

An aerial photograph of a railway bridge crossing a lush, green forested valley. The bridge has multiple tracks and is supported by concrete pillars. The surrounding area is densely wooded with various shades of green. A large teal circle is overlaid on the center of the image, containing the report title.

# IMPACT REPORT 2018

FOR FINANCIAL YEAR 2017



**M**eridiam was founded in 2005 by Thierry Déau, with the belief that alignment of interests between the public and private sector is possible and can help answer the lasting social needs of the communities. Meridiam is an independent investment firm specialized in the development, financing, and management of long-term and sustainable public infrastructure projects. With offices in Paris, New York, Toronto, Luxemburg, Istanbul, Dakar, Addis Ababa and Vienna, Meridiam is a leading global investor in public infrastructure. Currently managing 6.2 billion euros of assets, the firm has to date more than 60 projects under development, construction, or in operation.

# summary

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# MERIDIAM MILESTONES

**2005**

Meridiam was established in France and the United States of America by Thierry Déau, formerly Chief Executive of Egis Projects (a subsidiary of France's Caisse des Dépôts et Consignations, specialized in developing, financing and managing infrastructure projects), with operational and financial support from AECOM Technology Corp. and the Crédit Agricole Group

**2006**

Meridiam secures its two first projects in Ireland and Austria

**2007**

Involvement of Meridiam in its first social infrastructure project in the UK

**2008**

Final closing of the first Fund

**2009**

Meridiam closes the Port of Miami Tunnel project

Financial close of R1 Motorway project in Slovakia

**2010**

Meridiam becomes a signatory to the United Nations Principles for Responsible Investment (UNPRI)

Launch of two further funds in Europe and North America

**2011**

Closing of the South Europe Atlantic High-Speed rail line in France

**2012**

Closing of Meridiam Europe II Fund and Meridiam North America II Fund

**2013**

Signature of the L2 Marseille bypass contract

Meridiam endowment for academic research to EDHEC-Risk Institute

Meridiam refinances the Long Beach courthouse in California and the R1 Motorway in Slovakia through bond issuance

**2014**

Launch of Meridiam's African Fund

Port of Miami Tunnel opens to public

**2015**

100% of Meridiam SAS owned by the management team

Financial Close of the Port of Calais Project in France

**2016**

Launch and closing of Meridiam Transition Fund

Closing of Meridiam Europe III Fund

Financial close of two projects in the US: LaGuardia and Purple Line

Financial close of Senergy in Senegal

**2017**

Meridiam Transition acquires two biogas assets in Germany

Closing of Meridiam North America III Fund

Meridiam opens offices in Addis Ababa (Ethiopia) and Vienna (Austria)

Commercial opening of SEA and CNM, two major rail French projects

**2018**

Meridiam transition achieves signing of the acquisition of 70% share in Evergaz French biogas assets platform and a co-controlling stake in Evergaz SA

## 7 FUNDS

Meridiam I (MI)  
Meridiam Europe II (MEII)  
Meridiam North America II (MNAII)  
Meridiam Infrastructure Africa Fund (MIAF)  
Meridiam Europe III (MEIII)  
Meridiam Transition  
Meridiam North America III (MNAIII)



220 EMPLOYEES

(including 100 working in project companies)

## 8 OFFICES

Paris, New York, Istanbul, Toronto, Dakar, Luxemburg, Addis Ababa, Vienna



28 NATIONALITIES

## EUR 6.2 BILLION OF ASSETS UNDER MANAGEMENT

## EUR 55 BILLION

OF CONSTRUCTION CAPITAL DEPLOYED

## KEY FIGURES

AS OF MARCH 2018



MORE THAN

## 60 PROJECTS

UNDER DEVELOPMENT, UNDER CONSTRUCTION, OR IN OPERATION AROUND THE WORLD



392 GWh OF BIOGAS ENERGY



191 MW OF LOW CARBON ELECTRICITY INSTALLED IN AFRICA

## 2000 KM ROADS

WITH



12 TUNNELS



284 BRIDGES



460 KM RAILS



HEALTH SERVICES DELIVERED TO 1 MILLION PEOPLE

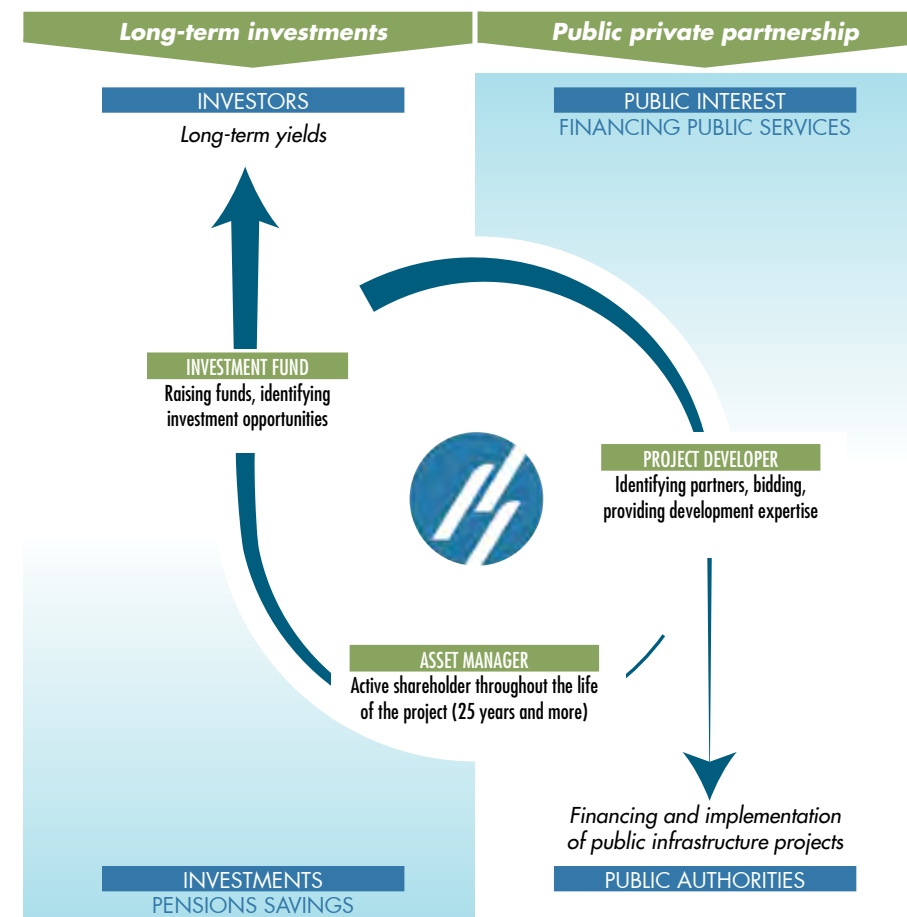
# MERIDIAM'S INVESTMENT PHILOSOPHY

We commit to providing essential and resilient services while enhancing their positive impacts through capacity building, job creation, and economic development. Our impact-oriented approach also helps communities overcome challenges and achieve transition to a low carbon economy. Our model is based on aligning stakeholder interests by making a long-term commitment to each project, from the upstream development of infrastructures right through to the end of the management period. We promote and initiate circular economy through our projects and inherent complimentary actions such as engaging with local communities, supporting local initiatives and raising awareness of policymakers. Meridiam's trademark is to combine technical expertise with active asset management within a multi-disciplinary team able to convey an integrated development-investment-management approach.

## OUR APPROACH IS CENTERED ON 6 VALUES

- **We act for the next generation** and make decisions today that are sustainable and relevant in the long term. We follow this logic of responsible governance when deploying our resources to develop projects. Health and safety issues are just as important as the operational and financial success of our projects.
- **We respect the environment** and strive to limit and contain risks that could have an undesirable impact on our environment. These measures include deploying eco-friendly materials wherever possible, monitoring water and air quality levels, limiting carbon emissions, using biofuels, limiting distances navigated by construction vehicles and noise disturbances during and after construction.

- **We are local** and believe in frequent and constructive dialogue with public and private actors and local citizens.
- **We keep our word** and commit to managing costs and delays in projects, ensuring a viable return on investment for the institutions who have confided their financial resources to us, and actively managing the assets we own to ensure they have a positive long-term impact on the communities which they serve.
- **We go beyond** by being active members and shapers of the global community. Whether through continued engagement with world-class academic institutions, membership of thought-leading associations or supporting organisations which work on entrepreneurship and youth engagement – we always stand ready to contribute our time, energy and resources.
- **We love what we do and we love sharing our experience,** vision and ambition with the rest of the world.



*"Together with our investors and partners, our mission is to deliver sustainable infrastructure that improves the quality of people's lives."*

**THIERRY DÉAU**  
FOUNDING PARTNER,  
CHIEF EXECUTIVE  
OFFICER

# ESG-CENTERED INVESTMENT PROCESS

*“At Meridiam we trust our project teams regarding Environmental, Social and Governance (ESG) concerns. The affirmed importance of these matters at each step of the investment process has strengthened autonomous decision-making on extra-financial topics across the whole organization.”*

**GINETTE BORDUAS**  
ESG COMPLIANCE OFFICER

## INTEGRATED ESG MANAGEMENT PROCESS

At Meridiam, we have developed and implemented an in-house ESG methodology within our investment and asset management procedures to support our impact-oriented investment philosophy. This is embedded in every step of our decision making process which matches the highest international quality standards. Our ESG principles include global standards such as the UN Principles for Responsible Investing, the Equator Principles, Global Compact, ILO Conventions, OECD Recommendations and the Universal Declaration of Human Rights, but also take into account ESG criteria of leading Development Finance Institutions such as the International Finance Corporation, the European Investment Bank, and the European Bank for Reconstruction and Development, as well as those of the Caisse des Dépôts et Consignations, the savings bank of the French government.

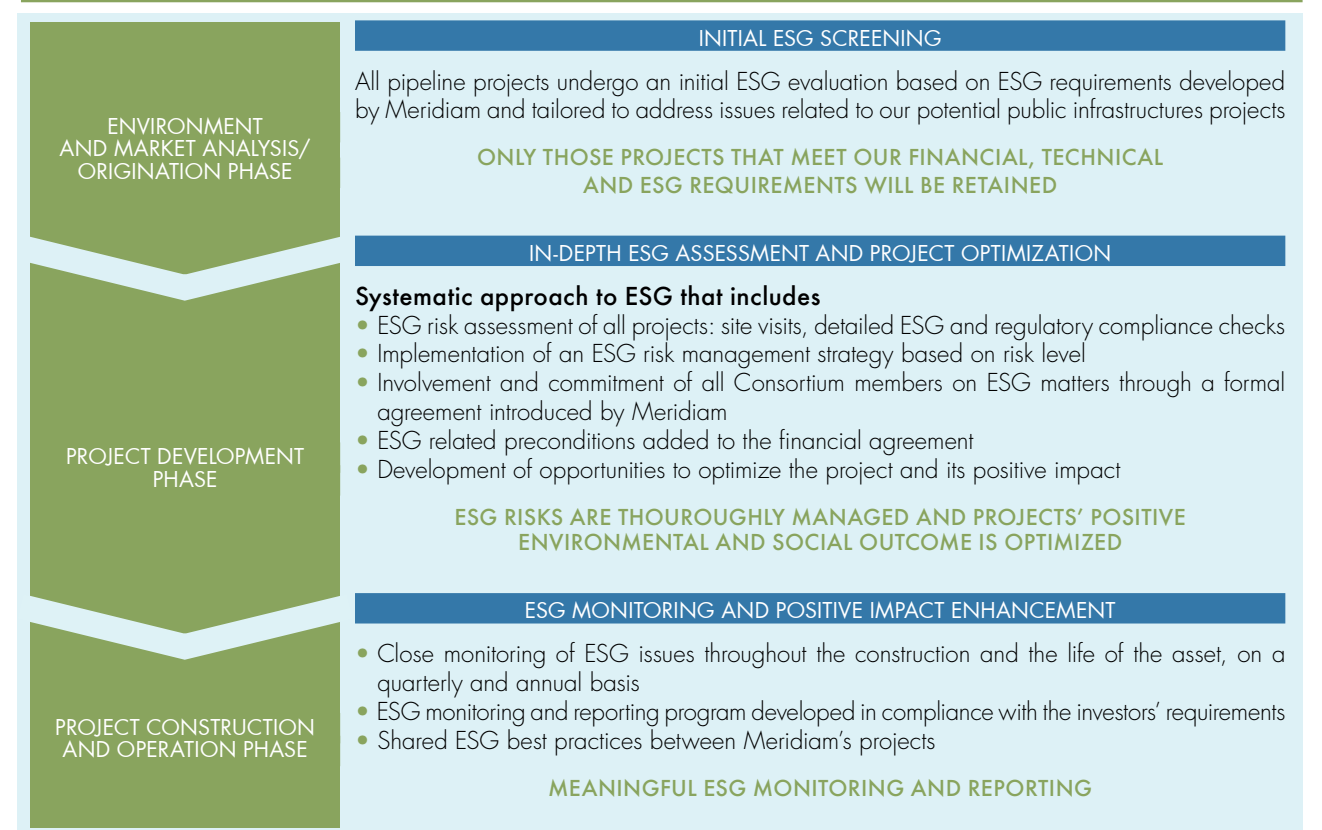
## INVESTMENT PROCESS AND RISK MANAGEMENT SYSTEM

Our risk management system, as is the ESG screening and risk assessment process, are integral parts of our Quality Manual and Book of Procedures. This risk management system has been certified ISO 9001: 2008 in 2012, and this certification has since been renewed every year.

## CARBON FOOTPRINT AND CLIMATE RISKS

Climate-related risks are an integrated part of our ESG risk management covering the projects' vulnerability to climate change as well as their contribution to adaptation and mitigation. Our ESG process also includes an evaluation of the combined energy/carbon market and climate risk. Moreover, a carbon footprint quantitative analysis, based on a methodology developed with Carbone4, is conducted for all assets.

## ESG SCREENING AND RISK ASSESSMENT





# 2017 KEY ACHIEVEMENTS

## PROJECTS

- Commercial opening of two major French rail projects: **the South Europe Atlantic (SEA) High Speed Line Tours-Bordeaux** and **the new Contournement de Nîmes et de Montpellier (CNM)**, an extension of the Mediterranean High Speed Link.
- **Ivato and Nosy bé Airports in Madagascar:** the project will upgrade existing facilities and expand passenger capacity to support the Malagasy government's endeavours to promote tourism in the country. Authorities are targeting over 1 million tourists by 2020 and over 1.5 million tourists by 2030.
- **Cogeneration plant in Mayenne (France) with local farmers:** the project was initiated in 2011 by a group of 110 farmers in the Mayenne region in Western France, to develop and invest in a cogeneration plant with a 3.6MW capacity - the largest of this type in France. The cogeneration unit will benefit from long-term biomass supply (150,000 tons/year) with the local farmers and will produce electricity sold to EDF.
- **I-66 Express lanes:** the project is designed to relieve traffic congestion, improve safety and increase efficiency along 22.5 miles of the I-66 corridor from I-495 to Gainesville, Virginia. Once completed, the new highway will feature two express lanes and three general purpose lanes per direction, several reconstructed interchanges, park and ride facilities with 4,000 new parking spaces, new transit options, and a shared use facility for pedestrians and cyclists.
- Acquisition of a majority stake in Airport International Group, the concessionaire for **the Queen Alia International Airport in Amman, Jordan**

## PEOPLE



Meridiam hired Sandra Lagumina, who was Executive Vice President of ENGIE (Global energy player operating in 70 countries), in charge of gas, infrastructure, China and real estate. She had been previously CEO of GRDF (Gaz Réseau Distribution France) and Group general counsel of GDF SUEZ. Her experience and knowledge of the energy, the infrastructure sector and regulatory issues are a major asset to support growth in the perspective of a very long-term management of assets and projects.

## BENCHMARKING AND CORPORATE RESPONSIBILITY AUDITS

- For the third year in a row, UNPRI has rated Meridiam's ESG approach in 2017 as:
  - > A+ (29/30) for overall approach to ESG
  - > A (27/30) for infrastructure specific issues
- Vigeo Eiris Enterprise has assessed the level of corporate social responsibility maturity of Meridiam, in relation to the ISO 26000 guidelines, and given an advanced level of maturity in 2017, up from a robust level in 2015.

## OUR INVOLVMENT IN THE COMMUNITY

For its second year of existence, Archery, Meridiam's endowment fund, has continued to identify and support rising inclusive leaders.

- Partnership with German Marshall Fund of the United States has been renewed until 2020 with aim of creating an inclusive leadership hub in Paris.
- Pilot phase of Place project, conducted by WowLabs, proved successful with over a dozen refugees and asylum seekers now set to integrate incubators and develop their projects. Archery renewed its support to WowLabs for a new project in 2018, still involving MakeSense, Singa and the city of Paris.
- After a call for projects in the Marseille area, Archery will again be working with Ashoka to support Yes We Camp Director Nicolas Détré and new Ashoka fellow and Coopérative Indigo CEO Stéphane de Freitas.

## FUNDS

Meridiam closed its new Fund, Meridiam North America III in October, with a total of \$1.2 Bn committed from investors. It received a strong support from US pension funds and insurance companies who confirmed their interest in a developing infrastructure asset class in response to the country's critical need and represent two thirds of the commitments to the fund.



# MAP OF INVESTMENTS\*

## EUROPE



## AMERICA



- AIRPORT
- MERIDIAM OFFICES
- ENERGY/ENVIRONMENT
- PORT
- RAIL
- ROADS
- SOCIAL INFRASTRUCTURE

\* Projects under development, under construction, or in operation



# LONG TERM INVESTMENT FUNDS

Meridiam was founded with the belief that investment can serve as a powerful tool for answering social needs and fundamentally increasing the general well-being of communities. This vision, led to launch Meridiam's infrastructure fund, with a 25 year maturity and a focus on greenfield investments. The aim of this fund was to become the partner of choice for public authorities and industrials looking for long-term partnership while providing investors with a sustainable long-term yield and the opportunity to match long term liabilities with long term assets. Therefore, Meridiam's investors are for the most part public development banks and institutional investors responsible for managing pension savings or insurance assets.

## MERIDIAM I FUND

Launched in 2006 with the support of AECOM Technology Corp., a leading U.S. engineering firm, Crédit Agricole Group and EIB, Meridiam I was a pioneering fund with a focus on greenfield Public Private Partnerships ("PPP") in OECD countries, investing in Europe and North America, and was structured with an innovative 25-year life-span, enabling genuine long-term partnership between granting authorities, consortium partners and investors.

SIZE: €547 MILLION  
CLOSING DATE: APRIL 2008

## MERIDIAM II FUND

Meridiam II fund is the euro-denominated successor of Meridiam I fund, and received strong support from existing investors. This fund is focused on Europe, including Central and Eastern Europe where it invests in partnership with the European Bank for Reconstruction and Development (EBRD).

SIZE: €903.6 MILLION  
CLOSING DATE: MARCH 2012

## MERIDIAM NORTH AMERICA II FUND

Meridiam North America II is the US Dollar denominated successor fund to Meridiam I fund dedicated to investments in community infrastructure in the Americas, with the same long term vision.

SIZE: \$873 MILLION  
CLOSING DATE: OCTOBER 2012

## MERIDIAM EUROPE III FUND

Meridiam Europe III is the third generation of Meridiam fund addressing greenfield long-term infrastructure in Europe. The fund size is €1.3 billion. The fund received very strong demand from investors (in particular from existing investors) and was largely oversubscribed following a four months fundraising period.

SIZE: €1.3 BILLION  
CLOSING DATE: APRIL 2016

## MERIDIAM NORTH AMERICA III FUND

Meridiam North America III Fund is the third generation of Meridiam fund addressing greenfield long-term public infrastructure in North America.

The fund size is \$1.2 billion. It received a strong support from US pension funds and insurance companies who confirmed their interest in a developing infrastructure asset class in response to the country's critical need and represent two thirds of the commitments to the fund. The 25-year fund will invest in sustainable and climate resilient assets in accordance with Meridiam's environmental, social and governance ("ESG") policy, with the aim of benefitting local communities.

SIZE: \$1.2 BILLION  
CLOSING DATE: OCTOBER 2017

## MERIDIAM INFRASTRUCTURE AFRICA FUND

Meridiam believes that there is a need for sustainable long term investments in infrastructure in the African continent to accompany and foster growth. Launched in 2015, the fund invests in projects that pay specific attention to local populations' access to affordable, essential services (energy, water, waste and transport).

SIZE : €205 MILLION  
CLOSING DATE: MAY 2015

## RETIREMENT SAVINGS FOR THE BENEFIT OF FUTURE GENERATIONS

Investment in public infrastructure projects, necessary for growth and social well-being, is a responsible retirement savings opportunity. Public infrastructure projects create jobs and benefit for the current generation who provides the funding but also for the future generations who will use the infrastructure projects in turn.

## IMPACT ORIENTED STRATEGIES

## MERIDIAM TRANSITION

Meridiam Transition was launched in November 2015 in partnership with the largest French insurers, in the context of COP21 (Paris Climate Change Summit). The fund offers an innovative response to the challenges of energy transition by contributing to the long term financing of greenfield investment projects. Meridiam Transition mainly targets innovative development projects in the field of energy efficiency, local energy supply, smart grids and innovative renewable energies.

SIZE: €485 MILLION  
CLOSING DATE: JULY 2016



# ESG PERFORMANCE ASSESSMENT OF 2017

## 1. INTEGRATING PROJECTS TO THEIR ENVIRONMENT

### REDUCING ECOLOGICAL FOOTPRINT



**98%**  
HAVE IMPLEMENTED  
WASTE RECYCLING AND  
REDUCTION MEASURES



**ALL PROJECTS**  
ARE SOMEHOW  
MONITORING ENERGY  
CONSUMPTION BUT  
77% OF THOSE HAVE  
REPORTED IMPLEMENTING  
ADDITIONAL ENERGY  
EFFICIENCY AND  
CONSUMPTION  
REDUCTION MEASURES



**83%**  
HAVE IMPLEMENTED  
MEASURES TO REDUCE  
WATER CONSUMPTION



**46%**  
OF PROJECTS HAVE  
INTEGRATED CLIMATE  
CHANGE AND/OR  
CARBON EMISSIONS  
REDUCTION IN THEIR  
BUSINESS STRATEGY



**30 PROJECTS**  
GENERATED IMPACTS ON  
NATURAL COMPONENTS  
OF THE ENVIRONMENT  
ALL OF WHICH HAVE  
IMPLEMENTED MITIGATION  
AND COMPENSATION  
MEASURES TO PROTECT  
WILDLIFE AND NATURAL  
HABITATS



**29 PROJECTS**  
CAUSED TREE REMOVAL AS  
PART OF THEIR SCOPE, AND  
100% OF THEM REPLACED  
THE TREES AT A RATIO  
GENERALLY HIGHER THAN  
1:1. THIS ALSO INCLUDED  
EXTENSION PROTECTION OF  
FORESTED AREAS OUTSIDE  
THE PROJECTS' SITES

Some of the main ESG priorities or action plans of the past year aimed to reduce the impact of projects on their surrounding environments. Measures aiming to tackle air, soil, water and noise pollution or reduce unnecessary over-consumption of resources or energy were implemented during construction or operation phase throughout Meridiam's project portfolio, here are a few recent examples:

- **Port of Owendo Project in Gabon:** in 2017, the project was updated with an ESMP with international standards, and obtained its ISO: 14001 certification and OHSAS 18001, making it one of the best managed ports in Africa
- **A66 Benavente Highway in Spain:** in an effort to reduce air pollution, the SPV has used energy that comes exclusively from renewable sources, obtaining the "green energy" certification as a reward for this measure

- **Felix Bulnes Hospital in Chile:** in order to reduce the energy consumption of the building in the operational stage, solar panels will be used to save conventional energy. The original project was improved to take better advantage of natural energy resources such as daylight and heat, thanks to changes in the orientation of the building and in the architecture project (interior courtyards)
- **Dessau Pessin Project in Germany:** provides a treatment solution for waste by recovering the organic materials from agriculture, industries and communities and producing biogas. The project helps local authorities and semi-public companies achieve their environmental objectives.

### GENERAL ESG ASSESSMENT APPROACH

- Based on Meridiam's existing ESG reporting tool consisting of over 180 qualitative and quantitative indicators
- Data provided by the 48 project companies\*: 20 projects under construction and 28 in operation
- Results calculated in absolute numbers or in percentage of the basic number of evaluated projects
- Overview of significant comparable ESG topics to give a sense of how projects perform
- Comparison of 2017 performance against 2016 evaluations: out of 29 KPIs, improvement on 12, performance maintained on 12, and lower score on 5

\*These do not include projects that have not reached financial close as of December 31, 2017. In total Meridiam is currently developing and managing 62 projects

## 1. INTEGRATING PROJECTS TO THEIR ENVIRONMENT

### PREVENTING POLLUTION



**96%**  
HAVE IMPLEMENTED  
MEASURES TO PREVENT OR  
REDUCE AIR POLLUTION



**100%**  
HAVE IMPLEMENTED  
MEASURES TO PREVENT OR  
REDUCE WATER POLLUTION



**100%**  
HAVE IMPLEMENTED  
MEASURES TO PREVENT OR  
REDUCE SOIL POLLUTION

In 2017, as noted in the previous years, measures to prevent, limit and control pollution have been implemented whether to mitigate the impacts of construction works or as part of each asset's management system.

- Use of low-emission materials in project design
- Careful planning of work phases to limit dust emissions and to reduce commuting distances for the construction vehicles
- Use of bio-fuels and sulphur-free fuel
- Monitoring of air quality and CO<sup>2</sup> emissions
- Installation of on-site water management systems during construction phase with settling ponds and water recycling systems
- Water monitoring
- Implementation of erosion control and storm water pollution prevention plans
- Noise monitoring and construction of noise barriers such as earth embankments and fences
- Goals for the use of recycled material and diversion from disposal

2. UNDERSTANDING SOCIAL PRIORITIES

GETTING INVOLVED IN THE COMMUNITY

Meridiam believes in seamlessly integrating projects in local contexts, respecting socio-economic realities of the territory in which they reside, upholding its culture and honoring its heritage. We ensure that our infrastructure remains at the service of local communities by building tailored and long-lasting solutions through constructive dialogue with public and private actors and local citizens.



**100%**  
OF ALL PROJECTS HAVE A DIRECT IMPACT ON LOCAL EMPLOYMENT AND ECONOMY THROUGH SIGNIFICANT HIRING OF LOCAL WORKERS AND SUBCONTRACTING COMPANIES, DURING CONSTRUCTION AS WELL AS OPERATION PHASE



**77%**  
HAVE UNDERTAKEN FINANCING OR PARTNERSHIP INITIATIVES WITH LOCAL ENVIRONMENTAL SAFEGUARD ORGANIZATIONS, SCHOOLS, EMPLOYMENT SERVICES AND SOCIAL IMPROVEMENT GROUPS



**96%**  
HAVE IMPLEMENTED OPERATIONS WITH LOCAL COMMUNITY ENGAGEMENT



**94%**  
HAVE A GRIEVANCE MECHANISM AVAILABLE FOR THE POPULATION TO MAKE COMPLAINTS CONCERNING NUISANCES CAUSED BY THE PROJECTS THIS MEANS ALL GRIEVANCE ARE SOLVED TIMELY AND EFFICIENTLY



ARCHAEOLOGICAL STUDIES HAD TO BE CONDUCTED FOR **34 PROJECTS.** THERE WERE FINDINGS DURING 13 OF THESE STUDIES, WHICH WERE ALL SUBJECTS OF VARIOUS EXHIBITIONS

- **Long Beach Judicial Courthouse in the United States:** provided support to the local SHADES program, a peer resolution process where at-risk youth are educated on the signs and violence associated with prejudice and are empowered to stop hate and delinquency
- **Marseille's L2 Rocade subterranean motorway in France:** is characterized by visually stunning street art on the walls of the concrete channels and portal structures where the carriageway dives beneath the city into a tunnel. Developed by project company SRL2 in partnership with the cultural association Planète Émergences, this innovative idea sought to invite around 30 local and international artists to exercise their skills and to discourage tagging in a controlled way; supporting

- street art and enhancing the appearance of the project's exposed structures along the way. So far, the L2 murals project has proved a resounding success with local acclaim from road users and virtually no other tags in sights.
- **R1 expressway in Slovakia:** has discovered large burial sites with over 600 hundred graves of gregarious communities in various locations. The graves and findings of community settlements date back to the 11th century. This 8 month-long archeology examination was the largest of its kind in Slovakia in relation to an infrastructure project. The most important objects are on display in the Archeological Institute and Ponitrianske Museum in Nitra.

2. UNDERSTANDING SOCIAL PRIORITIES

RESPECTING THE WORKFORCE



**100%**  
HAVE SAFETY PROGRAMS  
AND PROCEDURES IN  
PLACE



THERE WAS FORMAL  
TRAINING ON HEALTH  
AND SAFETY ISSUES  
AND OTHER WORK RELATED  
TOPICS ON  
**78%**  
OF THE PROJECTS



**FOR 96%**  
OF THE PROJECTS THERE  
IS A FORMAL FRAMEWORK  
FOR DIALOG  
WITH EMPLOYEES  
IN ADDITION TO THE ONES  
REQUIRED BY LAW



THERE WERE WORK RELATED  
GRIEVANCES ON ONLY  
**6 PROJECTS**  
WHICH WERE MOSTLY  
RESOLVED



**100%**  
HAVE SET TRAINING  
POLICIES AND PROGRAMS  
FOR EMPLOYEES



**88%**  
HAVE ESTABLISHED A  
SPECIFIC POLICY OR  
MEASURES FOR INCLUSIVE  
RECRUITMENT AND  
DIVERSITY

Meridium recognizes that the success of a project relies not only on its design and planning but on the workforce responsible for its materialization and operation. Crucial matters such as health and safety during operation and construction periods, equal opportunities in recruitment and the implementation of training programs are all evaluated and expected to be at the highest quality standards. At Meridium, not only do we strive for the safety and well-being of workers and employees of all groups but we also wish to create working environments where communication and progression are rewarded.

- **Ravinala Airports in Madagascar:** a new Human Resources policy aligned with the International Finance Corporation's (IFC) performance standards, comprising

a formal training program, laid out the transition conditions from the previous airport authority to the newly appointed concessionaire one. This allowed staff to participate in the success of the Antananarivo and Nosy Be airports renovation and extension project. This policy was adopted by virtually all the employees.

- **Gipuzkoa Waste Treatment Plant in Spain:** has committed to offer on-site jobs to a minimum amount of employees with a disability during the operational phase of the project. At this point, 38% of jobs related to site security have been allocated to disabled workers. Additionally, the project company will seek agreements with high ESG standard companies for the construction period.

3. MANAGING RESPONSIBLY

TAKING OWNERSHIP OF THE ESG PROCESS



**85%**  
HAVE AN ESG CHARTER/  
POLICY OR AN  
ENVIRONMENTAL AND  
SOCIAL MANAGEMENT  
PLAN IN PLACE



**100%**  
HAVE REPORTED ON ESG  
ISSUES EVERY QUARTER  
AND ANNUALLY



**79%**  
WILL MONITOR THEIR  
PERFORMANCE BASED ON  
PROJECT SPECIFIC KPIS



**96%**  
HAVE SET UP AN  
INTERNAL ORGANIZATION  
OR APPOINTED A  
DESIGNATED PERSON TO  
BE RESPONSIBLE FOR ESG  
ISSUES



**81%**  
OF THE SPVS HAVE  
TRAINING OR  
INFORMATION PACKAGES  
ON ESG TOPICS FOR  
EMPLOYEES



**88%**  
HAVE TAKEN INTO  
ACCOUNT ESG STANDARDS  
IN THE HIRING OF  
SUPPLIERS

In 2017, Meridiam continued to push for a better implementation of ESG priorities in project procedures (ESG charters, environmental and social plans, KPIs and reporting requirements). Not only are special project vehicles (SPVs) encouraged to adopt ESG priorities in their internal processes but these topics can help develop a transparent and reliable relationship with local communities, stakeholders or investment partners.

- **166 High Occupancy Toll lanes in the United States:** after a year of community outreach and public hearings, the project company has taken into account stakeholder's viewpoints regarding the final design of the project. Furthermore, the ESG performance of suppliers is managed by a quality control team to assure compliance with a certain standard.

CONTRIBUTING ACTIVELY AND DUTIFULLY



MERIDIAM IS PRESENT  
ON  
**100%**  
OF ITS PROJECTS' BOARDS



MERIDIAM IS THE LARGEST  
INVESTOR ON  
**78%**  
OF ITS PROJECTS



**100%**  
COMPLY WITH STRICT  
TRANSPARENCY AND  
ACCOUNTABILITY  
REQUIREMENTS

These results mirror Meridiam's vision of what responsible investment should be and how to deliver and operate infrastructure projects with a hands-on approach. Through systematic shareholder engagement, Meridiam ensures not only that the investors' interests are represented but guarantees that ESG issues are taken into account at all phases of the projects.



# PRESENT AND UPCOMING ESG CHALLENGES

**To stay at the forefront of the global ESG movement, Meridiam acknowledges the importance of continuously challenging its approach to achieve impact investment and reach new ESG management goals. In 2017, this was fulfilled through a continued improvement of Meridiam's ESG methodology, constant training and capacity building for project teams, and engagement with research organizations and International impact trendsetters.**

## 2017 INTERNAL ESG ACHIEVEMENTS

In 2017, Meridiam has improved its internal ESG requirements by reinforcing the tools at its disposal to collect meaningful data on its projects: detailed ESG questionnaires and frequent dialogue with the project companies. Moreover, Meridiam has reinforced its ESG team capacity and maintained the training sessions dedicated to the following topics:

- Understanding environmental and social issues related to our projects
- Carbon footprint analysis

- Meridiam and project teams ESG responsibility
- Meaningful impact reporting

## PROMOTING RESPONSIBLE INVESTMENT

In 2017, as part of its chair with École des Ponts Paris Tech, Meridiam has initiated a support project with CIREC, a leading scientific research center, to promote the Intergovernmental Panel on Climate Change activities. It complements Meridiam's Chair at Toulouse School of Economics focusing on long-term investment and climate change.

Meridiam joined 100 Resilient Cities group of partners that have committed to helping cities around the world prepare for, withstand, and adapt to climate change-linked events.

## GOALS FOR 2018

Looking back at our ESG performance from previous years, we decided to keep moving forward in the same direction:

1. Keep participating in international ESG forums and workshops to remain at the forefront of ESG-related discussions and measures, mainly on topics related to

Meridiam's activities such as the environmental and social dimension of infrastructure projects or supply chains management;

2. Continue working with research groups and foster capacity building on climate change issues, in particular mitigation and adaptation measures;
3. Integrate the UN Sustainable Development Goals (SDG) in our investment strategy. This new dimension to our project development could help us improve our core business: how can each project generate positive impacts on multiple levels.

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[www.meridiam.com](http://www.meridiam.com) - [meridiam@meridiam.com](mailto:meridiam@meridiam.com)

PARIS

4, place de l'Opéra  
75002 Paris,  
France  
T: +33 1 53 34 96 96  
F: +33 1 53 34 96 99

NEW YORK

605 Third Avenue,  
36th Floor  
New York, NY 10158, USA  
T: +1 212 798 8686  
F: +1 212 798 8690

TORONTO

100 King Street West, Suite 2500, Toronto,  
Ontario, Canada M5X 1C8  
T: +1 647 345 8852 x 201  
F: +1 647 926 1353

LUXEMBOURG

5 Allée Scheffer  
L-2520 Luxembourg  
Luxembourg  
T: +352 47 67 46 00  
F: +352 47 67 41 41

ISTANBUL

Buyukdere Caddesi Levent 199  
Binasi No199 Kat32  
Kapi Numarasi 113  
34394 Sisli, Istanbul, Turkey  
T: +90 212 939 5840  
F: +90 212 319 7600

DAKAR

Immeuble la Rotonde  
rue Amadou Assane Ndaye x rue St-Michel,  
2<sup>ème</sup> étage  
B.P. 4887, Dakar, Senegal  
T: +221 33 829 64 98

ADDIS ABABA

SIHAM building – 2nd Floor  
Bole Sub City, Woreda 3  
Addis Ababa, Ethiopia

VIENNA

Handelskai 94-96  
1200 Wien  
T: +43 1 205 7730 50  
F: +43 1 205 7730 90

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