

REPORTING ARTICLE 29 LOI **ENERGIE CLIMAT**

JUNE 2025

For Financial Year **2024**



Meridiam
for people and the planet

Structure of sustainability information
in the annual report in accordance
with v of article d. 533-16-1 of the code
monétaire et financier applicable to
organizations with a balance sheet
total of more than 500 million euros
subject to both the provisions of
article 29 of the loi relative à l'énergie
et au climat and the provisions of
article 4 of regulation (EU) 2019/2088
of the european parliament and of the
council of 27 november 2019.

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#inclusion

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INFORMATION PURSUANT TO ARTICLE 29 OF THE ENERGY AND CLIMATE LAW

1. ENTITY'S GENERAL APPROACH TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA

Summary of the approach

Responsible investment is an essential part of the strategic positioning and management of Meridiam funds. Since its creation in 2005 and the launch of its first fund, Meridiam has ensured that its investments achieve the highest environmental, social and governance (ESG) objectives. In 2019, Meridiam positioned itself as one of the first French companies to change its bylaws to become a French Benefit Corporation (Société à Mission) within the meaning of the French law, and in doing so, Meridiam reaffirmed its commitment to balancing profit with achieving positive impact.

Meridiam places ESG considerations at the heart of its activities. As an investor in long-term infrastructure projects, these considerations are essential due to the very nature of the projects. Rigorous risk identification is a fundamental step in the project evaluation process, and Meridiam commits itself only when the ESG and sustainability

factors are in line with its commitments and the general interest of the communities the project is intended to serve.

Following its change of status to a French Benefit Corporation, **Meridiam reinforced its sustainability strategy by defining 5 pillars based on the Sustainable Development Goals (SDGs)** most relevant to its role as a long-term infrastructure asset developer, investor, and manager. These 5 pillars, presented in the table below, set the long-term, measurable key objectives of Meridiam's sustainability strategy. To achieve these 5 objectives, Meridiam is equipped with a variety of tools which includes the monitoring and analytics tool Simpl. ® (Sustainable Impact Measurement Platform). First developed by Meridiam and expert consultants Bluenomy in 2018, the tool is now an independent entity, commercializing the product as a SaaS since 2023. Complementing the ESG/



1. Deliver resilient infrastructure & develop sustainable cities.



Resilient infrastructure and Sustainable Cities



2. Accelerate energy transition



Clean and affordable energy



3. Avoid & reduce emissions



Climate strategy



4. Promote good work conditions, inclusion, diversity & gender equality



Decent work, inclusion, and gender



5. Protect & enhance biodiversity



Biodiversity



SDG efforts are specific climate stress tests and carbon-related methodologies, including a carbon footprint evaluation tool and CIARA (Climate Impact Analytics for Real Assets), all developed by Carbone 4, a specialized French consultant. This approach is part of Meridiam's ISO 9001 investment and portfolio management process. As a reminder, the ISO 9001 certification is an international standard for quality management and provides guarantees in terms of organizational quality within the company.

These ESG and SDG priorities are translated into operational terms by an internally-developed ESG/SDG approach to analyze and monitor all investment opportunities. This strategy **applies to all funds and throughout the lifecycle of all assets.** It is first based on selective project screening ahead of investments via exclusion and restriction lists, followed by the selection of resilient infrastructure

projects that answer the needs of local communities. The approach is based on international standards, such as the UN Principles for Responsible Investment (UNPRI) and the Equator Principles. Meridiam's approach further considers the ESG criteria of major financial development institutions such as the International Finance Corporation (IFC), the World Bank, the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD). By integrating the UN-SDGs to its procedures, Meridiam is reinforcing the rigorous impact evaluation, assessment, and monitoring of its projects. Additionally, it ensures consistency with Meridiam's sustainability strategy and objectives, and it captures the positive contribution of these assets on issues such as health, education, water, sanitation, energy, urbanization, environment, and social justice.

Content, frequency and means used to inform stakeholders

Investors are well informed on Meridiam's ESG/SDG procedures for the conduct of its activities, as well as key ESG issues related to the investments themselves. In addition, Meridiam's ESG and SDG commitments are public and accessible on Meridiam's website. This includes the Sustainability Charter as well as Meridiam's Sustainable Risk Policy which includes its Principle Adverse Impact Policy describing in detail the approach to identify and manage ESG risks and concerns related to every investment

opportunity. Meridiam considers investors' concerns in determining ESG criteria for its investments and asset management process as well as their increasing commitments to contribute materially to international SDGs.

Meridiam ensures a transparent communication relating to the integration of ESG criteria within the conduct of its activities. At predefined frequencies, Meridiam issues several documents wherein investors are informed of all key ESG-related information.

> These reports include the following:

DOCUMENT	FREQUENCY OF TRANSMISSION	MEANS OF TRANSMISSION
SUSTAINABILITY RISK POLICY & PRINCIPAL ADVERSE IMPACT POLICY	Yearly	Website
SUSTAINABILITY CHARTER	When updated	Website
HUMAN RIGHTS POLICY	When updated	Website
CLIMATE POLICY	When updated	Website
IMPACT & MISSION COMMITTEE REPORT	Yearly	Website
TCFD REPORT	Yearly	Website
PRINCIPAL ADVERSE IMPACTS STATEMENT	Yearly	Website
ART.29 LEC REPORT	Yearly	Website
SHAREHOLDER ENGAGEMENT POLICY	Yearly	Website
ENGAGEMENT REPORT	Yearly	Website
REMUNERATION POLICY	When updated	Website
QUARTERLY INVESTORS' REPORT	Quarterly	Investors' Platform
SFDR PERIODIC REPORTS	Yearly	Investors' Platform

Other ESG/SDG monitoring reports are prepared according to the requirements of certain investors and for specific funds, as is the case for the Meridiam Infrastructure Africa Funds where the ESG performance of each project is presented, as well as the ESG performance of the fund.

Entity's adhesion to charters, codes, labels, or initiatives regarding ESG

- Meridiam became a Société à Mission under the French law in 2019. This implies publicly affirming its raison d'être, as well as the social and environmental objectives that it sets itself to pursue within the framework of its activity. These elements must be recorded in the company's articles of association and declared to the registry of the commercial court. Additionally, the implementation of the mission and set objectives are verified by an independent third-party organization (OTI) every two years.
- To further align its ambitions on all continents, Meridiam SAS obtained the B-Corp Certification in 2022. This is a designation that Meridiam is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials.
- Meridiam is also a Net Zero Asset manager signatory, thus committing to carbon neutrality by 2050. In addition, Meridiam is a signatory of the Task Force on Climate-related Financial Disclosures (TCFD) and as such commits to publicly report on its climate-related management practices and data following the TCFD reporting guidelines.
- As a signatory of the internationally recognized Principles for Responsible Investment (UN-PRI) since January 5, 2011, Meridiam publicly demonstrates its commitment to responsible investment by integrating ESG factors into investment decision making and reporting transparently on its practices on a yearly basis. In 2024, Meridiam received the following UN-PRI ratings:
 - Policy Governance and Strategy: 100%
 - Infrastructure: 98%
 - Private equity: 100%
 - Confidence building measures: 90%
- Meridiam's Green Impact Growth Fund ("GIGF") has an environmental impact-oriented approach by investing in innovative Greentech SMEs in growth operating solutions contributing to the ecological and energy transition. GIGF is certified by Greenfin, a label created by the French Ministry of energy transition, that guarantees the green quality of investment funds and is aimed at financial players who act in the service of the common good through transparent and sustainable practices. The fund is also certified "France Relance" label and TIBI label which aims to encourage institutional investors to invest in the most innovative technology companies.
- In 2023, Meridiam officially became an early adopter of the Task Force on Nature-related Financial Disclosure (TNFD). The TNFD developed a set of disclosure recommendations and guidance that encourage and enable business and financial market participants to assess, report and act on their nature-related dependencies, impacts, risks and opportunities. As an early adopter, Meridiam has committed to publish its first TNFD report by 2025 for the financial year 2024.
- Certification by the International Organization for Standardization (ISO): Meridiam's investment process and risk management systems were ISO 9001:2008 certified back in 2012, with renewal every year since. They are now ISO 9001:2015 certified. Every stage of the investment process incorporates ESG considerations as well as the United Nations' Sustainable Development Goals (SDGs)
- Partnership with Carbone 4: Meridiam's investment process includes an early assessment of carbon, energy and climate risk impacts, as well as a carbon footprint analysis, using a bespoke methodology developed with Carbone 4. Meridiam is also a member of the "2-infra challenge" initiative, in partnership with Carbone 4, which aims to address key climate challenges, including alignment with the +2°C trajectory.

Continuous Improvement plan

- *Meridiam ensures that it continuously improves its internal methodology and formalizes strong processes and policies to reflect evolving market practices and its own internal ambitions and initiatives. In 2023 Meridiam published its Human Rights Policy, in 2024 Meridiam published its Climate Policy, in 2025 Meridiam committed to publish its first TNFD report and will work towards building its first Nature-based Policy. Meridiam is also committed to publish a voluntary CSRD report in 2026.*
- *In parallel, Meridiam continues to deploy strong management practices and work closely with its assets in line with its SFDR Article 9 and 8 fund's commitments.*



2. INTERNAL RESOURCES DEPLOYED BY THE ENTITY

Financial, human and technical resources dedicated to integrating ESG criteria into the investment strategy

In 2016, Meridiam formally established a full-time ESG and Sustainability team. Composed of ESG, climate, and sustainability specialists, the team acts as a bridge between Meridiam's sustainability strategy, and the management and investment teams. In 2024, the team was composed of five full-time ESG/SDG specialists. Meridiam, however, holds everyone responsible for the integration of ESG and SDG themes within the investment process, including in its relationships with investors and throughout asset management. Training and support are deployed to enable continuous skill improvement of employees. When necessary, Meridiam partners with technical experts for ESG evaluations as part of due diligence, to evaluate the carbon footprint

of projects, and to measure the positive impact of investment opportunities and assets within the SDG framework.

These initiatives are also reinforced by the participation of the head of the ESG and Sustainable development group in Meridiam's management review committee, investment committee, and mission committee. In 2024 **Meridiam allocated 1.3 M€** towards its ESG and sustainability strategy, this includes the ESG team employees' salary, their social security charges as well as all ESG due diligence, studies, carbon footprints analysis, external support from expert consultants etc., undertaken for that year.

Dedicated 2024 ESG budgets as % of total financial institution budget	%	4.3
Total investments in ESG-related service providers, consultants and R&D	Monetary amount (€)	838,266
Number of external service providers and data suppliers used	Number	6
Total ESG-related FTE cost	Monetary amount (€)	536,755
TOTAL INVESTMENTS RELATED TO ESG IN 2024	Monetary amount (€)	1,375,021

Actions taken to strengthen the entity's internal ESG capacity

Meridiam's approach to environmental and social responsibility, corporate governance, and sustainability consists of engaging all staff, including development and management teams, in proactively evaluating, developing, and integrating ESG and Sustainability, including climate related risks, opportunities, and measures, into our projects and investment opportunities. The participation of all team members in annual official training sessions with Meridiam's ESG and sustainability team is mandatory. Similarly, Meridiam newcomers receive ESG and sustainability training as part of their onboarding process, and complementary training is given to individuals or teams when deemed necessary.

In addition, the ESG and sustainability approach is a core and mandatory aspect of Meridiam investment process, starting with early-stage identification of the ESG and sustainability impact of any new project. Such preliminary ESG analysis and objectives are updated throughout the investment process, including when identifying partners and stakeholders. Each investment process stage has specific and mandatory ESG and sustainability documentation to be reviewed by the Investment Committee. After financial close, the ESG and sustainability approach developed during the investment process is transferred to Meridiam asset management team, called the Hub.

Meridiam asset management team (the Hub) facilitates knowledge sharing and good practices among project companies on various topics including ESG and sustainability-related impacts. The Meridiam Hub develops in-depth knowledge (financial, operational and ESG/SDGs) of the projects to allow proper steering of the portfolio and quality reporting to management and the investors, with a focus on both financial and non-financial value creation. The 'Clubs' reunites experts, including SPVs' representatives, directors and Meridiam asset management people to work on common topics to share experience for the benefit of the entire portfolio. Their direct objectives are to:

- share experience between assets in the same sectors (technical, contractual, HR, ESG...);
- as needed, brainstorm on a specific issue raised by an asset;
- visit assets or club-related suppliers/assets etc...;
- feed the Clubs with Industry news (conferences attendance, national trade associations, etc...);
- leverage one's network for job openings within assets in portfolio;
- identify common issues to be shared with other clubs or at Meridiam AM level.

They are developed in collaboration with and under the supervision of the Hub.

Meridiam's dedicated ESG and Sustainability team ensures that internal ESG and sustainability procedures are implemented during the investment and asset management process. It is common for Meridiam's ESG specialists to follow up with the project companies on the first version of the annual ESG questionnaire. Through these exchanges, the assessment of certain ESG aspects of the project can be improved. The ESG specialists remain available for the project companies to discuss any ESG-related issue, identify solutions, and improve ESG-related practices.

In 2024, Meridiam initiated several internal capacity building initiatives regarding E&S matters. In particular, Meridiam:

- recruited an additional E&S junior specialist focusing on bringing operational capacity mainly for Meridiam ESG corporate support;
- engaged with external experts to test and deploy the TNFD's LEAP (Locate, Evaluate, Assess, Prepare) approach and reporting recommendations at portfolio level;
- engaged with external experts to deploy a decarbonization strategy at portfolio level;
- engaged with external experts to build training content regarding new and upcoming regulations for internal and portfolio level purposes;
- engaged with external experts to reinforce and adapt its monitoring and data collection tool.

Continuous Improvement plan:

Meridiam will continue reinforcing internal capacity regarding ESG-related matters. In particular Meridiam plans on:

- *deploying internal trainings regarding new and upcoming regulations;*
- *developing and deploying tools to support Meridiam's employees in the integration of its new Human Rights Policy within the conduct of their activities;*
- *continue coordinating assets' decarbonization process in partnership with external consultants;*
- *continue partnering with its external service provider Simpli.® to reinforce its monitoring tool and offer an optimized extra-financial management tool to its assets;*
- *reinforce internal capacity regarding nature-related aspects.*



3. INTEGRATION OF ESG CRITERIA AT ENTITY GOVERNANCE LEVEL

ESG integration by governance bodies

» TOP-DOWN PROCESS

- Meridiam's Mission Committee sets the company's sustainability strategy, targets, and objectives.
- Meridiam Executive Committee maps a strategy to achieve Meridiam's sustainability targets and objectives.
- For each investment opportunity, the Investment team assesses and quantifies the potential impacts of ESG-related risk through sensitivity and scenario analysis to determine the materiality of these factors and support the design of appropriate risk mitigation strategies. This information is provided to the Investment Committee for approval and to obtain authorization to pursue the opportunity further. The investment team is required to review the ESG risks and mitigation strategy of the project regularly during the asset development process; it will report to the Investment Committee as often as needed on the progress of the project until the asset is in portfolio.

» BOTTOM-UP PROCESS

- Meridiam's Supervisory Board and Meridiam's Mission Committee review the sustainability metrics and objectives annually; they verify whether the objectives are being met and monitor the gap to achieve those objectives.
- Also on a yearly basis, the Meridiam Executive Committee and Meridiam Mission Committee review sustainability objectives and related metrics and monitor the gap to achieving those objectives. Meridiam Management Review Committee ensures that investments contribute to Meridiam's sustainability policy and align with the 2-degree warming scenarios.
- The Investment Committee and Investment teams implement risk mitigation plans while collecting asset-related data that will feed into the strategy and objectives.
- Once assets are in portfolio, reviews which include ESG-related issues, are conducted on a quarterly basis by the project leaders who report to Management.

ESG integration in the remuneration policy

To ensure a systematic integration of Meridiam's sustainability strategy throughout its activities and promote ownership of its internal procedures and various tools, employees' performance assessments are also linked to quantitative and qualitative criteria related to the concrete application of Meridiam's sustainability policy at relevant levels. These criteria may include the quality of ESG and sustainability analysis, the involvement in developing and implementing ESG and SDG action plans, and the direct contribution of these actions to Meridiam's mission objectives. Since 2021, a malus has been integrated in all new funds if the team does not reach certain KPIs related to SDG targets, including climate-related ones. Meridiam has linked carried interest to SDG performance to further incentivize the team to ensure impact targets are achieved.

ESG integration in the internal rules of the Supervisory Board

Meridiam's Supervisory Board fulfils a monitoring and consultative function of the firm's strategy, general development, and business plans. The Supervisory Board ensures the firm's adherence to ESG considerations that are detailed in Meridiam's Sustainability Strategy and Sustainability Risk Policy. ESG criteria are integrated within the Supervisory Board through internal regulations.



4. ENGAGEMENT STRATEGY

Scope of the Engagement Strategy

100% of assets in its portfolio are covered by Meridiam's Shareholder Engagement Policy.

Summary of the Voting Policy

Meridiam considers the exercise of voting rights as an actual management decision that should be performed in the best interest of its investors in accordance with:

- (1) the French Monetary and Financial Code provisions and the recommendations of the professional association(s) to which Meridiam adheres and,
- (2) the provisions of Meridiam Code of Ethics.

Meridiam exercises its voting rights within the governance framework of shareholders meetings of the project companies.

To the extent possible Meridiam representatives pledge to vote in accordance with the following principle regarding ESG aspects, for each type of

proposed resolution, and in the best interest of the AIFs (Alternative Investment Funds):

- Meridiam representatives will generally vote for all non-financial decisions that reinforce the sustainability of a given project in accordance with the investment strategy of the relevant AIF and will promote ESG initiatives and developments in line with Meridiam's global ESG approach, including any relevant topic as related to its sustainability risk policy;
- Meridiam representatives shall generally abstain or vote against ordinary decisions which are deemed contradictory to the principles endorsed by Meridiam, including but not limited to UN PRI, NZAM and TCFD.

For more information, please refer to Meridiam's Shareholder Engagement Policy.

Assessment of the engagement strategy implementation

As stated in our legally binding Charter on Sustainable Development¹, Meridiam promotes sustainable development towards its stakeholders by:

- Confirming awareness among partners and grantors on ESG and sustainability issues prior to projects procurement process initiation.
- Promoting responsible behavior towards partners in the consortia and ensuring that their commitments are aligned with our Charter.

The formalization of Meridiam's ESG demands towards our partners is a requirement of our procedures for our extra-financial reporting commitments. As such, Meridiam's approach to ESG management and SDG value creation is systematically incorporated within every project management strategy as agreed upon by each project company/consortium. In line with our policy, we establish collaborative agreements with our partners on the ESG measures to be implemented throughout the construction and development phases of our projects as well as the monitoring and sustainable value creation. These agreements are formalized in the shareholder's agreement for each project and include specific performance and reporting requirements for each project company.

Every year, each portfolio company is required to fill in a detailed ESG/SDG questionnaire through Meridiam's reporting platform Simpli.®, for the preparation of the ESG/SDG annual report ("Impact report") that is publicly disclosed in April. Simpli.®, is an efficient monitoring system that compiles the yearly operational data on Portfolio Companies. It enables Meridiam to closely track all of its assets' sustainability performance. Building on the performances of each monitored indicator linked to the corresponding SDGs, the company develops Asset SDG Implementation Plans on a yearly basis for each asset, which comprise areas of improvements as well as relevant and actionable project improvements, which are discussed and agreed upon with the investee.

Additionally, in 2023, Meridiam launched its Meridiam Asset Decarbonization (MAD) initiative under which it is actively engaging to define tailored decarbonization strategies for all assets in portfolio. The deployment of this initiative has been ongoing in 2024.

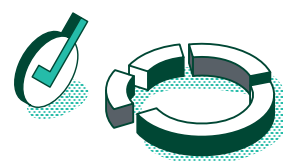
¹. https://meridiam.com/wp-content/uploads/2021/10/SUSTAINABLE-DEVELOPMENT-CHARTER_2020_2.pdf

Assessment on the exercise of voting rights regarding ESG decisions

in 2024, 10% of the 772 votes expressed according to the Shareholders Rights Directive related to Environment, Social or Governance matters.

More precisely, Meridiam expressed:

- 72 votes in relation to Governance
- 4 votes in relation to Social
- 0 votes in relation to Environment (please note that indirect votes covering environmental matters may have been part of generic resolutions such as budget validation).



> At fund level, the voting breakdown for 2024 is the following:

NAME OF THE FUND	NUMBER OF RESOLUTIONS RELATED TO ENVIRONMENT %	NUMBER OF RESOLUTIONS RELATED TO SOCIAL %	NUMBER OF RESOLUTIONS RELATED TO GOVERNANCE %
MERIDIAM INFRASTRUCTURE AFRICA FUND II SLP	0%	0%	41%
MERIDIAM INFRASTRUCTURE AFRICA FUND, FIPS	0%	0%	9%
MERIDIAM SUSTAINABLE WATER AND WASTE FUND S.L.P.	0%	0%	11%
MERIDIAM INFRASTRUCTURE EUROPE III SLP	0%	0%	6%
MERIDIAM SUSTAINABLE INFRASTRUCTURE EUROPE IV SLP	0%	1%	9%
MERIDIAM TRANSITION	0%	2%	11%
MERIDIAM INFRASTRUCTURE SCA, SICAR	0%	0%	42%
MERIDIAM ENHANCED CO-INVESTMENTS FUND SCA SICAV RAIF	0%	0%	36%
MERIDIAM INFRASTRUCTURE EUROPE II SCA SICAR	0%	0%	8%
MERIDIAM INFRA INVEST	0%	0%	0%

The following details are provided in relation to the votes:

- **Votes for GOVERNANCE:** the main subjects related to board members resolutions, committees' changes and approvals, CEO resolutions, articles of association amendments.
- **Votes for SOCIAL:** remuneration of the executive directors in certain SPVs, opening of capital increase to employees.

This percentage notably reflects the fact that ESG issues are addressed early-on in the investment process of an asset and agreed-upon through specific clauses, in accordance with Meridiam's relevant commitments and procedures which are applied to every investment.

Indeed, ESG considerations are fully integrated at the earliest stage of the investment process ensuring that the highest ESG-related performance standards are applied to construction and operation of Meridiam assets (please refer to 2024 Meridiam Impact Report for further details).

Aware of the need to reflect sustainable finance dimension into the governance of its portfolio companies, Meridiam is committed to encouraging the adoption of corresponding resolutions at the agendas of the various governance bodies of its projects.

Investment strategy decision-making

As part of its investment process, Meridiam systematically applies its sectoral exclusion and restriction list to all opportunities: they guide the investment decision-making, the risk assessment, and the corresponding measures. Examples of sectoral disengagement include projects related to the extraction, processing or production of coal, oil and other fossil fuels, projects using coal as the main energy source or dedicated to transporting coal or fossil fuels, etc.

Meridiam's approach to responsible decision-making and ESG management includes the **following major steps:**

- **Identification of infrastructure** projects according to immediate and long-term needs – aligned with Meridiam's investment thesis;
- **A check** against Meridiam's lists of excluded and restricted activities;
- **Global analysis of risks**, whether financial, operational, social or environmental, including the exclusion of investments that do not meet the requirements and performance criteria established in the investment procedures (working standards, ESG laws and regulations, ESG capacity, environmental issues, social issues and energy carbon and climate are the main risk criteria categories evaluated). The level of risk is detailed for each criteria allowing every project to be rated according to its overall risk level. A specific development strategy will then be programmed for each project which will focus on the following work streams:
 - **Development and implementation** of ESG risk management plans;
 - **Creation and management** of portfolio companies set-up specifically to manage projects;
- **Co-ordination of the development** and construction phases of projects, including detailed assessment of ESG issues and identification of mitigation measures. Each project will be developed in compliance with national laws and regulations. When a more stringent legal framework is required, international norms and standards will be used, which for example is the case for MIAF which complies with IFC's Performance Standards;
- **Long-term management** of assets with and on behalf of the public authorities, including implementation and monitoring of ESG measures and management plans.

Additionally, Meridiam investment strategy focuses both on ESG risk management and extra financial value creation through the application of its ESG-SDG procedures detailed in **Meridiam's Sustainability Risk policy**. These also guide investment decision-making and provide a framework for Meridiam to ensure that its investments achieve the highest environmental, social, and governance (ESG) and sustainability objectives.

Continuous Improvement plan

Meridiam is a very hands-on asset manager, as such its engagement is systematic and covers all assets in portfolio on a yearly basis at minima.

Meridiam is working on:

- **Formalizing internal monitoring processes regarding its different engagement efforts at portfolio level: centralize projects' thematic engagement (decarbonization, SDG improvement plans, nature-related initiatives), maturity level and success rates.**
- **Reinforcing its stewardship efforts on the market to ensure a market harmonization on ambitious ESG-related efforts.**

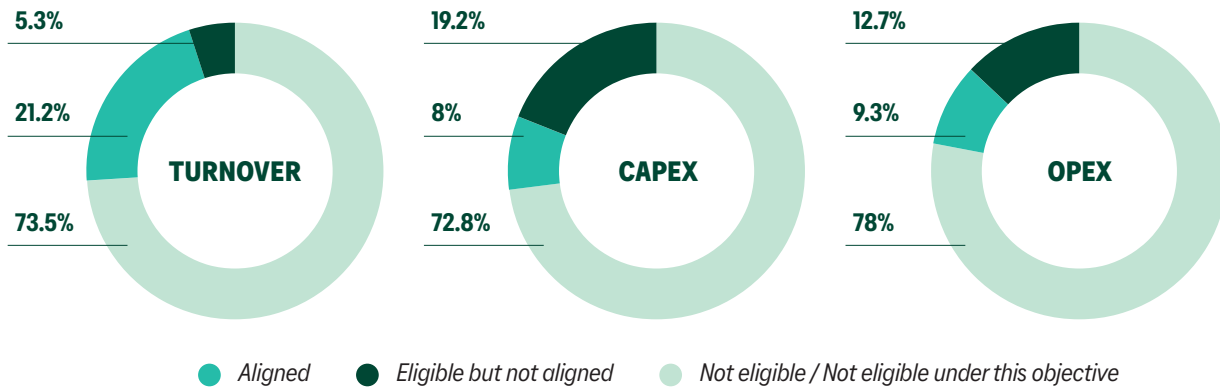


5. EUROPEAN TAXONOMY AND FOSSIL FUELS

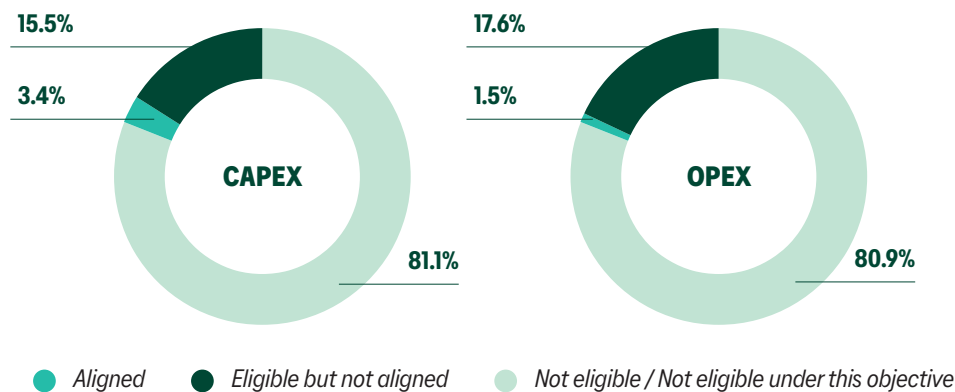
EU Taxonomy alignment

Meridiam's portfolio alignment to the European Taxonomy in 2024 is as follows:

» Climate Mitigation



» Climate Adaptation



EU Taxonomy eligibility to the other environmental objectives

WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	1.1%	0.2%	0%	0%	0%	0%	0%	0%
0%	0%	0%	20%	12.5%	14.6%	0%	0%	0%	0%	0.1%	1.2%
100%	100%	100%	80%	86.4%	85.2%	100%	100%	100%	100%	99.9%	98.8%

● Aligned ● Eligible but not aligned ● Not eligible

For fund's level detail on the alignment to the Taxonomy climate-related objectives and eligibility to the Taxonomy environmental objectives please refer to Annex I.

Investments in fossil gas and/or nuclear energy related activities

Meridiam does not invest in projects or companies active in the fossil fuel industry or in activities related to nuclear energy.

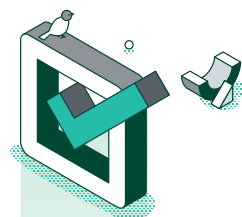


6. ALIGNMENT WITH PARIS AGREEMENTS

A quantitative target for 2030, reviewed every five years until 2050.

Meridiam's carbon strategy is based on the reduction of its investments' carbon footprint and on delivering low-carbon and resilient infrastructures. From this strategy, two specific objectives are derived: to avoid and to reduce Meridiam's portfolio emissions. These objectives further translate into two complementary targets covering 100% of Meridiam Assets Under Management (AUM).

1. Become carbon neutral by 2050 for scope 1, 2 and 3 with an interim target of a 50% reduction of its scope 1 and 2 portfolio's GHG emissions by 2030 in tCO₂e/M US\$ invested as aligned with Meridiam's Net Zero Asset Manager Initiative (NZAM) signatory commitments. The baseline year for setting quantitative targets is being updated from 2019 to 2023 to reflect Meridiam's entire global portfolio and align objectives with the latest data.
2. Align Meridiam's portfolio towards a 2°C climate trajectory, using a rigorous methodology called CIARA developed by Carbone 4 and sponsored by Meridiam, through the 2-infra Challenge initiative.



Those are effectively two different but complementary ways of looking into achieving global neutrality. The first target addresses Article 4 of the Paris Agreement with the aim of achieving a balance between the amount of anthropogenic GHG emissions going in and going out of the atmosphere while the second target aims at stabilizing the concentration of CO₂ in the atmosphere at acceptable levels, as prescribed in Article 2 of the Paris Agreement. As such, the neutrality target is expressed through GHG emissions' volume, and the temperature target is expressed as an Implied Temperature Rise (looking at the total amount of GHG emissions in the atmosphere compared to a predefined carbon budget).

These objectives will be reviewed every 5 years until 2050.



Where the entity uses an internal methodology, details of the methodology used to assess the alignment of the investment strategy with the Paris Agreement or the national low-carbon strategy.

» ASSETS' GHG ASSESSMENTS

The carbon footprint of each asset in portfolio is assessed by an external consultant, Carbone 4, following the principles of the GHG Protocol. Significant emissions are calculated along the entire infrastructure value chain (scopes 1, 2 and 3) and presented according to the project's life cycle phases (construction, operation, use). All emissions are aggregated at project level and evened out through the number of years of Meridiam's concession.

In each of its carbon footprint calculations, Meridiam considers both the direct and indirect emissions which it classifies as:

- **Scope 1 emissions:** *those greenhouse gas emissions directly related to a project's activity such as fuel used to power machines onsite;*
- **Scope 2 emissions:** *indirect greenhouse gas emissions from the generation of electricity purchased for a project's activity, such as generators used in contracted builders' accommodation; and*
- **Scope 3 emissions:** *indirect greenhouse gas emissions that result from the production of materials purchased from other parties and used in the project's activity, such as the steel used to make a rail track or employees' business travel or waste disposal.*

The calculations are based on the assets' physical characteristics (kWh, m², traffic etc.), whereas the emission factors are taken from reference databases, such as ADEME, Ecoinvent, IEA, depending on the asset's geography and characteristics.

For each asset and for the portfolio, the key outputs of the model are:

- The absolute carbon footprint in tons of CO₂-equivalent (tCO₂e) broken down by scope and for each of the project's life cycle phases
- The carbon footprint expressed in tCO₂e/M€ invested
- The carbon intensity expressed in tCO₂e/M€ of turnover
- If relevant, avoided emissions are assessed compared to a baseline situation specific to each project.

Meridiam uses the compiled data at overall Meridiam portfolio level to set its NZAMI targets and to track the progression of its performance towards it. GHG assessments are used as steering guides to define informed decarbonation solutions at assets level. The assessment covers 100% of Meridiam's AUM and is updated on a yearly basis with new assets and for assets with significant operational changes.

» 2-INFRA CHALLENGE INITIATIVE

Meridiam was a key partner in the “2-infra challenge” initiative, in partnership with the French Development Agency, the Banque Postal Asset Management, EIT Climate KIC and Generali Global Infrastructure. The initiative supported Carbone 4 in the development of a unique methodology: CIARA.

CIARA is a rigorous and operational methodology which includes various modules and that addresses key climate-related challenges including assessing the alignment of infrastructure funds with a 2°C climate trajectory, as prescribed in Article 2 of the Paris Agreement. It can score a portfolio's alignment from a 1,5°C compatible pathway to a 6°C compatible pathway. With this methodology, Meridiam is able to assess the **forward-looking carbon performance of its infrastructure** portfolios.

To this effect, the one scenario used is based on the IEA's 2°C scenario (2DS) to 2060 developed within the IEA's Energy Technology Perspectives 2017 and modulated to reduce the IEA's energy efficiency projected ambition and increase that of sobriety (IEA's technological assumptions revised downwards).

The output for the analyzed portfolios is surplus or avoided emissions compared to the reference low-carbon trajectory. That indicator is expressed in tons of CO₂e/year and corresponds to the asset weighted average of the average annual carbon deviations from the trajectory over the cumulated period considered. The emissions avoided or in surplus relative to the trajectory are calculated for each asset and then summed, resulting in the portfolio scoring.

Thus, it provides a projection of a given asset in usage-related carbon intensity and in absolute value

over its holding period for comparison with the 2°C scenario allowing for a deduction of its temperature alignment with that scenario.

The methodology measures the significant scope 1,2&3 induced emissions. Avoided emissions are measured in relation to a 2°C scenario to deduce the temperature alignment (which differs from avoided emissions in relation to a counterfactual reference scenario). No avoided and negative emissions are measured.

CIARA focuses on more than 60 infrastructure asset types, including energy (Solar PV, onshore wind, hydro or geothermal facilities), mobility (roads, railways, metro, train stations, airports, ports), water (distribution, wastewater) and waste management (sorting, incineration, composting, landfill/ storage) infrastructures. 42 countries are covered by the methodology, in the EU and across the Mediterranean Rim region. It also covers parts of North America – USA and Canada as well as the African continent.

The 2°C scenario was initially built with the collaboration of Enerdata and further developed by Carbone 4.

This methodology assesses the GHG annual deviation of each infrastructure asset with a 2-degree scenario and provides a dynamic assessment of each portfolio. It allows Meridiam to identify which assets are at risk or not within a low-carbon trajectory and enables the targeting of mitigation measures when appropriate. The methodology computes the data in terms of ktCO₂e added or avoided per year over 30 years.



» The methodology is characterized by the 7 following features:

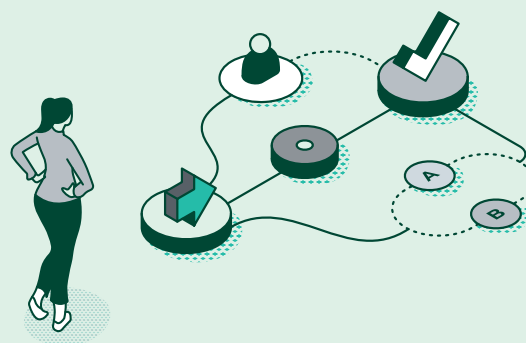
- **1. Bottom-up:** evaluation is done at the asset level and not derived from sector average.
- **2. Business adaptable:** depending on data availability and on the stage of the portfolio (that can be either already complete or in a build-up process), two rating approaches can be used: either providing an order of magnitude, based on easily available financial data, or providing an accurate and comprehensive rating, based on physical data. In the latter option, the 2-infra challenge model is able to capture the assets' production profiles and mitigation actions.
- **3. Forward-looking:** evaluation is carried out over a given period, to capture the fluctuation in time of both asset performance and scenario parameters. The time considered for the rating can be factored in the model: it may reflect the asset detention period in the portfolio, its overall economic or effective life.
- **4. Homogeneous:** all assets are scored by considering their end uses. There is a defined list of end-uses whose forward-looking performance is assessed in the 2°C scenario (e.g. heating, long-distance transport of passengers, specific electricity - see all end-uses in the sections below). Therefore, the assets are not compared simply with other similar assets (e.g. a power plant compared with another power plant) but with all existing assets which serve the same end-use in the economy. The weight of end-uses in the production of the asset is used to weigh the final rating of the asset. This enables to homogeneously compare assets in different sectors.
- **5. Portfolio-driven:** the model provides a consolidated vision of alignment and an individual rating at the portfolio level, obtained through the aggregation of the ratings of all underlying assets.
- **6. Greenfield and brownfield differentiated:** assets are rated differently depending on whether they relate to greenfield or brownfield infrastructures. Greenfield refers to newbuilt assets or existing assets that have undergone a major refurbishment whereas brownfield applies to existing infrastructures. A greenfield asset is obviously expected to deliver a carbon performance superior to that of a brownfield asset, as it arises in a world of greater carbon constraint.
- **7. Scenario modular:** any temperature scenario, any region and any asset type can be modelled. For the 2-infra challenge project specifically, Carbone 4 has developed an exclusive partnership with Enerdata in order to build realistic low-carbon scenarios with a country-level granularity.

For more information on the 2-infra methodology, please refer to the methodological guide available on the Carbone 4 website.

Meridiam portfolios' temperature is assessed through the 2-infra methodology on a yearly basis, and results are published both in its Impact Report and in its TCFD Report.

An analysis of the quality of methodologies and data, including the type and level of uncertainties

Both methodologies rely on 'activity-based' and not 'financial-based' data, meaning they are based on physical data and not on financial data, and as a result, good quality can be inferred from the models' results. This allows for an effective identification of emission reduction levers. Data score PCAF 1-2 on scopes 1-2 and score PCAF 2-3 on scope 3, so data quality is correct to date. Physical data collection can be improved to reduce the number of physical proxies used and ensure a more location-based methodology, i.e. based on physical reality and not on certificates for example.



Quantification of results using at least one indicator

In 2024, Meridiam global temperature alignment was assessed at 2.01°C. The assessment covers 100% of Meridiam's AUM and is updated on a yearly basis.

At fund level, the temperature assessed in 2024 is the following:

NAME OF THE FUND	TEMPERATURE (°C) 2023
MERIDIAM INFRASTRUCTURE SCA, SICAR	2.50
MERIDIAM INFRASTRUCTURE EUROPE II SCA SICAR	1.93
MERIDIAM INFRASTRUCTURE EUROPE III SLP	5.26
MERIDIAM SUSTAINABLE INFRASTRUCTURE EUROPE IV SLP	2.03
MERIDIAM SUSTAINABLE WATER AND WASTE FUND SLP	2.03
MERIDIAM TRANSITION	1.60
MERIDIAM INFRASTRUCTURE AFRICA FUND, FIPS	1.78
MERIDIAM INFRASTRUCTURE AFRICA FUND II SLP	1.51
THE URBAN RESILIENCE FUND (A&B), TURF	1.98

The role and use of the evaluation in the investment strategy, including the complementarity between the evaluation methodology chosen and other ESG indicators

Meridiam's purpose is to work for people and the planet by designing, financing, developing and operating transformational infrastructure, for the long term with the mission to address what we believe are the world's most pressing challenges – building resilient communities, tackling climate change and protecting the environment.

Infrastructures both provide essential services for the communities they serve and are material contributors to ensuring the achievement of the 2030's Sustainable Development Goals.

Being a Société à Mission and a B Corp company, Meridiam embedded the fight against climate change in its mission, as one of its five core strategic sustainability pillars to which all funds and investments must demonstrate an alignment. Four of these pillars are aimed at ensuring that different aspects in the fight against climate change are systematically addressed and integrated in a holistic and comprehensive approach towards assets selection, development, and management: Deliver resilient infrastructure and develop resilient cities (SDG 9 & 11), Accelerate energy transition (SDG 7), Avoid & reduce emissions (SDG 13), and Protect & enhance biodiversity (SDG 14 & 15 together).

The role of Meridiam's climate- related evaluation in its investment strategy is two-folded:

- **During investment phase:** Meridiam uses the 2°C methodology and results at portfolio level to help steer its portfolio deployment. Indeed, from 6 years of assessment, Meridiam has gained knowledge and understanding on what drives its portfolio's temperature and integrates this factor into its decision-making when assessing new opportunities. Meridiam also uses lessons-learned and best practices adopted by assets

on the ground once in portfolio to optimize the integration of decarbonization levers early on new opportunities.

- **During asset management phase:** Meridiam systematically measures assets contributions to its objectives set within its five-pillar strategy approach and leveraging the United Nations Sustainable Development Goals (UN-SDGs) through a dedicated management tool. Each asset in portfolio is evaluated on its contribution to said SDGs on a yearly basis. Building on this evaluation, each asset must develop a contribution improvement implementation plan by defining concrete actions to be implemented on the ground and build a tailored roadmap. Reinforcing these plans, Meridiam is committed to ensuring the deployment of specific asset decarbonization action plans for all its portfolio. This initiative aims at supporting each asset to measure its detailed carbon footprint throughout its value chain and to develop a detailed action plan with a focus on decarbonizing the assets' activities, building around targets and decarbonization pathways tailored to every asset's context and reality. These pathways are defined with the objective of being aligned to Meridiam's own carbon-related commitments as a Net Zero Asset Manager Initiative signatory.

As an infrastructure asset manager, Meridiam approaches climate change by integrating both adaptation and mitigation strategies into planning and operations. Mitigation involves reducing or preventing the emission of greenhouse gases throughout the value chain, while adaptation

focuses on enhancing resilience to the impacts of climate change. This approach not only safeguards against climate-related risks but also contributes to a more sustainable and resilient infrastructure portfolio.

» This translates into:

- *long term measurable climate objectives;*
- *a set of actionable tools supporting Meridiam's teams in positive and negative screening during asset selection, and asset's enhancement and optimization during development and management phases. These tools and their application are described in **Meridiam Climate Policy**.*

Changes in investment strategy in line with the Paris Agreement alignment strategy

» Climate-related exclusions

Since inception, as part of its investment Policy, Meridiam has committed to not only exclude activities known to generate large quantities of GHGs, but also to avoid encroachment into areas that act as carbon sinks (oceans, terrestrial habitats) and/or participate in carbon capture. In particular, Meridiam commits through its exclusion list to not knowingly finance, directly or indirectly projects related to the extraction, processing or production of coal, oil and other fossil fuels nor assets using coal as the main energy source. Meridiam will also not invest in projects that are mainly dedicated to transporting coal or fossil fuels.

» Climate- focused asset management

Meridiam is systematically deploying decarbonization efforts at asset level. To do so, it launched the Meridiam Asset Decarbonation (MAD) initiative in order to formally support every asset in building its decarbonization action plan in line with Meridiam's NZAMI ambitions.

Under this initiative, each asset first needs to analyze its scope 1, 2 and 3 carbon footprint in order to develop a context-specific and relevant decarbonization plan with tailored, asset-level emission reduction targets. This is done by identifying solutions to reduce its carbon footprint following best practices and efficient decarbonation drivers such as state of the art energy saving features, integration of on-site power generation, optimization of infrastructures' share of renewable energy in its global energy mix, development of energy management system, etc. Meridiam mandated an external consultant to deploy the initiative and accompany its assets in the exercise.

» Climate-focused financial products

In addition to its general approach towards integrating climate issues within its investment and management strategies, Meridiam develops thematic funds which target sectors and type of assets adapted to modern challenges and climate scenarios beyond Meridiam's investment time horizon. Meridiam's new funds all have clear climate objectives and environmental impact-oriented approach:

- The Meridiam Transition Fund offers an innovative response to the challenges of energy transition by targeting projects in the field of energy efficiency, local energy supply, smart grids and innovative renewable energies.
- The Urban Resilience Fund ('TURF') Global Platform, focuses on the development of inclusive, resilient and economically sound urban infrastructure projects. The aim is to address today's context of dynamic and changing natural and man-made conditions that challenge the social, economic, and environmental well-being of societies.
- The Green Impact Growth Fund (GIGF) has an environmental impact-oriented approach by investing in growing Greentech innovative SMEs that develop solutions contributing to the ecological and energy transition. The primary focus of these SMEs' activities is related to renewable energy, circular economy, energy efficiency, smart city and energy storage. GIGF obtained the GREENFIN certification and defined its environmental objective in t.eq. CO₂/€M of turnover.

Specifically, Meridiam Transition fund and Green Impact Growth Fund are classified under Article 9.3 of the EU Sustainable Finance Disclosure Regulation (SFDR), according to which these financial products have carbon emissions reduction targets as their sustainable objective in view of achieving the long-term global warming objectives of the Paris Agreement.

In the case of the other funds recently launched by Meridiam (Meridiam Sustainable Infrastructure Europe IV (MSIE IV), Meridiam Sustainable Water and Waste Fund, and Meridiam Africa funds) they are all driven by a commitment to progress towards clear climate-related targets, in addition to their foundational purposes.

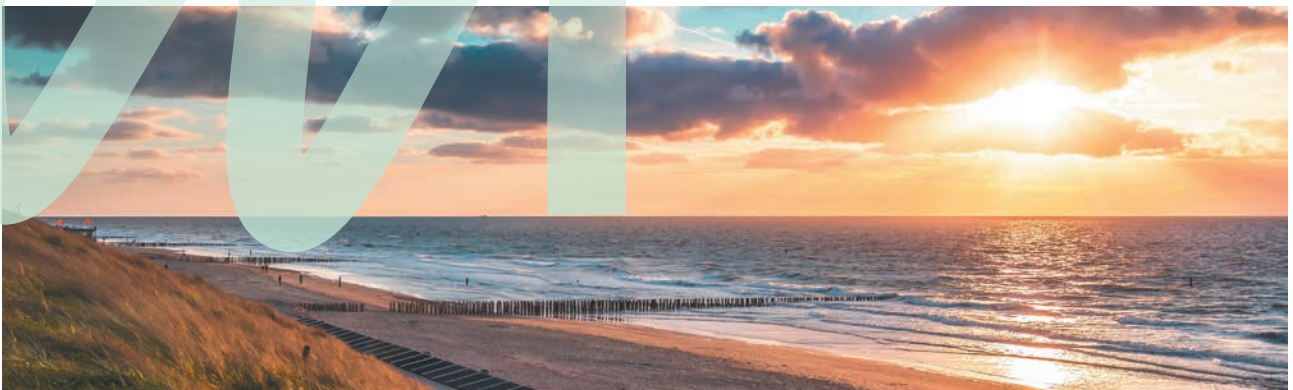
Follow-up actions to monitor results and any changes that have occurred

Regular monitoring, continuous improvement, and collaboration with relevant stakeholders are key components of an effective climate change strategy for Meridiam.

Meridiam leverages its annual reporting campaign using a management tool called the Sustainability Impact Measurement Platform; Simpl. ®. The tool is calibrated to assess a given asset's contribution to the Sustainable Development Goals (SDGs) and thus its contribution to Meridiam's five-pillar strategy. SDG KPIs are leveraged to develop Asset SDG Implementation Plans (ASIPs) – an action plan that identifies tailored pathways to improve positive contributions to the SDGs. This is done in close collaboration with the portfolio company in order to ensure that the analysis is comprehensive of the asset's specific context and scope.

The defined actions can range from: installing onsite renewable energy projects such as solar PVs, negotiating a higher renewable energy share in the consumption mix, obtaining specific sustainability related certifications such as LEED, BREEAM or ISO 14001, improving the energy management system, establishing carbon reduction targets, etc. These action plans are updated on a yearly basis based on the annual performance assessment of an asset regarding its contribution to the SDGs.

Meridiam asks all assets to update information on their climate-related engagement on a quarterly basis and to update their SDG Action Plan to integrate all new changes and updated results on a yearly basis. Through the MAD initiative Meridiam has also asked all assets to carry an exhaustive GHG assessment which should be updated every three years at a minimum (in addition to the yearly assessment undertaken at Meridiam level).



Continuous Improvement plan

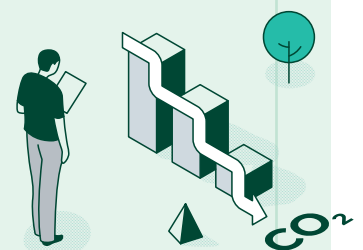
As a **Net Zero Asset Manager** Initiative signatory, Meridiam has very ambitious decarbonization targets at portfolio level.

The effort to carry through its Asset Decarbonization initiative will be ongoing in the years to come. Ultimately, Meridiam aims at onboarding 100% of its assets and have them define their own decarbonization trajectory in order to consolidate a global portfolio trajectory.

Meridiam will be revising its decarbonization objectives every five years minimum.

Meridiam will also keep partnering with Carbone 4 to reinforce the 2-degree methodology and ensure the tool is robust, up-to-date and aligned with evolving regulatory standards.

In parallel, Meridiam will keep assessing all of its assets carbon footprint on a yearly basis.



7. ALIGNMENT STRATEGY WITH LONG-TERM BIODIVERSITY OBJECTIVES

A measure of compliance with the objectives of the Convention on Biological Diversity adopted on June 5, 1992

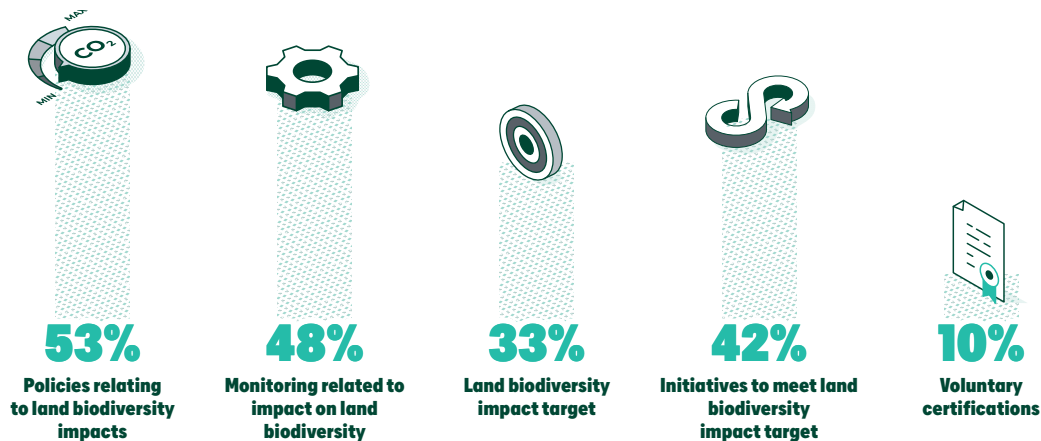
The Convention on Biological Diversity has three objectives:

- *the conservation of biodiversity ;*
- *the sustainable use of its components;*
- *the fair and equitable sharing of benefits arising from the use of genetic resources and associated traditional knowledge.*

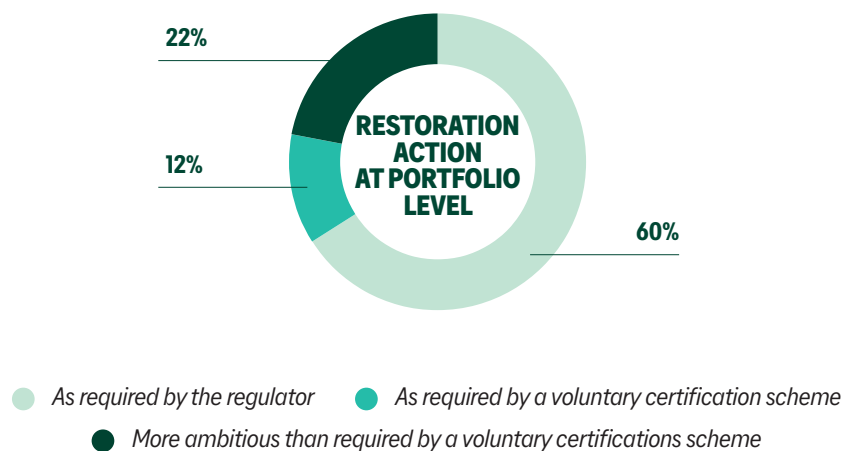
Meridiam systematically monitors the two first objectives, which are relevant to the perimeter of its investments' activities through the following, non- exhaustive, indicators:

» 1. Conservation of biodiversity:

- Actions taken at asset level to mitigate its impact on land biodiversity:



- Restoration action implemented by the asset:



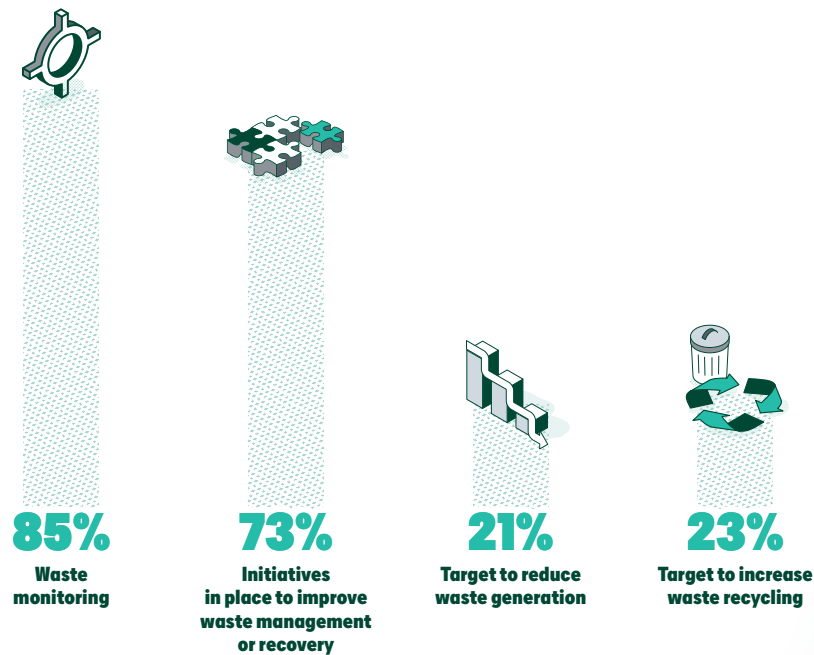
The total surface area of restoration of negatively impacted ecosystems amounted to **9486 ha** at Meridiam portfolio level in 2024, of which **14%** accounts for voluntary restoration actions.

- Monitoring of the pollutant concentration of the asset water discharge: 68% of the portfolio.

» 2. Sustainable use of its components:

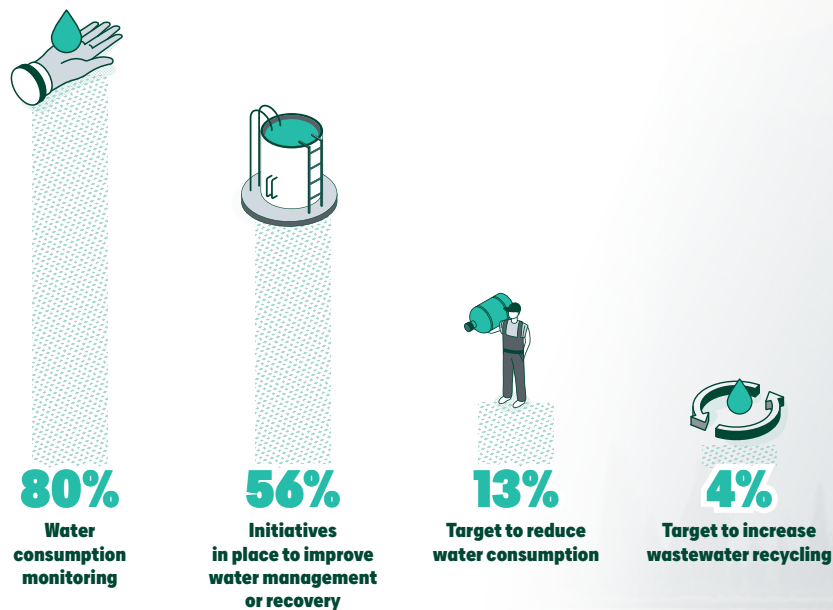
As an infrastructure asset manager, sustainable resources management is material to the conduct of Meridiam’s activities. The close monitoring of operational use of resources is fully integrated within its management system and continuous improvement based off best market practices is required for all assets. Below is a non- exhaustive list of indicators monitored at portfolio level on a yearly basis for various biodiversity- related components, namely: waste, water, energy and biodiversity pressures.

SUSTAINABLE WASTE MANAGEMENT PRACTICES



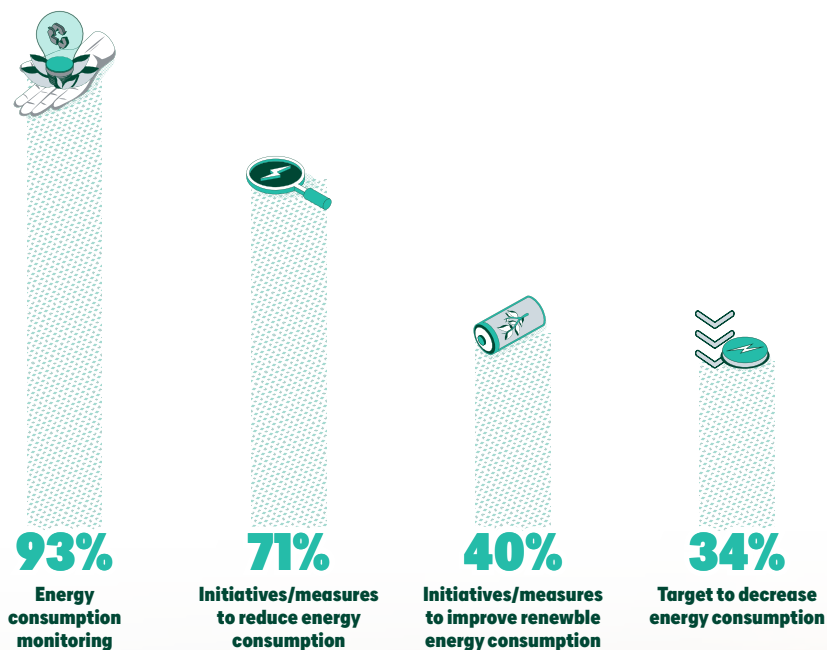
The current average share of waste recycling at portfolio level in 2024 is 55%.

SUSTAINABLE WATER RESOURCE MANAGEMENT



The current average share of wastewater recycling and recuperation at portfolio level in 2024 is 21.5%.

SUSTAINABLE ENERGY MANAGEMENT PRACTICES



BIODIVERSITY PRESSURES

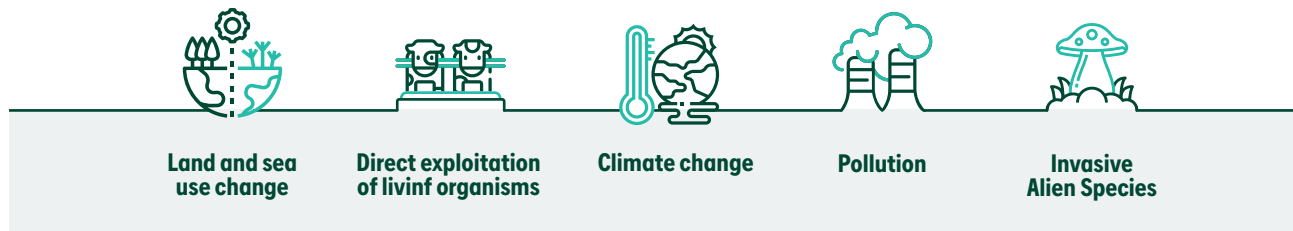
- *Existence of measures and/or obligations in the suppliers' contracts to reduce pressures on biodiversity and preserve resources: 58% of the portfolio.*
- *Certification according to biodiversity standards or by relevant regulatory bodies: 29% of the portfolio.*
- *Use any resources listed in the Science-Based Targets Network High Impact Commodity List: 39% of which 61% have active plans to reduce said exposure.*

» 3. Fair and equitable sharing of benefits arising from the use of genetic resources and associated traditional knowledge

Regarding the third objective of the Convention on Biological Diversity, the monitoring is done at asset level considering the characteristics of each asset are different. Not all assets will have an impact or a dependency on ecosystem services and the use of genetic resources. For relevant assets, monitoring is done using specific management plans and their performance is reviewed by their respective boards.

An analysis of the contribution to the reduction of the main pressures and impacts on biodiversity defined by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

Five categories of impact factors have been identified by the Intergovernmental science-policy Platform on Biodiversity and Ecosystem Services (IPBES):



Meridiam's approach to sustainable investment is rooted in its five pillars' strategy which **incorporates biodiversity as one of the core focus of its portfolio** deployment.

To prevent assets to cause undue pressures and impacts on biodiversity as defined by the IPBES, Meridiam's approach is structured around:

- (1) a screening process based on a project exclusion list aimed at avoiding impacts in terms of land use change, direct exploitation of living organisms and invasive alien species,
- (2) a robust risk and impact management process rooted in its Principal Adverse Impact Policy and integrated within its ISO 9001 system, and
- (3) a continuous monitoring of its assets in portfolio based on specific KPIs and performance assessment which include climate change and pollution.

» Meridiam's nature-related exclusion list

Since inception, as part of its investment Policy, Meridiam has committed to exclude activities known to generate unavoidable and/or substantial negative impacts on nature, such as encroachment into protected or high-biodiversity value areas. In particular, Meridiam commits through its exclusion list to not knowingly finance, directly or indirectly:

- Projects related to the conversion or degradation of critical forest areas or forest-related critical natural habitats;
- Projects in or impacting areas on the United Nations List of National Parks and Protected Areas;
- Projects in or impacting natural World Heritage Sites;
- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements or subject to international phase-outs or bans such as:
 - Pharmaceuticals¹, Pesticides/herbicides², ozone depleting substances³, polychlorinated biphenyls⁴ and other hazardous substances⁵;
 - Wildlife or wildlife products regulated under the Convention on International Trade and Endangered Species of Wild Fauna and Flora⁶.
- Trans-boundary trade in waste or waste products unless compliant to the Basel Convention and the underlying regulations⁷.
- Extraction or infrastructure projects in or impacting protected area Categories I, II, III, and IV (Strict Nature Reserve/Wilderness Areas and National Parks, Natural Monuments and Habitat/ Species Management Areas), as defined by the International Union for the Conservation of Nature (IUCN)⁸.
- Destruction⁹ of High Conservation Value¹⁰ areas.
- Marine and coastal fishing practices, such as large-scale pelagic drift net fishing, with nets exceeding 2.5 km in length, and fine mesh net fishing, or other practices (e.g. blast fishing) harmful to vulnerable and protected species in large numbers and damaging to biodiversity and habitats.

¹. A list of pharmaceutical products subject to phase-outs or bans is available at <http://www.who.int/en/>. ². A list of pesticides and herbicides subject to phase-outs or bans is available at <http://www.pic.int/TheConvention/Chemicals/AnnexIII/Chemicals/tabid/1132/language/en-US/Default.aspx>. ³. A list of the chemical compounds that react with and deplete stratospheric ozone together with target reduction and phase-out dates is available at <http://ozone.unep.org/en/treaties-and-decisions/montreal-protocol-substances-deplete-ozone-layer>. ⁴. Polychlorinated biphenyls are likely to be found in oil-filled electrical transformers, capacitors, and switchgear dating from 1950 to 1985. ⁵. A list of hazardous chemicals is available at <http://www.pic.int/Home/tabid/855/language/en-US/Default.aspx>. ⁶. A list of CITES species is available at <https://cites.org/>. ⁷. As defined by the Basel Convention; see <http://www.basel.int/>. ⁸. Other relevant international conventions include, without limitation: Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention); Convention on Wetlands of International Importance, especially as Waterfowl Habitat (Ramsar Convention); Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention); Convention on Biological Diversity. ⁹. Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of an habitat in such a way that the area's ability to maintain its role is lost. ¹⁰. High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance (see <http://www.hcvnetwork.org>).

» Meridiam's Principal Adverse Impact Policy

Meridiam's Principal Adverse Impact Policy provides a set of tools to the investment teams to identify and manage ESG risks and concerns related to every investment opportunity, including the reduction of the main pressures and impacts on biodiversity. The PAIP includes the following steps:

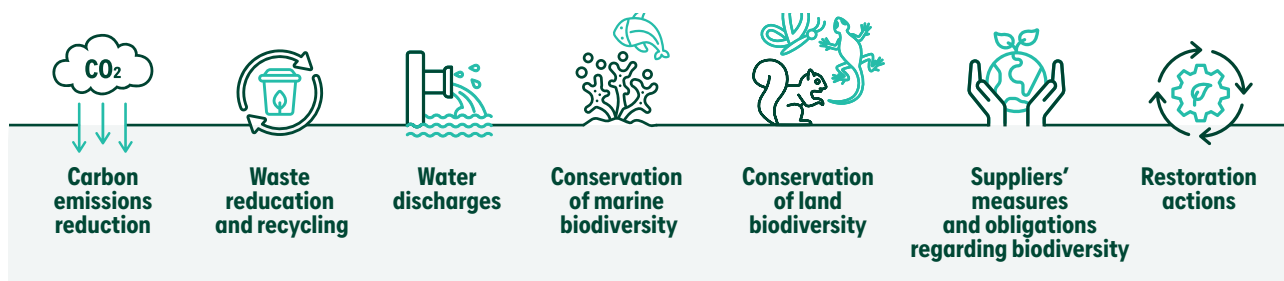
- **Preliminary evaluation:** Initial analysis of risks, whether financial, operational, social, or environmental. The level of risk is detailed for each criterion allowing every investment opportunity to be rated according to its overall risk level.
- **Detailed evaluation:** Determination of detailed ESG risks. This can be done by performing a detailed Environmental and Social Due Diligence (ESDD) which can lead to conducting a gap analysis or an Environmental and Social Impact Assessment (ESIA) of the project by a specialized team of local and/or international consultants. This extensive piece of work represents an assessment of the potential environmental and social impacts of a proposed project, an evaluation of the alternatives, and a design for appropriate avoidance, mitigation, management, and monitoring measures.
- **Detailed implementation plan:** Identification of the ESG mitigation and monitoring strategy. The ESG mitigation and monitoring strategy is mostly defined as part of the ESG risk management plans – the Environmental and Social Management Plans (ESMPs) – following the environmental and social assessment phase.

This evaluation of every potential investment opportunity has been an integral part of Meridiam's investment process. Meridiam uses specific ESG indicators in the detailed evaluation of potential investments including indicators directly related **to assessing pressure and impacts on biodiversity**. For example, the impact on the physical environment (air quality, noise, water quality, soil, etc.), the impact on the fauna and flora, the sustainable use of resources or the vulnerability to climate change and climate-related physical risks. Specific environmental and social management plans (ESMPs) are developed to address all biodiversity-related impacts, each containing a detailed description of the adverse impacts it addresses, the measures implemented to limit and/or compensate the impacts, the implementation schedule and responsibility matrix, and the monitoring plan. To develop a better understanding of projects and inform the sustainability related risk assessments, teams will carry out site visits, meetings and discussions with other stakeholders, consideration of the site history, and developing a list of action items. This allows Meridiam and other shareholders of the project company to track the implementation of each ESG/ sustainability measure during the various phases of the project, from construction to operation.

» Meridiam's nature-related portfolio strategy

Meridiam's nature-related approach is rooted in the principles of four of its five pillars, i.e. Deliver resilient infrastructure and develop resilient cities (SDG 9 & 11), Accelerate energy transition (SDG 7), Avoid & reduce emissions (SDG 13), and Protect & enhance biodiversity (SDG 14 & 15 together).

More precisely, Meridiam monitors more than a dozen nature-related indicators for all its assets on a yearly basis, including but not limited to:



Each asset is evaluated on the level of maturity and performance of the measures and initiatives put in place at project-level and has to present an action plan describing how it will improve this performance. The action plan is monitored and updated on a yearly basis.

Reference to the use of a biodiversity footprint indicator and, where applicable, the way in which this indicator is used to measure compliance with international biodiversity targets

Meridium used publicly available databases identifying sector's contributions to biodiversity loss and sectors' dependencies on ecosystem services to conduct a first screening of its portfolios' material impacts and dependencies. This was done following the LEAP (Locate, Evaluate, Assess and Prepare) approach as prescribed by the TNFD reporting framework.

» Locate phase

For the Locate phase, Meridium assessed its portfolio's impact using **ENCORE, iBAT and STAR** tools/databases.

ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) provides information on ecosystem service dependencies for all economic sectors and highlights how these services are provided by natural capital assets and how they might be influenced by drivers of environmental change such as pollution and climate change.

iBAT (Integrated Biodiversity Assessment Tool) compiles natural parks databases, biodiversity key areas, as well as IUCN red list threatened species.

Finally, the STAR Score (Species Threat Abatement and Restoration data layer) allows quantification of the potential contributions that species threat abatement and restoration activities offer towards reducing extinction risk. It provides a metric that can be used by businesses to support establishment and reporting of science-based targets for nature, and commitments relevant to the post-2020 biodiversity framework.

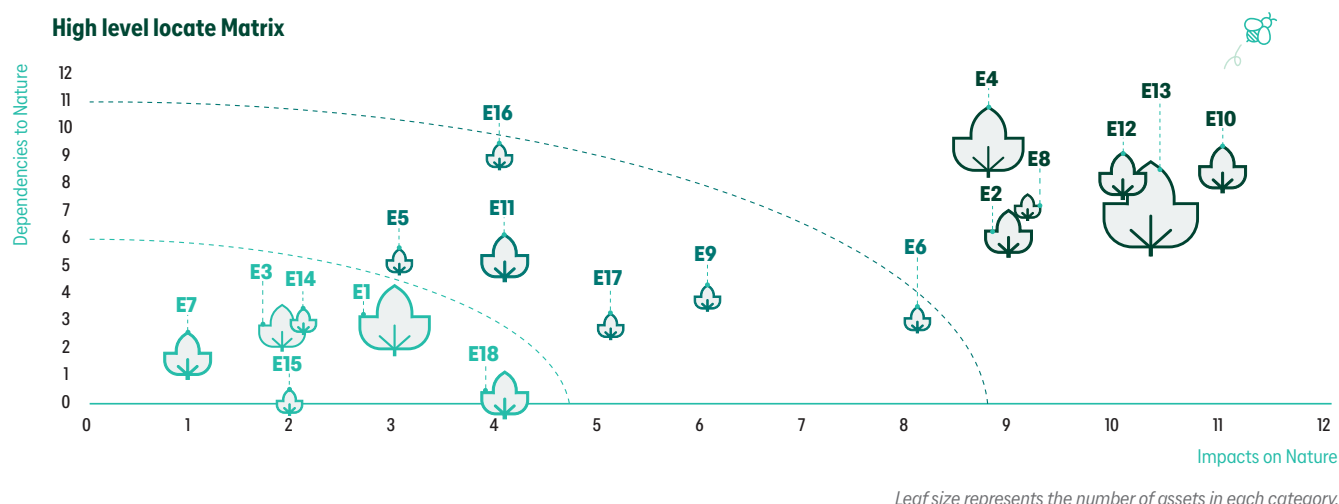
Other databases used for the Locate exercise include Natural History Museum's Biodiversity Intactness Index, World Resources Institute (WRI) and Aqueduct Water Atlas.

> The Locate phase was deployed as follows:

- L1: A high-level screening to identify the appropriate classification of direct operations and assets into relevant categories in order to homogeneously screen their impacts and dependencies;
- L2: A screening of each Categories of Assets in portfolio to identify the relevant impacts and dependencies against the ENCORE categories resulting in a heat map from very low to very high (including Tiers 1, 2, 3 suppliers).

» L2. Severity of impacts and dependencies for Direct Operations & Categories of Assets

"Which of these assets and direct operations are associated with potentially moderate and high dependencies and impact on nature?"



#	ASSET CATEGORY	# OF ASSETS	RELEVANT MERIDIAM SECTORS	ASSET EXAMPLE	REASONING BEHIND HIGH IMPACTS AND DEPENDENCIES
E13	Highways, Roads & Tunnels - Construction & Transportation	34	Roads - Highways Transport - Tunnel	A49 Germany	Large number of moderate and high impacts (terrestrial ecosystem use, water use, GHG emissions) and many dependencies such as flood protection & erosion control
E10	Marine Ports & Services - Marine Ports & Services	3	Marine Ports	Owendo	Large number of impacts on nature (marine ecosystem, water pollutants, GHG emissions) and dependencies (surface water, climate regulation, erosion control, etc.)
E12	Railroads - Cross Country Rail	3	Railroadsspanning several cities	Transgabonaís Railway	Several high impacts on nature such as Terrestrial ecosystem use, GHG emissions, water use and disturbances and a large number of dependencies (climate regulation, and erosion control among others)
E4	Renewable Electricity - Biomass energy production	8	Biomass - Local services & circular economy	Swiss Krono	Several high and medium impacts on nature including terrestrial ecosystem use, water use & Biological interferences/ alterations & Large number of dependencies such as water quality and soil quality
E2	Airport services - Airport Services	4	Airports	Madagascar Airport	9 high and very high impacts (GHG emissions, water use, terrestrial ecosystem use...) and 6 moderate to high dependencies (flood and storm protection and dependency on erosion control)
E8	Renewable Electricity - Hydropower production	3	Dams and Hydro	Kinguele Hydropower Plant	Very high impacts on terrestrial ecosystem, freshwater ecosystem use and disturbances and several high and very high dependencies on surface water, water flow maintenance and climate regulation
E16	Water Utilities - Water services	2	Water supply and wastewater treatment	Suez	4 medium to high impacts (water use & freshwater ecosystem use) and 9 dependencies (such as very high dependency on surface water, groundwater and water flow maintenance)
E6	Infrastructure - Sporting Venue	1	Sport Arena	Velodrome	Multiple moderate to high impacts such as disturbances, waste and water use and 3 medium dependencies on nature
E9	Renewable Electricity - Geothermal energy production	1	Geothermal	Tulu Moya Geothermal Plant (Phase 1), Ethiopia	6 moderate to high impacts (including water use, water pollutants and soil pollutants) and 4 moderate to high dependencies (mainly on groundwater and water flow maintenance)
E11	Railroads - Intercity Rail	5	Trams	Firenze and PisaMover	4 medium impacts (terrestrial ecosystem use, disturbances...) and 5 moderate to high dependencies such as flood and storm protection
E5	Infrastructure - Coastline protection	1	Coastal Protection	Nouakchott Coastline Development	There's only 1 asset in this category. The scope of this project refers to restauration of dunes and adding in footpaths. This asset is highly dependent on nature (soil quality, water flow maintenance, flood protection, erosion control and filtration)
E17	Renewable Electricity - Wind Energy Provision	2	Wind	Kipeto	5 medium to high impacts (including terrestrial ecosystem use and disturbances) and 3 dependencies (with a very high dependency on climate regulation)

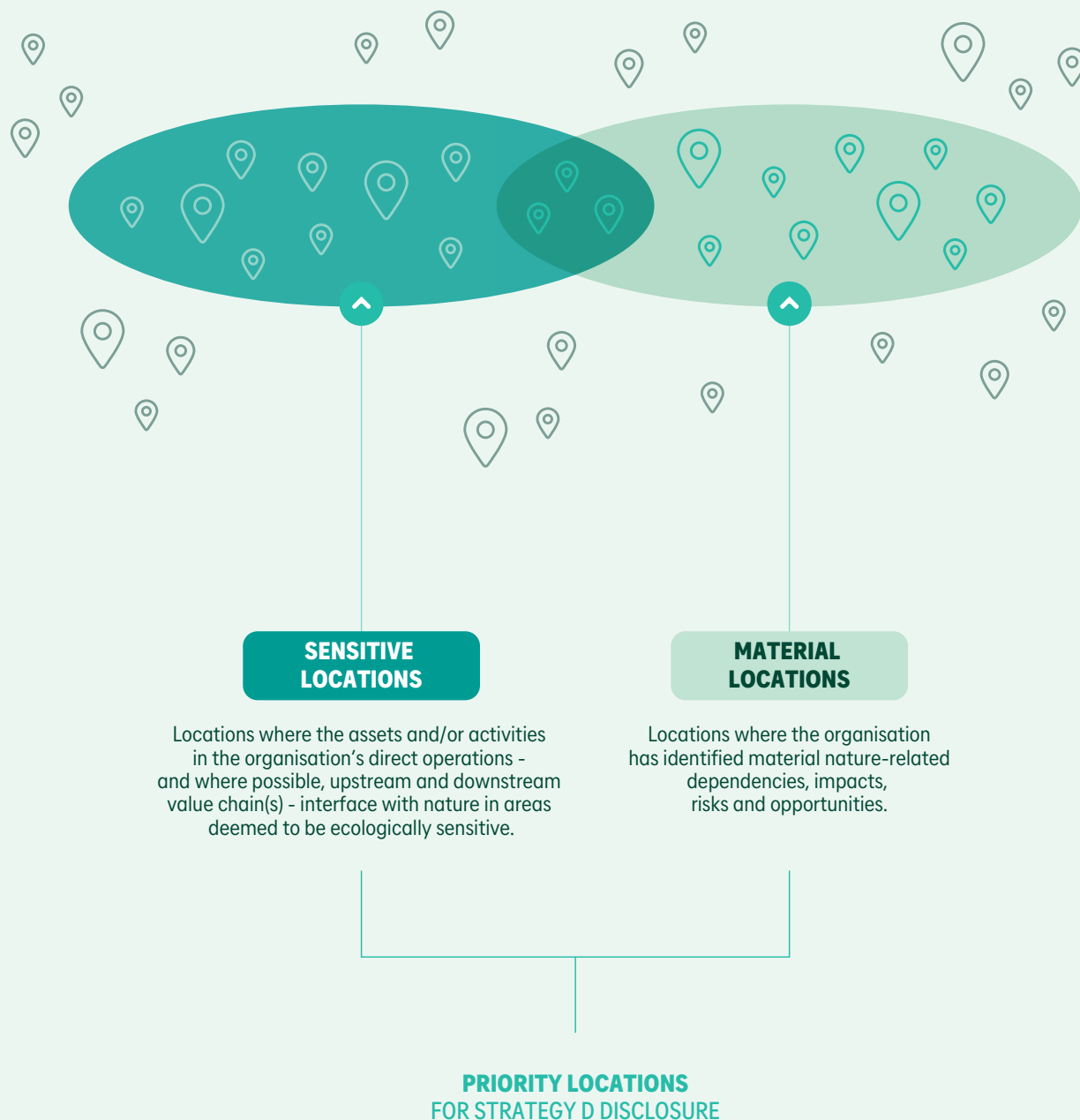
- L3: A focus on categories of assets with potentially moderate to high dependencies and impacts on nature and identification of their actual geographical interactions with nature resulting in a high level locate matrix. This allowed for the identification of the relevant biomes for these impact categories using iBAT.
- L4: An analysis of all Meridiam's assets that are interfacing with sensitive locations and the localization of assets with material (medium to high) dependencies and impacts on nature, using iBAT.

» Sensitive locations are defined by TNFD as:

- Areas important for biodiversity, including species; and/or
- Areas of high ecosystem integrity; and/or
- Areas of rapid decline in ecosystem integrity; and/or
- Areas of high physical water risks; and/or
- Areas of importance for ecosystem service provision, including benefits to Indigenous Peoples, Local Communities and stakeholders.

ASSESSMENT LOCATIONS

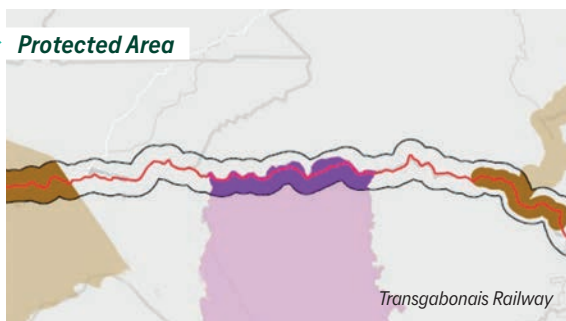
All geographic locations in the organisation's direct operation, upstream and downstream.



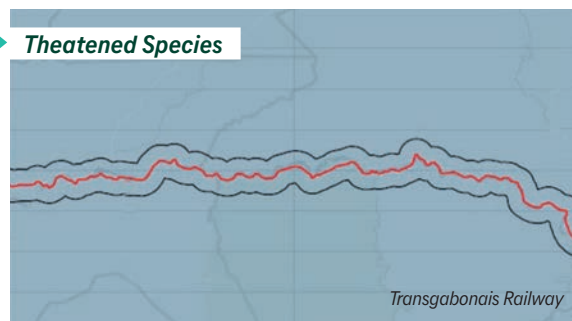
The following table shows the preliminary Locate assessment of Meridiam's assets in portfolio. As shown in the table, asset category criticality in terms of impacts and dependencies are ranked from Low to High. The figure below, presents the interactions between a given asset in Meridiam's portfolio and the various protected areas and species, and relevant ecosystems components.

#	ASSET CATEGORY	NB. OF ASSET	% OF ASSET INTERACTING WITH SENSITIVE LOCATIONS	ASSET CATEGORY CRITICALLY
E13	Highways, Roads & Tunnels Construction & Transportation	33	94%	High Criticality - Large numbers of impacts & dependencies and 94% of assets interact with sensitive locations
E10	Marine Ports & Services - Marine Ports & Services	3	67%	High Criticality - Large number of impacts & dependencies and 2/3 ports are in sensitive locations
E12	Railroads- Cross Country Rail	3	100%	High Criticality - Large number of impacts & dependencies and all assets interact with sensitive locations
E4	Renewable Electricity - Biomassenergy production	8	50%	Moderate Criticality - Large number of impacts & dependencies but half of the assets interact with sensitive locations
E2	Airport services - Airport Services	4	75%	High Criticality - Large number of impacts & dependencies and 3/4 assets interact with sensitive locations
E8	Renewable Electricity - Hydropower production	3	100%	High Criticality - Large number of impacts & dependencies and all assets interact with sensitive locations
E16	Water Utilities - Water services	2	100%	Moderate Criticality - Low number of impacts but high amounts of dependencies. Both assets are in a sensitive location
E6	Infrastructure - Sporting Venue	1	100%	Low Criticality - High number of impacts & low number of dependencies and the asset interacts with a sensitive location
E9	Renewable Electricity - Geothermal energy production	1	0%	Low Criticality - Medium number of impacts & low number of dependencies and the asset doesn't interact with a sensitive location
E11	Railroads - Interclty Rail	5	80%	Moderate Criticality - Low number of impacts, medium number of dependencies and 4 out of 5 assets interact with sensitive locations.
E5	Infrastructure - Coastline protection	1	100%	Moderate Criticality - Low number of impacts, medium number of dependencies and asset interacts with a sensitive location
E17	Renewable Electricity - Wind Energy Provision	1	100%	Moderate Criticality - Medium number of impacts & low number of dependencies and the assets interacts with a sensitive location

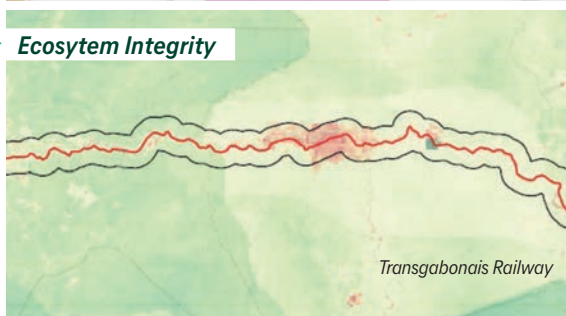
> Protected Area



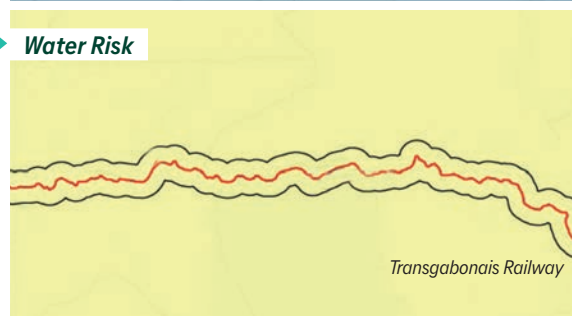
> Threatened Species



> Ecosystem Integrity



> Water Risk

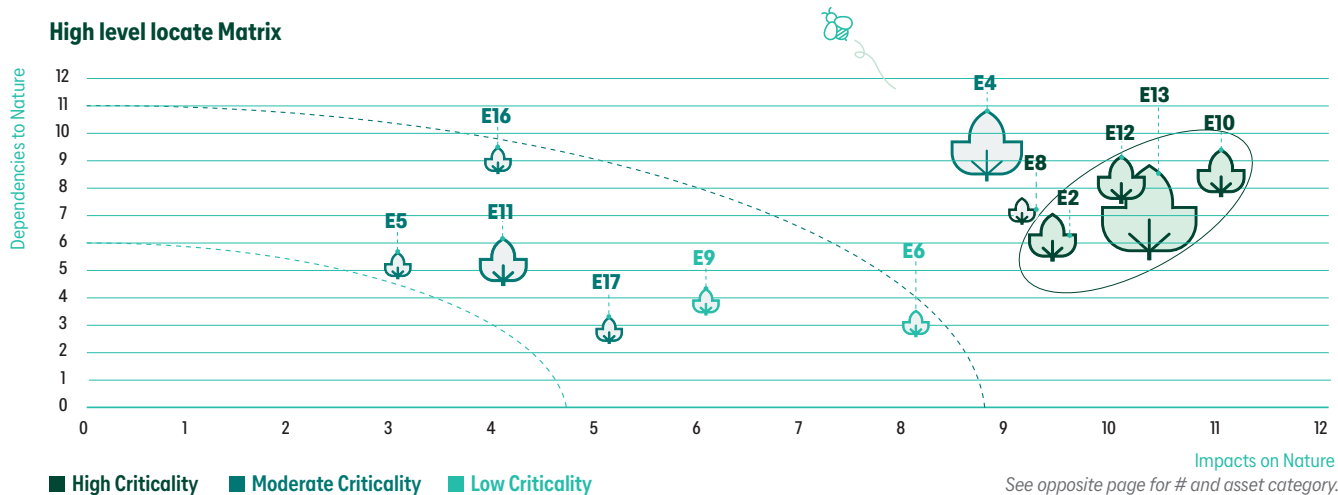


» Evaluate phase

Meridiam then deployed the Evaluate analysis by focusing on the top critical categories of assets, namely: highways, cross-country rails, ports and airports. For these categories, an exhaustive list of impacts and dependencies was established, and scores were assigned for each category of assets based on the scale and scope of dependencies on nature as well as on the severity and scale of the impacts.

From this analysis, the most material impact and dependencies identified for each category were shortlisted for further in-depth assessment.

High level locate Matrix



KEY IMPACTS ON NATURE	DESCRIPTION	E13	E12	E10	E2	REGION CONSIDERED
		HIGHWAYS, ROADS AND TUNNELS	CROSS COUNTRY RAILS	MARINE PORT	AIRPORT	
TERRESTRIAL ECOSYSTEM CHANGE	The utilization of land-based ecosystems for various human activities such as infrastructure projects, which may result in habitat destruction	×	×	×	×	Europe North America Africa - Asia
FRESHWATER ECOSYSTEM CHANGE	The exploitation of freshwater resources including rivers, lakes, wetlands, and aquifers for human purposes often leading to water pollution, habitat degradation, and alteration of aquatic ecosystems.	×	×			Europe North America Africa
WATER USE	The consumption of water resources for various human needs including domestic, agricultural, industrial, and recreational purposes, potentially resulting in water scarcity, depletion of aquifers, alteration of hydrological cycles, and conflicts over water allocation.	×	×		×	Europe North America Africa - Asia
GHG EMISSIONS	Greenhouse gas emissions refer to the release of gases such as CO ₂ , CH ₄ , N ₂ O, and fluorinated gases into the atmosphere, primarily from human activities which contribute to global warming and climate change.	×	×	×	×	Europe North America Africa - Asia
NON GHG EMISSIONS & AIR POLLUTANTS	Air pollutants other than greenhouse gases, including particulate matter, sulfur dioxide, nitrogen oxides, VOCs, and heavy metals, emitted from various sources such as vehicles & industries which can have adverse effects on ecosystems, and the environment	×	×	×		Europe North America Africa
DISTURBANCES	Anthropogenic disturbances caused by noise and light pollution from sources such as transportation, industrial activities, urbanization, and outdoor lighting, which can disrupt wildlife behavior, communication, and navigation & alter ecosystems	×	×	×	×	Europe North America Africa - Asia
WATER POLLUTANTS	Substances, including chemicals, nutrients, pathogens, and microplastics, discharged into water bodies causing water pollution, eutrophication, toxicity to aquatic organisms, and degradation of water quality for human use and ecosystem health.	×	×	×	×	Europe North America Africa - Asia
WILDLIFE MANAGEMENT (HABITAT LOSS & FRAGMENTATION)	Human activities that lead to habitat loss, degradation, and fragmentation resulting in loss of habitat quality and connectivity for wildlife populations, reduced biodiversity, and decline of vulnerable species.	×	×		×	Europe North America Africa - Asia
SOLID WASTE	Discarded materials and products generated by human activities which can accumulate in landfills, pollute soil and water, attract pests, and pose risks to human health, wildlife, and ecosystems if not managed properly	×	×	×	×	Europe North America Africa - Asia
MARINE ECOSYSTEM CHANGE	The utilization of marine environments such as oceans, seas, and coastal areas for activities like shipping, which can cause habitat destruction, and disturbance to marine ecosystems.			×		Europe Africa
BIOLOGICAL INTERFERENCES/ INTERACTIONS	Interventions or manipulations of biological systems and organisms by humans, including introduction of invasive species, genetic modification, habitat restoration, wildlife management, and conservation efforts, which can have diverse impacts on ecosystems, biodiversity, species interactions, and ecological balance.			×	×	Europe North America Africa - Asia

» Assess phase

A1: A preliminary risks and opportunities assessment: In the first part of the assess phase, Meridiam further evaluated the pre-identified risk type and detailed the specificities of their impacts and dependencies for each selected asset type. Existing risk management and mitigation processes will then be studied.

TYPE OF RISK	HIGHWAYS, ROADS AND TUNNELS	CROSS COUNTRY RAILS	MARINE PORTS	AIRPORTS
PHYSICAL RISKS	Risk of physical damages during operation/construction due to: - Ground instability, - Global climate regulation influencing weather patterns, - Low Flood and storm natural protections - Slope instability, erosion - Surface water flooding or ground water flooding - Unplanned hydrological variation Risk of ground water & aquifer depletion during Highways and tunnels construction & operations	Risk of physical damages on cross country rails during operations (mainly) and construction due to ground instability Risk of ground water & aquifer depletion during Highways and tunnels construction & operations	Risk of physical damages on Ports infrastructure due to: - Water stagnation - Erosion caused by currents and littoral drift - Oils pills/water pollutant release Risk on human/animal health due to sewage release during Ports operations	
TRANSITION RISKS: REPUTATIONAL AND REGULATORY	Regulatory and reputational risk due to : - Biodiversity loss during construction and operation - Community conflicts during construction and operation - GHG emissions during construction & operation - Light pollution & noise pollution during constructions & operations - Wildlife populations entering in collisions with cars, trains, Aircrafts or boats - Release of water or air pollutants & non-GHG emissions during construction & operation - Solid waste release from construction & operation			
	- Freshwater loss & quality during construction and operation - Pollutant run off during construction & operation - Edge effects during Highways operation - Low natural screening of sensory impacts provided by vegetation for Highways - Risk to increasing water stress for water users in the catchment during Highways and tunnels construction & operations		- Fishery disturbance during construction or operations - Facilitation or introduction of invasive or undesirable species - Destruction of marine habitats and collisions with sea mammals during Ports construction and operations	- Edge effects during Airports operation - Regulatory risks as Airports are responsible for controlling illegal wildlife trade leading to a potential for invasive species introduction
FINANCIAL RISKS	Financial risk due to light & noise pollution during Highways & Tunnels & rails constructions & operations Financial risk due to solid waste release from Highways and tunnels construction & operation		Financial risk due to fishery disturbance or community conflicts during Ports construction or operations Financial risk due to erosion caused by currents and by the lack of vegetation during Ports construction & operations	Financial risk due to the volume of solid waste produced during Airport operations
OPERATIONAL RISKS			Risk of construction / operations disruption due to: - Destabilization and erosion caused by lack of vegetation - Water pollutants from shipping traffic - Facilitation or introduction of invasive or undesirable species	Risk of disruption to Air port operations & construction due to land use change (sealing surfaces can lead to increased flood risk; less vegetation for cooling) Risk of Disruption to Air ports operations due to ground instability Risk of Disruption to Air ports construction & operations due to high water use and therefore potential for limited water supply

A2 & A3: An identification of risk mitigation and risk and opportunities existing management processes in order to prioritize material risks and opportunities to be disclosed.

#	RISK DESCRIPTION
R01	Reputational & Regulatory risk due to community konflikts during rails, Highways & tunnels construction / ops
R02	Reputational & Regulatory risk due to release of GHG emissions during Airports construction / ops
R03	Reputational & Regulatory risk due to biodiversity loss during rails, Highways & Tunnels construction / ops
R04	Reputational & Regulatory risk due to light & noise pollution during all Assets construction & operations
R05	Risk of physical damages on Rails, Highways & Tunnels due to slope instability, erosion
R06	Risk of disruption to Ports operations due to water pollutants from shipping traffic
R07	Financial risk due to light & noise pollution during Highways, Tunnels and Rails constructions & operations
R08	Reputational & Regulatory risk due to GHG emissions during Highways and tunnels operation
R09	Risk of physical damages on Rails, Highways & Tunnels due to low Flood and storm natural protections
R10	Financial risk due to erosion caused by currents and by the lack of vegetation during Ports construction/ops
R11	Risk of physical damages on Ports infrastructures and ops due to erosion caused by currents and littoral drift
R12	Regulatory risk due to biodiversity loss during Ports construction and operation
R13	Risk of physical damages on rails, Highways & Tunnels due to global climate regulation
R14	Risk of disruption to Port construction & ops and damage to infrastructure if the flood and storm protection of local ecosystems is reduced
R15	Risk of disruption to Ports Construction & ops due to destabilization and erosion caused by lack of vegetation
R16	Risk on human/animal health due to sewage release during Ports operations
R17	Risk of physical damage to Ports infra. if the flood and storm protection of local ecosystems is reduced
R18	Risk of Disruption to Airports construction/ops due to high water use and potential for limited water supply
R19	Risk of disruption to Airports and Ports construction & ops due to variable or unpredictable climatic events
R17	Risk of disruption to Ports construction & operations if surface water provision is disrupted
R18	Risk of physical damages on Rails, Highways & Tunnels due to unplanned hydrological variation
R19	Risk to of disruption to Ports construction & operations due to unplanned hydrological variation
R23	Financial risk for Ports due to fishery disturbance or community conflicts
R24	Regulatory & Reputational risk for Ports due to fishery disturbance or community conflicts

■ Very High Impact of dependency
 ■ High Impact of dependency
 ■ Medium Impact or dependency
 ■ Low impact or dependency

Meridiam then used a pilot project within the portfolio in order to undertake that same assessment in more detail and with the direct collaboration of project company's teams on the ground. This allowed for the creation of a LEAP assessment tool, usable by any assets.

Meridiam contracted WSP to carry out the portfolio analysis described in this section. The work will be detailed in a TNFD report that will be published in 2025 for the financial year 2024. This will enable Meridiam to identify cross-portfolio nature-related indicators in order to establish its biodiversity footprint and set a realistic target.

Continuous Improvement plan

Meridiam has been working on reinforcing the transversality of its approach regarding biodiversity. This effort is ongoing and Meridiam will continue to work, namely on the following:

- ***Defining a coherent and relevant process based on the LEAP testing to adapt internal procedures to evolving market standards;***
- ***Identifying nature-related indicators to measure compliance with international biodiversity targets;***
- ***Publishing Meridiam's first TNFD report in 2025 for the financial year 2024.***





8. ESG RISK MANAGEMENT

Meridiam ESG and SDG analysis procedures

The ESG/SDG approach is generalized and systematically integrated into Meridiam's ISO 9001-certified investment and asset management processes.

Each investment opportunity is thoroughly assessed through an initial due diligence analysis prior to investment. This internal analysis is adapted to each project type and its location. When ESG concerns are highlighted during this process, risk mitigation procedures are included in the project documentation and specific risk indicators are identified for implementation during monitoring. Similarly, relevant SDG targets are identified to determine areas of value creation throughout the development processes and establish performance

indicators to enhance the projects' positive impacts. The aim is to identify, avoid, minimize, and compensate potential adverse impacts of projects throughout their lifetime. In general, the methodology used in the ESG and SDG analysis process for investment opportunities is built around two integrated and equally important work streams:

- > **1. the Principal Adverse Impacts Policy (PAIP);**
- > **2. the SDG Positive Screening.**

» Principal Adverse Impacts Policy

Meridiam's PAIP provides a set of tools to the investment teams to identify and manage ESG risks and concerns related to every investment opportunity. The PAIP includes the 4 following steps :

- 1. Eligibility and regulatory check:** Verification of the eligibility of the opportunity against the exclusion list established by Meridiam for its various funds. It also includes ESG framing of the opportunity in regulatory terms.
- 2. Preliminary evaluation:** Initial risk analysis, whether financial, operational, social, or environmental. The level of risk is detailed for each criterion allowing every investment opportunity to be rated according to its overall risk level. Meridiam's management review committee analyzes this ESG risk evaluation as part of each investment opportunity assessment. If the investment opportunity appears not aligned with Meridiam's mission and vision, or if ESG risks are deemed too difficult to overcome or too significant compared to the foreseeable benefits, the opportunity will not be pursued.
- 3. Detailed evaluation:** Determination of detailed ESG risks (when the investment opportunity is pursued). This can be done by performing a detailed Environmental and Social Due Diligence (ESDD) which can lead to conducting a gap analysis or an Environmental and Social Impact Assessment (ESIA) of the project by a specialized team of local and/or international consultants. This extensive piece of work may be already available or non-compulsory, but it nonetheless represents an assessment of the potential environmental and social impacts of a proposed project, an evaluation of the alternatives, and a design for appropriate mitigation, management, and monitoring measures. Therefore, if deemed necessary, the investment teams will undertake such detailed studies.
- 4. Detailed implementation plan:** Identification of the ESG mitigation and monitoring strategy. The ESG mitigation and monitoring strategy is mostly defined as part of the ESG risk management plans – the Environmental and Social Management Plans (ESMPs) – following the environmental and social assessment phase.

From a governance standpoint, Meridiam requires strict compliance with the principle of professional integrity in the conduct of all investments, in accordance with regulatory requirements. To this end, each employee of Meridiam subscribes to the Code of Ethics which includes strict reservations/clauses on the issue of conflicts of interest. In addition, Meridiam ensures that all partners apply zero tolerance to corruption issues, in line with its anti-corruption policy.

Main ESG Risk description

» ESG Risk characterization

The ESG risk assessment and the establishment of avenues for ESG improvement takes place using a set of more than 45 ESG conditions and criteria against which all investments are analyzed, regardless of the sector of activity or the asset class. This ESG analysis framework is used to identify:

- (1) the ESG issues and risks that are associated with investments,
- (2) determine the risk level of each criterion, and
- (3) the implementation modalities that will allow these issues to be effectively considered.

Each condition/criterion must be documented during the different analysis phases. Here are some examples of analysis criteria:

ESG THEMES	EXAMPLES OF CRITERIA FOR THE EVALUATION OF INVESTMENTS
WORKING STANDARDS	• Free from exploitation of child labor • Free from forced or compulsory labor practices • Good working conditions, in terms of health / safety and equality
LAWS AND REGULATIONS	• Legal context and compliance • Procurement procedure
ESG CAPACITY	• Client's ESG policy and procedures • ESG policy and procedures of Meridiam's Partners
ENVIRONMENTAL ISSUES	• Impacts on the physical components of the environment • Impacts on nature protection areas and biodiversity • Impacts on fauna, flora, and habitats • Environmental measures
SOCIAL ISSUES	• Social impacts • Cultural heritage • Interests of stakeholders • Land acquisition and resettlement
ENERGY, CARBON, AND CLIMATE	• Vulnerability to climate change • Contribution to the fight against climate change • Combined risk relating to the Energy and Carbon market and Climate risk

Four levels of risk can be identified for each ESG element that will be assessed; the level of risk will vary from "low" to "constraint". The risk assessment itself considers criteria such as the intrinsic value of the component affected by the proposed investment opportunity, the possibility of implementing measures to control and limit the impacts of the asset on this component, the social acceptability, etc. The application of this methodology not only makes it possible to evaluate all the ESG risks of an opportunity but also to understand the context in which it is to take place. In addition, by providing details of the issues related to the asset, the methodology allows for an efficient transition to the implementation phase of the asset, namely the construction and operation of the infrastructure.

Regarding ESG risks, all funds managed by Meridiam integrate all ESG criteria due to the nature of the investment process. Nevertheless, no specific weighting is defined for one category of ESG issues compared to another. The relative weight of the categories of ESG criteria, some examples of which are given above, is therefore the same for each of them. The decision to pursue the development of a potential investment is based on the overall assessment of ESG issues and risks; **Meridiam must be confident that it can effectively manage ESG issues to move forward with an opportunity.**

In the asset management phase, i.e., during the construction and operation of the infrastructures, the ESG and SDG analysis is carried out based on detailed criteria whose scope is adjusted according to the type of infrastructure and the issues it generates. More than 200 criteria are used to monitor the implementation of ESG measures and to evaluate the ESG and SDG performance of assets in portfolio.

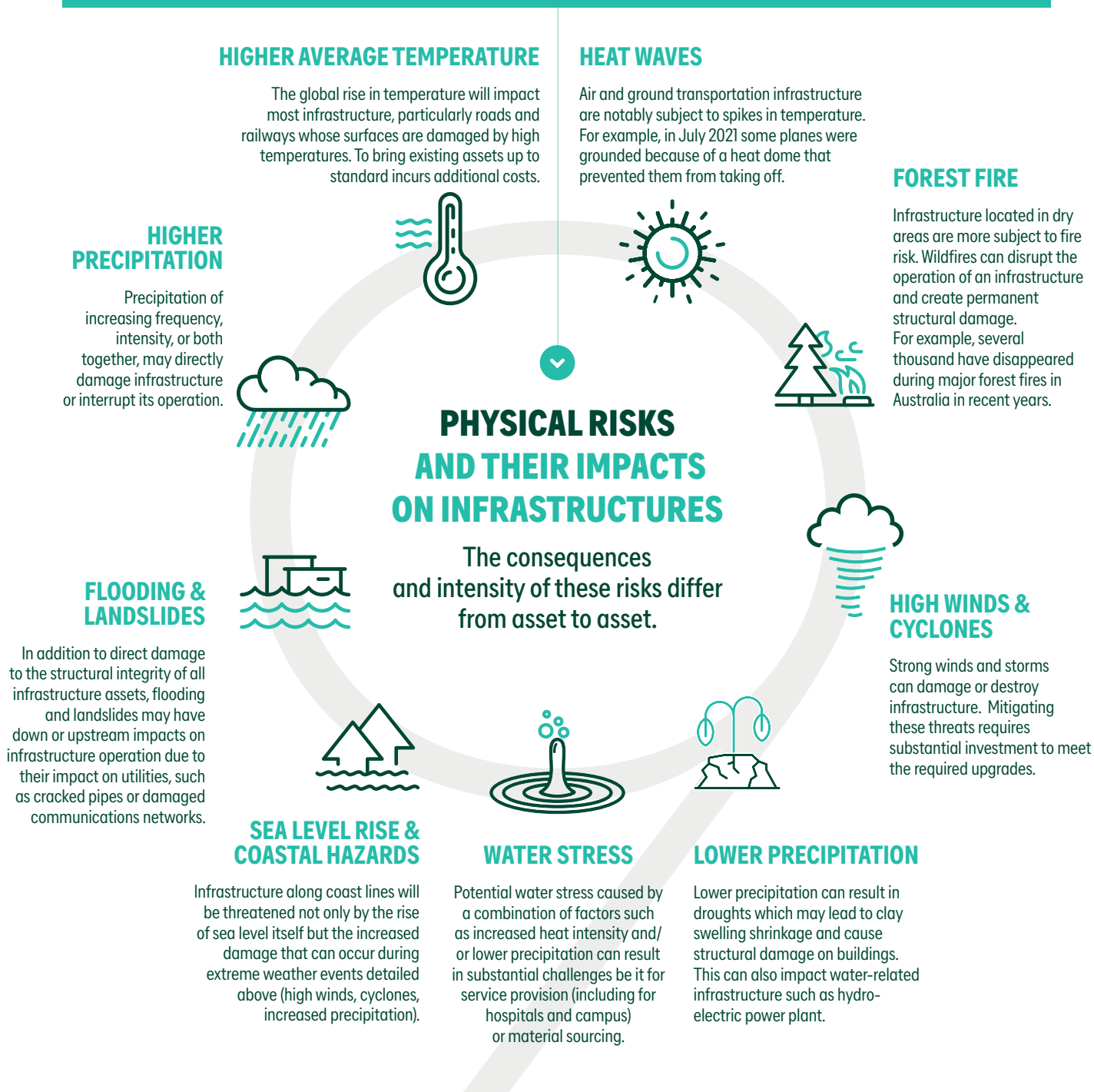
9. CLIMATE-RELATED RISK

Meridiam is a long-term infrastructure investor; its assets concession periods can be upwards of 30, 40 even 50 years, as such, climate-related financial risks are material to its activity and systematically considered on a medium and long-term basis.

Meridiam has more than 125 infrastructure assets in portfolio and/or in development in Europe, Africa and

South and North America operating in the mobility, social and energy transition sectors. Therefore, physical and transition risks vary significantly from one asset to the next. However, there are underlying common risks that can be considered in public infrastructure and systematically analyzed on a short (<3 years), medium (3-6 years) and long term (>6 years) basis:

Meridiam considers 9 climate hazards associated with physical risks as most likely to damage the infrastructure assets in which it invests.

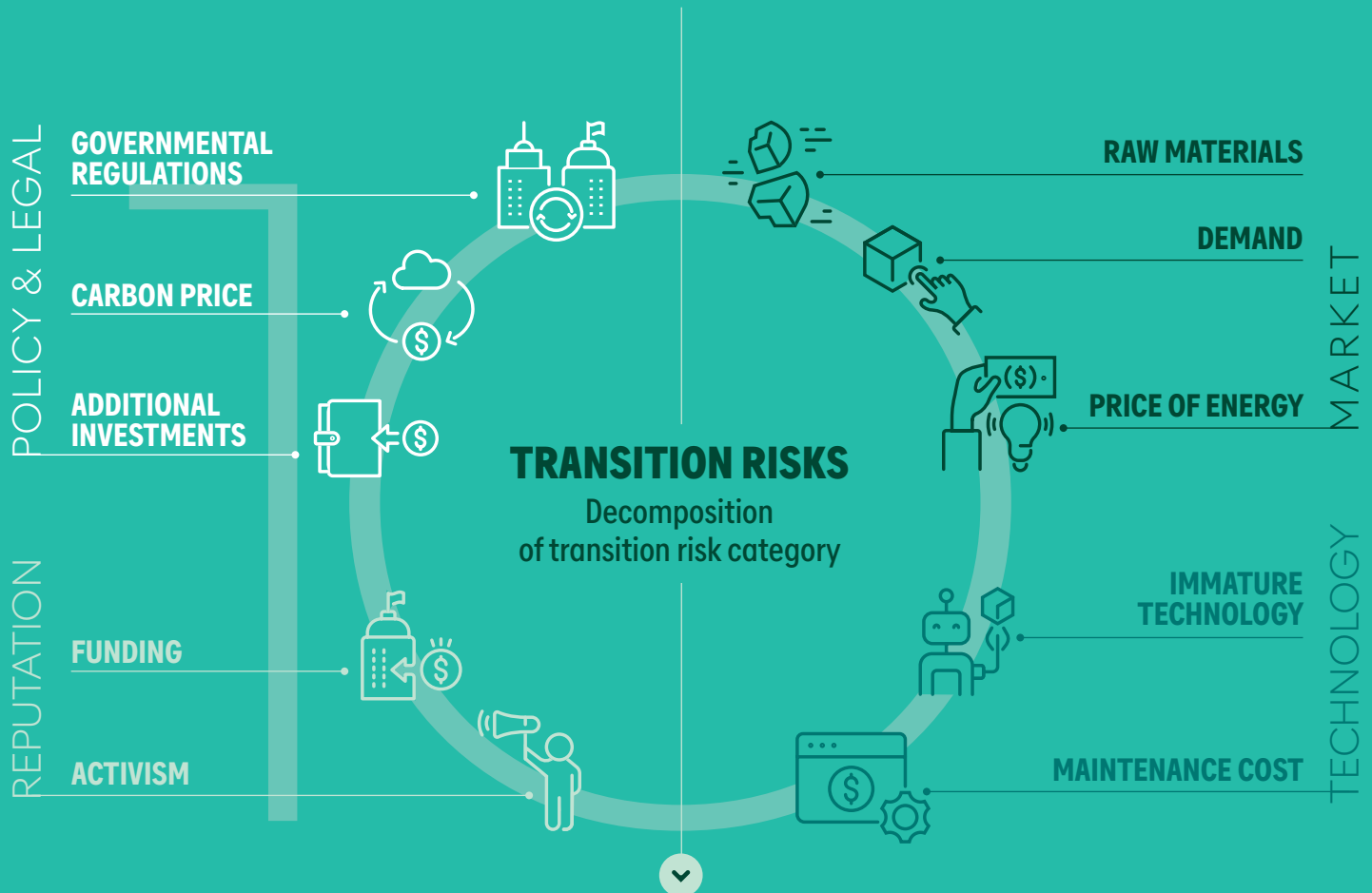


Additionally, transition risks are identified and divided into four main categories further broken down into operational risks' sub-categories, as illustrated below.

10. TRANSITION RISKS

10 Transition risks are associated with societal and economic shifts toward a low-carbon and more climate-conscious future.

Meridiam analyses transition risks through four main categories:
POLICY AND LEGAL, MARKET, REPUTATION, and TECHNOLOGY.
 Each theme is further broken down into operational risk sub-categories.



33 TYPES OF ASSETS ARE ANALYSED ACCORDING TO THESE RISK FACTORS

Transition Risks used by Meridiam based on CIARA methodology. For more information about CIARA, visit: <https://ciara.carbone4.com>

In order to take into account all possible climate risks, the energy prices and carbon issues, Meridiam and Carbone 4 developed an assessment tool for investment teams to complete. For each category, an indicative list of potential impacts helps to ensure that no major issue has been ignored at the “go/no go” stage of the investment process. This assessment is divided by sector (transportation, power, energy, environment, communication, social infrastructure) and is structured around three core themes (managing energy supply and pricing volatility, transitioning to a low-carbon economy, preparing for climate change and extreme weather events) broken down by types of activities.

The objective is to identify risks presenting potential negative financial, operational, commercial, or reputational impacts for a given project, which may need to be monitored and further analyzed over the investment process. The level and associated probability of such exposure is often difficult to estimate precisely and must therefore be assessed qualitatively based on early-stage information available to the project team.

Based on this assessment, the investment team determines materiality and supports the design of appropriate risk mitigation strategies.

Additionally, in 2023 Meridiam mandated Carbone 4 to undertake a thorough risk analysis of its portfolio's climate-related physical and transition risks using the following methodologies:

> **Physical risk assessment**

Physical risks are being evaluated based on the specific location of assets and their exposure to a set of 9 chronic or extreme hazards such as heat waves, extreme rainfalls, sea level rise etc. Risk scoring combines climate projections, local context information, and assets' structural (CAPEX) and operational (EBITDA) vulnerability.

> **Transition risk assessment**

Transition risks are being evaluated based on the specific location of assets and their exposure to a set of 4 transition hazards and 10 sub-indicators derived from the TCFD guidelines:

- Policy & legal (e.g. governmental regulations, carbon price)
- Technology (e.g. increase in maintenance cost)
- Market (e.g. constraint on raw materials and demand)
- Reputation (e.g. risks linked to activism)

Risk scoring combines transition hazards projections, local context information, and assets' structural (CAPEX) and operational (EBITDA) vulnerability. The assessment is structured around the following approach:

> **Selection of material hazards**

The climate-related risks selected for each asset will depend on the location of the asset, as well as on the type of asset and therefore its intrinsic sensitivity to the hazard. The initial list of hazards considered is in line with the list prescribed by the European Taxonomy¹.

> **Identification of vulnerabilities by asset type**

Using existing CIARA databases, Carbone 4 listed the potential impacts of each hazard on each asset. The vulnerabilities identified are broken down according to their impact on CAPEX or EBITDA.

> **Climate scenario assessment**

For each asset, Carbone 4 will study the evolution of climate-related material hazards in relative terms.

- Geographic scope: Europe, America, Africa
- Scenario: RCP4.5 and RCP8.5
- Time horizons: 2030 and 2050

Carbone 4 then assigned an evolution score to the hazard according to the statistical distribution of evolution values. Proceeding in this way allows to cover Africa, a geographical zone for which there are no unbiased climate data and therefore for which Carbone 4 cannot use the damage functions of the CIARA methodology.

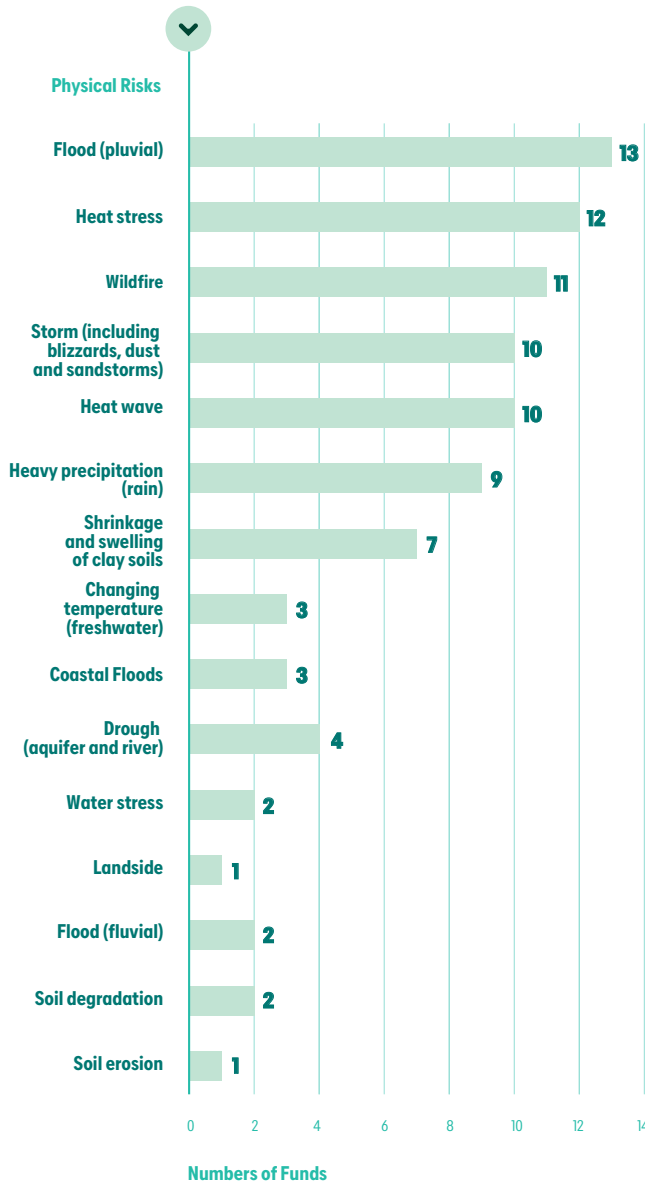
> **Results aggregation:**

Based on the risk ratings of each asset, Carbone 4 will calculate aggregate indicators at portfolio and asset type levels. The result of the exercise is a portfolio-wide assessment of each asset's climate-related physical risks as projected according to two climatic scenarios and quantified based on financial metrics; namely, the CAPEX and EBITDA. Based on this comprehensive physical risk assessment conducted by Carbone 4 on Meridiam's assets, 15 physical risks have been identified that pose critical and high threats to Meridiam's funds and assets.

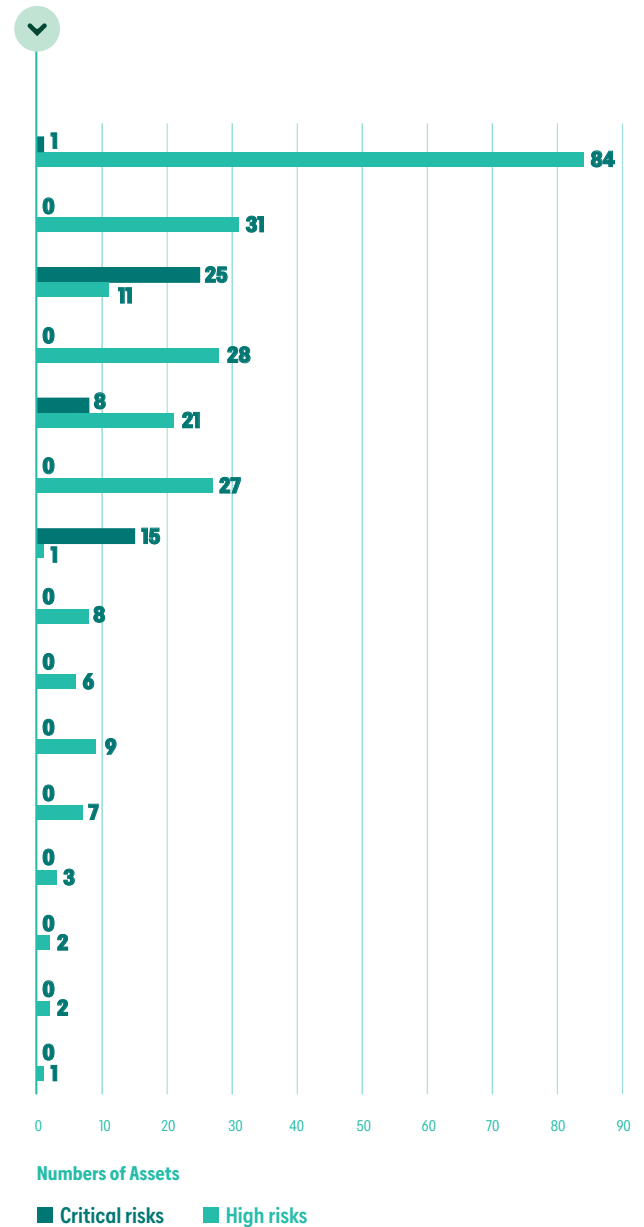


¹. Regulation (EU) 2020/852 of the European Parliament and of the Council.

CRITICAL AND HIGH PHYSICAL RISK THAT MAJORITY OF THE FUNDS FACE



CRITICAL AND HIGH PHYSICAL RISK THAT MAJORITY OF THE ASSETS FACE



> Next steps

Meridiam will be communicating the results to each asset with the following aim:

- > *Gather feedback on the risk assessment based on the asset's team terrain knowledge;*
- > *Complete the assessment by integrating existing measures already in place to mitigate the potential risk and increase asset resilience (which hasn't been accounted for in Carbone 4 analysis);*
- > *Work in collaboration with assets having remaining unaddressed high and critical risks to set out resilience and adaptation plans.*

ESG Risks' scope specification

As a long-term infrastructure investor with activities in Europe, North America, Africa, and the Middle East, Meridiam's ESG risk management procedures are an inherent aspect of the investment process and standard infrastructure ESG criteria are systematically analyzed with the same level of scrutiny. A risk level is then attributed to each criterion on a project basis and will determine their respective risk management needs.

ESG Risks selection criteria

During the investment process, the set of ESG criteria analyzed through the risk management procedures is exhaustive, with more than 45 indicators (detailed in question H b)) and covers all the relevant ESG risks associated with the development of infrastructure projects. The level of risk associated with each criterion is project dependent and is qualitatively assessed by the investment team based on available information and reviewed and approved by the management committee. The risk level is updated as necessary during the development of a given project.

Frequency of ESG Risk management framework review

Meridiam ESG-SDG procedures are reviewed annually.

ESG Risk management Action Plan

Each project is thoroughly assessed through the above-explained initial due diligence analysis prior to investment. All ESG concerns are highlighted during this process, whether they are risks the project may be facing in time or potential impacts the project may generate. Risk mitigation procedures are then included in the project documentation and specific risk indicators are identified for the implementation of continuous monitoring.

For each ESG issue associated with Meridiam's assets, mitigation or compensation measures are identified. This is the result of asset specific studies of ESG-related risks, including stakeholders' inputs. During the investment process, if an ESG issue is identified through the opportunity analysis, a specific strategy is designed to address it. This aims to channel the additional work that will need to be undertaken to invest in the asset.

Meridiam engages with the assets' management teams and their stakeholders to discuss, validate, and optimize the proposed measures, define an implementation plan, and agree on a timeline. This ensures that the proposed measures are relevant, realistic and that the final solution is optimal for all stakeholders.

ESG Risks Financial impact

Climate change presents both acute and chronic financial risks to infrastructure.

Acute Risk: the increased frequency and severity of extreme weather events may temporarily disrupt infrastructure service delivery more often, decreasing revenues and increasing expenses. Those risks are considered acute as they are emanating from event driven climate change impacts.

Chronic Risk: gradual climatic shifts, such as increasing temperatures or changing precipitation patterns may also lead to reduced operational and economic performance over time and increased operating costs. Changes in weather and climate can impact infrastructure design thresholds for safe and efficient operation as well.

Some of the climate-related financial risks driven by physical risks include:

	FINANCIAL IMPACTS			
	REVENUE	COSTS / EXPENDITURES	ASSETS	CAPITAL & FINANCING
EXAMPLES	The income derived from normal business activities can be affected by climate-related operational disruptions. For example, high temperatures on an airport's tarmac can affect aerodynamic performance which may require airlines to limit passenger and cargo weight. That can result in operational disruption and revenue loss.	Restoring infrastructure to operating condition following damage from extreme weather events may increase unplanned maintenance expenditures. In addition, adapting infrastructure assets to climate change may require planned and unplanned operational and capital expenditures. For instance, for ports, reinforcing breakwaters and elevating patios to adapt to climate change may increase capital expenditure budgets.	Extreme weather events or temperature variability disrupting operations, service performance, and delivery of infrastructure may lead to a decrease in overall asset value. Furthermore, asset damage from extreme weather events could shorten asset life and increase depreciation rates, thus negatively affecting asset value.	As capital and operational expenditures increase to respond to weather events and adapt to climate change, this may require an increase in debt, given lower cash-flow resulting from higher expenses.
	<i>Extreme weather events regularly impact revenues, such as recent winter storms in Texas which affected the revenue of transportation infrastructure.</i>	<i>Multiple projects have been designed to mitigate and adapt to climate change and extreme weather events, such as measures to deal with rising sea levels at the Port of Calais.</i>	<i>Until today, we have not had any disruption of operation nor service performance due to extreme weather.</i>	<i>Until today, we have not had any capital or financing issue due to climate change.</i>

At this stage, financial impacts linked to ESG risks are difficult to estimate quantitatively and have to be assessed on a project basis.

Meridiam has attempted to assess whether there is a correlation between its projects' internal rate of return and the sustainability performance, but data is still insufficient for a reliable estimation.

Continuous Improvement plan:

Meridiam is constantly working on reinforcing its ESG Risk management processes.

Namely, in the coming year Meridiam will be focusing on:

- Engaging closely with assets as a result of Carbone 4's in-depth climate-risk related assessment in order to deepen the analysis for projects' that were identified as having material risks and deploy relevant mitigation measures;
- Adapt and reinforce internal procedures in order to reflect that said portfolio assessment and integrate lessons learned in decision-making processes;
- Reinforce internal tools to integrate evolving market practices and regulatory standards, such as the taxonomy.



LIST OF FINANCIAL PRODUCTS REFERRED TO UNDER **ARTICLES 8 AND 9** OF THE DISCLOSURE REGULATIONS (SFDR)

MERIDIAM'S FUNDS

Meridiam currently manages 11 funds, the details of which are presented below:



	FUNDS	ASSET CLASS	YEAR OF CREATION	DURATION OF THE FUNDS (YEARS)	GEOGRAPHICAL AREA	TYPES OF SECTORS	AMOUNT OF MERIDIAM'S ASSETS FOLLOWING ITS ESG POLICY (AS A SHARE OF FUNDS, IN %)	SFDR
AMF	Meridiam Infrastructure SICAR	Infra	2008	25	OECD countries in Europe and North America	Transport - Social	100	Art. 8
	Meridiam Infrastructure Europe II	Infra	2012	25	Europe	Transport - Social - Energy	100	Art. 9
	Meridiam Infrastructure Africa Fund ¹	Infra	2015	15	Africa	Public utility services - Energy Transport - Social	100	Art. 9
	Meridiam Infrastructure Europe III ²	Infra	2016	25	Europe	Transport - Social Public buildings - Energy	100	Art. 8
	Meridiam Transition ³	Infra	2016	20	Europe	Public utility services - Energy	100	Art. 9
	Meridiam Infrastructure Africa Fund II	Infra	2021	15	Africa	Public utility services - Energy Transport - Social	100	Art. 9
	Green Impact Growth Fund (GIGF)	Private Equity	2021	12	Europe	Low carbon economy - Circular economy - Sustainable cities, and smart buildings - Clean mobility, Sustainable agriculture and food	100	Art. 9
	The Urban Resilience fund (TURF)	Infra	2021	20	TURF A: OECD TURF B: non-OECD	Critical resilient infrastructure in cities - Catalyze project preparation at the city level	100	Art. 9
	Meridiam Sustainable Infrastructure Europe IV	Infra	2021	25	Europe	Public utility services - Energy Transport - Social	100	Art. 9
	Meridiam Sustainable Water and Waste Fund SLP	Infra	2021	25	Europe	Suez	100	Art. 9
	Meridiam Enhanced Co-Investment Fund SCA-SICAV RAIF	Infra	2023	25	Europe	Portfolios companies in which MI is an investor, value creation and decarbonisation opportunities	100	Art. 8
SEC	Meridiam Infrastructure North America II	Infra	2012	25	OECD countries in North America and South America	Transport - Social Public buildings	100	N/A
	Meridiam Infrastructure North America III	Infra	2017	25	OECD countries in North America and South America	Transport - Social Public buildings	100	N/A

1. Fund subject to Decree No. 2015-1850 of December 29, 2015 applying Article 173 (paragraph VI) of the LTECV of August 17, 2015. 2. 3. Ibid.

The funds are managed by either Meridiam SAS (MSAS) or Meridiam Infrastructure North America (MINA). MSAS is regulated by the French Autorité des Marchés Financiers (AMF) while MINA is regulated by the Security and Exchange Commission (SEC).

INFORMATION PURSUANT TO ARTICLE 4 OF REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 27 NOVEMBER 2019

1. SUMMARY OF THE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS

Meridiam considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Meridiam. This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2024. Principal adverse impacts of investment decisions on sustainability factors have been monitored for the year 2024 for the financial product and cover:

All the mandatory indicators for principal adverse impacts on sustainability factors listed in Table 1 of Annex I of the delegated regulation 2019/2088 supplementing SFDR:

1. GHG emissions (Scope 1, 2 and 3 – Total GHG emissions)
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste and radioactive waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)



The following relevant additional indicators listed in Tables 2 of Annex I of the same delegated regulation:

7. Investments in companies without water management policies

The following relevant additional indicators listed in Tables 3 of Annex I of the same delegated regulation:

3. Number of days lost to injuries, accidents, fatalities, or illness
4. Lack of a supplier code of conduct
(Tier 1: SPV's first subcontractors and suppliers of materials and services)

As an infrastructure and long-term asset manager, the principal adverse impacts linked to Meridiam's activities pertain directly to the characteristics of the natural and social environment in which the project is implemented, its scale as well as the project end-use. Whether the project is a brownfield or a greenfield also influences the significance of the potential impacts and the necessary mitigation measures.

Typically, **Meridiam's activities can be divided into three main categories:** sustainable transport, critical public services and innovative-low carbon solutions. These categories tend to have similar and distinct potential impacts that will be managed differently.

Commonly and because of the wide footprint inherent to infrastructure projects in general, there is always a focus on: managing the impacts on biodiversity and the natural habitat as well as the potential social impacts on the communities the

infrastructure serves, ensuring sustainable resources' consumption, and avoiding and minimizing any sources of pollution including noise, water and air pollution.

Some examples of distinct features related to specific asset types might include the following:

- *transportation assets tend to have a bigger footprint as they extend many kilometers and are more likely to impact natural habitats as they cross a variety of areas to provide critical links. As such there will be an emphasis on ensuring natural habitat connectivity and managing impacts such as noise, water and air pollution;*
- *Hospitals and schools generally are developed in more urbanized areas with a focus on ensuring resources consumption efficiency and managing waste including hazardous and radioactive waste.*

2. DESCRIPTION OF THE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS

Please refer to Meridiam's Principal Adverse Sustainability Impacts Statement published in the section **Statement on principal adverse impacts of investment decisions on sustainability factors** of Meridiam's website. For fund level disclosures, please visit Meridiam's Investor café platform.

3. DESCRIPTION OF POLICIES TO IDENTIFY AND PRIORITISE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS

As defined in the Principle Adverse Impacts Policy formalized and approved by Meridiam's governing bodies in 2021, **the 4-step evaluation of every potential investment opportunity described earlier in this document has been an integral part of Meridiam's investment process.** The recent regulation has formalized the disclosure process, but identifying and managing negative impacts through ESG risk evaluation has been part of Meridiam's procedures since inception. These procedures are part of Meridiam's ISO 9001 system and their implementation are overseen by the ESG and compliance team as well as the Executive committee, the Management review committee and the Investment committee as defined within Meridiam's ISO book of procedures. Meridiam uses specific ESG indicators in the detailed evaluation of potential investments and several of these indicators

are directly related to the sustainability of the asset as indicated in the tables below. For example, the impact on the physical environment (air quality, noise, water quality, soil, etc.), the impact on the fauna and flora, the sustainable use of resources or the vulnerability to climate change and climate-related physical risks. It would be challenging to list all the potential PAI and associated management measures for all types of asset classes Meridiam invests in, but the table below provided a sample of PAI-related issues for some of our asset classes. As showed in the table, specific environmental and social management plans (ESMPs) are developed to address the PAIs, each containing a detailed description of the adverse impacts it addresses, the measures implemented to limit and/or compensate the impacts, the implementation schedule and responsibility matrix, and the monitoring plan.

ASSET CLASS	EXAMPLES OF PAI RISKS RELATED TO SUSTAINABILITY	EXAMPLES OF ENVIRONMENTAL AND SOCIAL MANAGEMENT PLANS (ESMPS)
ROADS	Air quality, Dust, Noise, Waste, Water quality, Soil contamination, Slope stabilisation, Biodiversity, Resettlement	Water quality and wastewater MP, Air emission, noise and dust MP, Biodiversity Action Plan, Resettlement Action Plan
AIRPORTS	Noise, Air emissions, GHG, Bird hazards, Soil contamination, Hazardous waste	Water quality and wastewater MP, Air emission, noise and dust MP, GHG emissions reduction plan, Waste MP, Bird hazards MP
URBAN MOBILITY	Disposal of batteries, noise and dust during construction and operation	Air emission, noise and dust MP, Waste and hazardous waste MP
PORT	Coastal erosion, Waste and hazardous waste, Water quality, Biodiversity	Erosion control and restoration plan, Biodiversity Action Plan, Waste and hazardous waste MP, Wastewater and surface water MP
RAILWAYS	Noise and vibrations, Encroachment in natural habitats, Land acquisition and expropriation, Hazardous waste, Water quality	Noise and vibration MP, Biodiversity Action Plan, Land acquisition and resettlement Action Plan, Hazardous waste MP, Water and wastewater MP
STUDENT ACCOMMODATION	Disturbances linked to noise and traffic in the vicinity of buildings, Energy and water consumptions	Air emission noise and dust MP, Energy efficiency and consumption MP, Water consumption reduction plan
HOSPITALS	Biomedical and hazardous waste, Noise and disturbance due to ambulances and traffic increase	Air emission, noise and dust MP, Biomedical and hazardous waste MP Traffic MP
DATA CENTER	Energy consumption, Heat waste and water consumption (for cooling), E-waste, Noise	Energy MP, Water consumption MP, Noise MP, Waste and e-waste MP
HYDROPOWER PLANT	Impact of the reservoir on aquatic biodiversity, Encroachment in natural habitats, Riverine erosion, GHG emissions from and mercury bioaccumulation in the reservoir, Land acquisition and resettlement, Water quantity and quality	Biodiversity Action Plan, Soil stability and erosion MP, GHG emissions management and monitoring plan, Mercury monitoring and MP, Land acquisition and resettlement Action Plan, Water MP including climate modelling
SOLAR POWER PLANT	Visual impact, Land acquisition and resettlement, Encroachment in natural habitats, Panels disposal	Hazardous waste MP, Land acquisition and resettlement Action Plan, Biodiversity Action Plan, Visual integration plan
WASTE TO ENERGY	Air and odour emissions, Traffic increase due to waste transport, Water and wastewater	Air emission, noise and dust MP, Traffic MP, Water consumption and wastewater MP

All these PAIs are evaluated regarding their level of risk and project-specific measures are taken to address them. Meridiam's approach towards these PAI is to avoid, reduce, and compensate PAI.

Here are some examples:



AVOID	Light Rail Transit in Florence, Italy	The project was redesigned when archaeological works unearthed cultural artefacts on the site of the original tramway line.
MINIMIZE	Kinguélé Aval Hydropower Plant, Gabon	The initial design was double the actual size in height, energy capacity (MW), height of the dam and surface of retention basin. This meant the basin would have covered the outskirts of a national park. As such, the conception of the project was revised and the project halved in height, energy capacity and retention basin to avoid undue potential negative impacts on natural habitats.
COMPENSATE	A5 Ostregion, Austria	The project company protected or restored 267 hectares of green areas that are now under its management. This represents a compensation of 168% of habitat areas that were considered destroyed during the construction of the highway.

To develop a better understanding of projects and inform the sustainability related risk assessments, teams carry out site visits, conduct meetings and discussions with other stakeholders, take into consideration the site history, and develop a list of action items. These additional steps strengthen and confirm the selection, identification and evaluation of the PAIs, considering their probability of occurrence, severity and potentially irremediable nature. As explained above, it results in dedicated measures that are compiled in specific environmental and social management

plans that detail how each PAI related to ESG and/or sustainability is managed, when, and by whom. This allows Meridiam and other shareholders of the project company to track the implementation of each ESG/sustainability measure during the various phases of the project, from construction to operation. Each dedicated study is undertaken by highly specialized engineering consultants going on the terrain to gather appropriate data and using state-of-the-art tools to assess potential impacts, as such, the margin of error is very limited.

Once in portfolio, Meridiam monitors assets' PAIs through i) a reporting platform called Simpl.® which gathers operational data at asset level on a yearly basis, and ii) through the carbon assessment

of each asset in portfolio evaluated by an external consultant Carbone 4 following the Principles of the GHG Protocol.

4. ENGAGEMENT POLICIES

To follow-up and update our ESG and sustainability strategy, **Meridiam has developed an active, hands-on asset management approach**, ensuring an intimate proximity between Meridiam and its assets. Within all project companies, Meridiam will always be an active shareholder, playing a strong monitoring role on how the project is delivered and managed. This helps ensure its investments are managed transparently, especially for ESG and sustainability factors. Specifically, as a member of the project company's board, Meridiam personnel typically have veto rights on in most key decisions of the project company, and Meridiam also focuses carefully on governance and management issues within the project company board. As such, Meridiam ensures that, along with its partners, the project is designed and implemented considering all ESG and sustainability impacts, including all the PAIs Meridiam monitors. Meridiam also ensures that each project company has its own environmental and social management plan in place and is responsible for implementing it within its activities. A constructive dialogue with each project company is maintained throughout the construction and operation phases, allowing a close monitoring of the implementation of the environmental and social strategies and measures.

Meridiam considers the exercise of voting rights as an actual management decision that should be performed in the best interest of its investors in accordance with:

- (1) the French Monetary and Financial Code provisions and the recommendations of the professional association(s) to which Meridiam adheres and,
- (2) the provisions of Meridiam Code of Ethics.

Meridiam exercises its voting rights within the governance framework of shareholders meetings of the project companies.

To the extent possible Meridiam representatives pledge to vote in accordance with the following principle regarding ESG aspects, for each type of proposed resolution, and in the best interest of the AIFs (Alternative Investment Funds):

- Meridiam representatives will generally vote for all non-financial decisions that reinforce the sustainability of a given project in accordance with the investment strategy of the relevant AIF and will promote ESG initiatives and developments in line with Meridiam's global ESG approach, including any relevant topic as related to its sustainability risk policy;

- Meridiam representatives shall generally abstain or vote against ordinary decisions which are deemed contradictory to the principles endorsed by Meridiam, including but not limited to UN PRI, NZAM and TCFD.

For more information, please refer to Meridiam's Shareholder Engagement Policy.

Additionally, Meridiam uses Simpl.® to monitor each asset in portfolio on a yearly basis. It tracks and monitors the impact of a project using Meridiam's unique assessment framework against Environment, Social and Governance targets and the UN-SDGs.

Simpl.® is designed to focus on the pre-assessed core and direct impacts of Meridiam's sectors of activities and uses data and KPIs available at the portfolio company level through an in-depth survey of over 200 indicators per asset class with a data visualization tool to rigorously monitor ESG criteria and identify each investments' relevant contribution to the SDGs. The tool also has a PAI module whereby Principal adverse impacts of investment decisions on sustainability factors are systematically monitored for each asset and cover:

- All the mandatory indicators for principal adverse impacts on sustainability factors listed in Table 1 of Annex I of the delegated regulation UE 2022/1288 supplementing SFDR
- The following relevant additional indicators listed in Tables 2 and 3 of Annex I of the same delegated regulation:
 - Investments in companies without water management policies
 - Number of days lost to injuries, accidents, fatalities, or illness
 - Lack of a supplier code of conduct (Tier 1: Project Company's first subcontractors and suppliers of materials and services).

The objective is to monitor these indicators throughout the life cycle of a given asset and to ensure its continuous improvement by setting up improvement plans developed in collaboration with the portfolio company and approved by its board. Similarly, if there are no reduction of the principal adverse impacts over more than one period reported on, when deemed relevant or when the performance isn't already optimal, Meridiam will integrate these as KPIs in the amelioration plans' framework and study with the asset existing levers to improve their performance and reduce these negative impacts.

The formalization of ESG demands towards our partners is a requirement of our procedures and commitments associated to environmental and social reporting. As such, Meridiam's approach to ESG management and SDG value creation is systematically incorporated within every project management strategy as agreed upon by a project company/consortium. Meridiam establishes collaborative agreements with its partners on the

ESG measures to be implemented throughout the projects' construction and development phases as well as the monitoring and sustainability-related improvement plans inherent to Meridiam's management processes. These agreements are formalized in the shareholder's agreement of each project and include specific performance and reporting requirements towards each project company.

5. REFERENCES TO INTERNATIONAL STANDARDS

Meridiam is committed to respect fundamental social rights in alignment with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation (ILO) on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This commitment is demonstrated throughout the Business Approach:

- **During the investment process:** Meridiam ensures that its partners respect social standards in their HR policies and factor these risks when selecting main suppliers and subcontractors.
- **During the asset management process:** As a shareholder, Meridiam ensures that social standards are effectively applied by the main contractors and their subcontractors:
 - respect trade union rights and the promotion of a social dialogue;
 - prevent all types of discrimination and promotion of equal opportunities;
 - prevent the use of child labour or of any type of illegal labour;
 - implement acceptable working conditions: remuneration, social security, prevention of violence at work, termination provisions (local workforce);
 - promote the health and safety in the workplace including the prevention of occupational accidents and diseases;
 - apply the indicators of the UN-SDG tool to measure the involvement level of suppliers and subcontractors on health and safety and child labour monitoring, prevention, and mitigation.

Moreover, indicators for principal adverse impacts on sustainability factors are monitored at asset level. Namely:

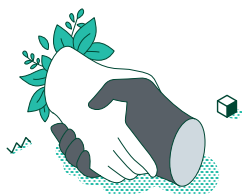
- violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises;
- lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

Since 2019, Meridiam as a Net Zero Asset Manager Initiative signatory, has also set the objective to align all its portfolios with the goals of the Paris Agreement. To achieve this, Meridiam partnered with Carbone 4* to develop a tailored Climate Impact Analytics for Real Assets' (CIARA) methodology in order to assess its portfolio's alignment with a 2-degree trajectory as well as their carbon footprint. Meridiam uses this methodology to report on all GHG-related PAIs (PAI 1 to 3).

The carbon footprint analysis does not make use of scenarios. Calculations are based on assets' physical characteristics (kWh, m², traffic etc.). Emission factors are taken from reference databases, such as ADEME, Ecoinvent, IEA depending on the asset's geography and characteristics. This means the methodology rely on "activity-based" and not 'financial-based' data, from this, good quality can be inferred from the models' results. This allows for an effective identification of emission reduction levers. Data score PCAF 1-2 on scopes 1-2 and score PCAF 2-3 on scope 3, so data quality is correct to date.

The 2°C assessment methodology uses one scenario based on the IEA's 2°C scenario (2DS) to 2060 developed within the IEA's Energy Technology Perspectives 2017 and modulated to reduce the IEA's energy efficiency ambition and increase that of sobriety (IEA's technological assumptions revised downwards).

*<https://www.carbone4.com/en>

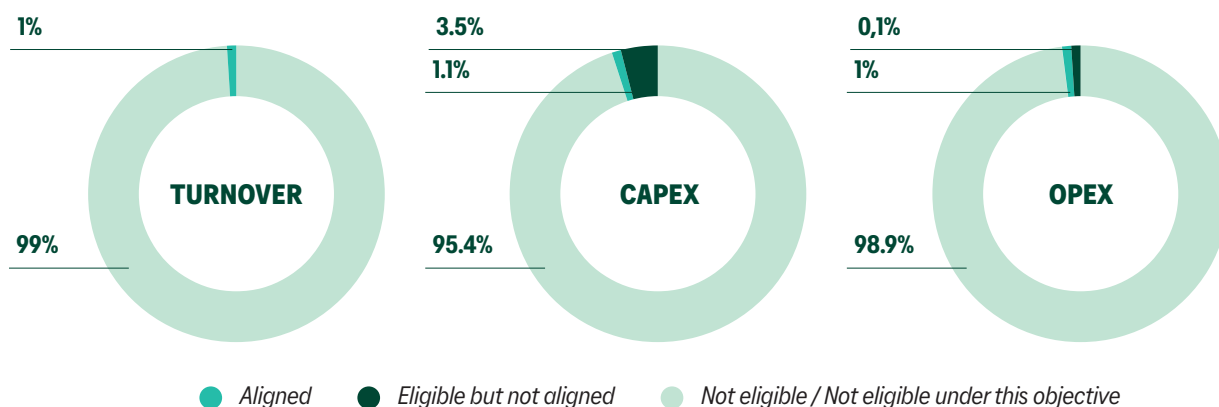


ANNEX I

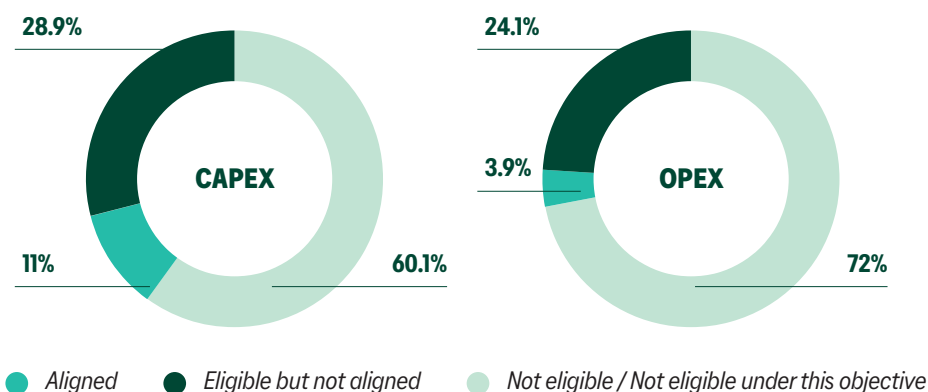
1. MERIDIAM INFRASTRUCTURE SCA, SICAR

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate Mitigation



» Climate Adaptation



EU Taxonomy eligibility to the other environmental objectives

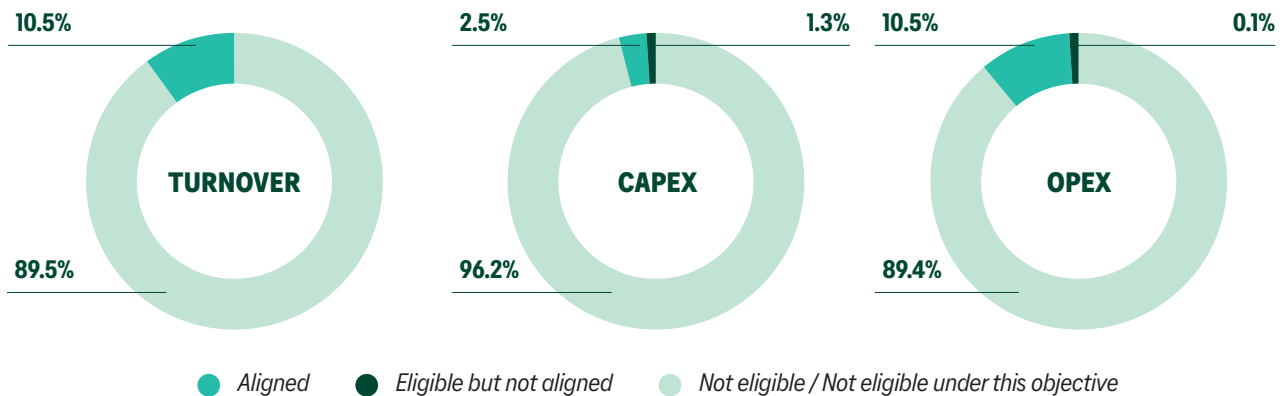
WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	56.6%	32.6%	37.2%	0%	0%	0%	0%	0%	7.2%
100%	100%	100%	43.4%	67.4%	62.8%	100%	100%	100%	100%	100%	92.8%

● Aligned ● Eligible but not aligned ● Not eligible

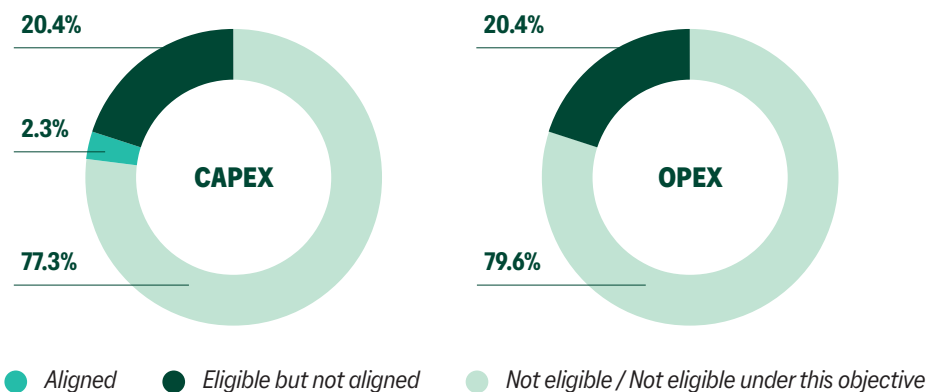
2. MERIDIAM INFRASTRUCTURE EUROPE II SCA SICAR

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate mitigation



» Climate Adaptation



EU Taxonomy eligibility to the other environmental objectives

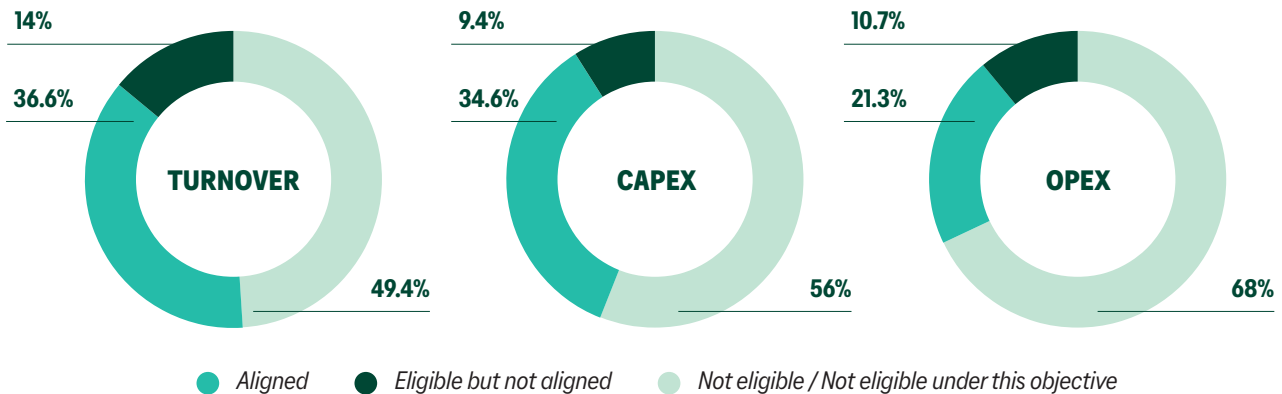
WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	3.7%	3.5%	17.1%	0%	0%	0.1%	0%	0%	2.4%
100%	100%	100%	96.3%	96.5%	82.9%	100%	100%	99.9%	100%	100%	97.6%

● Aligned ● Eligible but not aligned ● Not eligible

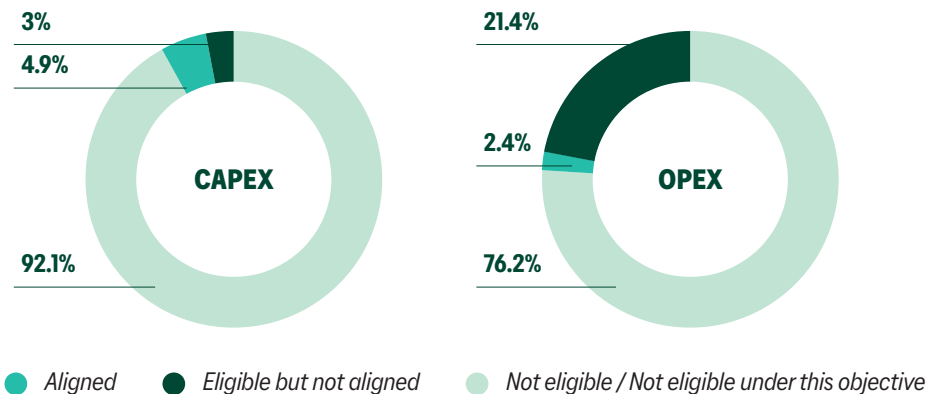
3. MERIDIAM INFRASTRUCTURE EUROPE III SLP

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate mitigation



» Climate Adaptation



EU Taxonomy eligibility to the other environmental objectives

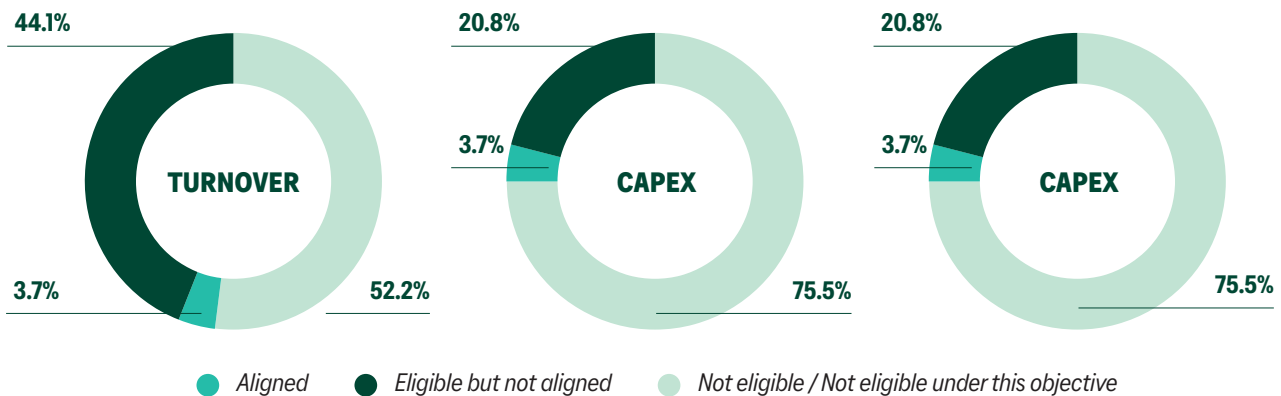
WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	4.1%	0.7%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	3.8%	1.6%	0%	0%	0%	0%	0%	0%
100%	100%	100%	100%	92.1%	97.7%	100%	100%	100%	100%	100%	100%

● Aligned ● Eligible but not aligned ● Not eligible

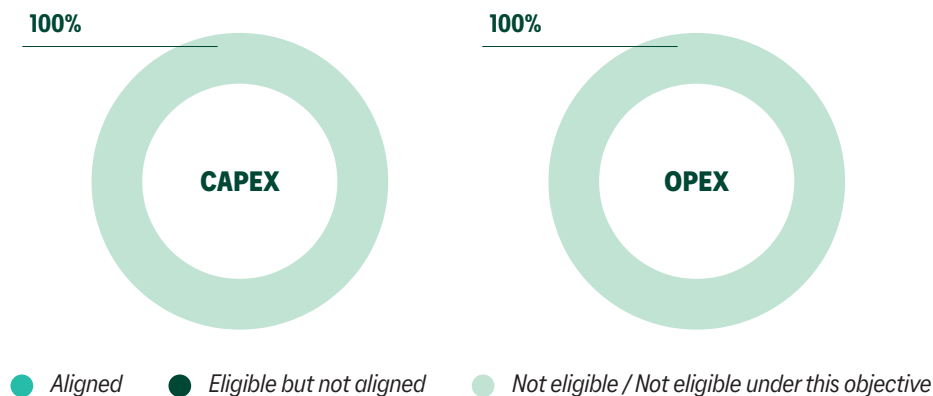
4. MERIDIAM SUSTAINABLE INFRASTRUCTURE EUROPE IV SLP

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate mitigation



» Climate Adaptation



Total fund alignment when including suez

	TURNOVER	CAPEX	OPEX
Aligned	6.9%	6.1%	5.5%

EU Taxonomy eligibility to the other environmental objectives

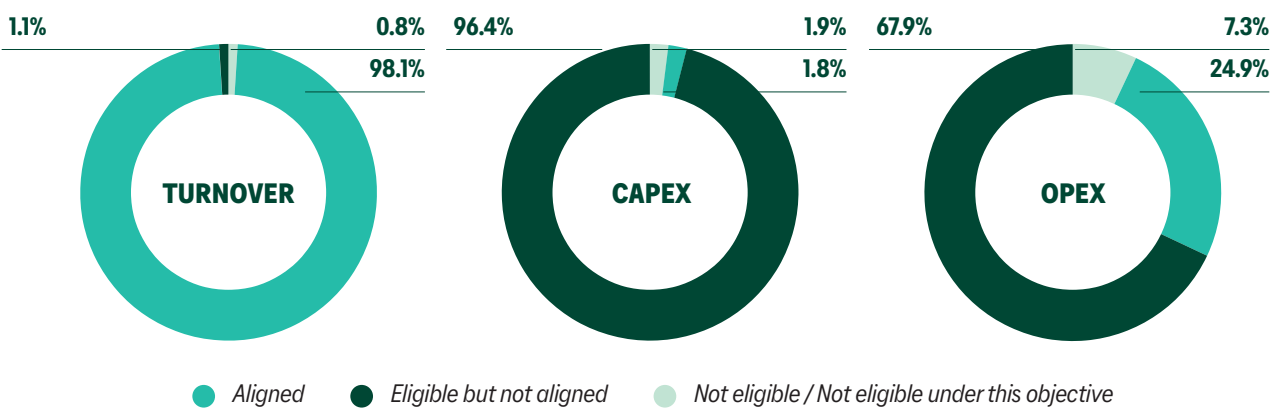
WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0.1%	0%	0%	0%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

● Aligned ● Eligible but not aligned ● Not eligible

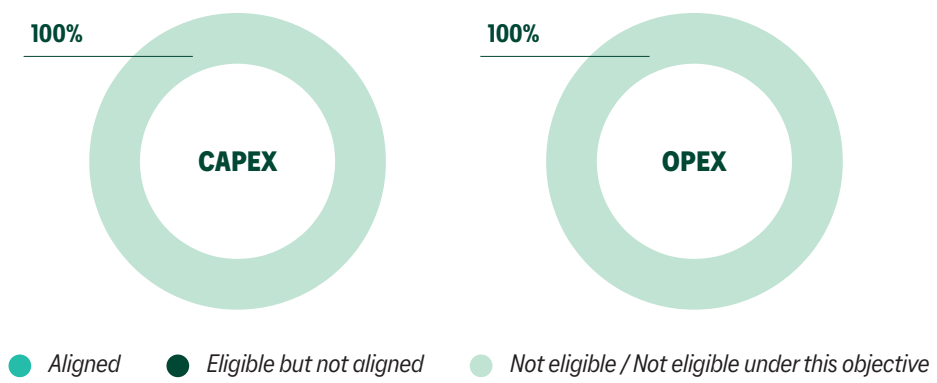
5. MERIDIAM TRANSITION

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate mitigation



» Climate Adaptation



EU Taxonomy eligibility to the other environmental objectives

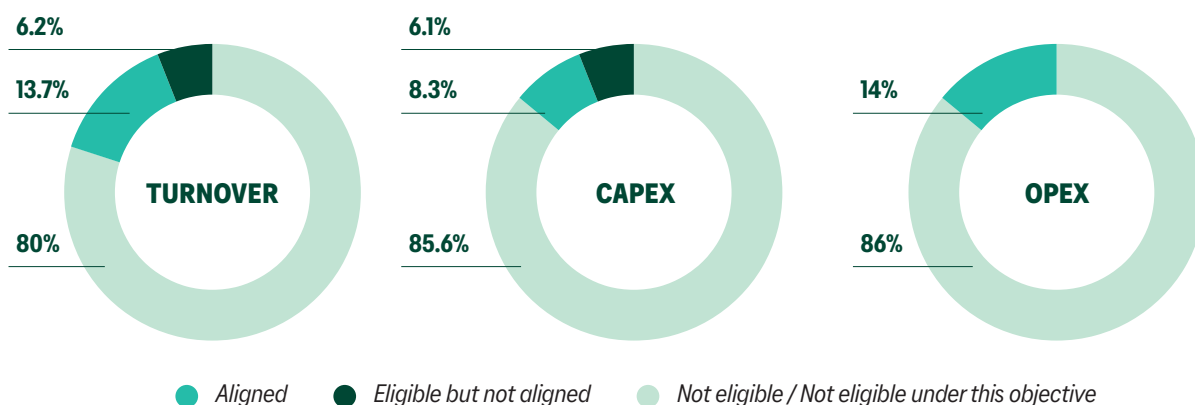
WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0.1%	0%	0%	0%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Legend: Aligned (teal), Eligible but not aligned (dark green), Not eligible (light green)

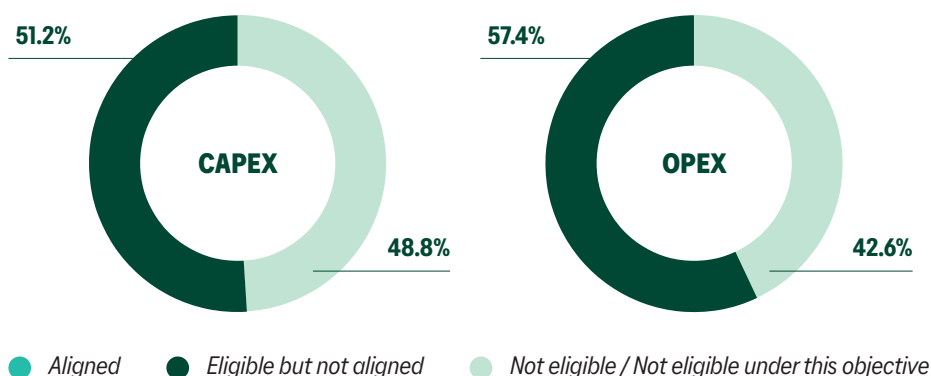
6. MERIDIAM INFRASTRUCTURE AFRICA FUND, FIPS

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate mitigation



» Climate Adaptation



EU Taxonomy eligibility to the other environmental objectives

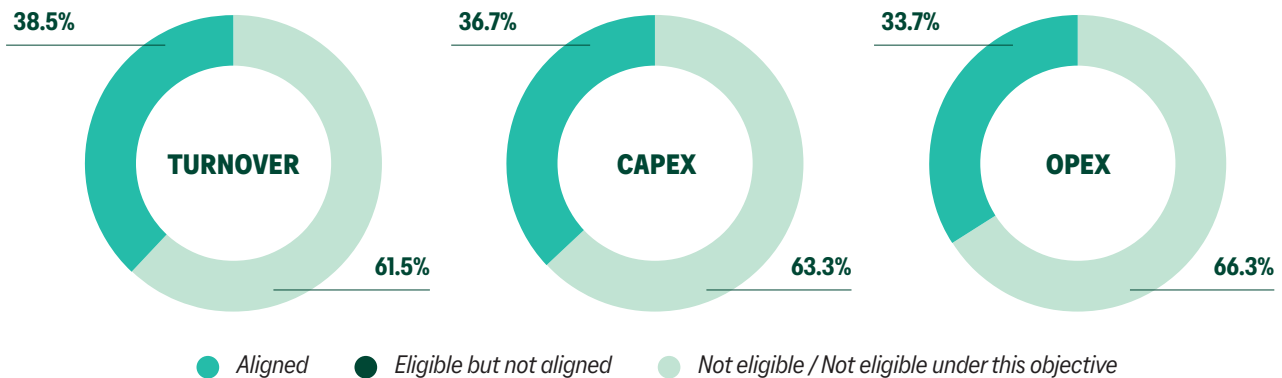
WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0.1%	0%	0.1%	0%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	99.9%	100%

● Aligned ● Eligible but not aligned ● Not eligible

7. MERIDIAM INFRASTRUCTURE AFRICA FUND II SLP

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate mitigation



» Climate Adaptation



EU Taxonomy eligibility to the other environmental objectives

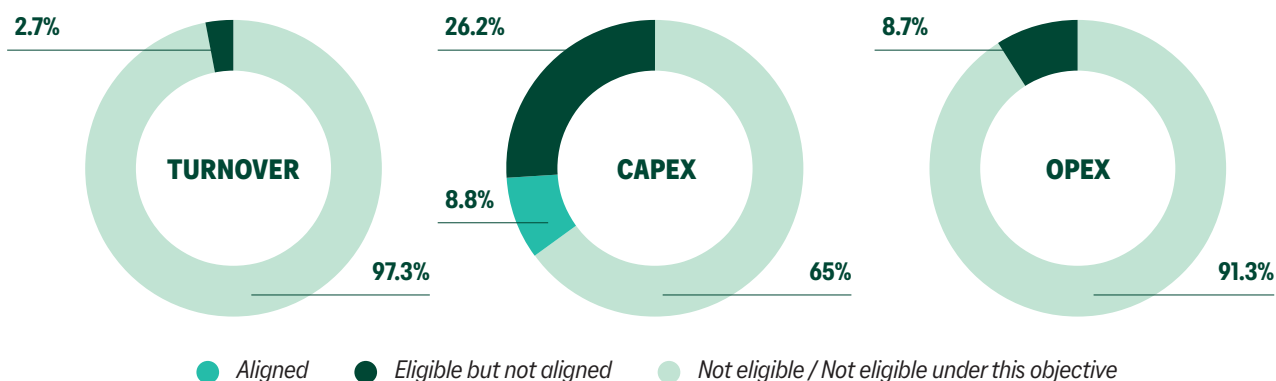
WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0.1%	0%	1.8%	4.8%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	98.2%	95.2%

● Aligned ● Eligible but not aligned ● Not eligible

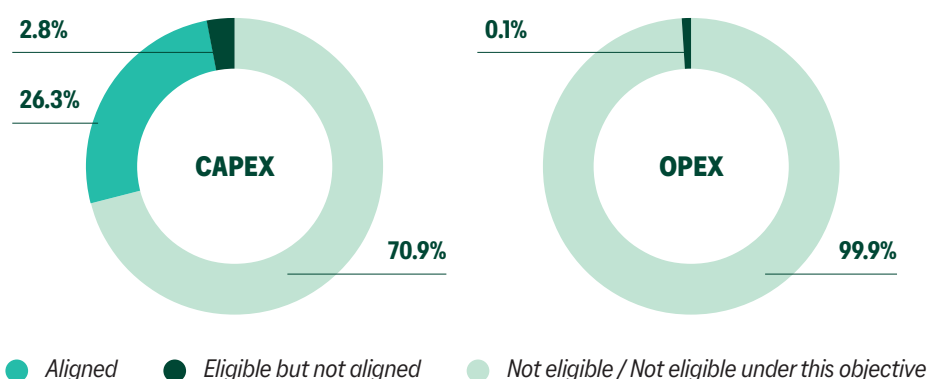
8. MERIDIAM INFRA-INVEST SLP

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate mitigation



» Climate Adaptation



EU Taxonomy eligibility to the other environmental objectives

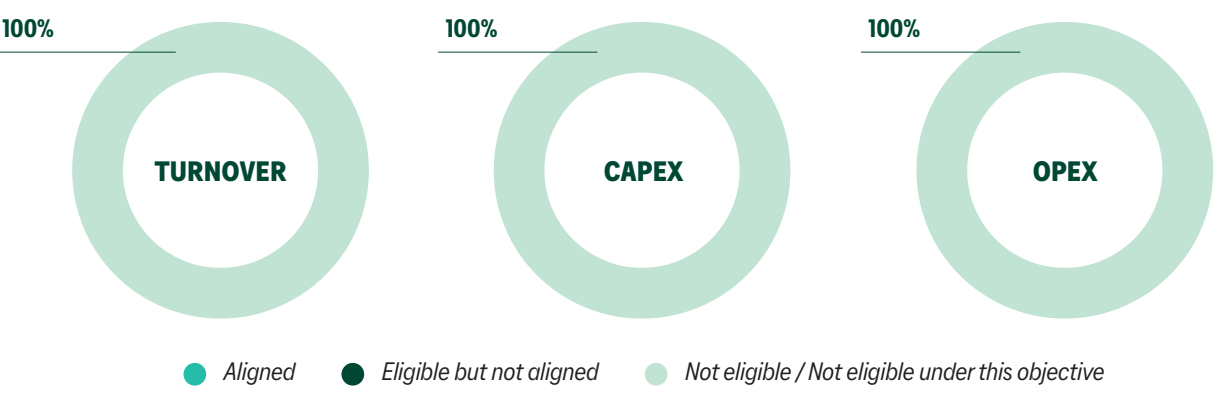
WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	13%	24.3%	16.9%	0%	0%	0.1%	0.2%	0%	0%
100%	100%	100%	87%	75.7%	83.1%	100%	100%	100%	99.8%	100%	100%

● Aligned ● Eligible but not aligned ● Not eligible

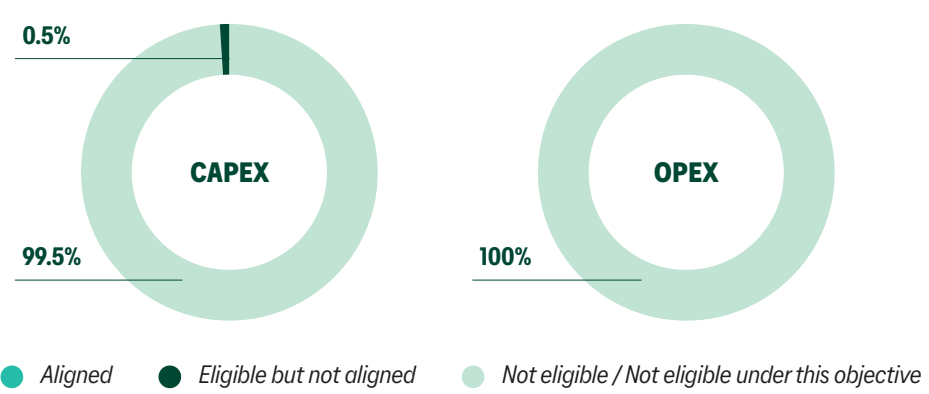
9. MERIDIAM ENHANCED CO-INVESTMENTS FUND SCA SICAV RAIF

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate mitigation



» Climate Adaptation



EU Taxonomy eligibility to the other environmental objectives

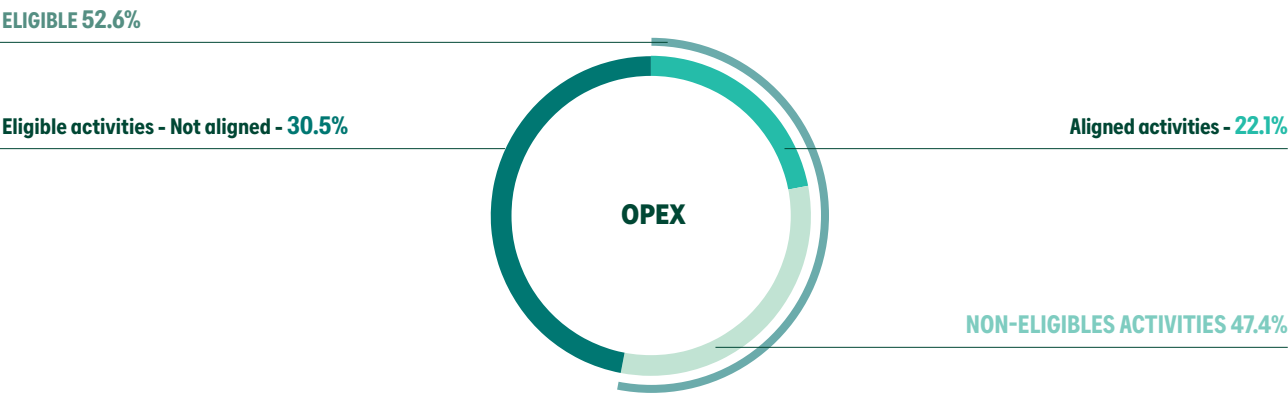
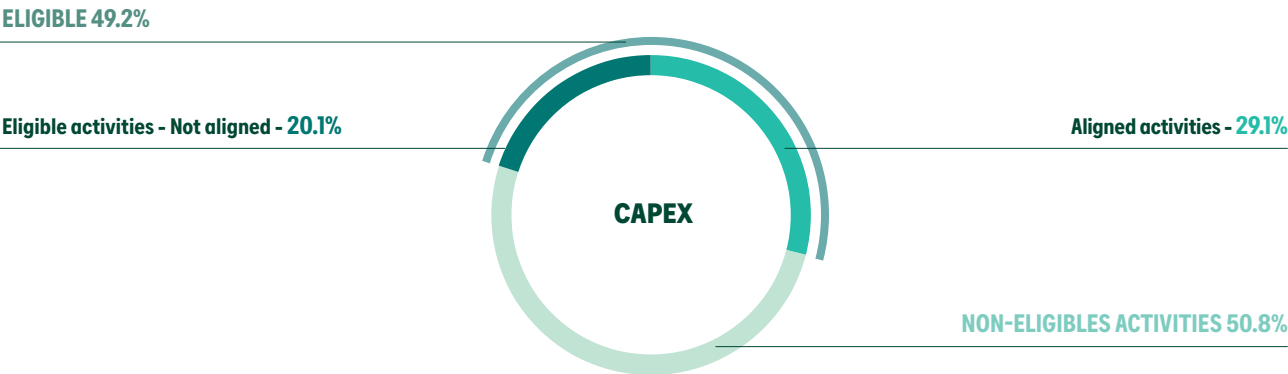
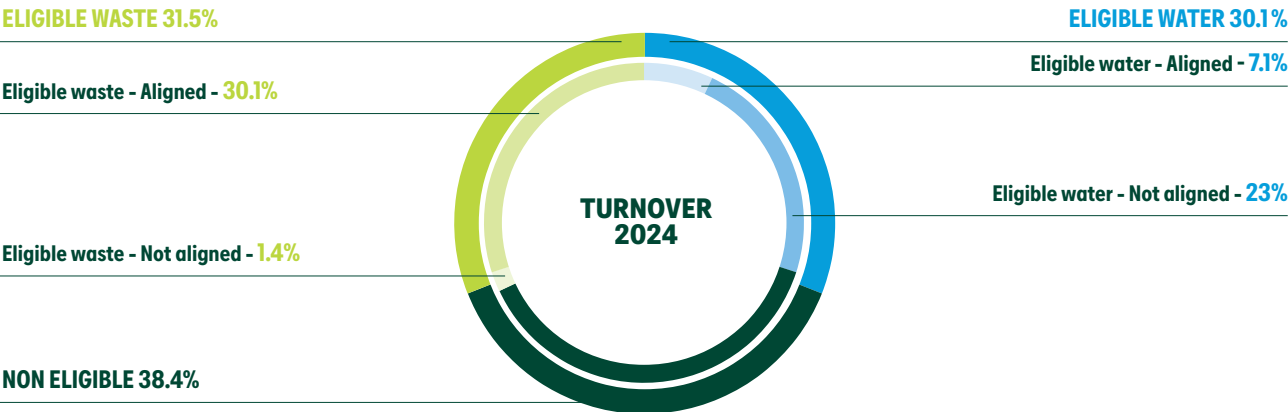
WATER			CIRCULAR ECONOMY			POLLUTION PREVENTION			BIODIVERSITY		
TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX	TURNOVER	CAPEX	OPEX
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%	0%	0.1%	0%	0%	0%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Legend: ● Aligned (light green), ● Eligible but not aligned (dark green), ● Not eligible (very light green)

10. MERIDIAM SUSTAINABLE WATER AND WASTE FUND S.L.P.

EU Taxonomy alignment & eligibility to the Climate-related objectives

» Climate mitigation



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