



Alba Infra Partners

**RESPONSIBLE
INVESTMENT POLICY**



Version	Date	Description	Drafted by	Reviewed and validated by	Effective date
V1	September 2024	Responsible Investment Policy	ESG Director	Executive Committee	27 th September 2024
V2	March 2025	Responsible Investment Policy	ESG Director	Executive Committee	11 th March 2025

APPENDICES

Reference	Description
Annex	Exclusion List

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1. INTRODUCTION

CONTEXT AND OBJECTIVE

Alba Infra Partners Holdco SAS owns two regulated investment management businesses, Alba Infra Partners SAS (“**Alba**”) and BIFM Investments Limited (“**BIFM**”), together the “**Group**” or “**we**”. Alba is based in France and regulated by the *Autorité des Marchés Financiers*, and BIFM is based in the UK and regulated by the Financial Conduct Authority. The Group manages Alba European Operational Projects I SCSp, a Luxembourg based unlisted investment fund and BIIF LP, a UK based unlisted investment fund (together with any other investment fund that could be advised or managed by Alba or BIFM after the date of this Policy, the “**Funds**”).

Alba European Operational Projects I SCSp is an Article 6 fund under SFDR and BIIF LP is an investment fund that does not fall under the regulatory scope of the European Union’s Markets in Financial Instruments Directive (MiFID). **Consequently, at the time of adopting this Policy, the Group does not manage or advise Funds promoting environmental and/or social characteristics or having a sustainable investment objective.** Nevertheless, we are committed to evolving and improving our approach to responsible investment, in particular for future Funds to be advised or managed by the Group entities.

This Responsible Investment Policy (the “**Policy**”) therefore contains our commitment to responsible investment by outlining the integration of a responsible approach to the investment process and the management of our operations through the consideration of sustainability factors.

The Policy should be regarded as the minimum ESG standard that the Group intends to apply to all its Funds, regardless of their vintage, strategy or SFDR classification. For future Funds to be advised or managed by the Group entities with different characteristics from those managed at the time of adopting the Policy, specific complementary policies may be adopted to reflect additional ESG-related commitments applicable to such Funds.

POLICY SCOPE

The Policy applies to the Group, the Funds it manages and to all investment opportunities considered and/or made by the Funds across all sectors and geographies as from its effective date¹. The Policy therefore covers 100% of our assets under management.

REVIEW, UPDATE AND APPROVAL OF THE POLICY

The Policy has been prepared by the ESG Director, reviewed by the Group’s investment committee (the “**Investment Committee**”) and approved by the Group’s executive committee (the “**Executive Committee**”).

The ESG Director and the members of the Investment Committee and the Executive Committee will periodically revise the Policy, at least annually and after any significant changes on which it is based, including in the event of material changes in laws, regulations, objectives or strategy.

¹ Until the spin-out of Alba’s activities from the 3i group, the Responsible Investment Policy of 3i applied to the investment opportunities considered or realised by the Funds.

DEFINITIONS

ESG	refers to environmental, social and governance.
ESG issues	are defined by the Group based on the UNPRI guidance ² which states that: <ul style="list-style-type: none"> • environmental issues relate to the quality and functioning of the natural environment and natural systems; • social issues relate to the rights, well-being and interests of people and communities, such as human rights, labour standards in the supply chain, child, slave and bonded labour, workplace health and safety, freedom of association and freedom of expression, human capital management and employee relations, diversity, relations with local communities, activities in conflict zones, health and access to medicine, HIV/AIDS, consumer protection, and controversial weapons; • governance issues relating to the governance of companies and other investee entities.
responsible investment	is defined by the Group as an approach to investing that integrates sustainability factors into investment decision-making processes and asset management. This approach aims to manage risks and opportunities more effectively, in order to generate sustainable, long-term returns, and contribute positively to society. By identifying and integrating sustainability factors, responsible investment enhances risk management and aligns investment practices with broader societal goals.
SFDR	means the regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector.
stewardship	is defined by the Group based on the UNPRI guidance ³ as the use of influence by institutional investors to maximise overall long-term value including the value of common economic, social and environmental assets, on which returns and clients' and beneficiaries' interests depend.
sustainability factors	are defined by the Group as environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters, which encompass ESG issues.
sustainability opportunities	are defined by the Group as the opportunities related to sustainability factors that contribute to sustainable development while also creating value for the business and its stakeholders.
sustainability risks	are defined by the Group as the actual or potential material negative impacts on the value of an investment due to events or conditions related to sustainability factors.

² Source : https://www.unpri.org/Uploads/i/m/n/maindefinitionstoprireportingframework_127272_949397.pdf

³ [Definitions for responsible investment approaches | Technical guide | PRI \(unpri.org\)](#)

2. RESPONSIBLE INVESTMENT APPROACH

We believe that our duty as a long-term and responsible investor is to manage third-party capital in a way that positively impacts the economy, environment, and society. By nature, infrastructure assets play a key role in providing essential services, responding to public needs and influencing societal progress in improving the lives of local communities. Furthermore, we are committed to fostering ESG principles within our portfolio and operations, emphasising responsible governance to enhance the social and environmental value of our investments.

We also believe that a core part of our fiduciary responsibility is to achieve the best possible risk-adjusted returns for our investors. We acknowledge that all factors influencing investment performance must be considered, and this includes the integration of sustainability risks, which can significantly impact long-term investment outcomes. We see the management of our assets' sustainability impact as critical to (i) fulfilling our duty to create and protect long-term value and (ii) generating positive outcomes for all stakeholders and the communities involved in our projects.

For these reasons, we incorporate sustainability risks and consider sustainability opportunities into our investment decisions, and we ensure that these risks and opportunities as well as all other relevant factors influencing an investment's risk and return are thoroughly considered before making a decision.

This Policy intends to reflect this approach. The Group is committed to:

- promoting consistent practice and adherence to the Policy across its investment, asset management and divestment decisions;
- providing employees with the necessary information, instruction, training, and resources to effectively manage ESG matters within their investment activities;
- continuously monitoring the implementation of the Policy to ensure its ongoing effectiveness; and
- reporting on main ESG outcomes, taking into account each Fund's features and in particular the level of promotion of environmental and/or social characteristics and/or sustainable investment objective, if any.

3. ALIGNMENT WITH INDUSTRY STANDARDS AND GUIDELINES



The Group is a signatory member of the UNPRI and as such applies the six UNPRI principles (the “Principles”) for incorporating ESG issues into investment practice as follows:

- 1 Incorporating ESG issues into its investment analysis and decision-making process;
- 2 Being an active owner and incorporating ESG issues into its ownership policies and practices;
- 3 Promoting acceptance and implementation of the Principles within the investment industry;
- 4 Working together with its peers to enhance effectiveness in implementing the Principles;
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3 Seeking appropriate disclosure on ESG issues by the entities in which it invests;

6 Reporting on its activities and progress towards implementing the Principles.



SFDR is applicable to Alba and the Funds it manages⁴.



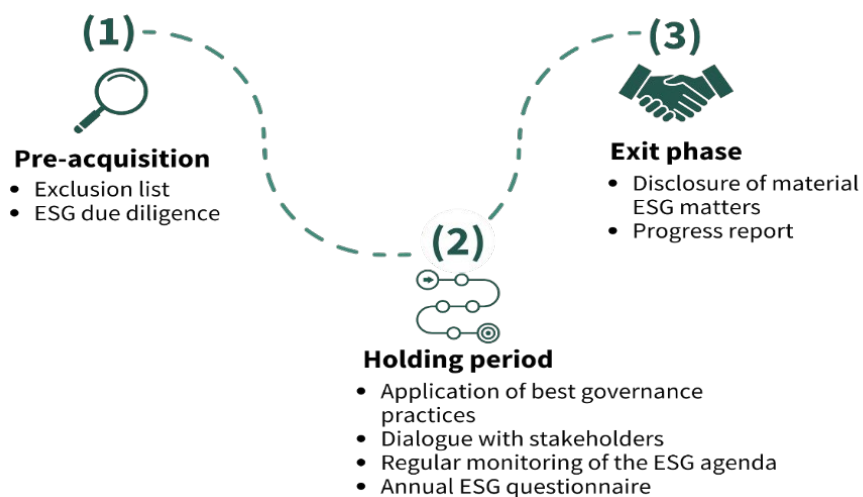
The Group is committed to support the United Nations Sustainable Development Goals (SDGs) and incorporates these goals as a guiding framework for its responsible investment strategy. Our investments inherently serve a crucial societal role, and we aim to amplify their positive effects. We regard the SDGs as a universally recognised framework that enables us to enhance the positive impacts of our portfolio companies / projects on the society.



Alba is a member of the Sustainability Commission and the Talents & Diversity Commission of France Invest.

4. SUSTAINABILITY ACROSS OUR INVESTMENT LIFECYCLE

Sustainability factors are integrated into all phases of the investment lifecycle.



PRE-ACQUISITION (1)

- A screening of all investment opportunities against the exclusion list set out in [Annex](#) to the Policy is carried out at an early stage in the investment process to ensure that they are not operating in the sectors listed therein.

⁴ i.e., at the time of adopting this Policy, Alba European Operational Projects I SCSp.

- We carry out a preliminary analysis to identify sustainability risks and their materiality at the IPR⁵ stage of each opportunity.
- A pre-acquisition ESG due diligence exercise is carried out by the origination team. The origination team assesses whether support from reputable external ESG advisors is necessary taking into consideration the ESG complexity and risk profile of the investment opportunity. The ESG due diligence will inform the origination team's analysis of the sustainability risks and opportunities, including their evaluation of the portfolio company or assets capacity to address the sustainability risks identified.
- The findings and conclusions of the ESG due diligence are included in the investment memorandum for discussion during the Investment Committee. The Investment Committee considers these findings as part of the decision-making process, alongside other relevant factors. The ESG Director has a veto right on the grounds of ESG over the Investment Committee's decision to proceed with the investment.
- When relevant, binding contractual ESG clauses will be integrated into the legal documentation (e.g., shareholders agreement or any other relevant legal contract).
- In the case of a follow-on investment, the ESG analysis focuses solely on any changes in ESG risks and opportunities since the assessment made at the time of the initial investment. This is the responsibility of the origination team, with the support of the ESG Director and external support if required.

HOLDING PERIOD: APPROACH TO ENGAGEMENT AND STEWARDSHIP (2)

The Policy emphasises stewardship, ensuring we actively engage with our portfolio companies and assets to promote sustainable practices, enhance long-term value, and uphold the highest standards of governance during our holding period. Through continuous dialogue and oversight, we strive to align our investments with our commitment to ESG.

Our active management of portfolio companies and assets is an integral part of our investment strategy, with sustainability and the management of ESG factors being fundamental to our approach.

As active equity owners, we are able to influence and actively engage with the portfolio companies and assets in which we invest. When our Funds hold a minority stake in a portfolio company or do not control capex/maintenance and/or operation or usage of an asset (for example, due to its contractual framework), we leverage our board representation to assert our rights and position ourselves as a key partner, supporting the company or asset in developing its sustainability strategy.

We will also use our influence as an investor to encourage our portfolio companies to promote best practice by their relevant suppliers through implementing appropriate supplier management systems.

⁵ Investment Preliminary Review Committee (early-stage analysis preceding the Investment Committee).

Application of best governance practices

All portfolio companies are required to manage sustainability risks appropriately and meet our ESG standards which include:

- compliance with applicable local and international laws and regulations relating to the environment, human rights, workers' rights, health & safety and sanctions, those intended to prevent fraud, extortion, bribery, tax evasion, money laundering, terrorist financing and other financial crime ("**Applicable Laws**") and, where appropriate, the relevant international standards⁶ where these are more stringent than Applicable Laws;
- adoption and implementation of a minimum set of internal policies⁷ that are validated at the level of the portfolio company's board of directors, including (i) a health and safety policy (which may be part of a broader ESG policy) and (ii) a financial crime / anti-bribery & corruption policy;
- seeking confirmation from their supply chain partners that they apply minimum ESG standards (i.e., respect of employment rights, implementation of a minimum wage guarantee, guaranteeing staff's freedom of association, etc.).

Dialogue with stakeholders & initiatives

We aim to ensure that we are working with organisations that have a similar ESG agenda to us and we believe that engaging in meaningful dialogue with portfolio companies, clients, partners and sub-contractors is a critical path to ensuring alignment on sustainability priorities and improving the sustainability profile of our assets.

With focus on the stakeholder supply chain, we support and work with key stakeholders to enable the delivery of a more sustainable strategy on most of our portfolio companies, notably through the development of action plans. This includes evaluation of the top three sustainability priorities of each project's key stakeholders across environment, social and governance factors, and a statement of the key actions that will be taken to improve sustainability on the project sites.

We seek to be a key influencer, directing stakeholders towards improving ESG initiatives across our projects. We acknowledge the opportunity to contribute towards safeguarding the environment through initiatives such as emissions reduction, increasing biodiversity, and waste management. In parallel, we seek to develop social initiatives, with a strong focus on health & safety, encouraging community engagement through volunteering programs and other activities.

Regular monitoring of the agenda



ON A REGULAR BASIS, AT BOARD MEETINGS OF THE PORTFOLIO COMPANIES

⁶ The international standards are the relevant IFC Performance Standards and associated Guidelines and the International Labour Organisation (ILO) Fundamental Conventions. The IFC is the private sector arm of the World Bank and its Performance Standards are intended to provide a reference for businesses in emerging markets for environmental and social standards. The IFC's Environmental, Health and Safety (EHS) Guidelines are technical reference documents with general and industry-specific examples of good industry practice. The most basic labour rights have been codified by the ILO in the 1998 Declaration on Fundamental Principles and Rights at Work which identified 8 conventions fundamental to the rights of people at work, irrespective of the level of development of a country.

⁷ Or evidence a governance model which reflects the implementation of legislation relevant to financial crime and anti-bribery at the board of a portfolio company, like the 231 Legislation in Italy.

We believe that good governance starts at the board of directors of the portfolio companies and the ESG matters are continually monitored and kept in line with developing legislation relevant to good industry practice and jurisdictional legislative standards. Through our board appointees, we encourage our portfolio companies to maintain a continuous dialogue on ESG topics with their clients, partners and subcontractors to align on our sustainability priorities.



QUARTERLY

The CIO, the asset management team and the ESG Director review every asset (performance, specific value creation or protection initiatives, update on good governance and ESG KPIs established as part of the investment).



ANNUALLY

The asset management team and the ESG Director will review material ESG issues and progress towards any action plan or sustainability roadmap as the case may be adopted. The outcome of this annual review is shared with the Investment Committee.



ON A 'REAL TIME' BASIS

In case of material events including health & safety events, events which could give rise to reputational risk, have an environmental impact, or give rise to an issue of potential significant value, a dynamic escalation approach to the Investment Committee, the ESG Director and the Risk Manager is implemented by the asset management team. An ad hoc information will be delivered to the investors in the event of material ESG incident on a case-by-case basis.

Annual ESG questionnaire

A number of ESG KPIs are monitored during the holding period, including fuel consumption data and GHG emissions (Scope 1 and Scope 2), health & safety incidents, status of adoption of the required internal policies, etc. The data collection system is based on an ESG questionnaire which has to be completed by all our portfolio companies annually and whose data will be presented in an aggregated manner within annual ESG reports.

The ESG questionnaire is regularly reviewed and updated to reflect regulatory changes and sector/asset-specific KPIs.

EXIT PHASE (3)

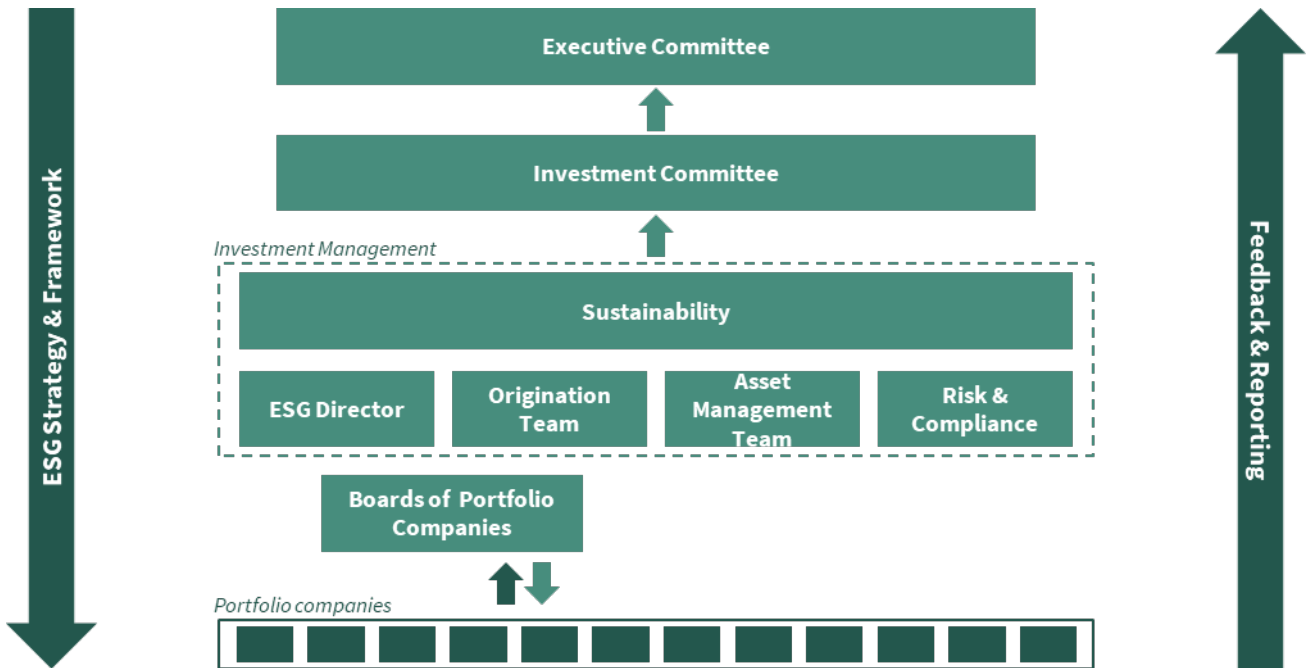
At the time of the exit, we are appropriately disclosing material ESG matters, impacts and steps taken to manage them to potential buyers.

We are dedicated to ensuring the long-term continuity of the ESG practices implemented by our portfolio companies and assets. During the disposal process, we will therefore facilitate the transfer of all established ESG practices and actions to the new shareholder(s).

5. ESG INTEGRATION IN OUR ORGANISATION

The implementation of responsible investing is a firmwide effort. All our teams, including origination and asset management teams, actively incorporate ESG criteria into their processes and decision-making frameworks.

OVERVIEW



ROLES AND RESPONSIBILITIES

**OVERALL ESG
ACCOUNTABILITY**

The Executive Committee is ultimately accountable for the proper application of the Policy and the ESG framework derived from it. The Executive Committee shall ensure that ESG matters are discussed during Investment Committee meetings when required and is responsible for approving the ESG reporting to the investors.

**DEFINITION OF THE
ESG STRATEGY &
FRAMEWORK**

- **Investment Committee:** The Investment Committee is responsible for overseeing the ESG strategy. As the ultimate decision-making authority for new investments and exits, the Investment Committee ensures that investment opportunities comply with that Policy (and, notably, that sustainability considerations are incorporated in the decision-making process alongside other relevant factors), while also providing oversight and challenge to ensure robust assessment of sustainability risks and opportunities throughout our holding period.
- **ESG Director:** The ESG director is independent from investment and asset management teams. With the support of external resources, the ESG Director collaborates with all the teams to share ESG insights and monitors the application of ESG policies, ensuring cohesive and informed strategies on ESG-related matters. The ESG Director has a veto right over Investment Committee decisions to invest on the ground of ESG-related matters.

**IMPLEMENTATION OF
THE ESG AGENDA AT
THE ORIENTATION
STAGE**

The origination team is responsible for assessing sustainability risks. With the support of the ESG Director and – as necessary – external ESG advisors, the origination team will conduct an ESG due diligence, with the conclusions ultimately validated by the ESG Director and embedded in the investment memorandum for discussion with the Investment Committee.

**ACTIVE MANAGEMENT
OF THE ESG
MATTERS**

The asset management team is responsible for overseeing the operations of the portfolio company or asset and the implementation of its strategic objectives, including those on sustainability. A designated team member is responsible for each investment of the Funds (as necessary, supported by other members of the team) and will implement the ESG strategy at the asset level with the support of the ESG Director.

**RISKS &
COMPLIANCE
CONTROLS**

- **Risk Manager:** The Risk Manager reviews all final investment papers from the origination team relating to potential new and further investments to ensure that sustainability risks have been adequately addressed in accordance with the Group's investment procedures. The Risk Manager is also informed of any material ESG issue through the escalation process described above.
- **Local Compliance officers:** The local Compliance Officers are carrying out internal controls on an annual basis (as the case may be through external service providers) on the proper implementation of the Policy.

ESG TRAININGS

The Group offers to all its employees the opportunity to realise their full potential, having developed a comprehensive training program. The employees benefit from specific training adapted to their seniority level, their role and required competencies.

We believe all employees should be educated on sustainability factors and risks and how to incorporate consideration of these factors into decision-making processes.

Individual training for team members will include modules dedicated to ESG. Additionally, collective training sessions on ESG matters will be organised for the entire team on an annual basis, with the support of external consultants as needed. These sessions may notably cover the evolution of the ESG environment (trends, regulations), as well as the implementation and operationalisation of ESG procedures by the Group.

The ESG Director should possess sufficient knowledge, skills and experience about responsible investment and the relevant processes and procedures and has therefore access to regular training.

6. REPORTING

We ensure regular communication of our portfolio's sustainability performance to our investors through the annual ESG reports of our Funds.

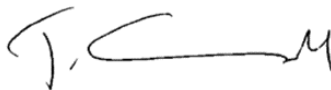
In addition, we will publish the Policy on our website and report annually to UNPRI, reflecting our commitment to the six principles of UNPRI.

By reporting on our ESG performance and complying with regulations (especially the SFDR, where appropriate, for Alba and the Funds it manages⁸), we provide investors and stakeholders with the necessary information to effectively evaluate our responsible investment practices and the progress we make in integrating sustainability into our investment decisions.

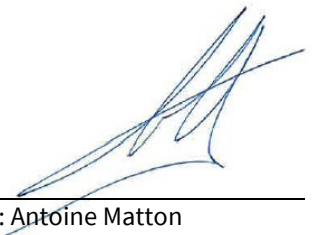
Signed by:



Name: Stéphane Grandguillaume
Position: CEO and Executive
Committee member



Name: John Cavill
Position: CIO and Executive
Committee member



Name: Antoine Matton
Position: Managing Partner and
Executive Committee member

⁸ i.e., at the time of adopting this Policy, Alba European Operational Projects I SCSp.

ANNEX: EXCLUSION LIST

Normative exclusions

Companies that seriously and repeatedly violate the following international standards or conventions

- International Bill of Human Rights (1948).
- International Labor Organization (ILO) conventions, including those on forced labor, child labor, discrimination, and freedom of association and collective bargaining
- Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.
- United Nations Global Compact (UNGC) Principles.

Production or trade in products or activities deemed illegal under applicable local or national laws or regulations, or banned through global conventions and agreements, including (i) certain hazardous chemicals, pesticides and wastes; (ii) ozone depleting substances; and (iii) endangered or protected wildlife or wildlife products.

Sectoral exclusions

Production or trade of (i) tobacco and related products (including vaping products) and (ii) narcotic products unless primarily designed for medical purposes

Alcoholic beverages - Exceptions allowed: Service providers, to the extent not primarily engaged in the sector and ancillary serving of alcoholic beverages as part of a broader service (eg: catering)

Any cloning activity for non-medical and non-therapeutic purposes

The trade in human body parts or organs

Animal testing in relation to cosmetics

Pornography

Gambling and casinos

The production, use of, or trade in, controversial weapons (and associated critical components) that do not comply with the following treaties:

- the Ottawa Treaty (1997)
- the Oslo Convention on Cluster Munitions (2008)
- the Chemical Weapons Convention (1992)
- the Biological Weapons Convention (1972)
- the Treaty of the Non-Proliferation of Nuclear Weapons (1968)

Production, use of, or trade in, conventional lethal weapons (and associated critical components). Allowed exception: production of dual-use components

Extraction, production, sale, storage or transport of and electricity production from conventional and unconventional fossil fuels (oil, natural gas, and coal). Allowed exceptions: (i) production, sale, storage or transport of and electricity production from gas aligned with the EU Taxonomy, (ii) service providers & subsidiaries and their assets if their activity has a positive environmental and/or social impact and (iii) where such activities are marginal and incidental to the main business of the portfolio company