infranity

Building the foundations for a sustainable future

2025 SUSTAINABLE INVESTMENT REPORT BASED ON 2024 RESULTS

infranity

2025 SUSTAINABLE INVESTMENT REPORT
BASED ON 2024 RESULTS

Our ambitions

We are long-term investors with commitments extending beyond economic cycles. As an asset manager specialized in infrastructure investments, we seek to unlock potential for positive impact on the economy and society, achieving financial and sustainability performance.

We endorse initiatives and frameworks that support our ambitions. This approach is based on applying the following three principles:

infranity

We channel capital

towards assets contributing to the UN Sustainable Development Goals (SDGs) with a focus on key themes that can be meaningfully addressed through infrastructure.

We aim

to align the climate trajectory of our portfolios with the Paris Agreement objectives.

COP21 · CMP11
PARIS 2015
UN CLIMATE CHANGE CONFERENCE

We require

demanding ESG standards on all our assets including meeting minimum social safeguards.

KEY FIGURES

72

Number of employees

16

Number of hours of ESG-related training for all new joiners in the investment team.

100%

% of asset in article 8/9 funds

11.2 billion €

Total assets under management [1]

Below 2°C

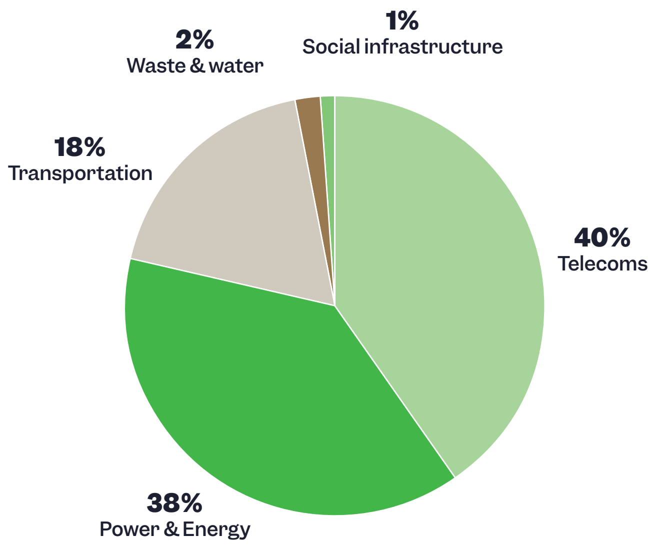
Infranity's alignment with the objectives of the Paris Agreement

40% [2]

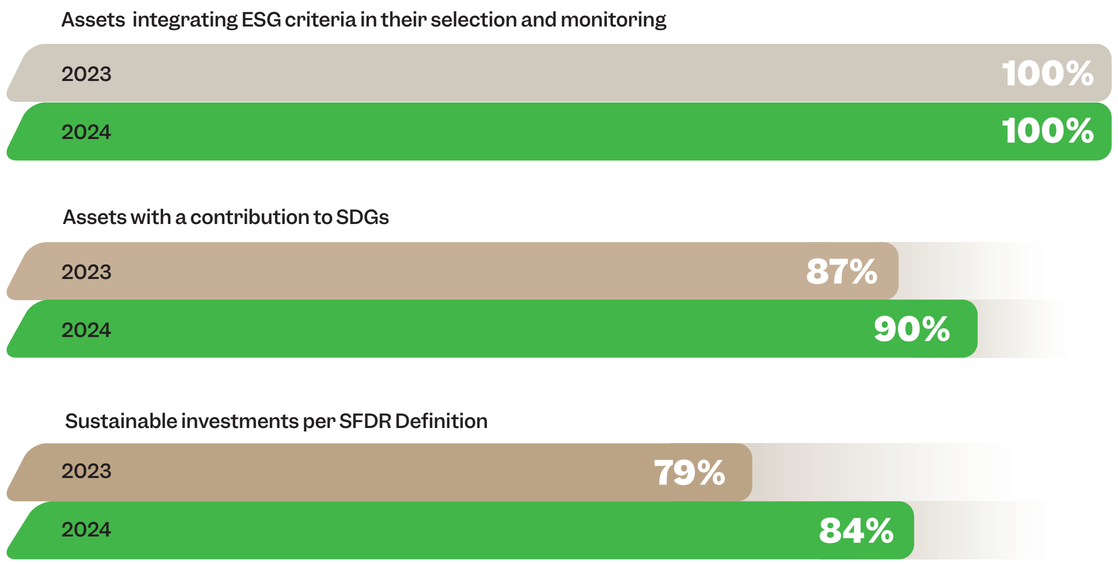
Infranity assets considered climate solutions, aligned or aligning with a 1.5°C trajectory with a high credibility

(1)Total initial commitments (not including repayments) as of December 31st, 2024
(2) Based on Commitments Post Repayments as of December 31st, 2024.

PORTFOLIO ALLOCATION PER SECTORS OF INVESTMENT 2024



INFRANITY'S INVESTMENTS AS OF END 2024



The figures communicated in this page only include the financial products launched by Infranity

Summary

PERISCOPE - Crédits photographiques : AdobeStock

01

Infranity at a glance

Foreword

Gilles Lengaigne
Managing Partner,
Head of Origination &
Corporate Development

> Infranity invests where sustainability overlaps with strategic objectives. Energy independence and economic competitiveness, data sovereignty and intelligence, simplification of supply chains and re-localisation of critical industries: it all goes hand in hand with accelerating decarbonization, connecting people and territories, strengthening regional economies, offering equal opportunities, and supporting ethical business practices.

Navigating sustainability: a compass in unstable times

At Infranity, we believe infrastructure investing is a powerful lever for long-term transformation. Our mission is to channel capital toward sustainable, resilient assets that support the transition to a low-carbon economy, protect natural ecosystems, and generate enduring value for our stakeholders. This conviction anchors our strategy and guides our response to evolving global dynamics.

In today's volatile macroeconomic and geopolitical landscape—shaped by growing polarization around ESG, the evolving global political environment, and shifting regulatory signals such as the EU's "Omnibus" proposal—it is more important than ever to keep our compass set on structural change. At Infranity, we remain focused on the deeper forces already reshaping markets and guiding our long-term investment approach.

While short-term sentiment may fluctuate and collaborative initiatives like the Net Zero Asset Managers (NZAM) initiative face pressure, the broader transition is unmistakably underway. The IEA's 2024 report offers compelling evidence: nearly 80% of the growth in global electricity generation came from low-carbon sources. In the EU, wind and solar have overtaken coal and gas; in the U.S., renewables have surpassed coal. These developments signal not just a shift in energy supply, but in the fundamentals driving long-term value.

At Infranity, we don't just observe this transition—we invest in it and for it. Our focus on infrastructure enables us to actively deploy capital where it can catalyze meaningful change.

Renewables, energy storage, and grid modernization are no longer marginal considerations; they are rapidly becoming the bedrock of future-proof portfolios.

Still, the path ahead is not linear. Disruptions, ESG pushbacks, and systemic risk must be navigated with discipline and foresight. These challenges call for a return to fundamentals—clear business models, real economy impacts, and resilient, forward-looking value creation strategies. At Infranity, we aim to future-proof our investments while actively contributing to market transformation, by directing capital toward sustainable infrastructure and accelerating the shift to a low-carbon economy.

We also recognize that climate change is just one facet of a broader environmental challenge. Biodiversity loss—driven by land degradation, pollution, and unsustainable resource use—poses systemic risks of its own. Protecting natural capital is increasingly central to long-term value creation. That's why we are strengthening our integration of nature-related considerations across our investment processes, aligning with emerging frameworks and best practices.

This is more than a climate imperative—it's a financial one. The cost of inaction is rising, both in terms of stranded assets and lost competitive advantage. By anticipating regulatory shifts, engaging stakeholders, and aligning with planetary boundaries, we are not just managing risk, we are shaping the rules.

Now is not the time to hesitate. It is the time to reaffirm our commitment.

The Sustainability Team

> As we broaden our presence across new geographies, our commitment to sustainable infrastructure remains central to our mission. Our approach, rooted in rigorous ESG assessments and a focus on long-term value creation, positions us to pursue attractive financial returns while driving meaningful social and environmental progress. Surpassing €10 billion in assets under management in 2024 was a pivotal milestone—one that significantly strengthens our ability to scale positive impact and accelerate the transition to a low-carbon, inclusive economy. Infrastructure is a powerful lever for tackling global challenges and with our growing scale and reach, we are well placed to help accelerate this transformation and build a more resilient future.

Philippe Benaroya
Managing Partner,
Chief Executive Officer

Our journey

Sustainability is a core value at Infranity. When we asses potential infrastructure investments, environmental, social and governance issues present as both risks and opportunities – intertwining financial, operating and sustainability performance. Our analytical approach is intentional and informed by specialized expertise, as we seek to preserve and create value for our investors and stakeholders.

Katherine McElroy
Investment Managing Director

2018

Over €500 M AUM*
8 team members

Launch of Infranity's platform

2019

€1 bn AUM*
13 team members

Sponsor of the 2 Infra Challenge

2020

€3.4 bn AUM* 18 team members

Signatory of the United-Nations Principles for Responsible Investment

2021

€5.9 bn AUM* 27 team members

- Member of the Institut de la Finance Durable
- Sponsor of CDC Biodiversité Global Biodiversity Score
- Launch of 2 impact funds (social and green) to contribute to the European post-covid recovery
- Creation of the Sustainability Team

2022

€7.9 bn AUM*
42 team members

Member of the Net Zero Asset Managers Initiative

2023

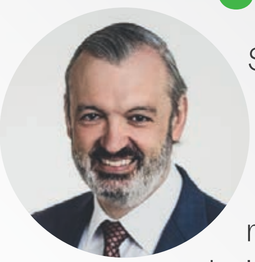
€ 9,2 bn AUM*
55 team members

- First PRI reporting submitted
- Infranity joins the Initiative Climat International (ICi)

2024

€ 11,2 bn AUM*
72 team members

- Infranity's net zero targets approved
- Commitment to the Finance for Biodiversity Pledge and Foundation



Sustainability is central to how we assess long-term value. As equity investors, we look for companies that align performance with sound risk management and are equipped to build resilience in their business model and navigate a changing world.

Jaime Hector
Investment Managing Director
Co-head of Investment Equity

* Total initial commitments (not including repayments).

02

Voices of investors

Voices of investors

Sarita Gosrani
Director of ESG and
Responsible Investment - Bfinance

Rising global uncertainty sparks ESG recalibration, not retreat.

In a year already marked by economic recalibration and escalating geopolitical disruption, institutional investors are adopting a posture of measured resolve. Responses to our recent snap poll – which gathered insights from 168 asset owners across 34 countries—paint a picture of long-term discipline amid short-term volatility. While concern around global political risk has surged, most investors are holding steady on strategic positioning, particularly in resilient asset classes such as infrastructure.

Reassessing ESG without retreating

This strategic calm also extends to ESG investing, although here the narrative is more complex. Investors are not retreating from ESG, but they are reassessing how considerations are applied. Close to half of those surveyed noted that they are actively re-evaluating their assumptions around ESG, impact, and climate-oriented investing. This introspection appears to be driven by both external challenges, such as shifting regulatory positions and politicised public narratives, and internal efforts to ensure that ESG strategies remain relevant, resilient, and aligned with fiduciary duty.

Regional and institutional nuances

Differences in ESG sentiment were particularly visible across regions and investor types. European investors, operating in a relatively consistent regulatory landscape, were more likely to maintain their ESG stance.
Investor type also shaped ESG outlook. Endowments and foundations, often driven by values-led mandates, were among the most consistent in their support. Pension funds and insurers, meanwhile, displayed a greater inclination to reassess.
For infrastructure allocators, ESG themes are deeply embedded in asset selection and portfolio design. The current wave of reassessment may in fact strengthen ESG frameworks in infrastructure, leading to more selective, data-driven and impact-aware implementation.

Resilience, not reaction

The findings from our snap poll provides a useful reminder that even amid rising global uncertainty, institutional investors are guided more by strategy than sentiment. They are watching the landscape shift, but they are not overreacting.
Regardless of headwinds, investing for the long term requires careful consideration of all risks and opportunities and a thoughtful recalibration with a forward-looking view.

(1)For the full survey results, please visit: https://www.bfinance.com/insights/poll-reveals-heightened-geopolitical-concerns-nuanced-esg-reassessment

> Abeille Assurances is committed to achieving meaningful sustainability outcomes through its investments, with a strong focus on generating tangible environmental and social impact. Investing in real assets is a powerful way to deliver on these objectives, and in this space, we are keen to collaborate with like-minded partners such as Infranity, sharing a commitment to accelerating the ecological transition and delivering measurable benefits for future generations.

Jean-François Coppenolle
Investment Director
Abeille Assurances

What investors are telling us and the road ahead ?

How have clients and investors responded to Infranity's sustainability strategy?

Samiye Durmaz
Head of Client Service

The response has been overwhelmingly positive. Our client survey consistently reflects strong alignment with our sustainability-led strategy. Investors increasingly view ESG integration not as a differentiator, but as a fundamental requirement. We've seen growing engagement from both long-standing and prospective clients who recognize that sustainable infrastructure is not only resilient but also a driver of long-term value.

Looking ahead, how is Infranity strengthening its sustainability narrative with international investors?

Nicolas Moriceau
Investor Relations Director:

Sustainability remains at the heart of our strategy. As we deepen relationships with investors globally —especially in Asia and the North America.— we're adapting to regional expectations while staying anchored to our core principles.

Our approach is performance-driven: we aim to embed sustainability in ways that enhance financial outcomes, foster innovation, and support inclusive, future-ready infrastructure that delivers essential services to societies.

> Together with our clients we at Aegon AM strongly believe in the long-term importance of thinking about the impact our investments make. We are convinced integrating this now will lead to long-term outperformance and reduced volatility. Within Infranity we recognize this commitment and look forward to keeping each other sharp in this journey in the coming years.

Gregor Rossen
Senior Portfolio
Manager Alternatives,
Aegon Asset Management

03

Sustainability strategy

Our approach to sustainable investment

In a year marked by macroeconomic uncertainty, political shifts, and evolving regulatory frameworks, we have remained steadfast in our commitment to sustainability.

We have continued to engage proactively with investee companies on key sustainability topics, reinforcing the importance of ESG data not only for compliance but as a tool to guide investment decisions and assess business resilience.

Transparency towards our investors is a cornerstone of our approach, and we strive to provide clear, relevant insights even as we navigate an increasingly complex landscape.

While we recognize the need for simplification and streamlining the sustainable finance framework, we believe sustainability considerations are not a fleeting trend but a core indicator of long-term performance and risk management.

For this, our methodology is continuously refined to reflect market developments, regulatory shifts, and investor expectations, ensuring it remains practical, precise, and fit for purpose. In this context, we are upscaling and extending our calculation of avoided emissions, which now encompasses, among others, a broader range of sectors within our portfolio. These includes solar and wind power, renewable district heating and clean transportation (excluding at this stage rolling stock lessors) —reflecting our commitment to capture a more comprehensive picture of our climate impact.

This adaptability is essential as we broaden our focus beyond Europe.

We believe strong investment returns can go hand in hand with positive sustainability and impact outcomes. In this pivotal phase of the green transition, we remain committed to financing progress and aligning our strategies with climate objectives—while advocating for regulatory coherence that supports both businesses and investors.

84% **of Infranity assets qualified as sustainable investments**

90% **of Infranity assets bring positive contribution to at least one SDG**

Amid shifting regulations and uncertainty, we stay the course in our commitment to responsible investment. We leverage ESG insights and innovation to build resilience and create lasting value in a changing world.

Rosa Sapio
Sustainability Officer

Four SDGs resonate strongly with our investment strategy:

7 AFFORDABLE AND CLEAN ENERGY
36%*
SDG 7 relates mostly to our investments in renewable energy project.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
83%*
SDG 9 ties well into Infranity target' sectors including rail transportation, renewable energy, and fiber roll-out.

11 SUSTAINABLE CITIES AND COMMUNITIES
25%*
SDG 11 relates mostly to Infranity's investments in public and freight transportation.

13 CLIMATE ACTION
38%*
SDG 13 is supported by our investments in renewable energy and sustainable transportation, specifically electric rail.

In addition, our investments also cover the following SDGs:

3 GOOD HEALTH AND WELL-BEING

6 CLEAN WATER AND SANITATION

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Our approach to impact investment

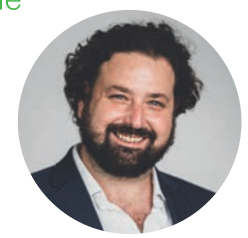
With its ability to deliver consistent returns and contribute meaningfully to sustainability goals, impact-focused infrastructure has emerged as a compelling investment approach. Infrastructure's essential role in society – from powering homes and businesses to enabling transportation and communication – positions it at the crossroads of economic development, environmental responsibility, and social advancement.

Within the broader theme of impact in infrastructure, Infranity pursues a range of strategic approaches tailored to investor appetite and deploy capital towards solving society's most pressing challenges. Purpose-built impact strategies that incorporate intentionality, measurability, and additionality – while placing equal importance on financial and non-financial outcomes – have proven highly compatible with our approach towards infrastructure investment. Infrastructure's data-rich and measurable nature makes it well-suited to these strategies, especially as market standards and reporting frameworks have matured, enabling greater comparability and credibility.

Beyond formal impact frameworks, the Infranity due diligence methodology integrates impact-aligned tools to help identify opportunities with meaningful outcomes and durable financial profiles. These approaches support clear and credible investment theses that demonstrate tangible connections to real-world results. By recognizing and enhancing non-financial value without necessarily applying a rigid impact framework, Infranity delivers differentiated and authentic strategies to our investor base. These methods, while distinct from formal impact investing, share considerable overlap and can be equally attractive to institutional investors.

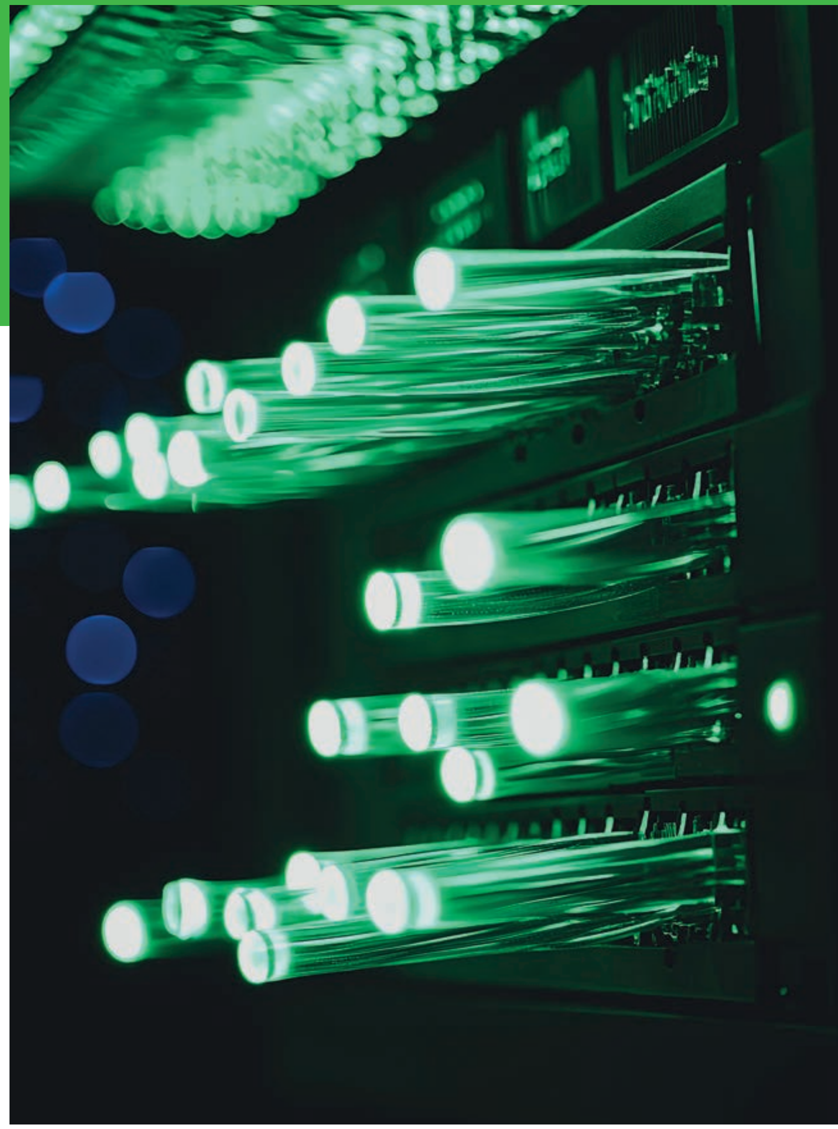
> "At Infranity, we place impact at the heart of our investment process, using analytical assessments to understand and prioritize investments that maximize their positive impact on society, while concurrently limiting adverse impacts.

Benjamin Howard-Cooper
Head of ESG Analytics and Research



Achieving success in impact infrastructure requires careful balancing of three interdependent pillars: risk, return, and impact. While these elements were once seen as potentially conflicting, Infranity's investment strategy and results demonstrate their compatibility. Projects offering stable yields and meaningful societal benefits show that financial and impact performance can reinforce each other. This synergy lies at the heart of the value proposition that we deliver to our investors. Infranity's approach towards using UN SDG goal alignment to support our due diligence activities across all of our investments helps ensure that societal and environmental contribution is a core part of our decision-making process.

This evolution is being driven by a new generation of asset owners – institutional investors such as pension funds, insurers, and retail wealth managers – who steward "Mainstreet" capital on behalf of everyday savers and retirees. These investors are bound by fiduciary duties to deliver financial returns yet increasingly expect their investments to deliver societal impact as well.



Like the early pioneers of impact investing, they care about driving change – but they must do so without compromising performance. This has moved impact investing out of the philanthropic margins and into the financial mainstream.

Looking ahead, impact-oriented infrastructure investment is entering a new phase. Innovative strategies will continue to emerge to address the deep interconnections between environmental, economic, and social systems. Transition finance will be key to decarbonizing hard-to-abate sectors, while investment in social infrastructure will tackle critical needs in education, health, and housing. Infranity sits at the cutting edge of these developments, delivering real world impact alongside financial results for our investors.

> "Infrastructure has become the new frontier of impact investment and addresses critical social and environmental challenges. LP should make sure GP develop rigorous impact measurement and management framework to engage with their investees and communicate real world outcome to their LP.

Maud Savary-Mornet
Founder of Beyond Finance,
and Senior Advisor at Blunomy

As an asset manager, Infranity is rising to this moment. That means being precise in our intent, rigorous in our execution, and clear in our measurement. It also means distinguishing between the casual use of "impact" and the disciplined application of impact finance strategies. By doing so, we help our investors navigate a growing and evolving opportunity set – one where they don't have to choose between meaningful change and robust returns.

Carbon footprint

While Infranity has long been committed to a Net Zero Strategy across our financing activities and investment portfolio, we recognized a critical gap: understanding and reducing our own operational emissions. As a signatory of the Net Zero Asset Managers Initiative (NZAMI), our responsibility extends beyond our investments—we must lead by example.

In 2022, we took a decisive step by initiating the first comprehensive carbon footprint assessment of our internal operations, even if they represent a much smaller carbon footprint than our investments. This was not just a compliance measure; it was a strategic move to align our internal practices with the sustainability standards we expect from the companies we invest in.

The assessment revealed key emission hotspots: business travel and our extensive network of suppliers, particularly consultants and other service providers involved in day-to-day activities, collectively making up 61% of Scope 3 emissions in 2024. These insights were pivotal in shaping our engagement strategy, especially toward a fragmented supplier base that has contributed significantly to our emissions over the past few years. Compared to the 2023 assessment, the carbon footprint has increased due to the opening of a new office in New York, the expansion of the Paris office, and a significant rise in business travel related to fundraising and investment activities. In our most recent carbon footprint assessment for 2024, we made meaningful progress by engaging directly with key service providers to understand their own carbon footprint and climate commitments. This collaborative approach has helped us improve the accuracy of our own reporting and lays the groundwork for setting specific reduction targets and engagement actions in the near future.

> Measuring our own carbon footprint reinforces our belief that climate responsibility starts with us. Even if small, it reflects our commitment to transparency and accountability - setting the tone for how we engage with our investments and the broader transition to net zero.

Karan Kapoor
ESG Associate

Even in the absence of formal targets, Infranity has already taken concrete steps to reduce its operational emissions through the efforts of our established Environmental and Climate Stewardship Working Group. Key initiatives include:

Sustainable Commuting Incentives

- Implementation of schemes to encourage the use of low carbon mobility solutions, in particular cycling
- Offices equipped with bicycle garages and locker rooms with showers.

Greener Travel Policies

- Promotion of public transportation or green cabs when required
- Prioritization of train travel for journeys under four hours.

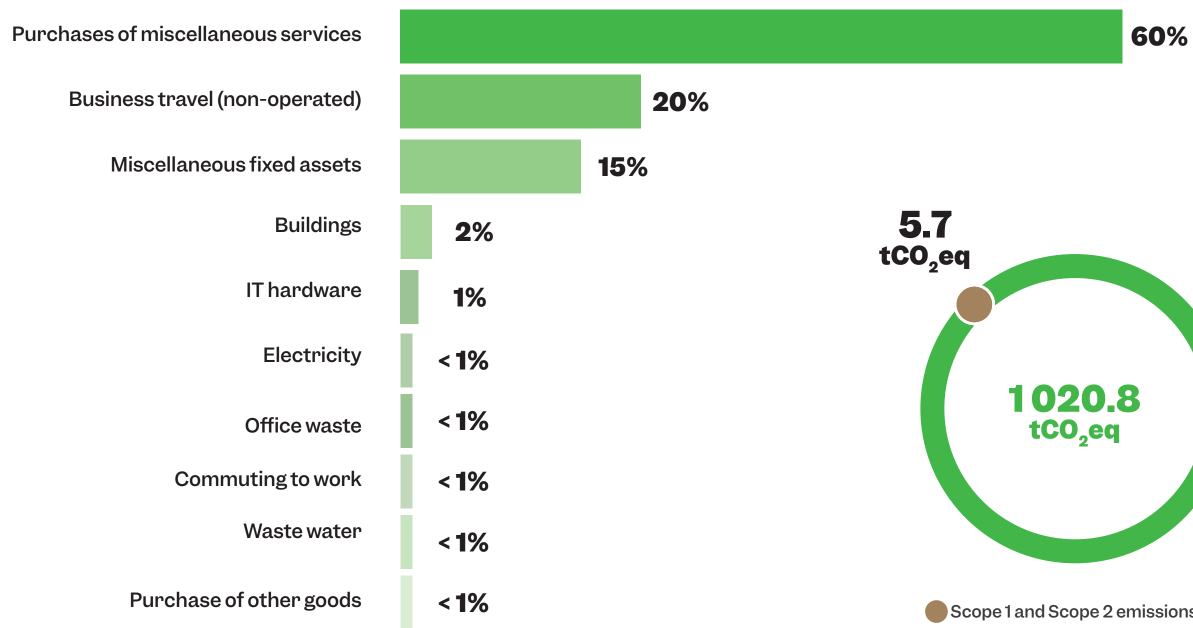
IT and Waste Management

- Repurposing or recycling of IT equipment
- Awareness campaigns on sustainable IT usage
- Enhanced waste segregation practices across offices.

Employing usage of eco-friendly cleaning products

Our carbon footprint assessment has been more than a diagnostic. By turning the lens inward, we've taken a meaningful step toward aligning our internal operations with the ESG values we champion externally. And while we still have work to do, our journey toward net zero is well underway, grounded in transparency, collaboration, and a shared commitment to a sustainable future.

EMISSIONS BY ITEM



04

Engagement report

Engagement and stewardship

Stewardship is a powerful driver of long-term value and a cornerstone of our fiduciary duty to our investors.

We believe that by actively engaging with investees, we can help mitigate material risks and unlock opportunities that contribute to sustainable financial performance.

We actively engage across both equity and debt investees through a unified process that accounts for the specificities of each asset class. Our approach is inclusive: we invest not only in sustainability leaders but also in those with the potential to transform. By maintaining continuous dialogue, co-developing road maps, and providing tailored resources, we help our portfolio companies structure and advance their strategies.

Our engagement priorities reflect a balance between portfolio-wide themes and asset-specific material risks and opportunities, always aligned with our investors' long-term objectives. We leverage robust data collection as a strategic tool to track progress and identify improvement areas.

Our approach also combines individual and collaborative engagements to support companies at different stages of their sustainability journey. Whether engaging one-on-one or alongside co-investors, our goal is to drive measurable, lasting impact.

As an actor operating in the sustainable finance ecosystem, Infranity actively contributes to shaping industry standards through its involvement in several key collaborative initiatives. As a committed participant in France Invest working groups —including those on ESG data, ESG cooperation and sustainable finance regulation, Climate and Biodiversity— Infranity contributes to shaping best practices in ESG integration and regulatory alignment across the investment landscape. We also engage with broader and international coalitions such as the Club B4B+, the Finance for Biodiversity (F4B) foundation, the Institut de la Finance Durable and the International Climate Initiative (iCI), reinforcing our dedication to biodiversity, climate action and sustainable investment and value creation.

This year for the first time we are publishing our engagement report within our Sustainable Investment Report. Our intention is to provide transparency on our role and our impact as an investor as well as to bring focus to this critical aspect of our activity. Indeed, our approach towards sustainability does not stop at investment. Our actions as an active asset manager, whether in debt or equity, extends all the way until exit to continuously monitor assets' progress, provide support in their journey and challenge them to do more.

We ensure that from the moment of investment, the companies we invest in uphold high standards of environmental, social, and governance practices for all debt and equity investments. To the extent possible, we engage directly with these companies during the investment due diligence process on ESG topics. For instance, during our investment due diligence of a digital infrastructure portfolio debt investment, set up to include various independent digital assets, we have engaged constructively with the asset manager to guarantee that each portfolio company included in the investment vehicle, including future acquisitions, maintains robust governance, environmental, and social standards. This included the adoption of a Code of Ethics before signing and subsequent action plans to ensure these policies and commitments are effectively implemented.

During the due diligence process, we identify key improvement points on ESG topics and ensure that the company progresses, especially where we have the most leverage, such as our equity portfolio. As an example, we have developed an ESG progress plan with a French solar and wind developer, focusing on key ESG topics including the development of a Code of Ethics, setting standards for their suppliers, particularly regarding human rights, and improving health and safety measures. Infranity's Head of Sustainability also attends the company's Board as far as ESG matters are concerned; to monitor their progress and we hold regular working sessions to advance these topics. Additionally, we schedule site visits to observe the implementation of these measures on the ground, particularly concerning biodiversity and health and safety issues.

As part of due diligence, Infranity constructively worked with a Nordic district heating provider on accelerating its transition plan towards 100% sustainable fuels. This was achieved through sustained dialogue, culminating in a bilateral side letter agreement that formalized the company's commitment to accelerate its transition.

Another example is the 2024 debt refinancing of a European energy solutions provider, where Infranity continued the collaborative dialogue with the Company, particularly regarding its strategy to transition away from lignite used as a fuel in its legacy contracts and infrastructure. This engagement led to a side letter agreement as part of the refinancing whereby the Company committed to transition all lignite assets by 2030, avoid new lignite projects, and only renew lignite contracts tied to a transition plan. These engagements reflect Infranity's active stewardship and ability to drive positive ESG outcomes, even in debt investment.

100%
of companies engaged

48%
of assets prioritized for direct sustainability dialogue in 2024

All assets
were reviewed in 2024, with 44% subject to in-depth analysis

> Active management of our equity investments is critical to align with our sustainability objectives and create long-term value for our investors. In all our portfolio companies, we systematically engage with executives on sustainability risks and opportunities, co-develop tailored ESG roadmaps, include ESG KPIs in management incentive plans, and promote concrete actions to drive sustainable business outcomes.

Anne Noëlle Le Gal
Asset Management Director

Terre et Lac interview

Sébastien Fenet
CEO of the Group

Infranity has been supporting Terre et Lac in their sustainability journey since first investing in 2023. Hearing from its CEO, Sébastien Fenet, offers a firsthand perspective on how we have worked together hand in hand to embed sustainability into Terre et Lac's growth strategy and local partnerships.

"Terre et Lac is now a mature and growing group that has adopted an integrated solar energy production model. We have chosen a partnership-based and sustainable model that stays close to local areas, because we believe in the value of environmental and social responsibility, as well as in collective intelligence.

Can you share the story of how Terre & Lac was founded and how the company has contributed to the development of sustainable energy solutions locally and regionally?

Terre et Lac was founded in 2009 in Lyon by pioneers of renewable energy. From the outset, it anchored its development within local communities, seeking close ties with stakeholders— especially farmers—by offering turnkey solar power plants.

In 2020, Terre et Lac took a new step by redefining its ambition: to become a solar electricity producer whose reach extends beyond its original region. The entry of Infranity as a significant shareholder reflects this growth objective.

Today, after more than 15 years of existence, the company has designed, developed, built, and operated over 700 solar plants and currently has a development portfolio of 700 MWc.

Every company faces challenges. What are the main risks and obstacles that Terre & Lac encounters in the solar energy sector, and how do these affect your sustainability goals?

Our mission is to produce clean and sustainable energy; therefore, our operations and projects must set a high standard. This brings several challenges for our industry.

The first challenge is ensuring our projects gain social acceptance and regulatory approval. We carefully select sites, avoid the most sensitive areas, and implement avoidance and compensation measures in consultation with authorities. Through our ESG action plan developed with Infranity, we've crafted a biodiversity strategy to ensure these steps are always followed. We also engage stakeholders at every project stage—residents, associations, elected officials, and businesses.

The second challenge is sourcing. Most photovoltaic modules are imported from China under environmental and social conditions that are hard to monitor. As regulations tighten to ensure responsible sourcing, this may disrupt supply chains. Within our ESG plan, we are strengthening supplier standards to ensure respect for human rights and the environment, including a supplier code of conduct. However, without a European module supply, fully addressing this challenge is currently difficult—hence our support for the Carbon initiative from the start, contributing to R&D for local solutions.

Prior to Infranity's investment in Terre et Lac, your company had already participated in Carbon's bond issuance to support its gigafactory project—which aims to produce 5 GW of photovoltaic modules annually in France by 2027-2028. Could you share more about your partnership with Carbon and how this project will revolutionize the renewable energy value chain in France?

Carbon addresses the common question about where our panels come from. Today, we import them from China, which raises challenges: industrial sovereignty loss, questionable production standards, and supply continuity risks for a strategic activity.

Local production could ensure sovereignty, enforce environmental and social standards, and create local jobs—resulting in 2,000 direct and 4,000 indirect jobs.

Terre et Lac, a founding shareholder of Carbon, has supported the initiative from the beginning—financially and operationally. Our aim is to bring a developer's vision and market knowledge to Carbon. Our teams regularly collaborate, and we hope to be among Carbon's first clients.

How has Infranity's support helped Terre & Lac grow and overcome barriers in advancing its sustainability initiatives?

Infranity's support is essential to enabling Terre et Lac to pursue its strategy of becoming a committed and efficient electricity producer in the energy transition. In terms of sustainability, our partnership with Infranity has provided new resources to monitor and report our actions and dedicate more time to launching new environmental and social initiatives.

Most importantly, Infranity brings a fresh perspective, asking critical questions that a committed SME like ours might overlook. We've discovered that while we believed we were excelling in some areas, we actually had significant room for improvement. Based on this, we co-developed an ESG improvement plan with Infranity, beginning with a workshop to assess ESG strengths and areas for progress, and how we can advance further.

"At Infranity, we embed sustainability into every equity investment. Our active engagement model drives real ESG impact—partnering with companies like Terre et Lac to deliver measurable, lasting change.

Tuleen Ashour
ESG Analyst

With continued support from Infranity's Sustainability team, what are the most significant ESG improvements and advancements Terre & Lac has achieved?

Social and environmental responsibility has been at the core of Terre et Lac's business plan since its creation, through its choice of an integrated, partnership-based, and sustainable model rooted in local communities.

Thanks to Infranity's support, Terre et Lac has furthered this commitment, particularly through the formalization of an ESG strategy built on a methodical approach and in-depth analysis involving stakeholders, in collaboration with Infranity's Sustainability team.

With ongoing support, we've defined clear, demanding, yet achievable ESG goals and indicators. These have been integrated into the company's core strategy, shared across teams, and are now reflected in planning and daily operations.

A roadmap for our ESG strategy's implementation has been set in a detailed action plan. Everyone in the organization knows what is expected and how they contribute to ESG objectives.

An ESG Committee has also been established to assist Terre et Lac's Supervisory Board in defining and updating the ESG roadmap through 2027.

05

Our blueprint for delivering value

Environmental and social transition

Europe's path to climate neutrality by 2050 demands the rapid transformation of its infrastructure systems. Under the European Green Deal[1] and the Fit for 55[2] legislative packages, the EU has committed to reducing greenhouse gas emissions by at least 55% by 2030. The transport sector—which accounts for about 25% of EU emissions—must reduce its greenhouse gas output by 90% by 2050, according to the Sustainable and Smart Mobility Strategy.

Infrastructure plays a vital enabling role in this transition. Beyond environmental goals, infrastructure must also ensure that no one is left behind, by enhancing access to essential services, supporting employment, and fostering community well-being.

The REPowerEU plan[3], introduced to reinforce energy security and resilience, adds further urgency to scaling renewable energy and improving efficiency across sectors.

Achieving this ambitious trajectory demands substantial investments—not only in clean energy, electrification, and sustainable mobility—but also in infrastructure that fosters social inclusion, equal opportunity, and balanced regional development. According to a 2023 EU report[4], 2.4% of the EU population and 5.8% of those at risk of poverty are unable to afford regular use of public transport. Beyond affordability, transport accessibility remains a critical concern, influenced by factors such as the quality and frequency of services in specific areas, the condition of infrastructure, and the availability of digital access[5].

At Infranity, we invest in infrastructure that delivers long-term economic value while advancing both climate and social priorities. Our approach integrates rigorous ESG criteria at every stage of the investment lifecycle, ensuring that our portfolio contributes to a just, inclusive, and sustainable transition.

This year's case studies showcase how strategic infrastructure investments across renewable energy, grid modernization, and mobility can drive measurable environmental and social impact.

1. European Commission. The European Green Deal.
2. European Commission. Delivering the European Green Deal – Fit for 55 Package
3. European Commission. REPowerEU – A Plan to Rapidly Reduce Dependence on Fossil Fuels and Fast Forward the Green Transition.
4. European Commission – Access to essential services: key challenges for the most vulnerable published on June 28th, 2023.
5. European Commission. Sustainable and Smart Mobility Strategy.

In Finland, Aurora is helping decarbonize some of the most energy-intensive industrial operations by enabling renewable integration and electrification. Backed by a robust Green Financing Framework, Aurora has invested in infrastructure that facilitates green hydrogen production, carbon capture, and renewable energy deployment. These efforts support regional competitiveness and long-term grid resilience while aligning with EU climate goals.

Enfinity Global, a renewable energy developer, plays a key role in delivering Italy's clean energy ambitions. Infranity's financing supports the expansion of clean energy in Europe while addressing key sustainability risks, such as biodiversity protection and human rights in solar supply chains, reinforcing our commitment to ethical and responsible investment.

In France, Transarc embodies sustainable and inclusive mobility. As a school transport provider operating across multiple regions, Transarc ensures reliable access to education— particularly in rural and peri-urban areas— and inclusive transportation, adapted to people with disabilities. The company's electrification strategy, developed in partnership with RETROFLEET, reduces emissions while maintaining affordability and service continuity. In addition, proactive employment practices—such as supporting caregiver employees, integrating retirees, and providing driver training—highlight their broader social impact.

Together, these investments reflect Infranity's belief that infrastructure is not only a foundation for the low-carbon economy but also a catalyst for social progress.

As the EU accelerates its transition, we remain committed to financing resilient, inclusive, and future-proof infrastructure that serves both people and planet.

10 961 MW
of solar and wind energy projects enabled

3 909 Km
of district heating network

338 244 Tonnes
of avoided emissions*

29 million
houses passed by the fiber connection

"Integrating sustainability considerations into credit analysis enhances our ability to identify financial vulnerabilities linked to environmental, social or governance factors, and enables us to make better informed decisions that support long-term value and sustainable development.

Gabriela Pop
Risk Management Vice President

*These figures reflect the avoided emissions associated with solar and wind power, renewable district heating, as well as clean transportation (excluding rolling stock lessors) in our portfolio. They are allocated using the PCAF methodology.

Investment insights Aurora

Based in Helsinki, Aurora is a leading Nordic electricity distribution company that owns, operates and maintains industrial electricity infrastructure networks in Finland. As the fourth largest electricity operator in Finland by distribution volume, Aurora delivers approximately 5TWh of electricity annually to major industrial clients.

In the Nordic region, electricity demand is projected to surge from 380TWh in 2023 to 656TWh by 2040, driven primarily by industrial electrification. Aurora's network solutions are crucial in reducing the carbon footprint of industrial sites, playing a pivotal role in the decarbonization efforts of its clients. The company collaborates closely with customers to electrify existing processes and implement new projects aimed at transitioning to greener solutions. These initiatives include green hydrogen production, carbon capture, biofuel projects, and integrating new renewable energy sources into the network.

By doing so, Aurora is acting as a key enabler for the green transition of two of its most GHG intensive industrial customers: Neste, transitioning from a traditional oil refinery to a global leader in renewable and circular solutions, and Outokumpu, a global leader in stainless steel with the industry's lowest carbon footprint. Aurora's new network investments are monitored under a Green Financing Framework audited by a third party, including relevant impact indicators. These investments, totaling €95.3 million since 2019, finance projects that enable the connection of new production or consumption to a low carbon grid, reduce network losses or enable smart solutions that save energy and reduce the impact on the environment.

Electrifying industrial processes often requires increasing or optimizing grid capacity and analyzing customers' consumption profiles. Careful planning of network solutions is essential, as decisions made can have a lifespan of 40 to 50 years and significantly impact industrial site competitiveness. Recent blackouts in Spain and Portugal highlight the importance of operational resilience alongside renewable integration. Aurora's proven history of network availability, successful design, maintenance planning, and investment delivery provides specialist expertise in network design and maintenance, minimizing shutdowns and proactively planning for capital expenditures to improve long-term energy efficiency and grid reliability.

Aurora's customers are committed to substantially increasing the share of renewable energy sources in their electricity mix, necessitating specific network and equipment upgrades. As a result, Aurora expects its grid emissions factor to become lower than the national average, currently at a five-year average of 60 gCO_2/kWh. Furthermore, minimizing network losses has long been a selection criterion for new equipment at Aurora.

At the same time, Infranity is also conscious of the environmental and social impacts that electricity distribution lines can have on biodiversity and local communities. Not only at the time of investment but also during the financing period, Infranity regularly engages with the investee to identify any possible adverse impacts due to ongoing developments that warrant further mitigations. Aurora is particularly active at the site level, participating in customers' stakeholder panels, committees, surveys, and dialogue platforms.

The Company has also confirmed that its activities do not negatively affect biodiversity-sensitive areas, as affirmed by impact studies conducted by its clients.

Pushing its sustainability strategy beyond its operational activities, Aurora plays an enabling role, working closely with clients to help them move towards a carbon-neutral future. This commitment is reflected in Infranity's investment thesis, which views electricity distribution networks as essential climate solutions that facilitate the integration of renewable energy into the power generation mix.

> "As a long-term infrastructure investor recognizing the crucial role of energy infrastructure in the low-carbon transition, we are pleased to partner with Aurora, a top-tier electricity distribution network operator that shares our values and objectives. Investing across the entire value chain, including electrification, is essential to efficiently integrate renewable energy sources and achieve a fossil-free economy.

Marion Jacquet
Investment Vice-President

Investment insights Enfinity

Enfinity Global is a leading independent power producer (IPP) specializing in the development, financing, and ownership of renewable energy assets. Based in the United States, the company operates across America, Europe, and Asia. Enfinity Global boasts a diverse portfolio of over 35.5 GW of renewable energy and storage assets, including projects in operation, under construction, and at various stages of development.

Energy is central to the European Union's transition towards climate neutrality by 2050 and its energy independence under current geopolitical conflicts. Italy, for instance, has set up ambitious target moving towards a clean energy transition through energy and climate policies. By 2030, it is planned to install a total capacity of c.120GW renewable energy supply, mostly represented by solar PV with 75% of total installed capacity.

Under this context, solar PV players are essential to achieve this objective and generate a positive impact for local communities in Italy through clean energy. To contribute and enable this ambition, Infranity participated in the financing of Enfinity's renewable projects in Italy.

Enfinity has been actively developing projects in the Italian market since 2021, becoming nowadays one of the leading solar PPA (Power Purchase Agreement) sellers and independent power producers serving end consumers, with a geographically balanced portfolio of over 2.2 GW solar PV pipeline.
This financing towards climate solutions aligns with Infranity's commitments to net zero and contribution to the UN Sustainable Development Goals.

While renewable energy investments are important for mitigating climate change, they may also have material adverse impact on various key sustainability topics. It is essential to ensure that these investments support a 'just transition,' which involves greening the economy in an inclusive manner, creating decent work opportunities, and ensuring that no one is left behind. This includes thorough due diligence processes and monitoring the company's performance on key topics throughout the holding period. In the solar industry, two important issues are considered: biodiversity and human rights. Indeed, the construction and operation of solar power plants can disrupt wildlife habitats. Additionally, polysilicon, a key material in solar panels, is produced under conditions involving high risks of forced labor. In the case of Enfinity, our investment process examined the company's strategies for managing these risks. We proceeded with the investment only after assessing that the company satisfactorily addresses these issues through robust strategies and procedures. This includes systematically identifying the impacts and implementing protection measures for concerned stakeholders.

Enfinity's strategic initiatives, coupled with its sustainability efforts, exemplify a holistic approach towards delivering clean energy solutions. As renewable energy investors, this investment reaffirms Infranity's steadfast commitment to financing essential infrastructure projects that contribute to a sustainable and inclusive transition for our communities.

> “At Infranity we support experienced renewable energy developers such as Enfinity, accelerating the deployment of their portfolios across Europe and contributing to the decarbonization efforts.

Garbine Unda, Investment Director at Infranity

Investment insights
Transarc

School transportation is a crucial service that ensures access to education, particularly in rural and suburban areas where the distance between home and school is significant and public transportation. It also supports gender equality by enabling both parents to work. Reliable school transportation helps reduce absenteeism and tardiness, contributing to better academic performance and overall student well-being. Furthermore, it alleviates traffic congestion and reduces the environmental impact by minimizing the number of individual car trips.

In 2024, Infranity acquired a majority stake in Transarc, a leading French multi-regional coach operator. Transarc has contracts with public services to provide regular transportation for students across various regions of France. The company plays a key role in territorial development and connectivity, offering essential services and employment opportunities for local communities. By ensuring that students have safe and reliable transportation to and from school, Transarc helps bridge the gap between urban and rural areas, contributing to making isolated territories more accessible. The company contributes to equal opportunities by offering transportation specifically adapted for students with physical disabilities.
Transarc has implemented several measures to benefit both employees and the community. The company has received the Cap'Handéo "Salariés proche-aidants" certification, which aims to identify and support employees who are caregivers, benefiting both the employees and their relatives. This certification demonstrates Transarc's commitment to creating a supportive work environment that recognizes the diverse needs of its workforce. Additionally, Transarc provides part-time employment for retirees, helping them avoid social isolation and supplement their income. The company takes on training for drivers, allowing reintegration into employment for seniors, as well as unemployed people. By offering flexible work arrangements, Transarc not only supports the well-being of its employees but also taps into a valuable pool of experienced workers who can contribute to the company's success.

> As one of the foremost French independent operators in coach transport for public regional authorities, with nearly 2000 vehicles, *Transarc* plays a pivotal role in advancing sustainable mobility. Our accelerated fleet transformation is central to our growth strategy, and the collaboration with *Retrofleet*—backed by CBM and based in France—has been instrumental in driving our decarbonization goals. We are proving that transitioning to low-emission transport is not only feasible but also cost-effective, delivering tangible benefits to the regions we serve.

Damien Rameau
Chairman and CEO at Transarc

> I am delighted to play an active role in *Transarc*'s energy transition journey to meet its ambitious fleet decarbonation objectives. In partnership with *Retrofleet, Transarc* significantly optimized its electrification supply chain since the inauguration of its first retrofitted coach in July 2024, and is now able to retrofit 5 coaches per month.

Pierre Alexandre Buil
Investment Vice-President

The safety of transportation is at the core of the company's strategy. To ensure safe transportation, Transarc leads across all regions where it is located, initiatives promoting road safety for students as well as the regular trainings and measures to ensure safe driving.

The French government aims to significantly reduce carbon emissions by 2030 and achieve carbon neutrality by 2050. In line with these objectives, France has announced measures to promote the electrification of transportation in France. Transarc, in collaboration with Infranity, is committed to this goal through its electrification plan and alignment with the net-zero trajectory.

The company is investing in electric and low carbon vehicles, to reduce its carbon footprint and secure sustainable transportation. Transarc is partnering with RETROFLEET, a pioneer in retrofitting in France since 2020, to significantly electrify its fleet by offering technological expertise in the installation and operation of retrofit kits. In addition to fleet electrification, the company has in place multiple climate measures including eco-driving training, preventative and enhanced maintenance of the engines, and optimization of journeys through internally developed software. ADEME has recognized Transarc's efforts towards reducing GHG emissions and awarded the Group the "Objectif CO2" label in 2023.
Infranity has supported Transarc in developing its ESG objectives, with progress monitored through continuous dialogue. To ensure alignment with management, Infranity has implemented incentive plans for management, with a significant portion tied to the achievement of ESG targets. These incentive plans are designed to further motivate the company to pursue sustainability and social responsibility.

In conclusion, Transarc's comprehensive approach to ESG principles, supported by Infranity's investment and guidance, positions the company as a leader in sustainable transportation. By striving for environmental sustainability, social responsibility, and strong corporate governance, Transarc is making significant strides towards a more sustainable future. The company's efforts to electrify its fleet, support its employees, and engage with the community demonstrate a commitment to creating long-term value for all stakeholders.

06

Outlook

Outlook

Jeanne Michon-Savarit
Head of Sustainability

In a time of escalating climate and biodiversity crises and growing ESG skepticism, we reaffirm our commitment to sustainable investment, balancing long-term returns with positive societal impact.

As the Head of Sustainability of a financial institution, I find myself navigating through unprecedented times. On the one hand, the climate and biodiversity crises are escalating with tangible impacts felt globally. From forest fires, to droughts, floods, sea levels rising, heat waves, hurricanes, tornados... no place on the planet is safe and it is only getting worse. As a result, numerous organizations, people, governments are striving to limit their impacts and adapt to the "new normal".

On the other hand, there is a notable "backlash" against "ESG". In some instances, asset managers have faced criticism or even legal action for incorporating ESG criteria in their investment processes. The reason? Some stakeholders view the consideration of environmental, social, or governance factors in investment decisions as a potential breach of fiduciary duty, given the traditional expectation that financial institutions prioritize profitability.

Even in Europe, where regulation was being implemented to ensure full transparency on sustainability issues in the reporting of corporates (CSRD, Taxonomy) and financial institutions (SFDR) as well as to hold companies accountable for what happens in their supply chain (CS3D), there is now a view that these regulations are too cumbersome and hindering productivity. While these regulations are indeed complex and could benefit from some simplification, the substance is still relevant as it will support limiting companies' negative impacts on environmental and social issues.

However, all is not lost. Even in the USA, some pension funds are on the contrary reinforcing their commitment to ESG. They, like most European pension funds, recognize that integrating ESG factors is a strategic approach to anticipate and mitigate sustainability risks. Pension funds and insurers, with their long-term investment horizons, are particularly attuned to these risks, which can become systemic and destabilize entire economic sectors.

In some European countries, there is a renewed focus on ESG integration and investments that generate positive societal impacts, particularly in addressing climate change. Beyond risk mitigation, integrating sustainability in investment activities can uncover opportunities created by the climate and biodiversity crises, such as investing in renewable energy solutions. This gives investors who understand these transitions a competitive edge. The geopolitical landscape further complicates the situation. Environmental crises are increasingly causing geopolitical tensions, especially regarding resources like water, minerals, and rare earths, which are critical for national independence. As an infrastructure investor, energy independence resonates in particular with those issues. Trying to wean Europe off of Russian gas was already challenging enough, becoming fully independent from fossil fuels (which in addition to being the main contributor to climate change are also almost all imported from outside of Europe) is an even greater challenge that requires resources, industries, political will and of course investors.

In this context, we have decided to remain true to our purpose. Our investors are coming to us because they believe we can deliver returns while generating positive results for society. Our portfolio companies thrive because we support their journeys to enhance their societal and environmental profiles. Our employees join and stay with us because we share the same values.

We must be doing something right.

So, what's next for Infranity?

To maintain our leadership in sustainable infrastructure investment, we must remain vigilant and continuously improve. Since 2023, we have increased considerably our research effort o n methodologies (ESG scoring, climate alignment) and investment themes (impact investment, decarbonization).

In 2025 we are restructuring our ESG scoring methodology to allow us to streamline the sustainability risks integration, identify more easily where companies can progress on sustainability and engage with them on that basis all the while highlighting where they are creating a positive impact on societal issues and how much they are contributing. This will tie into our impact finance strategy taking our sustainable investment approach to the next level as presented earlier in this report.

Besides, as a signatory to the Net Zero Asset Managers Initiative, we continuously monitor our decarbonization trajectory and are pleased to report that we remain on course. We are also considering the adoption of even more ambitious climate targets. In 2024 we co-developed with expert consultants Blunomy a climate alignment methodology that allowed us to map our whole portfolio and is now applied to each new investment to inform the investment decision and define decarbonization roadmaps for our portfolio companies. This supports our climate strategy which consists in investing in climate solutions or selecting assets which have clear decarbonization potential (brown-to-green strategy), unlocking transition value.

On biodiversity, we are implementing new KPIs to monitor portfolio performance and collaborating with the Finance for Biodiversity Foundation to build target setting guidelines for real assets, as part of our research and collaboration efforts.

Our sectoral research will focus on decarbonization and climate solutions which we are only starting to invest in such as biogas, battery storage, EV charging. We are also actively exploring how Nature-Based Solutions can be integrated into our infrastructure investment strategy

Finally, we continue to dedicate a lot of time to support our portfolio companies in their journeys, whether on climate roadmaps or to support a sustainable growth that respects people and the planet.

In these times, I believe there is still hope. Hope that this too shall pass, and we will embark more and more stakeholders on the journey to mitigate climate change and biodiversity loss. And this hope is fueled by discussions with institutional investors who, with their long-term horizons, cannot afford to ignore sustainability risks, and by the younger generation who are now starting to work, eager to contribute to building a better world. They join Infranity because they know it's a way for them to achieve that, and they stay because we are delivering on the promise.

infranity

If you have questions
or want to speak about us
about ESG or our business,
please contact

infranity.IR.CS@infranity.com

infranity

6 rue Menars 75 002 Paris – France
infranity.com