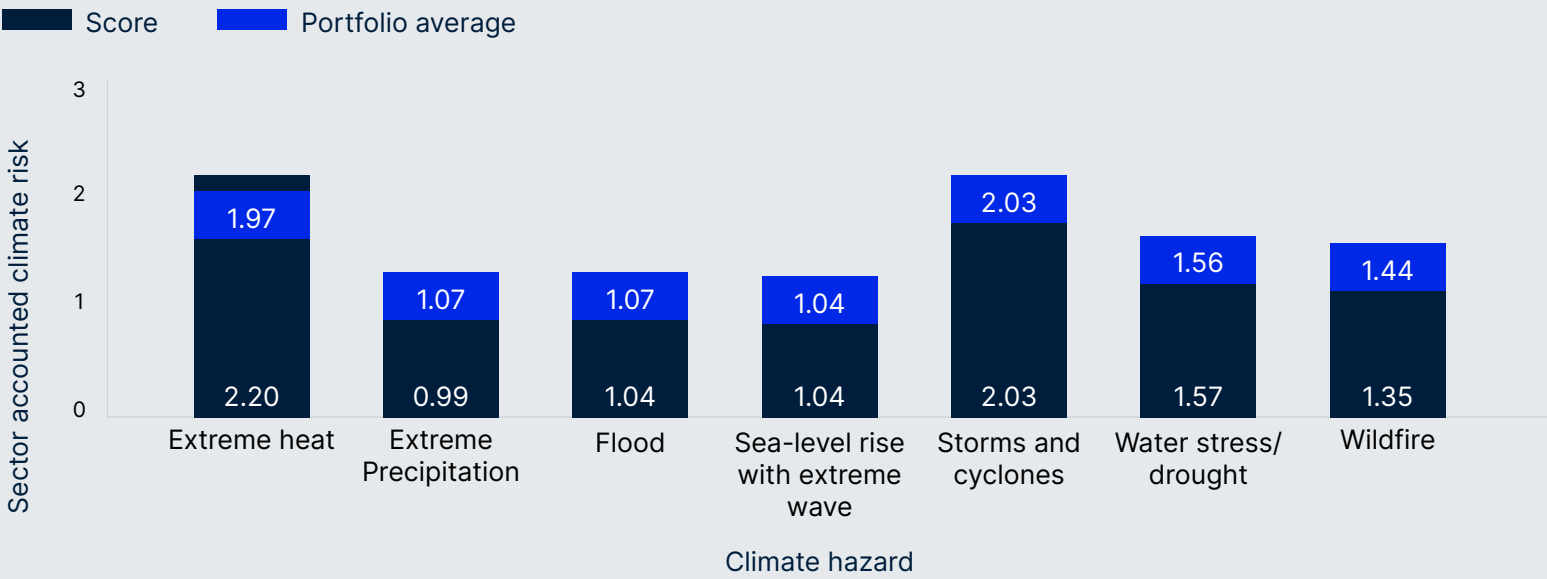
Sub-sector	AUM	Sector opportunities
Hospitals/ healthcare	£632m	- Increased demand for sustainable building stock - Improvements in heat and energy efficiency to reduce operational costs through lower utility bills and avoidance of regulatory penalties
Schools	£293m	
Student accommodation	£238m	
Government buildings	£189m	Incentives linked to sustainable aviation fuel
Defence services	£259m	
Street lighting	£208m	Expansion of electrification infrastructure e.g. incorporation of EV charging points



Physical climate risk and resilience

Equitix conducted a portfolio-wide physical climate risk and resilience assessment. A higher-level overview of the results for the social infrastructure sector have been extracted from Equitix’s internal climate risk tool:

Sector accounted climate risk score benchmark



Sub-sector	Highest hazard(s)
Assisted living/ mental health	Extreme heat
Defence services	Storms and cyclones
Government buildings	Extreme heat
Hospitals/healthcare	Extreme heat
Housing	Storms and cyclones
Ports	Extreme heat
Retail hubs	Extreme heat
Schools	Storms and cyclones
Street lighting	Extreme heat
Student accomodation	Extreme heat

Overall sector
accounted climate
risk score



Network utilities and data

Metric	Value
AUM in sector	<u>£2.1 bn</u>
Number of assets	<u>14</u>
Number of countries	<u>6</u>
High-level climate risk assessment implemented/planned	<u>100%</u> sector AUM
In-depth climate resilience assessment	<u>20%</u> sector AUM

7

7

AFFORDABLE AND CLEAN ENERGY



SDG 7: Affordable and Clean Energy: Ensure access to affordable, reliable, sustainable and modern energy for all

9

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE



SDG 9: Industry, Innovation and Infrastructure: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

The enhancement and expansion of network utilities and data sectors are critical to meet the growing demand for interconnectivity, efficiency and reliability of renewable energy sources and in the transfer of data respectively. As such, Equitix's network utilities and data assets, including electricity distribution networks, smart meters and telecom towers, can be considered as contributing towards the targets of UN SDG 7 and UN SDG 9.

As a responsible investor, Equitix has:

- Influenced the development of sustainability strategies for assets
- Focused on climate risk and resilience through distribution of management surveys
- Presented to an asset's executive team on climate risk and resilience findings
- Identified transition opportunity and risk across electricity distribution networks and smart meters

Case study: Calisen

Calisen is an owner, installer, and manager of essential energy infrastructure. Smart meters are a key enabler in the digital energy landscape as the UK moves towards decarbonisation and a cleaner future. Smart meters help consumers upgrade to smart technology in their homes, use less energy and make informed choices. Calisen's portfolio of meters totals over 15 million and continues to grow.



Climate

Calisen is committed to the delivery of net-zero through:

- 2030 net zero target across all operations with specific focus on targeting an all-electric fleet and supply chain emissions
- Consolidation of 3 office location's emissions and movement into a newly refurbished sustainable office location during 2024
- Facilitating net-zero by the roll-out of smart meters, electric vehicle charging points, heat pumps and other infrastructure across the UK



Supply chains

Calisen commits to stringent and robust internal standards to integrate supply chain considerations into its business activities including:

- The introduction of a procurement policy and vendor onboarding process including supplier due diligence
- Engagement with suppliers to understand carbon footprint, discuss carbon reduction plans and to explore opportunities for collaboration
- Onside audits of manufacturing facilities with expansion intentions
- Awareness of physical climate risk on upstream supply chain disruptions



Environment and biodiversity

Understanding nature-related opportunities and risks, whilst supporting local environmental initiatives is central to Calisen's strategy through:

- Voluntary reporting against the Taskforce on Nature related Financial Disclosures, a global framework used to highlight nature-related dependencies, impacts, risks and opportunities
- Supports biodiversity and environmental educational initiatives e.g. 20 schools supported by Calisen were awarded an Eco-Schools Green Flag Award



Sustainability-related governance

Calisen places emphasis on transparency and accountability using effective processes including:

- A confidential, independent whistleblowing hotline and policies including a Safety, Health, Environment, Quality (SHEQ), and Diversity and Inclusion policies
- Introduction of online training modules on compliance topics, including on anti-bribery and corruption
- Routine site visits to suppliers to ensure high safety, quality and fair employment standards





Opportunities in the green transition

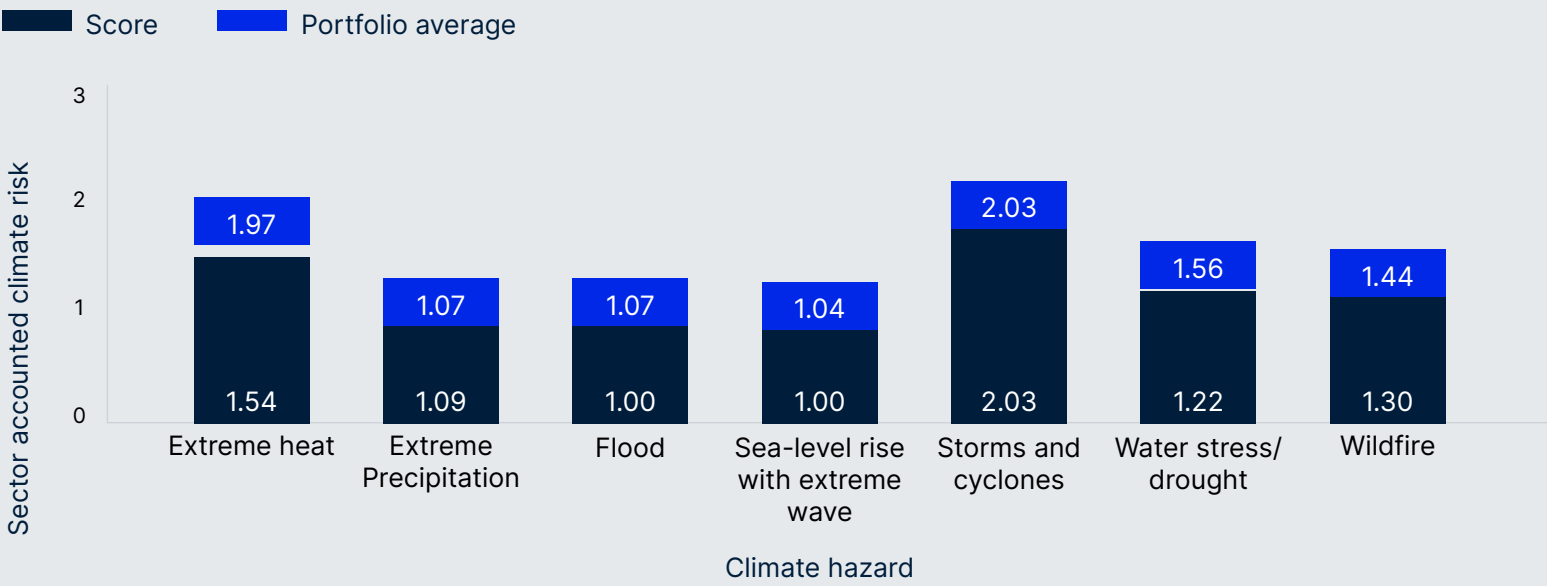
The development and enhancement of network utilities and data infrastructure is expected to play an important role in the transition to net zero by enabling interconnectivity and access to cleaner energy.

Sector	Sub-sector	AUM	Sector opportunities
Data infrastructure	Telecom towers	£142m	- Technology-based opportunities e.g. in AI and cloud-based infrastructure - Microgeneration e.g. installation of solar panels on tower sites - Increased bandwidth and efficiency from 5G networks
Network utilities	Smart meters	£718m	- Government initiatives to decarbonise energy systems whilst supporting digital economies with policy on installation targets and requirements for energy providers - Optimisation of smart meter performance e.g. AI applications
	Electricity distribution	£798m	- Electricity distribution network capacity enhancements to facilitate renewable energy developments - Increased financing for highly efficient, high-performance networks

Physical climate risk and resilience

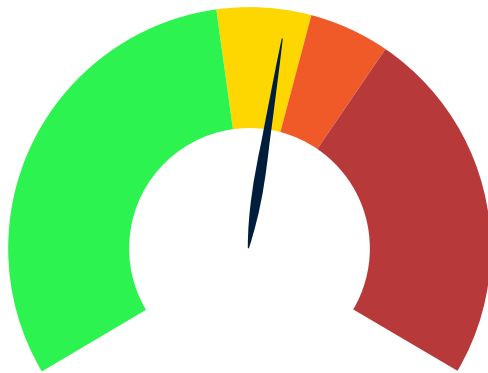
Equitix conducted a portfolio-wide physical climate risk and resilience assessment. A higher-level overview of the results for the network utilities and data sector have been extracted from Equitix’s internal climate risk tool:

Sector accounted climate risk score benchmark



Sub-sector	Highest hazard(s)
Data distribution networks	Storms and cyclones
Electricity distribution	Storms and cyclones
Gas distribution	Storms and cyclones
Smart meters	Storms and cyclones

Overall sector accounted climate risk score



03

Firm-wide practices



Sustainability-related governance

We apply a range of tools, policies and decision-making processes that support implementation of good governance practices suited to the scale, structure and nature of our investment activities.

Good governance practices range from the effective oversight of investment and portfolio management activities, through to the delegation of certain management responsibilities to sub-committees and decision-making forums.

The composition of such forums is designed in such a way as to bring a diversity of views and challenge from different areas of the business, ensuring that well-informed and well-evidenced decisions can be made in line with Equitix’s strategic objectives. This includes the operation of a 4-gate investment process overseen by a pre-investment and investment committee formed of individuals holding skillsets in key functional areas, including investment, asset management, business development, sustainability and finance. Post investment, members of Equitix’s dedicated asset management team continue to exercise oversight of asset performance through board directorships held across every asset, in addition to a review undertaken by the fund oversight committee on each asset at least once per year.

The Equitix Board also delegates oversight of certain responsibilities to sub-committees, including the Audit, Risk and Compliance Committee (ARCC), and various policies are implemented across topics ranging from responsible and sustainable investment to cyber security, compliance, and risk management. Our commitment to good governance practices is aligned to our objectives as a responsible long-term investor, and through an extensive range of governance techniques, we deploy an effective and resilient governance environment.

Management role/Committee	Sustainability-related responsibilities	Reporting lines to the Board	Monitoring sustainability-related issues
Paul Winters, Chief Operating Officer (COO)	Director-level responsibility for ESG and sustainability	Member of the Equitix Group Board	Review of ongoing updates provided by the ESG & Sustainability Manager
Joe Robinson, Manager, ESG & Sustainability	- Develops and implements the ESG and sustainability components of Equitix’s responsible investment framework - Maintains expertise across key regulatory frameworks and aligns Equitix accordingly - Supports asset and sector level engagement on material sustainability topics - Communicates strategy and portfolio performance to investors	- Reports directly to the COO - Member of pre-Fund Investment Committee - Member of ESG committee - Reports periodically to the ARCC	Updates the COO on key business matters related to ESG & Sustainability
The Fund Investment Committee (FIC)	- Scrutinises material ESG considerations and monitors adherence to fund-specific requirements as part of investment appraisal process - Investment Committee ESG sponsor leads on review of ESG and sustainability aspects of the investment paper	A committee of the EIML Board	Reviews information on sustainability-related issues presented within the investment paper and ESG Due Diligence (DD) toolkit
The ESG Committee	- Acts as ESG sponsors who support integration of ESG considerations across Equitix’s investment activities - Remains abreast of key market and regulatory developments, and supports the business to prepare accordingly - Identifies value-add initiatives which promote consideration of sustainability issues internally and externally (i.e. industry initiatives, roundtables, panels) - Identifies ESG-related training opportunities for the Equitix’s staff	Annual written update submitted to the Equitix Board to summarise the Committee’s key activities	- Monitors the implementation of the Equitix’s ESG-related strategy - Reviews Equitix’s climate-related disclosures and reporting

“We’ve implemented a robust governance framework that aligns with our long-term investment philosophy. By delegating specific responsibilities to subcommittees like the ARCC and implementing comprehensive policies, we’ve created a resilient governance system that supports our commitment to responsible, sustainable investing.”



Paul Winters
Chief Operating Officer



Risk management

How we identify sustainability-related risks

Our process to identify sustainability risks is integrated throughout the investment lifecycle, with a strong focus on materiality and relevance to investment performance, as well as outcomes for communities served by underlying infrastructure projects.

We consider a broad range of sustainability risks in assessing potential investment opportunities and throughout the ongoing investment monitoring period, including through the following processes:

Investment universe	A restricted investment universe of core infrastructure sectors which inherently contribute towards positive sustainability outcomes
Negative screening	Confirmation that the project does not violate an exclusions and restrictions list
Positive screening	Targeting project sustainability criteria which supports the ongoing promotion of positive sustainability outcomes aligned with the commercial objectives of the project
Due diligence	Assessment of material sustainability risks and opportunities associated with the project
Monitoring	Ongoing monitoring of sustainability performance through the integration of ESG and climate-related data as part of our approach to ongoing asset management

We consider existing and emerging regulatory requirements applicable to the investments held in the Portfolio as a source of sustainability risk.

Equitix may engage with certain investee companies in respect of disclosure by those companies of data relating to sustainability risks or climate risks. There are several approaches that we take to achieve this, including:



Due diligence

The ESG DD toolkit includes a management questionnaire which requests information from the vendor on a range of topics, including GHG emissions, climate risk, and reporting to the extent this information is available



Monitoring

The annual ESG assessment requests investee project to report against climate related topics, including GHG emissions, physical risk, and transition risk



Portfolio initiatives

Specific projects undertaken at portfolio level in order to assess climate-related risk, and applying scenario analysis

Processes for assessing sustainability-related risks:

We consider that certain sustainability risks can have a material impact on investment performance. Consequently, consideration of sustainability risks is integrated into our investment decision making and ongoing asset management processes.

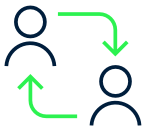
The likely impacts in the event a sustainability risk materialises will vary depending on the specific investments made (for example impact may vary due to geographic location, asset class or protective measures taken).

Examples of where potential impacts may arise include:



Environmental

- Energy consumption
- Energy efficiency
- Water consumption,
- Waste management



Social

- Health and safety
- Community relations



Governance

- Legal and regulatory compliance
- Management competency
- Board oversight
- Effective policies



Climate

- Increasing probability and severity of physical climate change impacts
- Transition-related risks
- Greenhouse gas emissions

Our process to identify and assess sustainability risks takes a variety of forms, including:

- Completion of a pre-investment ESG DD toolkit, which encourages a materiality-based approach to identifying relevant sustainability considerations for the sector of an investment opportunity, as well as highlighting potential sustainability risks
- Third-party ESG and sustainability due diligence, where required, taking into consideration the size and nature of an investment opportunity and stage in the deal lifecycle
- Agreement and implementation of a post-investment ESG and sustainability action plan, where required to mitigate identified risks and / or uplift performance in line with Fund criteria

Sustainability risks continue to be monitored during the investment period through ongoing ESG and climate-related data collection and reporting, as well as targeted engagement with investee projects to share key insights on ESG performance, increase sustainability-related competency in areas such as ESG reporting, and improve understanding of key sustainability-related risks and opportunities.

Integration into the Equitix’s overall risk management framework

Equitix’s processes for identifying, assessing and managing sustainability-related risks are integrated into the Equitix’s overall risk management processes as follows:

- Established and implemented a risk management framework. The framework identifies the risks which relate to our activities, processes and systems, and set the level of risk tolerated;
- Adopted arrangements, processes and mechanisms to manage the risks to which the Equitix is exposed, in light of that risk tolerance;
- Implemented periodic update and review processes, in respect of the accuracy and completeness of risk exposure and risk tolerance; and
- In lieu of a permanent risk management function, Internal Audit has implemented and operates the risk management framework and facilitates the business area operation of the framework reporting to senior management on risk matters.



Corporate sustainability



Planet mark certified since 2021

In 2021-2022, Equitix partnered with Planet Mark to start building an understanding of our operational emissions footprint and opportunities to monitor and manage emissions in line with achieving net zero by 2050.

Considered the ‘best first step to net zero”, Planet Mark is an internationally recognised sustainability certification provider that works to unite the very best of people, technology, and nature to radically reduce carbon emissions, transform communities and ultimately halt the climate crisis.

Following certification as a Planet Mark business in 2021- 2022, we have undertaken a third annual assessment across the Equitix group, which includes Equitix Management Services (EMS).

Primarily based on increased business travel due to COVID-19 pandemic restrictions lifting, Equitix’s carbon footprint increased.

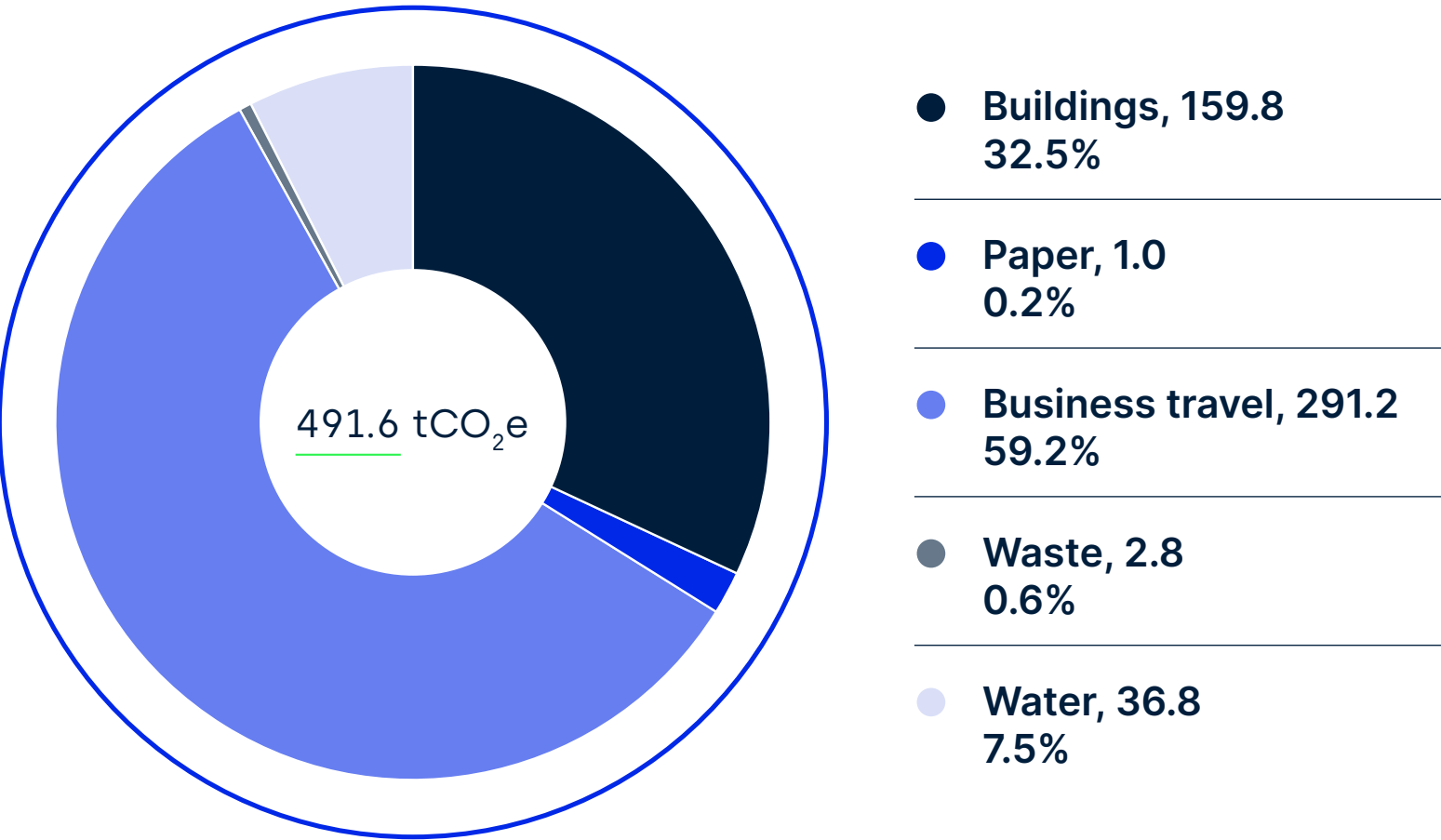
Reporting boundary

Reporting boundary: 11 Operational sites (6 in the UK, 5 International)

Emissions measured: Electricity, T&D Losses, Natural Gas, Water, Business Travel, Waste, Paper, Refrigerants, Homeworking (not included in total footprint)



Carbon footprint by emission source for year ending 2022, tCO₂e



Highlights	
Carbon footprint (tCO ₂ e)	438.9
Per employee (tCO ₂ e)	1.3
Next reduction target	5%
Data quality score	11 out of 20

Net zero asset managers initiative (NZAMI)

In January 2024, we became a signatory to the Net Zero Asset Managers Initiative (NZAMI) and intend to apply the Institutional Investors Group on Climate Change (IIGCC) Net Zero Investment Framework (NZIF) guidance for infrastructure as the basis for measuring and managing portfolio emissions performance in line with the achievement of net zero by 2050 or sooner. Equitix has 12 months from the date of joining the NZAMI to apply this framework and establish portfolio coverage targets against the following criteria:

Criteria	Net Zero	Aligned	Aligning
1. Long-term goal for the asset to be net zero emissions by 2050 or sooner	Asset with emissions intensity required by the sector and regional pathway for 2050 and whose operational model will maintain this performance	X	X
2. Short-and medium-term targets for scope 1, 2 and material scope 3 emissions inline with science based ‘net zero’ pathway. These may be absolute, or intensity based: a. Where available, a sectoral decarbonisation / carbon budget approach should be used b. Minimum for other assets is a global or regional average pathway		X	X
3. Current and forecast emissions performance (scope 1,2 and material scope 3) relative to target or net zero benchmark/pathway, or an asset’s science-based target		X	Either: Compile and disclose OR Criteria 1,2,4 and 6
4. Disclosure of Scope 1 and 2 emissions, and disclosure of material scope 3, in line with regulatory requirements were applicable or the PCAF standard		X	X
5. Development and implementation of a quantified plan setting out a decarbonisation strategy for scope 1, 2 and material scope 3		X	
6. Governance/management responsibility for targets / decarbonisation plan		X	X

Supporting our people

LGBTQIA+

In celebration of Pride, Equitix held its first internal LGBTQIA+ focused speaker event. Equitix invited speakers from Grant Thornton and Ashurst to talk about their experiences in the workplace and share how corporate institutions have navigated their way successfully in matters of diversity and inclusion to ensure that every employee has a voice, equal rights and can feel assured of a place of belonging at work.

The event, attended by over 100 employees, marked an important milestone for the company and was hailed as a significant step forward towards creating an equal, diverse, and inclusive workplace for employees. This improved focus on Pride month reflects an internal recognition of the need to enhance our LGBTQ+ initiatives as a firm with broader D&I initiatives underway for 2025.



International women’s day

Equitix celebrated International Women’s Day 2024 with a host of initiatives for 2024’s theme of “inspiring inclusion”.

“Recognising International Women's Day is important to me as a woman in a leading financial institution in an industry where female leadership representation is still distinctly lacking. In a corporate environment we have a duty to ensure that we continue to find ways in which we can support the investment in and development of talented females in the workplace to ensure equality, diversity and inclusivity.”



Ffion Boshell
Chief Financial Officer

Employees took part in several events throughout the week, and for those in our London office, staff were invited to attend an interactive session with speakers from Equitix and HS1, to hear about their personal experiences and discuss how we can all better inspire inclusion in the workplace.



Social impact

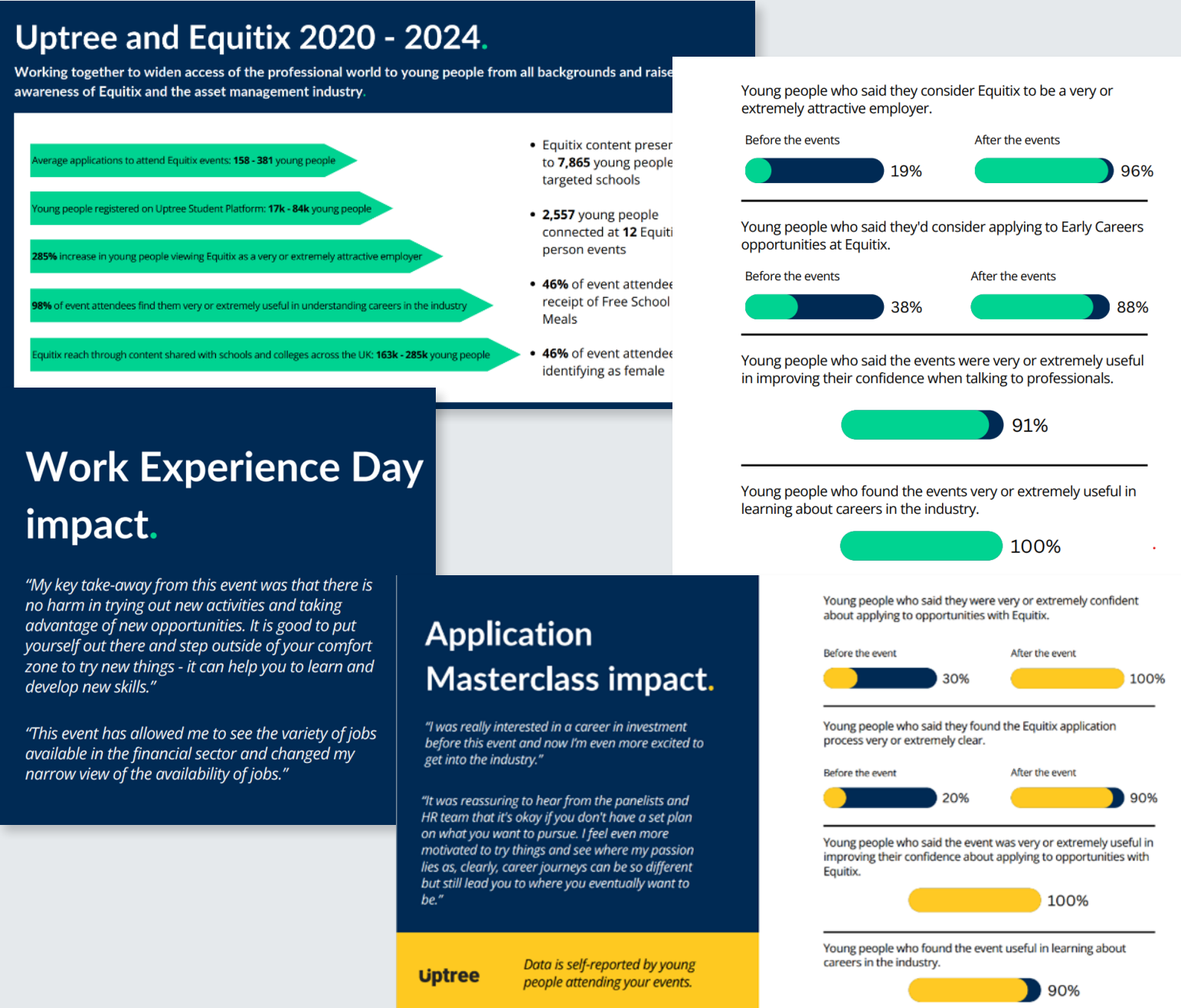
Uptree

Equitix continues to partner with Uptree to engage with young people on their academic and professional development, providing opportunities for work experience and mentoring in support of Uptree's mission to provide young people with access to careers advice and creating industry connections.

From August 2023-March 2024, 59 young people from low socio-economic and minoritised ethnicity backgrounds connected with Equitix at 2 work experience days and 1 application masterclass event.

Equitix gave the opportunity for the students to provide anonymised feedback, the results for which are as follows:

Work experience day impact



Charitable giving

Equitix has introduced a volunteering policy which encourages employees to take an active role in the community by involvement in volunteering projects.

On 20th September, the Equitix team participated in a marathon walk to raise funds for Willow Burn Hospice, Durham. 22 members of the team walked a 26-mile coastal path route in Norfolk from Thornham to Blakeney, seeking support to raise funds as part of the Equitix Foundation’s drive to support small charities impacted by our assets.

Willow Burn provides care and compassion at the end of life, through holistic care, in-patient and family support and bereavement counselling. It’s a small hospice in the community of rural county Durham which relies heavily on charitable contributions to provide over 50% of the costs required to offer essential end of life care.

Charities like these are a lifeline for residents and their families facing terminal illness and are often the very heart of a community.



Charity cricket tournament

Equitix hosted its inaugural charity cricket tournament with 7 other corporate teams in Dulwich, south-east London.

Teams from PwC, Lazard, CMS, Ashurst, Augusta & Co, Schroders Greencoat LLP and Alvarez & Marsal gave their time and energy to put on a show of sportsmanship to raise funds for our chosen charity, Chance to Shine - a sporting charity which inspires school aged children through cricket.

With the teams’ help, Equitix raised over £31,000, part of which will go towards schools which Equitix owns and operates through Chance to Shine, a programme which inspires young people through cricket. The charity supports over 600,000 children annually, helping them to find a sense of belonging through sport, developing their wider wellbeing and life skills to help fulfil their potential.

Equitix foundation

Through our investments in infrastructure assets, we are closely connected to communities around the world. This has influenced our commitment to support charitable organisations working to tackle important issues across these communities. In 2020, we established the Equitix Foundation.

All colleagues are encouraged to engage with the Foundation by presenting ideas for causes which are:

- Important to our people and tell a personal Equitix story
- A smaller charity, rather than a big name, where the Foundation’s donation can make a really big difference

Related to the communities served by our investments, The Foundation is overseen by a committee, which is composed of representatives from across each of the Equitix teams.

The role of the Committee is to select charities which meet the Foundation’s goals and to encourage colleagues to raise charitable ideas for the Foundation to support. Equitix matches charitable donations made by employees, up to 1% of the total Equitix payroll.

Since 2020, the Foundation has raised **over £440,000 for charities** which are important to our staff and communities. The Foundation continued to raise funds for more important causes under the stewardship of committee members throughout 2022-2023

The foundation primarily acquires its funding through an annual charity drinks event, hosted and funded by Equitix and through charitable donations given by employees’ fundraising matched by the firm. Its model permits us to maximise our giving capabilities and allows every employee to take a leading role in how the money should be allocated.

Witnessing first-hand the benefits our donations have on small, local charities is an enormous and fulfilling reward. Our vision is to incrementally grow the Foundation and surpass each previous year’s donations with the aim of substantially supporting the real people our assets impact.

Sponsoring our annual fundraising event allows you to take an active part in supporting our headline charities each year and making a material impact to the lives of many.

2023 selected charities

Norfolk Community Foundation

From humble beginnings in 2022, faced with a cost-of-living crisis on a scale unseen for 40 years, Norfolk communities pulled together to create a network of support. Now hundreds of Norfolk community groups create a warm and welcoming space, engaging with their community to reduce isolation. Over 10,000 people use Community Hot-Spots thanks to the ordinary people in Norfolk who continue to donate their winter fuel payments to the Surviving Winter campaign. Community Hot-Spots is managed and administered by the Norfolk Community Foundation.

Fight 4 Change

A London-based, registered sport for development charity using sport to inspire and educate young people and adults to make a positive change in their lives and give them the opportunities and the tools to do so. Their programmes provide young people with positive activities in a safe environment, whilst the team of trained coaches, youth workers and education professionals provide mentoring and support through workshops, life-skills development and accredited training.

Caring Minds

Provides a comprehensive mental healthcare service for residents of Birmingham and Solihull, and a range of specialist mental health services to communities across the West Midlands and beyond. Caring Minds is a charity associated with this local NHS Trust and directly raises money for the service users, carers and staff of the Trust. Caring Minds helps to provide the extras that normal NHS funding does not provide, such as equipment, specialised furniture, research and events.

2023 Fundraising Total: £120,000

04

Looking ahead





Joe Robinson
Manager, ESG & Sustainability

As this year’s report summarises, we have continued to make positive progress in the integration of relevant sustainability factors throughout the investment lifecycle.

We will be continuing to advance our responsible and sustainable investment programme over the next 12-24 months across a range of workstreams, including:

- We will expand our climate risk and resilience assessments to new investments, improve the coverage and quality of GHG emissions data collection, and conduct both internal and external workshops. We will also continue to gain a comprehensive understanding of portfolio-wide climate risk and resilience whilst monitoring our underlying asset’s net-zero trajectories to safeguard from transition risk. As data availability improves, we have adjusted our focus to quantitative, tangible metrics through:
 - The development of climate-accounted model inputs for the renewable power sector using AI-derived satellite models
 - Deepening our understanding of transition pathways for the environmental services sector, including carbon capture and storage (CCS)
 - Exploring decarbonisation opportunities across social infrastructure assets, which deliver reductions in emissions while supporting positive financial and operational performance.

- We will also apply the Institutional Investors Group on Climate Change (IIGCC) Net Zero Investment Framework (NZIF) guidance for infrastructure as the basis for categorising portfolio net zero alignment.
- We will continue to enhance the coverage and quality of portfolio ESG reporting is a key priority through engagement with assets and co-investors to support positive environmental and social objectives, with specific emphasis on resilience against climate risk and transition plans in line with TCFD and NZAMI requirements respectively.

We are incredibly proud of our long-standing commitment to responsible investment and the implementation of key initiatives throughout the year has furthered our commitment to invest, develop and manage high quality infrastructure assets which create a lasting legacy for generations.

Equitix works on a basis of continuous learning and improvement. We welcome your feedback on this year’s report and our wider responsible and sustainable investment programme.



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