



**2021 SUSTAINABILITY REPORT**  
BASED ON 2020 ACHIEVEMENTS



**V A U B A N**  
INFRASTRUCTURE PARTNERS

“Vision without action is just a dream, action without vision just passes the time, and vision with action can change the world.”

*Nelson Mandela*

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# Who we are

## Vauban IP's identity

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Vauban Infrastructure Partners is an infrastructure investor and asset manager, engaged in the long-term development of assets providing essential services to local communities: clean water, safe and efficient transportation, very high-speed communication networks, and a broad range of social services around education, health, justice and leisure.

Our approach to private investment is deeply linked to our inner values and commitments: we believe that we have a shared responsibility as investors to build and maintain vital infrastructure systems so that communities can thrive and create new possibilities for us all.

We are convinced that it is through constructive collaboration that we are able to find adaptive solutions that create long-term value for our clients and their communities. That is why we work shoulder-to-shoulder with industry partners, shareholders and stakeholders to deliver our shared vision of a more resilient and sustainable future. This was our approach in the past, it is our approach now, and it will continue to be our approach as we collectively create the infrastructure world of tomorrow.

## 4 key sectors

1.

### Mobility

(tramways, motorways, parking garages, high-speed rail lines)

2.

### Social infrastructure

(hospital, school, leisure, justice)

3.

### Energy transition

(heating networks, clean water, waste management, electricity)

4.

### Digital infrastructure

(optic fiber)

## Key figures

(as of May 31, 2021)

€ 6 bn

of Assets Under Management  
(Top 40 worldwide infrastructure asset managers, Infrastructure Investor 50-November 2020)

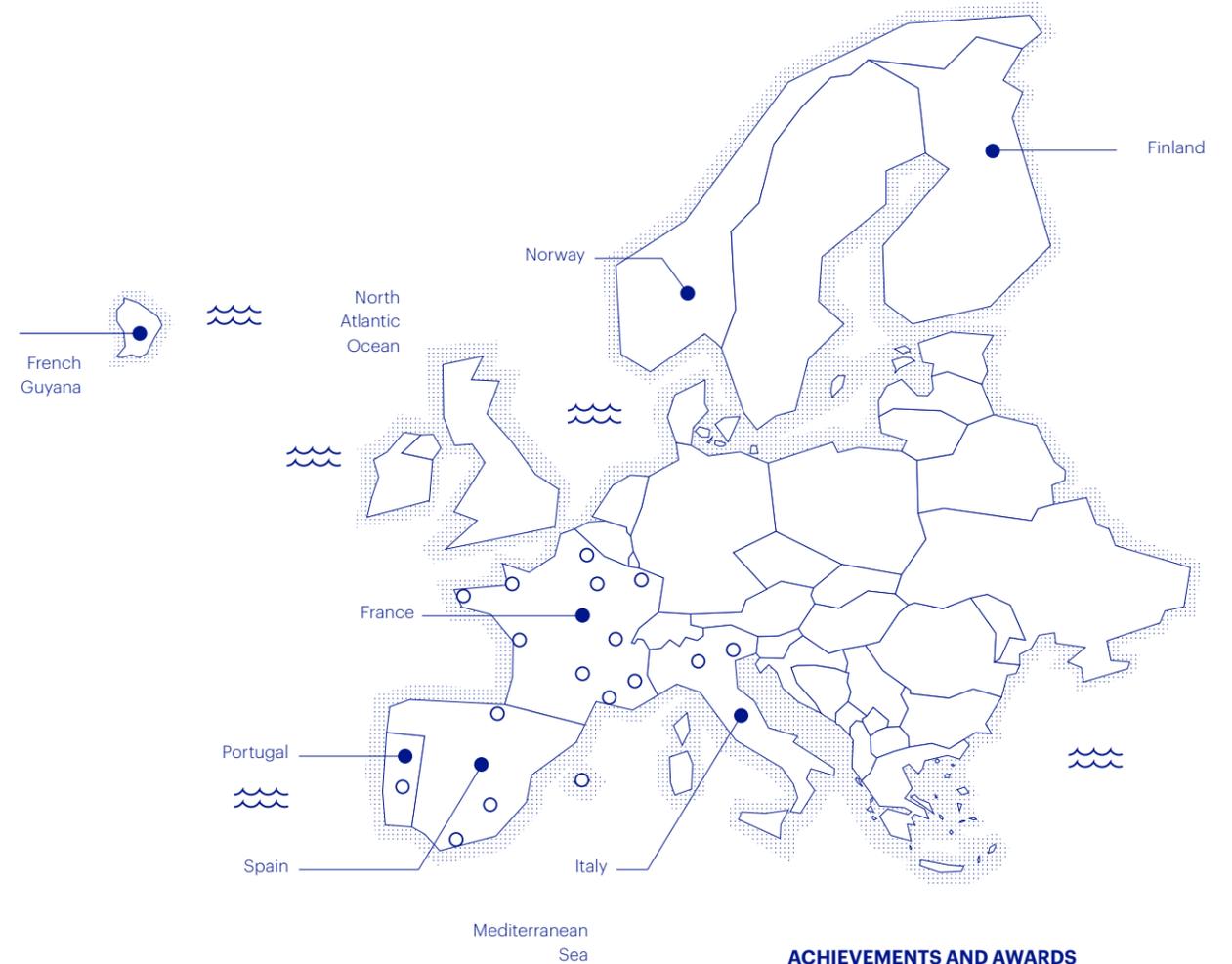
15 years of market presence improving practices

8 countries

70 clients

60 successful investments

44 associates



## Presence in Europe

From an initial footprint in France, started in 2005, our portfolio of investments has strongly grown across Europe. The geography of our investments has known an intense diversification across Europe throughout the years, both within Northern and Southern regions.

We design 25-year "buy and hold" strategies in order to invest in essential infrastructures with a long-term commitment approach, allowing us to reconcile all stakeholders' interests while capturing the very yielding nature of these assets.

### ACHIEVEMENTS AND AWARDS

#### At Vauban IP level

- Awarded "European ESG Coordinator of the Year" by IJGlobal
- Rated A+ by PRI
- Founding member of Global Real Estate Sustainability Benchmark (GRESB) Infrastructure

#### At Fund-level

5 award-winning transactions in the Digital sector:



#### Infrastructure Investor Awards 2020

- Digital Infrastructure Investor of the Year Europe (Infrastructure Investor)
- Digital Infrastructure Deal of the Year Europe (Infrastructure Investor)



#### Project Finance International (PFI) Awards 2020

- Fibre Deal of the Year – Europe



#### IJGlobal's 2020 Awards

- European FttH Deal of the Year (Loire Atlantique)
- European Digital Deal of the Year (Astérix)

**6 generations of funds raised & managed:** FIDEPPP, FIDEPPP2, BTP Impact Local, CIF I, CIF II, CIF III



# Who we are

## Vauban IP in 2021

A



**Gwenola Chambon**, CEO,  
Founding Partner & **Mounir Corm**  
Deputy CEO and Founding Partner

**The notion of “Social License to Operate” appears to have a particular resonance and significance for Vauban IP’s management. How strongly is it embedded in your investment thesis?**

**Gwenola Chambon:** "As infrastructure investors, our mission is to deliver essential services to communities, while ensuring their total satisfaction, that is to say meeting their expectations and maximizing their benefits.

The vital essence of our investments—delivering clean water, electricity and heat, safe transportation, communications, education, healthcare, and other services that underpin economic development—their scale and breadth, how many people they touch and how they impact their lives daily, imply that they are all the more closely observed by all stakeholders.

Maintaining this **social** partnership built on trust is a critical success factor for each and every investment Vauban IP is involved in, as stakeholder engagement and **social license to operate** are key to manage these essential infrastructures."

**Mounir Corm:** "Vauban IP’s investment horizon covers the full lifespan of infrastructure assets, which is typically more than 25 years. Over such a long period, communities’ requirements, **social** references and political claims are subject to change.

This means that the concept of **social license** is evolving in turn, and that we need to be actively listening to communities, engaging with all possible partners in a co-construction process, so as to bring adaptability, inclusion and meaning to our projects. Simply put, our ambition is to be credible and legitimate over the long term."

**GC:** "As we are writing this annual report, the ongoing effects of the Covid-19 crisis remind us of the challenges of our time. The rapid development of our societies is accompanied by a growing awareness around climate change and wealth inequalities, but also by an increasing demand for universal access to advanced technologies and fairer consumption models. As an organization operating at the crossroad of these matters, our **social license** can be positively or negatively impacted depending on perceptions of whether the services our infrastructures provide are accessible, affordable, and bring improvements in living conditions. At Vauban IP, we believe that commitment to long term stewardship and constructive engagement with all stakeholders is more pressing today than ever.

To continue to generate alpha as infrastructure providers, we ought to be aware of these changing societal behaviors and embed them in our investment approach."

**MC:** "This is why we have been refining our decision-making and asset management processes, integrating **social license** considerations at every stage of our internal investment practices. Concretely, we have designed bespoke assessment, monitoring and engagement systems and tools, striving to be at the forefront of sustainability developments in the infrastructure sector. Our ESG framework includes Sustainable Development Goals (SDGs), covering topics such as diversity and inclusion, health and safety, ethical business practices, environmental stewardship and responsible supply chains. Upholding our **social license** to invest and manage critical infrastructure has become an indisputable driver for the long-term sustainability of our assets, benefiting both our investors and end users."

# Vauban IP in the context of a fast-paced & ever-changing sector

1.

**Sustainable and reliable infrastructure is more than ever a prerequisite for operators to maintain their 'social license to operate' and a driver to new economic value creation, particularly since as infrastructure investors, we:**

- Assess our investment decisions considering the full lifetime of the assets;

- Focus on delivering long-term value to all stakeholders, and in this respect we must reduce our exposure to all applicable risks;

- Believe that our investor base has the potential to stimulate a broad spectrum of companies and players that gravitate around it in applying more sustainable standards.

2.

**Infrastructure resilience and adaptability are vital to ensure the long-term provision of essential services:**

- In the sense of our portfolio’s contribution to mitigating climate change impacts in the future—with an ongoing collaboration with Carbone 4, to analyse our portfolio temperature in regards to the Paris Agreement objectives—findings to be published in the second half of 2021;

- With regard to our portfolio’s intrinsic ability to absorb unforeseen and even unprecedented shocks (health and economic crises, but also extreme weather events relating to climate change) while maintaining a high-quality of service.

3.

**Technological improvements are reshaping the future of infrastructure investment and management:**

- Connectivity technologies like optic fiber, 5G networks, and Cloud will be central for driving innovation, bridging the digital divide and creating value in infrastructure. For this reason, we have placed great emphasis on the development of communication and data transmission assets through Vauban Infra Fibre;

- In this era of hyperconnectivity, new ways of thinking and planning infrastructure investments are emerging, and we will need to focus on leveraging technologies, data and analytics to improve our decision-making and portfolio management processes.



# Who we are

## Our ESG commitments

B

# A brief reminder of Vauban IP's sustainability commitments

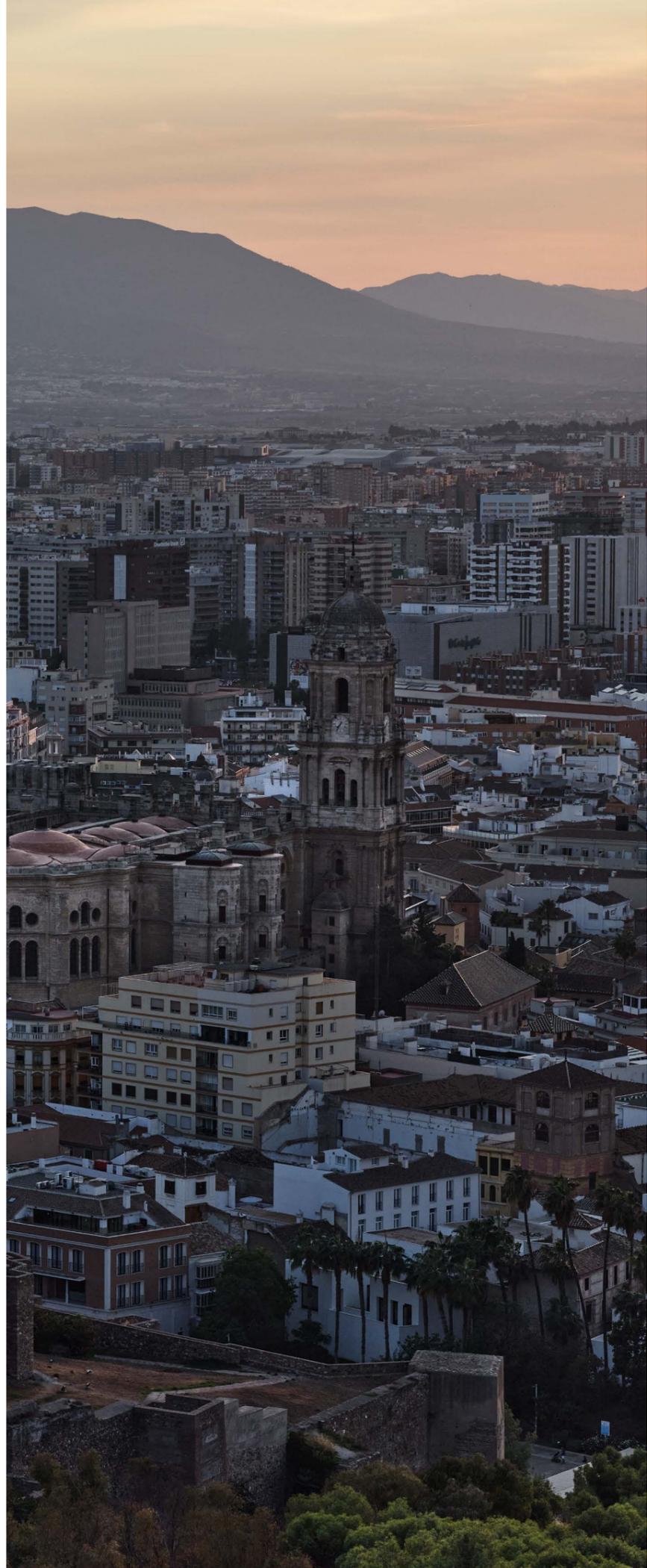
### We stand by our commitments

As expressed in our revised [Sustainable Investment Policy](#) and last year's [Sustainability Report](#), four commitments are the basis of our work to achieve long-term economic development aligned with the local public interest:

- balanced and effective governance
- long-term horizon consideration
- a holistic vision of investment
- transparency and advocacy.

### Further engagements from Vauban IP

In keeping with these commitments, our ESG Charter was updated to assert our alignment with the Paris Agreement: "Our commitment to aligning with the Paris Agreement is reflected in both our internal practices and investment decision processes: we actively assess our investments' compatibility with the objective to limit global temperature increase to 2°C compared to pre-industrial levels. We aspire to support investment pathways that catalyze the transition to net-zero carbon and climate-resilient sustainable development. In addition to favoring low-carbon investments, we are constantly reinforcing our climate impact assessment strategies, monitoring and accounting for all CO<sub>2</sub> emissions caused by our portfolio assets' operations. In our pursuit of a more sustainable infrastructure ecosystem, we analyze our assets' physical resilience against high-temperature-rise (>4°C) climate scenarios, to make the appropriate decisions to enhance their longevity and viability." The latest version of our ESG Charter is available for consultation [here](#).



## The four sectors we invest in provided essential services, and demonstrated their critical importance during the Covid-19 pandemic.



### MOBILITY (Tramways, motorways, parking garages, high-speed rail lines)

While the whole transportation sector was put under heavy stress due to the traffic reduction and restrictions linked to the Covid-19 crisis, our assets continued their efforts toward supporting local development and enhancing access to vital services. The wide range of mobility solutions we invest in are extremely important in accompanying our societies' present and future transformations.

2,400,000 parking spaces      100,000 EV charging points installed under maintenance  
245km of rail      66,800,000 highway users



### SOCIAL (Hospital, school, leisure, justice)

We invest in social facilities' construction and maintenance to serve the general public in their everyday needs, while paying particular attention to universal access, energy efficiency and security. Our assets proved particularly resilient during the Covid-19 crisis, especially in the healthcare sector, in which quick response and adaptation were key to bring relief to communities severely impacted by the pandemic.

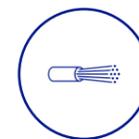
3,700 hospital beds      33,400 students in schools      286 courts and courtrooms      330,000m<sup>2</sup> of administrative buildings under maintenance



### ENERGY TRANSITION (Heating networks, clean water, waste, management, electricity)

We invest in public utilities with the aim to enhance the life quality of thousands of people through robust electrical-grid and district-heating network infrastructures. These assets were able to provide an uninterrupted energy supply in 2020, demonstrating their capacity to adapt and their resilience in response to complex upheavals in consumption profiles.

790GWh of power supplied through district heating networks and electrical grids      135,000 serviced customers for sewage treatment



### DIGITAL INFRASTRUCTURE (Optic fiber)

Our continued investments in optic fiber response to an increasing demand for digital solutions in the context of an hyperconnected environment. Vauban IP's portfolio companies have thus played a prominent role in allowing online exchanges and maintaining connectivity in circumstances that resulted in an unprecedented recourse to remote work practices and social interactions. The need for secure and reliable data access was also particularly critical for professionals on the frontline.

13,000,000 inhabitants equipped with broadband internet through optic fiber



# Sustainable development matters to Vauban IP's investors

Transparency, responsibility and engagement are at the heart of the close relationships that Vauban IP has built over the years with its investors. Servicing more than 70 institutional investors worldwide, Vauban IP values the sustainable and recurring nature of the established relationships, the catalyst of which is the mutual objective of contributing to developing sustainable industry.

“In this fast-changing world, there is growing pressure and urgency across all layers of society to respond and find solutions to the societal challenges facing the world. Consequently, sustainability is increasingly becoming a central strategic focus for both corporates and investors. As an international insurance group, Ageas strongly confirms its commitment to these goals through initiatives and products that provide solutions to a number of societal challenges from health and an aging population, to mobility and climate change. The Principles of Responsible Investments (PRI) are fully embedded in our long-term approach to how we invest. With €97.1bn AUM, Ageas is a significant institutional investor. As a long-term defensive investor, we are convinced that sustainable and responsible investments benefit performance, both in terms of risk as in terms of return. When we compared possible investments in infrastructure equity funds, we were pleased to see (i) the A+ rating received by Vauban IP on their 2020 PRI assessment and (ii) the continued commitment of their team members to the monitoring of their investments in ESG terms, from the initial investment until the exit. The ESG approach of Vauban IP is therefore fully aligned with our vision of sustainable and responsible investments.”

**Wim Vermeir,**  
CIO, Ageas

“At Vauban IP we aim to build long-term partnerships and trusting relationships with our investors, a catalyst of which is that our values and interests are aligned over the long term. Our investors share the Vauban IP investment philosophy that embeds strong sustainability values and commitments based on the conviction that with our long-term approach to investing, we can maximize our positive impact and further promote ESG integration in the infrastructure ecosystem. Vauban IP is grateful to its investors, some of which have been supporting us in our initiatives for more than 15 years now, and we are strongly convinced that together we can collectively create sustainable value for all stakeholders.”

**Daria Litvinova,**  
Head of Investor Relations, Partner  
Vauban Infrastructure Partners

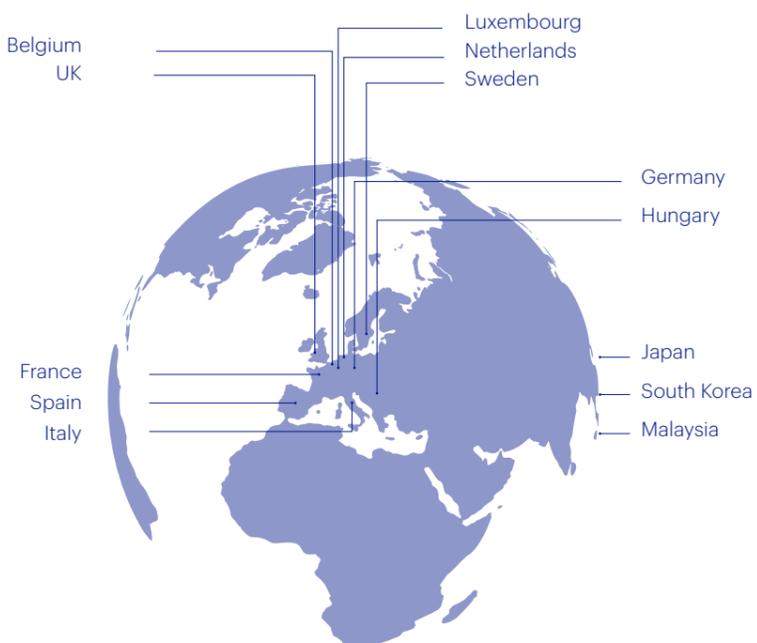
“Pensioenfond Rail & OV invests in infrastructure to contribute to the sustainable future of current and future generations and to achieve the goals set by the UN SDGs. Vauban IP's ESG strategy and values are well aligned with our sustainability ambitions.”

**Simona Kramer,**  
Portfolio Manager Socially  
Responsible Investing, Pensioenfond  
Rail & Openbaar Vervoer

## TYOLOGY OF INVESTORS



## GEOGRAPHY OF INVESTORS

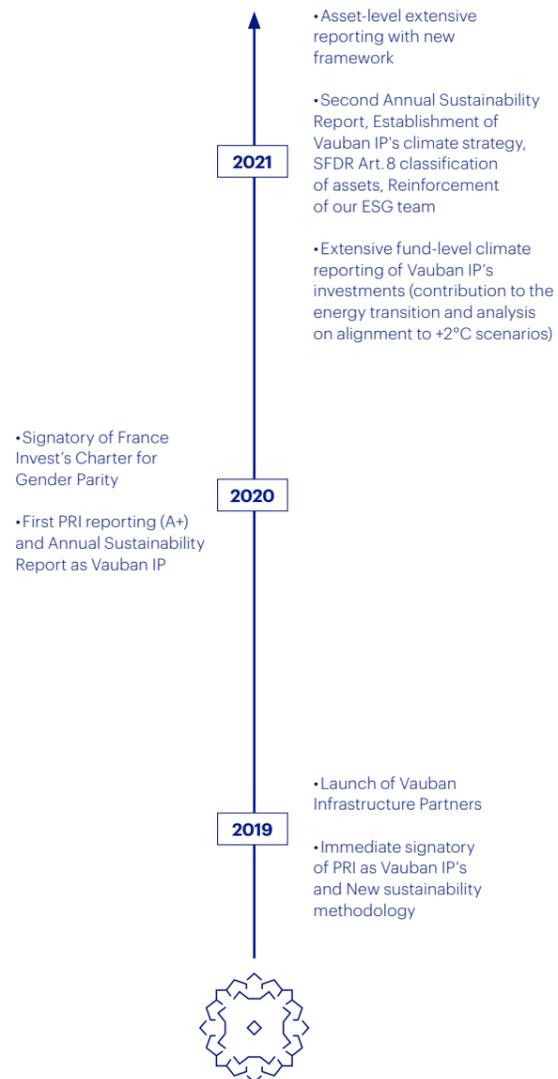


# 2020 ESG achievements

At Vauban IP level



## Building on our recent ESG achievements to make further progress

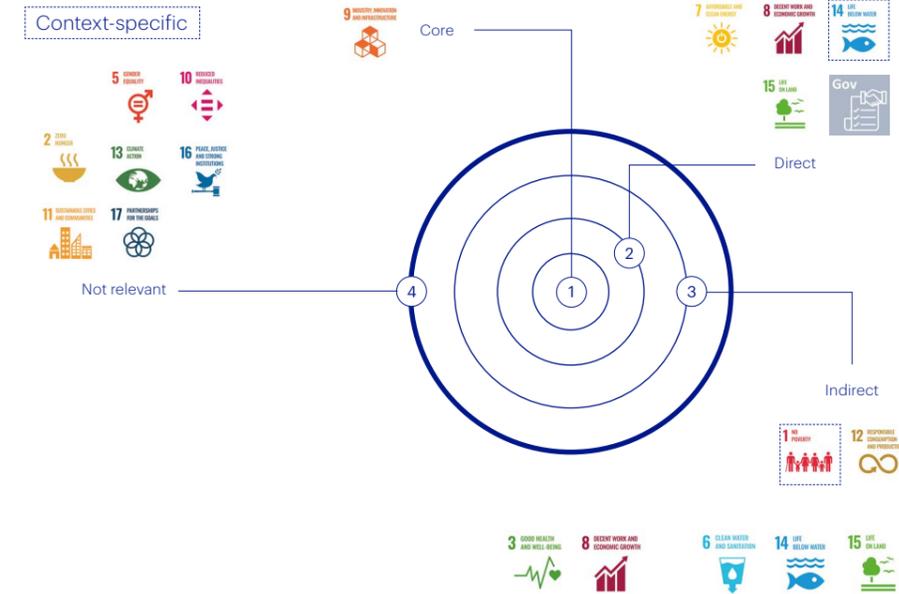


We are striving for continuous progress in the way we assess and report impact since the implementation of our sustainable strategy and the methodology that supports it.

As a reminder, our sustainable asset management practices include:

- **A holistic approach** of ESG matters throughout the stages of each asset's lifecycle, based on a **comprehensive materiality analysis**. Material impacts are mapped under both GRESB and UN SDG frameworks, and KPIs defined to monitor, report and analyze our assets' sustainability performance in a consistent and efficient way.
- **A thorough risk and opportunity-rating process**, using asset-type-specific indicators to gauge potential risks and contributions at the pre-investment stage, and facilitate the identification of key sustainability requirements that should be addressed during the asset management phase, to be followed by progress analyses and concrete action plans attached to ambitious targets.
- **A dedicated organization**, with all employees involved in the construction and implementation of the sustainability methodology, from the ESG committee to supporting roles, leading to full capacity in managing ESG and impact-related topics in all daily operations.
- **Regular training in the form of workshops, and close collaboration with expert external advisors** to fine-tune the materials at the service of our sustainability strategy.

### A COMPREHENSIVE MATERIALITY ANALYSIS



- **Extensive reporting through internal as well as external frameworks**, communicating to investors and relevant stakeholders about positive economic, social and environmental impacts of the assets and also explaining negative impacts and mitigation plans. Over the past year, our investment officers were able to gain mastery of the new processes and tools in place, with the following actions undertaken:
  - Enforcement of our sustainability methodology with the impact evaluation roll-out on all assets in our CIF I and CIF II portfolio;
  - Continuous training on new procedures at fund level;
  - Stewardship activities with portfolio companies, leading to first-class actions toward sustainability at asset level.

“2020 was a pivotal year in the trustful relationships we try and cultivate with our investee companies. Sustainability topics being at the heart of all discussions, our efforts to apply more structured and transparent procedures were welcomed with interest and enthusiasm. Now, discussions are engaged with SPV managers on a regular basis to raise any concerns related to ESG considerations, and to offer dedicated support in setting up new policies, tools and monitoring systems at asset level. With all due modesty, we at Vauban IP are extremely delighted to witness that these endeavors are being translated into tangible actions, with, for instance, Indigo taking the commitment to reach carbon neutrality by 2025, or Axione shifting toward a 100% renewable energy procurement.”

**Sam Léa Zhang & Maxime Buisson**, Investment Directors, Partners

### SFDR and anticipation of new regulations to come

Furthermore, all Vauban IP's funds are classified under article 8 of the SFDR (Sustainable Finance Disclosure Regulation), acknowledging our promotion and application of the sustainability criteria to our assets, as this classification guarantees the relevance of all monitored ESG aspects, as well as the quality of the implemented methodology.



# Our internal sustainability achievements

At Vauban Infrastructure Partners, our people are our most valued asset. We strive for excellence and respect differences, unique characters and specific needs as individuals.

**Our sustainability strategy begins at our own workplace. We are proud to have introduced measures and policies especially designed for our organization, to ensure sustainability considerations are embedded in our internal practices. This shows our determination and ambition as we apply the highest standards to ourselves before applying them to our investments.**



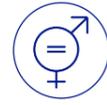
reforest'ACTION

- Carbon compensation: Vauban IP is committed, with the support of Reforest'Action, to the carbon compensation of its CO<sub>2</sub> emissions through a dual action:

- In 2020 we have planted 3,500 trees in Marne, France within the framework of a project guaranteeing the resistance, adaptation and resilience of the surrounding ecosystem,
- While engaging in the acquisition of internationally labeled carbon credits through a separate reforestation initiative, in Brazil, amounting to 500 tons CO<sub>2</sub> equivalent



- Pro bono: We are actively looking at opportunities to participate in selected pro bono actions. Our goal is to achieve at least one pro bono action involving the whole team every year. Once the action is identified, Vauban IP commits to take it to its final point mobilizing any staff members needed.



Toward gender parity: currently 40% women and 60% men.



-Daily work practices:

- Our headquarters are located in a high eco-standard, refurbished building,
- Remote online meetings are preferred to long-distance travel, a mindset and a way of working which were of course reinforced through the Covid-19 crisis,
- We favor public transportation and economy class for our daily commute and travel,
- We operate as a paperless business.



10 nationalities and 11 languages spoken.

“In the course of my application process to join an infrastructure investment actor, I was naturally aware of the main market trends around sustainability currently reshaping the sector, even if the consideration of ESG matters was not a determining criterion for my final choice. Soon after my arrival and as part of my onboarding process as an Investment Manager, I was able to appreciate that such challenges were deeply integrated into the daily investment practices and genuinely shared by all employees. The ESG and SDG materiality analytical framework that was implemented is based on the industry’s best standards and, at the same time, unique, with meticulous attention paid to each investment individually. I no longer view investment opportunities and portfolio management activities in the same way, and sustainability considerations have become a major focus of my daily work.”

**Anne-Sophie Leurent,**  
Investment Manager at Vauban Infrastructure Partners since November 2020



the pace in an industry  
at the forefront  
of sustainability  
challenges

We strive to set  
the pace in an industry  
at the forefront  
of sustainability  
challenges

①

#### Sustainable infrastructure

• The UN estimates that \$5 trillion to \$7 trillion per year between 2015 and 2030 are needed to achieve a set of SDGs globally, with the estimates being \$3.3 trillion to \$4.5 trillion per year in developing countries and \$1.7 trillion to \$2.5 trillion per year for developed countries (World Bank, February 2020)

**\$5tn to \$7tn**

**per year between 2015 and 2030 are needed to achieve a set of SDGs globally**

②

#### Infrastructure resilience

• The economic costs of climate change are estimated to range from 2–10% of global GDP loss by the end of this century (OECD, August 2020)  
• Flood-related damages alone under high emissions scenarios might account for 3% of global GDP in 2100, translating to losses in the range of USD14–27 trillion per year. In today's US dollars, this would be equivalent to losing the combined GDP of China and India in the best-case scenario, and US, Canada and Germany combined, in the worst case (OECD, August 2020)

**3%**

**of global GDP in 2100: estimate for flood-related damages alone under high-emissions scenarios**

③

#### Technological improvements and reduction of the technological divide

• The global optic fiber cable market was valued at USD7.6 billion in 2019, and it is expected to reach USD16.4 billion by 2025, registering a CAGR of 14.5% during the 2020–2025 period (Mordor Intelligence LLP, August 2020)  
• In 2020, operators' investments in France (excluding spending on 5G spectrum) reached 11.5 billion euros, which marks an 8.1% increase YoY, compared to the average 4.5% increase over the two previous years. 2020 was a banner year for FttH (Fiber-to-the-Home) deployment, with an additional 5.8 million premises passed for fiber, bringing the total number of premises eligible for FttH services in France to 24.2 million at the end of 2020 (Arcep, May 2021)

**5.8 m**

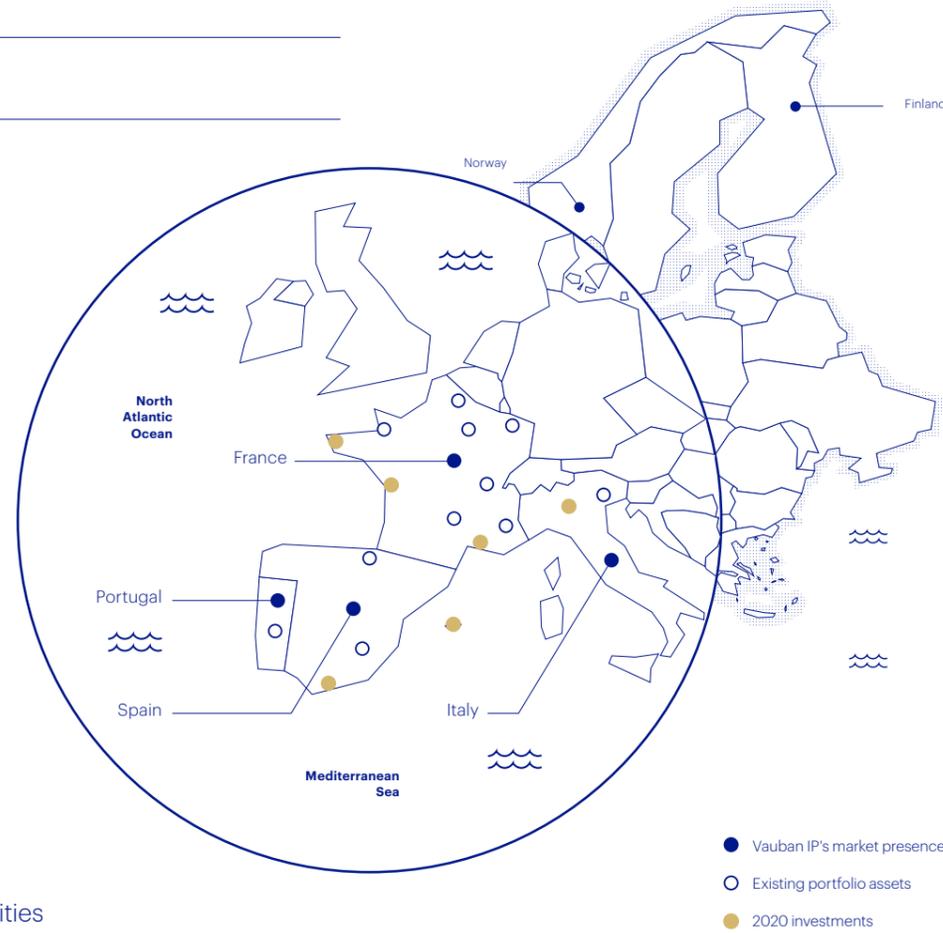
**new fiber premises in France in 2020, bringing the total number of premises eligible for FttH services to 24.2 million at the end of 2020—a record**

of sustainability

# 2020 ESG achievements

At funds level

D



## Key figures

from our 2020 investment activities



New investors in 2020 (Europe and Asia), totaling more than 70 institutional investors services worldwide

European footprint with investments in eight countries

New product in fundraising (CIF III)

Incorporation of Vauban Infra Fibre

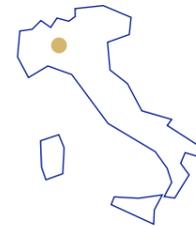
# Focus on 2020 investments

## PROGENI

Sector: **Social**

Asset type: **Hospital**

Country: **Italy (Milan)**



### Project description:

The project is regulated by a concession agreement executed between Progeni and ASST Grande Ospedale Metropolitano Niguarda and consists of an initial redevelopment of the building and the subsequent execution of non-medical services for the hospital such as maintenance and management of buildings and plants, cleaning and waste disposal services. The concession agreement was signed in January 2006, construction was completed in 2013 and operation will last until December 2033.

### Contribution to core SDGs:

SDG 3: Good Health and Well-being—through the provision of building maintenance and development.

### Investing in the context of the Covid-19 crisis:

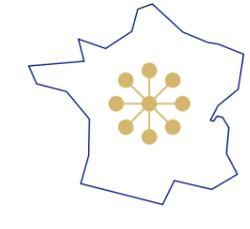
Hospitals were particularly overwhelmed during the pandemic, especially in Northern Italy. The new investments and adapted ancillary services such as through a more dynamic maintenance of the asset allowed for healthcare professionals to pursue their mission in a safe and optimized work environment.

## VAUBAN INFRA FIBRE (VIF)

Sector: **Digital**

Asset type: **Optic fiber**

Country: **France**



### Project description:

Vauban IP incorporated in April 2020 a French-dedicated holding company named Vauban Infra Fibre (VIF), to gather the existing assets of Vauban's historical funds in French optic fiber networks into a major independent digital platform and to raise additional capital from third-party long-term investors, including through VIF Co-Investment SCA (a co-investment vehicle managed by Vauban IP and created to co-invest in VIF alongside CIF III) and the third-party investor Predica to pursue further investments in digital assets.

The strategic rationale of this transaction is to enhance the value of each underlying asset, by reinforcing the robustness and resilience of the long-term cash flows of existing digital assets, regrouped under a unique platform to provide a more diversified pool of cash flows, reduce the level of risk for investors, and reach more financial agility and efficiency.

### Contribution to core SDGs:

SDG 9: Industry, Innovation and Infrastructure – through the provision of very high-speed data transmission, leveraging a leading market position as the first independent national wholesale player, with a global coverage of the French territory that encompasses rural, mid-dense and urban areas. VIF's national market coverage reaches more than 11 million plugs at this stage.

### Investing in the context of the Covid-19 crisis:

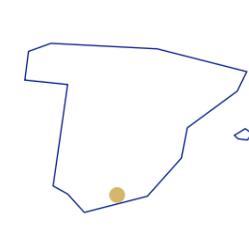
The structuring of the entity happened in a period of lockdown and curfew measures, further amplifying the importance of fast internet to connect communities and continue to create value through remote working and services, but also through cultural and social activities.

## AUTOPISTA DEL GUADALMEDINA

Sector: **Mobility**

Asset type: **Highway**

Country: **Spain (Malaga)**



### Project description:

Autopista del Guadalmedina is the SPV operating the AP-46 highway, under concession since 2006. The AP-46 runs north-south, in the northern region of Malaga (south of Spain), on a total length of 28.07km of dual carriageway.

### Contribution to core SDGs:

SDG 9: Industry, Innovation and Infrastructure –contributing to sustainable economic prosperity through innovative, safe, accessible and efficient mobility and logistics networks.

### Investing in the context of the Covid-19 crisis:

While the economies of the Covid-19 impacted countries were seriously hampered by the health crisis, delivering essential goods and enabling professionals to travel around urban areas was all the more crucial to bring relief and support to those in need. Vauban IP is proud to pursue its efforts toward more universal access to vital amenities and the creation of broader opportunities for all stakeholders.



# 2020 ESG achievements

At funds level

D

## Climate reporting

### 2020 CARBON FOOTPRINT

#### Awareness and action

Supported by Carbone 4, which provides a comprehensive view of our annual carbon footprint per asset, fund and sector, we are able to define appropriate action plans to minimize it, in a common effort engaged by the ESG committee together with portfolio company managers.

#### 2020 carbon footprint at portfolio level (tCO<sub>2</sub> eq p.a. per €m invested)

61

#### 2020 carbon footprint per key sector (tCO<sub>2</sub> eq p.a. per €m invested)

Digital: **73**  
Social: **59**  
Mobility\*: **41**  
Energy Transition: **132**

\*Exceptionally low in 2020 due to the reduction in traffic resulting from the pandemic

Note: due to changes in the calculation methodology, avoided emissions are no longer computed—solely the emissions caused or carbon footprint will be disclosed going forward.

### SECTORAL ASSESSMENT OF PORTFOLIO TEMPERATURE

#### EV charging stations and meters: 1.5°C

Key performance and mitigation drivers:  
- Emission factor of the electricity generation mix in the country of operation

#### Heat and Power distribution networks: 1.8°C

Key performance and mitigation drivers:  
- Emission factor of the distributed heat and power, in the country of operation  
- Loss percentage of the networks

#### Optic fiber: 2°C

Key performance and mitigation drivers:  
- Optic fiber assets are better rated than mobile assets (4G or 5G), but using lowpower optical modules in the network equipment can significantly reduce the carbon footprint of the networks  
- Strong environmental co-benefits of optic fiber networks (not integrated) and to be further assessed

#### Social buildings: 2.8°C

Key performance and mitigation drivers:  
- Energy performance (kWh/m<sup>2</sup>): can be improved through better business practices (e.g. shutters, curtains, aeration in the night), energy efficiency measures (e.g. insulation works) or more frugality in consumption habits (e.g. reduced heating level)  
- Energy vector: switching from carbon intensive vectors (fossil fuels like fuel oil, gas) to low-carbon vectors (low-carbon heat and electricity) and installing energy-efficient appliances (heat pumps and high performance boilers for instance)

#### Highways and parking: 3.4°C

Key performance and mitigation drivers:  
- Penetration of electric vehicles (in countries where the electricity mix relies on low-carbon energies) through the number of EV charging stations and the existence of a specific pricing policy. For instance, a 5°C highway located in France would reach 3°C with c. 0.3 EV charging station per km of highway  
- Increased rate of high-occupancy toll (HOT) lanes, with specific pricing policies for high-occupancy vehicles

#### Airports: 5.5°C

Key performance and mitigation drivers:  
- Efficiency gains in flight travel and taxi operations on airport runways  
- Level of Sustainable Aviation Fuels usage (SAF): a 5% SAF incorporation would lead to a 5°C alignment  
- Limited exposure of Vauban IP's portfolio to the sector, with less than <2% of the total AUM value

#### Rail (metro, tram, distance railways): 1.5°C

Key performance and mitigation drivers:  
- Emission factor of the electricity generation mix in the country of operation  
- Share of diesel vehicles

#### Contributing to the Paris Agreement objectives

- Vauban IP is committed to working toward a gradual improvement of its investments' temperature alignment and carbon footprint, and is already ahead of market practices, driven by the concrete actions implemented at investment level

- Still, more needs to be done to achieve this ambition. In fact, Airports assets, although accounting for a minority share of total assets under management, have a significant impact on performance

- This is why we plan to place more focus on intrinsically sustainable assets, while promoting energy efficiency and energy transition-friendly technologies among asset managers

Note: in an alignment calculation, the best score is set at 1.5°C. This is because the evolution of cumulative CO<sub>2</sub> emissions and the future evolution of radiative forcing, which determine the probability of limiting warming to 1.5°C, are already too high to allow this limitation (to 1.5°C) with sufficient probability. For an asset to be aligned with a scenario below 1.5°C, it would be necessary, in addition to a drastic reduction of greenhouse gas emissions, to include "negative" emission technologies, which do not exist today, or which are in any case not about to be deployed in a sufficiently large scale. Vauban IP's assets which are already aligned with a 1.5°C temperature scenario therefore achieved a best-in-class performance.

## 2020 GRESB assessment



Vauban IP is one the founders of GRESB Infrastructure and an active member of its Advisory Board. This initiative was born in 2015 and involves more and more funds and assets each year toward sustainability in infrastructure investments.

As part of the 2020 process, no less than 118 funds (+10.3% versus 2019) reported the performance of an aggregated 426 assets (+8.3%), representing a total worth of more than US\$579 billion.

#### In 2020:

**7 assets were ranked first in their category:** Chrysalis, Eirenea, Honoris, Metro de Malaga, Opale Défense, Udicité and Urbis Park

#### 9 other assets performed better than their peer group's average:

Arema, Axione Infrastructures, Ecolya, Helios A, Indigo, Insula, Mas d'Enric, OsloFjord Varme and VSFP.

## 2020 PRI reporting



Vauban IP obtained the highest achievable score, with an A+ certification. Such an acknowledgment by the UN PRI scheme is a testimony of Vauban IP's strong commitment to achieving sustainability objectives across all its organization, processes and portfolio.

## Other sustainability achievements and awards

#### At company level:

- Awarded "**European ESG Coordinator of the Year**" by IJGlobal

- Signature of the first French sustainability-linked equity bridge facility for CIF III, with a significant impact to be proven through ambitious targets

#### At asset level (examples):

OsloFjord Varme:  
- Awarded the climate prize "Klimaklokprisen", by the Baerum Municipality (Oslo area, Norway) in 2020

- A green financing framework was developed for OsloFjord Varme, which was verified with SPO (second party opinion) by Sustainalitics

Establishment of **the first sustainable loan in the fiber telecoms sector in France**, granted to FIBRE44 by its financing partners



# 2020 ESG achievements

## At portfolio companies level

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## AXIONE

**Axione designs and deploys digital infrastructures, and notably optic fiber networks, building scalable telecommunication facilities that support the digitalization of public and private infrastructure systems, serving operators and local authorities throughout France.**



**Bridging the digital gap:** optic fiber as a tool of attractiveness and economic development for all territories

- The first two "optic fiber zone" labels delivered by the French Telecom Regulation Authority (Arcep) in Loire and Aisne departments, acknowledging the complete coverage and availability of optic fiber infrastructures in these regions
- Strong focus on rural areas, allowing economic clusters to emerge, thus bringing positive momentum to local communities

**Social integration through employment:** promoting the employment of the young in the digital industry

- Insertion programs in cooperation with local structures aiming at providing complete trainings and jobs to isolated profiles (long-term job seekers, youngsters without previous experience or qualifications, etc.)

- Axione Academy initiative, an internal training offer for employees seeking to gain expertise, especially young professionals

- Top Employer France and Top Employer Europe certifications, in recognition of the efforts made in terms of human resources management



**An ecological optic fiber network:** engagement in projects both economically and environmentally sustainable

- Platinum medal awarded by Ecovadis for CSR performance (with a score of 74/100, in the top 1% of the sector)



- Axione has shifted toward a 100%-renewable energy procurement



### Key figures

**JANUARY 2019**

date of investment

**2,800**  
employees

**600**  
expert technicians

**6**  
million FttH (Fiber-to-the-Home) sockets in France, equivalent to 13 millions inhabitants

**OVER €3 BN**  
of capital expenditure (Capex) in digital infrastructure

"Closing the digital divide has always been at the heart of Axione's mission, and this motto takes on a particular resonance today, perhaps more than ever. We see ourselves as enablers of a more efficient and equitable connected future, both for the communities directly served by our assets, and for all stakeholders actively contributing to their development. In this respect, our policy of social integration through employment has demonstrated its relevance, as evidenced by the multiple awards and achievements of the past year."

**Eric Jamaron, CEO**

## INDIGO

**Indigo is the world leader in parking and urban mobility, operating and driving development in both on- and off-street parking solutions worldwide, as well as bringing innovative and sustainable mobility services to the cities it operates in.**

## INDIGO

"At INDIGO, we proved in 2020 that we could act fast and adapt our organization with responsive, organized and mobilized teams. This crisis has taught us that our group is united, responsive and caring and we endeavor to preserve this rich and diverse human capital. We are committed not only to our employees, but also to societal and environmental causes, as reflected by our Carbon Neutral strategy for 2025 'Go for Climate'. Our commitment to preserving the environment through our services and actions is not just a prerequisite for the industry and our investors, but also a long-term pledge for our employees and customers promoted by our purpose: Opening Space for Peaceful City Motion."

**Serge Clemente, CEO**

**Innovation in mobility:** enhancements to the urban mobility and parking value chains

- Systems and apps like Streeteo and OPnGO bringing fully digitalized parking solutions to cities to improve urban traffic management

- Soft mobility services like INDIGO Weel and Smovengo fostering eco-friendly shared mobility in city centers (over 60 municipalities and 420,000 users of the Smovengo e-bicycle-sharing scheme in the Greater Paris area)

**Priority to climate change mitigation:** strong endeavors in protecting the environment

- "Go for Climate" program aimed at achieving net zero carbon emissions by 2025

- Action plans in place to reach 50% of green electricity procurement by 2022 and support carbon offsetting projects

- Goals of achieving net zero in Scope 1 and Scope 2 emissions by 2025, and to fully control Scope 3 emissions by 2050

**Strength in diversity:** actively supporting an inclusive and diverse society

- LAZ Parking's 'Second Chance' program provides opportunities for people with blemished records

- Support for the Black Lives Matters and Women in Parking movements

- Inclusivity Prize received from the Belgian social NGO Compaan

**Leadership in CSR:** deep commitment to following comprehensive CSR approaches

- Extensive CSR strategy and roadmap with goals and action plans for the next four years

- New Group Procurement Charter extending CSR policy to suppliers for maximum impact

- Ranked 44<sup>th</sup> worldwide out of 4,903 groups by the rating agency Vigeo Eiris, assessing non-financial corporate performance



### Key figures

**SEPT. 2019**

date of investment

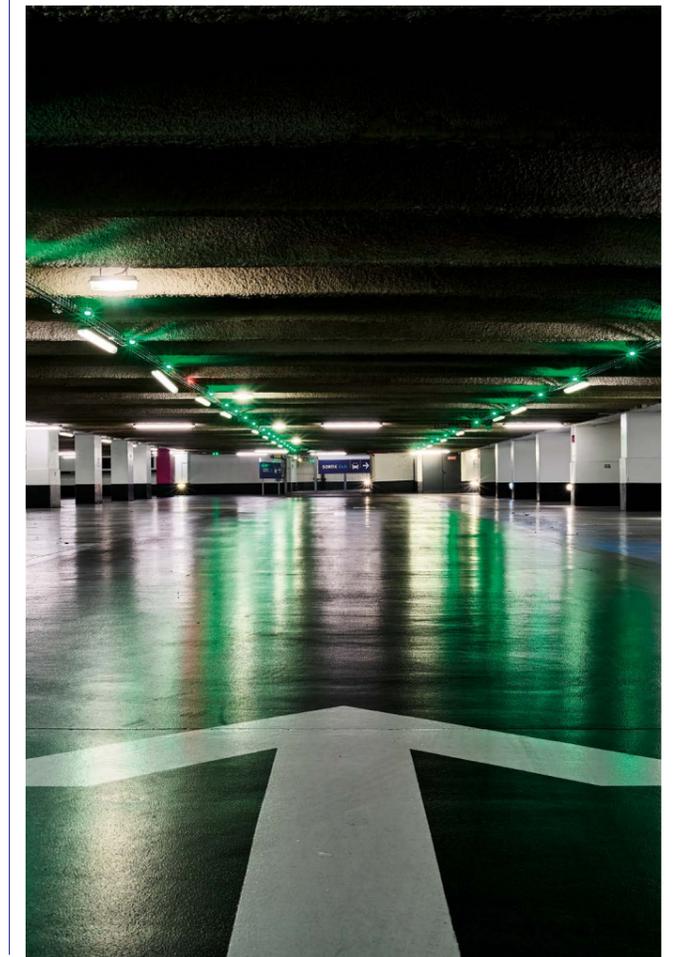
operations in **750+**  
cities worldwide

**20,000**  
staff across 10 countries

**5,600**  
parking spaces

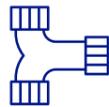
**2.3 m**  
parking spaces

**3,000 km**  
of on-street parking



# PROXISERVE

Proxiserve is a leading player in the growing French market of smart metering and energy services, as well as the electric vehicle (EV) charging segment. It benefits from a balanced portfolio of activities and a highly diversified customer base, served through a broad national coverage.



## Key figures

**MAY 2019**  
date of investment

**3,200**  
employees

**100**  
agencies in France

**5,000**  
social landlords

**25,000**  
co-ownership clients

**200,000**  
individual customers

in 2020 the group installed  
**17,600**  
charging points for electric vehicles

**107**  
apprentices (representing  
3% of the workforce)



**Participation in sustainable housing and associated services:** innovative and sustainable offers to improve the housing sector's ecological impacts

- State-of-the-art product offer (boilers and heat pumps in particular), generating energy efficiency certificates (CEE), as well as smart-metering for a better control over water and energy consumption

- Contribution to the ongoing transition in the mobility sphere through the installation of EV charging points for businesses and individuals (more than 9,000 new sockets in 2020)

**Environmental footprint limitation efforts at corporate level:** monitoring systems and reduction efforts to mitigate the company's environmental impact

- Reduction in GHG emissions by 2.6% in 2020, mostly through the renewal of the most polluting vehicle fleets—and plans to purchase 75 electric vehicles in 2021

- Waste reduction and recycling promotion efforts, with 100% of paper and packaging waste valorized in 2020, representing a total of 17.6 tons recycled

“Proxiserve, through its wide range of activities, prides itself on making a substantial contribution to the energy transition. The actions we have put in place over the last few years, both in terms of our customer offering and our internal commitments and practices, are a testament to our determination to spearhead the transition in the energy services sector. We are pleased to be able to count on Vauban IP's unfailing support on these challenges.”

**Stéphane Caine, CEO**  
**Bénédicte Melou,**  
Deputy CEO

**Promoting responsible human capital management practices:** engagement in diversity, skills development and safety at work

- More than 30% of the workforce under 35 years old, with 107 apprentices (3% of the staff)
- More than 4% of employees with disabilities and a workplace adapted to support their success

- Trainings carried out on safety and regulations, representing more than 1 day of instruction per year and per employee. Other sessions include knowledge development around new technologies and interpersonal training to improve the employability of the workforce

# VSFP

**Veneta Sanitaria Fianza di Progetto S.p.A (VSFP) is a project company that holds a 30-year concession agreement for the design, building, financing, supply of electro-medical equipment/furniture and operation of the Dell' Angelo Hospital and New Eye Foundation in Mestre, Italy. It is the first healthcare sector public-private partnership in Italy.**



“Considering the tragic Covid-19 emergency that has strongly affected Italy and the frontline position of VSFP's assets in the fight against the virus, it was decided that the company should bring additional support to the community through the donation of equipment, materials and the proper adaptation of the premises' services. We are humbled to have contributed in a virtuous and ethical way to the efforts of the civil society to mitigate the dramatic outcomes of the emergency, and we are committed to strengthening these endeavors for as long as it takes. And as a manager I can only be proud and happy to be able to collaborate with shareholders who have an ethical behavior and put the improvement of the social conditions of the community as a priority.”

**Giuseppe Russo, Chairman**

**Quality of service in times of crisis:** maintaining the provision of high-quality care for the most severely affected patients

- Adaptation of the critical care units to cope with the inflow of Covid-19 patients

- Purchase of respiratory equipment to care for the most vulnerable patients

- Strict health protocols implemented to protect all patients and caregivers

**Community engagement:** dedication to serving local communities and supporting sustainable behaviors

- Donation of a specially adapted minibus for the disabled (worth €29,000) to help with their transport to the local community center

- Financial support to the hospital administration for the construction of a bicycle

parking area to participate in the promotion of soft mobility

**Environmental challenges management:** actively pursuing internal improvement objectives

- Implementation of energy and waste-saving measures such as low consumption lights, staff education on energy efficiency and separate collection of waste

- Use of low environmental impact products such as compostable cups and recycled paper

- Elimination of plastic water bottles with the installation of purified water dispensers

- Updated procedures with the aim of improving environmental management and performance in accordance with the requirements of the ISO 14001 standard



## Key figures

**SEPT. 2018**  
date of investment

**350**  
rooms with private services

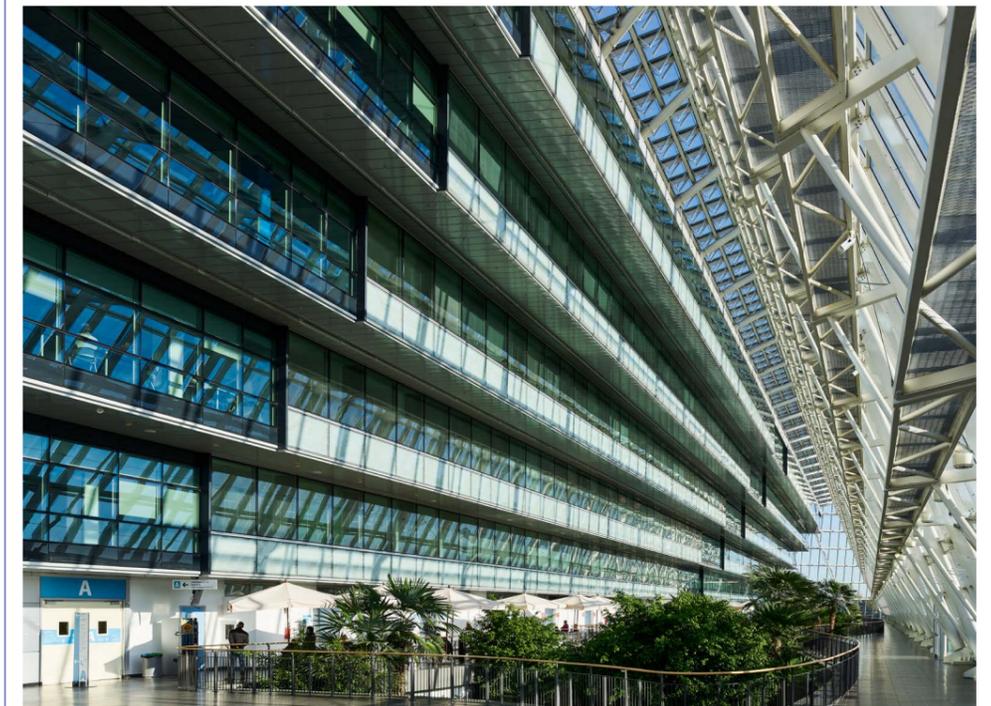
**680**  
beds including 29 in private healthcare unit

**25**  
dialysis units

**21**  
operating theatres

**20**  
cradles in nursery unit

**535**  
car parks for personnel and 557 for visitors



# Vauban IP Tomorrow

More paving stones on the road to sustainability

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## A last word from Vincent Cassagne, Denis Michel and Lucas Piani, from Vauban IP's ESG Committee

The year 2020 brought a significant resurgence in the concept of sustainability and highlighted its criticality for the Infrastructure Industry. Public authorities, private investors, and customers altogether expressed a growing interest in even more resilient investments. Investing in a responsible way is no longer simply seen as a differentiating factor, but as a requirement for building a more equitable and profitable future for all.

More than five years have passed since the Paris Agreement and the commitment by EU countries to set the EU on the path to becoming the first climate-neutral economy and society by 2050. As a reminder, in line with this commitment, the EU pledged to reduce its emissions by at least 55% by 2030.

This climate ambition calls for long-term anticipation and investment planning in more sustainable and performing infrastructures now, raising the questions of energy efficiency, resource scarcity and reasonable growth in end-use demand, without hindering the economic development of local communities.

However, the urgency of the climate response must not obscure the social and societal challenges that accompany the energy transition. In this respect, we endorse all initiatives working toward the stress alleviation and supportive integration of all regions, sectors, workers and consumers placed in a vulnerable position as a result of the transition. This is precisely what the European Commission's Just Transition Mechanism (JTM) is tackling: a reconciliation of climate objectives and socio-economic imperatives.

Vauban IP takes pride in playing a prominent role in the paradigm shift occurring in the infrastructure investment landscape and more broadly in the financial sector. Our holistic approach to sustainability issues and opportunities allows us to provide answers and concrete support to all people who rely on our assets on a daily basis, without forgoing value creation for society as a whole. We have undertaken substantial work in this direction since the inception of Vauban IP, and will redouble our efforts in the years ahead.

**Vincent Cassagne**, Investment Director, Partner  
**Denis Michel**, Chief Risk Control & Compliance, Partner  
**Lucas Piani**, Investment Manager

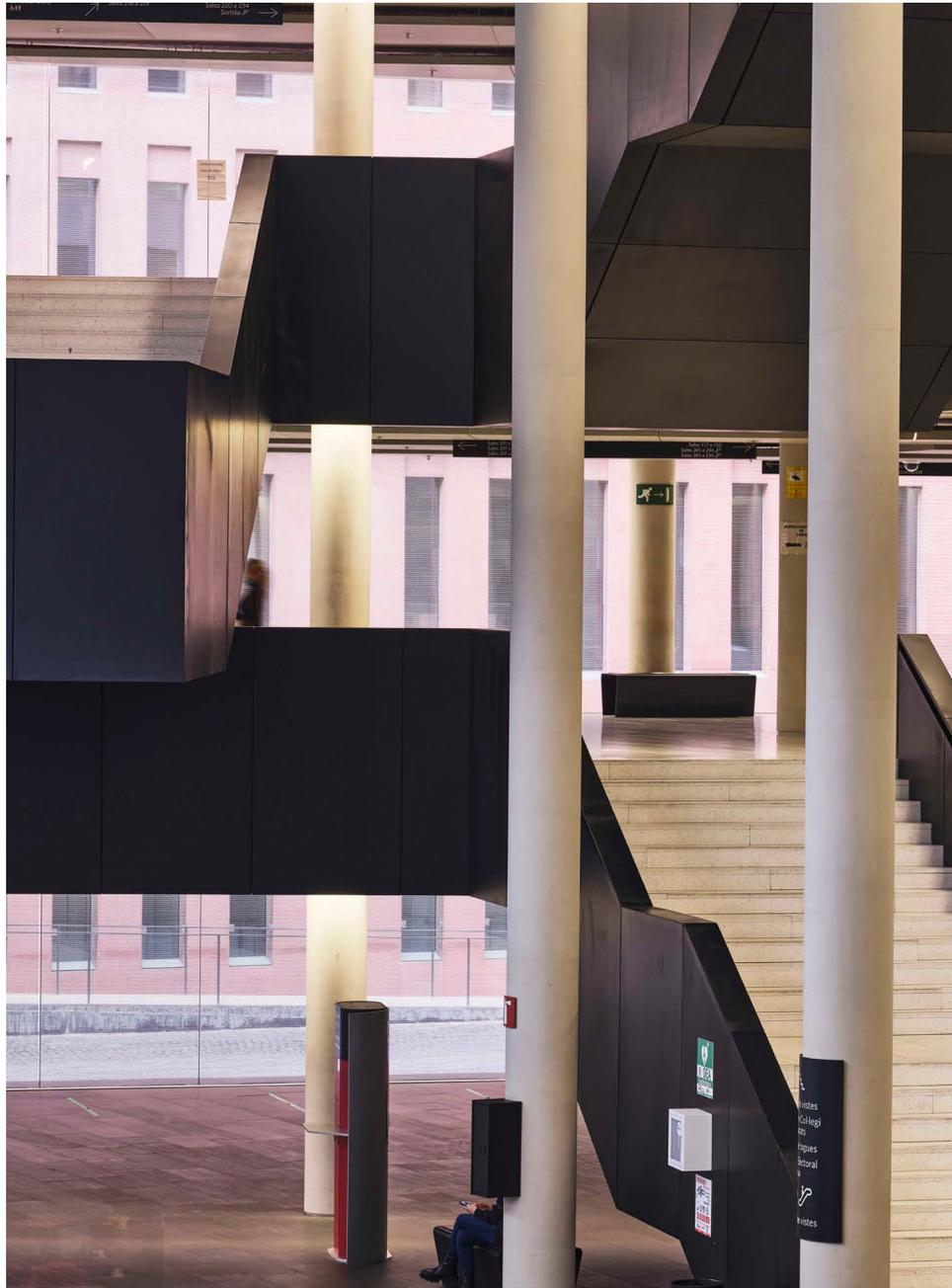
### Useful links:

[Vauban Infrastructure Partners](#)  
[Our Sustainability Report 2019](#)  
[Our Report on Infrastructure 4.0](#)  
[Our Sustainability Charter](#)  
[Our SFDR disclosure communication](#)  
[Global Real Estate Sustainability Benchmark \(GRESB\)](#)  
[United Nations Principles for Responsible Investments \(UNPRI\)](#)  
[Reforest'Action](#)  
[France Invest](#)



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