



ESG CHARTER

Environmental, Social and Governance



INTRODUCTION

We incorporate non-financial analyses into our strategy for all our investments. By analysing ESG criteria, we can actively improve our knowledge of the renewable energy infrastructures we finance.

We can also provide better support to our partners, developers and producers in the renewable energy field and identify sensitive issues that may lead to risk in the short, medium or long term.

Since infrastructure projects are inherently long-term, the analysis of non-financial criteria is essential to laying the groundwork for financial sustainability. We firmly believe that, in our industry, taking ESG values and standards into account will be a decisive factor in successfully achieving the energy transition.

Our ESG Charter describes our principles, values and commitments. It presents the environmental, social and governance procedures we have adopted to date. With a view to continuous improvement and alignment with industry best practices, we will continue to document and ensure transparency in our ESG implementation and performance, which we consider to be of the utmost importance.

Nicolas Rochon, Founder & Managing Partner





OUR PRINCIPLES AND VALUES

RGREEN INVEST is a French asset management company founded in 2013. It invests all its funds in infrastructure projects linked to the ecological and climate transition, predominantly in the European Economic Area, with a focus on renewable energy (wind power, solar power and biogas).

The choice to support the ecological and climate transition represents our deep-rooted commitment to a sustainable, responsible energy system, and our investments are playing their part in reaching the targets set by the Paris Agreement following COP21 in 2015 and reiterated at COP24 in 2018.

We fully believe that the transition is a tremendous opportunity to foster sustainable development and economic progress in addition to fighting climate change. Alongside our partners in development, operation and production, our investments help avoid CO2 emissions by promoting local, clean energy, develop energy saving capabilities and stimulate economic growth and resilience in communities.

Our investment activities are founded in strong values:

- Combining investment with priorities for the climate and communities;
- Building long-lasting relationships to align the interests of the investor and the entrepreneur;
- Supporting local initiatives to achieve a far-reaching impact.

These principles and values are what underpin our commitments and shape everything we do. They also reflect the expectations that a wide range of stakeholders (investors, governments and representatives from civil society) expressed in the United Nations' Sustainable Development Goals (SDGs), particularly:





More specifically, we contribute to fulfilling several of the SDG global targets:

- By 2030, increase substantially the share of renewable energy in the global energy mix (SDG 7)
- Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation (SDG 8)
- Mobilise and allocate private funds to sustainable development in order to make the changes needed and deliver on targets (SDG 17)

These values guide all our interactions with our partners, investors (family offices, insurers, pension funds, mutual funds, etc.) and employees. We foster dialogue, respect and attentiveness in all our relationships. The trust we inspire among stakeholders is our greatest asset.

OUR COMMITMENTS TO OUR INVESTORS

We are committed to treating our investors with fairness and transparency. We regularly update our website and send a report to our investors at least every six months, ensuring that the information we communicate is accurate and fair. We take our investors' specific ESG expectations and requirements into account.

We have developed an ESG management system that is applied throughout our investment process. We systematically carry out ESG due diligence for our investments. We ensure that ESG criteria are taken into account in defining, constructing and operating new projects. If necessary, we identify areas for improvement and monitor their progress.

We undertake to inform our investors about the ESG performance of the investments in our portfolio (in particular, we calculate the CO₂ savings generated by our investments) and notify them in the event of an incident.

We allocate the necessary resources to monitoring ESG criteria and put in place measures to raise awareness and train our whole investment team in ESG issues.



OUR COMMITMENTS TO THE ENTITIES IN WHICH WE INVEST AND LOCAL STAKEHOLDERS

We are committed to supporting entrepreneurs and investee project leaders through lasting relationships. We encourage them to make progress on ESG matters in their own business and throughout their value chain.

We systematically carry out ESG due diligence for every new investment and, if necessary, develop an ESG action plan with areas for improvement approved by Management. We regularly monitor progress on ESG issues and provide technical and methodological expertise to promote best practices.

During the initial due diligence, we take special care to make sure that none of the renewable infrastructure projects in which we invest damage the environment or local ecosystems.

RGREEN INVEST ensures that the infrastructure projects that it funds accelerate growth and create jobs at the local level. Through ESG due diligence and regular dialogue with the entities in which we invest, we ensure that they comply with health, safety and working conditions requirements, particularly on construction sites.

We also check that each project is acceptable for the local communities involved and in line with international labour standards (i.e., the International Labour Organization conventions) and European directives, and fight all forms of corruption. We ask investee project leaders to uphold ethical standards and give careful consideration to ESG issues along their value chain.



OUR COMMITMENTS TO OUR EMPLOYEES

We are committed to creating optimal working conditions that meet the expectations of team members and drive the company's performance forward.

Internal dialogue is a priority for us. Our management team meets every week and communicates regularly with the entire company. Each employee meets individually with the Management team twice a year. We hold regular events such as breakfasts, lunches, outings and trips to the theatre to help build team spirit and a warm, cooperative atmosphere.

We give our employees the tools they need to expand their skills, both in fields directly related to our investment business and in other areas relating to personal development.

We undertake to pay close attention to the quality of life at work, well-being and health of all our employees, who enjoy comprehensive health care cover.

Our compensation policy is attractive and fair, reflecting our employees' skills and expectations, to help align their interests with those of our company.

OUR COMMITMENTS TO SOCIETY AND COMMUNITIES

Since we want to have a positive impact throughout our ecosystem, we are committed to promoting responsible investment practices in our industry. We have been a signatory of the Principles for Responsible Investment (PRI) since 2012 and advocate for ESG factors to be better taken into account in the finance industry.

Our business has only a limited direct impact on the environment. Nevertheless, all our employees adopt the best possible practices and individually contribute to protecting the environment in the following ways:

- Reduced energy consumption: all computers and screens automatically go into sleep mode when they are not being used, and the use of heating and air conditioning is regulated;
- Limited paper consumption and printing;
- Sorting and recycling of waste;
- Use of organic or eco-labelled products to clean the premises;
- Priority given to public transport and hybrid cars for business travel.

In addition, RGREEN INVEST takes part in targeted sponsorship activities.



OUR COMMITMENTS AND RECOGNITION AS A RESPONSIBLE INVESTOR

Becoming a signatory of the PRI in 2017, four years after our company was founded, is the cornerstone of the commitment we show every day towards our investors and partners leading renewable energy projects. The undertaking reflects our sustainable financial investments and the practices of our asset managers to further the energy transition.



In signing the PRI, we commit to applying the following principles:

- 1. We will incorporate ESG issues into investment analysis and decision-making processes.*
- 2. We will be active owners and incorporate ESG issues into our ownership policies and practices.*
- 3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.*
- 4. We will promote acceptance and implementation of the Principles within the investment industry.*
- 5. We will work together to enhance our effectiveness in implementing the Principles.*
- 6. We will each report on our activities and progress towards implementing the Principles.*

Our funds INFRAGREEN II 2015 and INFRAGREEN III have been awarded the “**Energy and Ecological Transition for the Climate**” label by the French Ministry for the Ecological and Inclusive Transition. The label distinguishes funds that are financing the green economy and aims to guarantee the transparency and environmental commitment of financial products as well as their contribution to the fight against climate change. Fulfilment of these criteria is confirmed through an audit by an independent third-party expert.

We are very proud to have been awarded this label, which recognizes the long-term commitment of our company and teams to funding the energy transition and acknowledges our active engagement in resolving climate issues.



ESG THROUGHOUT THE INVESTMENT CYCLE

We have put in place a precise ESG management system, with accompanying documentation, to manage ESG issues throughout the life cycle of all our investments. Its implementation falls under the responsibility of our partners and investment managers.

Prior to the investment

RGREEN INVEST applies Know Your Client and Anti-Money Laundering processes to its investments.

We assess how important ESG factors are according to the projects' geographical location and technology (i.e., solar power, wind power, biomass, energy efficiency, etc.).

At the time of acquisition

We are committed to systematically carrying out ESG due diligence for all our investments, and this gives rise to a detailed report.

This process helps us identify the most significant ESG issues for each project, based on its specific characteristics. The report presents, in a formal and precise way, Management's current maturity with regard to the issues and identifies any areas where improvement is necessary to meet RGREEN INVEST's ESG compliance requirements, including in the value chain (construction, equipment, subcontracting, etc.). The action plan may draw on best practices in the industry.

During ownership of the investment

Validating an action plan with the project's Management is an essential part of every investment.

The necessary indicators and information for monitoring ESG progress are shared every year with the investment manager at RGREEN INVEST. As well as promoting dialogue and sharing best practices, we also provide technical and methodological support for any ESG needs expressed by the entities in which we invest.

RGREEN INVEST monitors its investments closely through regular reporting – usually every quarter – that covers both operational (electricity production, significant maintenance events, etc.) and financial factors, as well as regularly engaging in discussion and making site visits. In the event of a major ESG incident, RGREEN INVEST undertakes to communicate with its investors in a transparent way.

At the time of sale

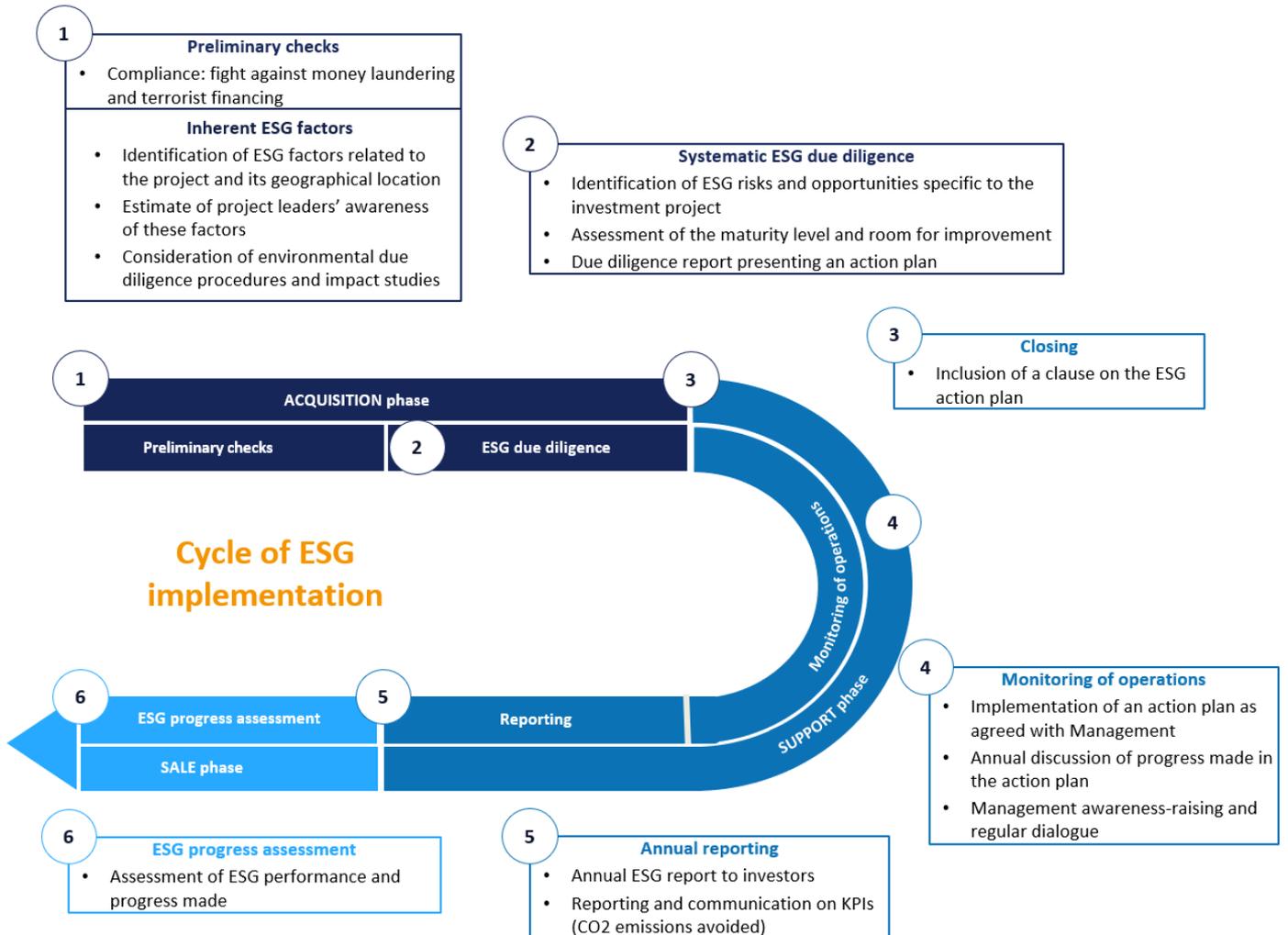
This phase concerns only equity investments.

When we move to sell businesses in our portfolio, we aim to measure the progress made on ESG matters according to the action plan set up during the acquisition and ownership phases.

We see changes in direct or indirect control of an entity in which we invest as an opportunity to reassess whether it is still a fitting investment.



CYCLE OF ESG IMPLEMENTATION





GOVERNANCE ET RESPONSABILITES

RGREEN INVEST's governance structure is as follows:

- The Management Committee is responsible for supervising and monitoring operations;
- The Management team provides expertise, drawing on a network of independent experts specialising in the renewable energy market and financing;
- The Compliance and Internal Control Officer is responsible for internal risk management, with a second level of risk control handled by a leading service provider;
- The ESG management system is the responsibility of the Managing Partner, who is assisted by a leading ESG advisor to help strengthen and shape this approach using best market practices.

The Management Committee acts and communicates with complete transparency towards all employees. The company's compensation policy includes variable compensation principles based on qualitative and quantitative criteria in line with regulations, which are discussed in advance by Management.

RGREEN INVEST applies the Alternative Investment Fund Managers (AIFM) Directive, which guarantees investors in funds managed by the company a high level of transparency in regards to conflicts of interest, risks and governance.

RGREEN INVEST issues reports at least every six months, in line with best practices, and responds quickly to the various requests its clients may have. Compliance with the AIFM Directive also ensures that investor interests are aligned with those of RGREEN INVEST and its Management teams.