

## 1. Overview

ICG recognises that environmental, social and governance (ESG) issues can have a material impact on the long term value of infrastructure assets. As an investment manager, ICG believes that managing investments in a responsible manner will assist in ensuring long term success for our business, our clients and the communities in which we operate.

This ESG Policy defines ICG's commitment to responsible investing. It outlines the approach that ICG follows in managing ESG issues within its own business and in the assets and investments it manages on behalf of client organisations.

ICG's primary obligation is a fiduciary one to investors in its managed funds and investments, to maximise their risk adjusted returns. This will be best achieved by incorporating the consideration of ESG issues in risk management disciplines at the asset level, including in investment analysis and decision making processes.

## 2. Principles for Responsible Investment

ICG became a signatory for the United Nations backed Principles for Responsible Investment (PRI) in 2015 and reports annually in the PRI Reporting Framework. As a signatory, ICG believes that PRI provides a benchmark against which we can monitor our progress on incorporating ESG issues into our investment framework.

The PRI provide a framework for investment managers to integrate ESG considerations into investment-making decisions and analysis. ICG seeks to manage its portfolios in ways that are broadly consistent with the PRI principles and has adopted the following six PRI principles as guidelines:

<b>Principle 1:</b>	We incorporate ESG issues into investment analysis and decision-making processes.
<b>Principle 2:</b>	We will be active owners and incorporate ESG issues into our ownership policies and practices.
<b>Principle 3:</b>	We will seek appropriate disclosure on ESG issues by the entities in which we invest on behalf of our clients.
<b>Principle 4:</b>	We will promote acceptance and implementation of the PRI principles within the investment industry.
<b>Principle 5:</b>	We work with others to enhance our effectiveness in implementing the PRI principles.
<b>Principle 6:</b>	We will report on our activities and progress towards implementing the PRI Principles.

## 3. ESG in Investment Decision Making

ICG seeks to identify and manage ESG risks and opportunities during the investment decision making process, from initial investment screening and due diligence, investment approvals to ongoing ownership and asset management. ESG factors are a mandatory assessment requirement for all of ICG's existing and new investments. Examples of ESG factors considered are outlined below.

Area	ESG Issues
Environmental	<ul style="list-style-type: none"> <li>• Climate change policy and carbon risks</li> <li>• Emissions intensity and policy framework</li> <li>• Pollution, including light, air, noise and water</li> <li>• Energy use</li> <li>• Waste and waste disposal</li> <li>• Biodiversity and habitat protection</li> <li>• Remediation costs and risk allocation</li> </ul>
Social	<ul style="list-style-type: none"> <li>• Labour standards and working conditions</li> <li>• Employee engagement</li> <li>• Stakeholder and community relations</li> <li>• Workplace health and safety</li> <li>• Human rights</li> <li>• Indigenous rights and issues</li> <li>• Supply chain and community impact</li> </ul>
Governance	<ul style="list-style-type: none"> <li>• Board composition and independence</li> <li>• Executive compensation and incentive plans</li> <li>• Compliance</li> <li>• Gender and diversity</li> <li>• Shareholder rights</li> <li>• Bribery and corruption</li> <li>• Accounting and audit quality</li> </ul>

### 3.1 Asset Negative Screening

In some cases, certain sectors and/or investments may be rejected on ESG grounds. This could occur where ESG risks are excessive, or where there appear to be unacceptable environmental, social or governance risks that cannot be actively managed.

## 4. ESG in Ownership and Asset Management

ICG is an active owner in all of its investments, seeking to drive improvements in ESG outcomes through our ability to influence the boards and management teams of our underlying assets and investee companies.

We undertake regular monitoring, reviewing and reporting of our ESG performance and seek to ensure appropriate disclosure of these to our clients, investors and stakeholders. We also strive to improve on the results of any external assessments and benchmarking over time.

## 5. Glossary

ESG	ESG stands for “Environmental, Social and Governance.” These are the key considerations in ICH Group’s sustainable investing approach. The aim of these ESG considerations is to outline the approach that ICH Group follows in managing environmental, social and governance sustainability in its own business and in the assets and investments it manages on behalf of client organizations.
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