

Signatory of:

A close-up photograph of several hands of different skin tones stacked on top of each other, holding a tree trunk. The background is a blurred green forest. The text is overlaid on the lower left of the image.

**▶ INVESTING
IN PEOPLE.
ENRICHING
LIVES.**



COMMITTED TO ENRICHING PEOPLE'S LIVES

Essential infrastructure is fundamentally about relationships: between a community and its citizens, between a business and the stakeholders it serves, and between the physical infrastructure and its surrounding natural and socioeconomic environment. Studies show that infrastructure investment creates tangibly better economic and social opportunities for individuals and for countries, with an economic multiplier in North America of approximately 1.7 times for every dollar invested.

In North America and around the world, rapid urbanization and population growth are increasing city sizes, placing greater strain on water and energy consumption, the environment and the infrastructure we use for mobility, waste management, housing and more. We believe that collaboration between businesses and communities is imperative to finding innovative solutions to address our burgeoning infrastructure deficit along with mounting climate change risk. The greatest challenge of our time is to build more resilient infrastructure that will be sustainable for generations to come, improving equality and diversity of opportunity while reducing global carbon emissions.

With infrastructure assets under management globally increasing more than 4.5 times in the last 10 years, infrastructure investors have a unique opportunity to shape and drive greener, more sustainable outcomes. According to Global Infrastructure Basel, which promotes sustainable and resilient infrastructure, it is estimated that as much as 75% of the infrastructure we will require globally in the next 30 years has yet to be built, or in some cases, even imagined.

As a signatory to the United Nations-supported Principles for Responsible Investment (UNPRI), InstarAGF addresses environmental, social and governance (ESG) risks and opportunities as part of our investment strategy to create long-term sustainable value for our investors and stakeholders in the communities we serve. Our corporate purpose of enriching people's lives guides our investment decisions and defines our culture and ESG commitment as an organization.



As an organization, InstarAGF strives to embed ESG throughout its operations. Our Toronto office is located in Toronto-Dominion Centre, a LEED Platinum building that is among the greenest office complexes in the world with an energy-efficient profile, including use of a deep lake cooling system. InstarAGF has installed LED lighting within its own premises to improve energy savings and implemented programs to reduce the use of paper and plastic. InstarAGF is further committed to diverse and inclusive hiring practices and leading health and safety standards, including installing medical-grade air purification systems for a cleaner indoor environment.

OVER THE NEXT 15 YEARS,
MORE THAN **\$90 TRILLION**
IN INFRASTRUCTURE
INVESTMENT WILL BE
NEEDED WORLDWIDE

BOLD CLIMATE ACTION
IN INFRASTRUCTURE
COULD DELIVER AT LEAST
\$26 TRILLION IN ECONOMIC BENEFITS
THROUGH 2030

THE WORLD'S EXISTING STOCK AND USE OF
INFRASTRUCTURE IS ASSOCIATED WITH **MORE THAN 60%**
OF GLOBAL GREENHOUSE GAS EMISSIONS

* Global Commission on the Economy and Climate, 2016

OUR VALUES AND APPROACH



Businesses, stakeholders, governments and the public at large are demanding more consultation and involvement in the decisions that affect their communities, and for companies and policy makers to actively enhance social and environmental well-being.

InstarAGF believes that thoughtful management of ESG matters is central to driving value for investors and communities. We seek opportunities for our investments to make a positive impact and recognize the correlation between improved environmental and social practices and economic value. Throughout our investment process and across our portfolio, we:

- Consider environmental, safety and social issues associated with potential investment opportunities and risks during the evaluation phase and ongoing asset management.
- Engage with relevant stakeholders, such as local communities, First Nations, customers and governments, on ESG-related issues and opportunities.

- Develop and improve the long-term sustainability of our portfolio investments for the benefit of multiple stakeholders.
- Work with our partners, management teams, contractors and stakeholders to improve and advance ESG initiatives at InstarAGF and its portfolio investments.
- Promote transparency and timeliness in our communication with stakeholders and investors on ESG matters.
- Follow strict guidelines that prohibit bribery and other improper payments to public officials and adhere to anti-money laundering laws and regulation globally.

A

InstarAGF earned a grade of 'A' on its UNPRI public reporting submission in 2020



PARTNERING TO BUILD INFRASTRUCTURE BETTER

InstarAGF partners with management teams to help guide and support best in-class ESG practices, identifying areas to accelerate social and environmental stewardship.



CREATIVE ENERGY

- A district energy system that eliminates over 600 individual chimney stacks for more than 220 buildings in downtown Vancouver
- Undergoing a redevelopment to shift from natural gas to 97% carbon-free electric heating that will offset 60,000 tonnes of annual greenhouse gas emissions
- Deploys renewable and low-carbon technologies such as geo-exchange, ocean-loop, and combined heat and power to create sustainable energy solutions



OKANAGAN WIND

- ~40% of construction-related work was awarded to First Nations-backed local firms
- Provided nearly \$1 million in impact benefits to local First Nations partners and awarded more than 13 post-secondary scholarships
- Member of the BC Sustainable Energy Association, an environmental advocacy group striving to educate and advance the use and development of clean energy



AMPORTS

- Employs recycling programs that reduce waste and promote the use of recycled water in vehicle washing facilities, eliminating water discharge into groundwater
- Comprehensive employee health and wellness programs
- Actively supports local youth recreational associations and contributes to environmental boards at its various port locations



OILFIELD WATER LOGISTICS

- 400-mile water pipeline gathering system replaces 4,000 truck trips, which is equivalent to eliminating 200,000 tons of greenhouse gas emissions
- Formalizing a dedicated water re-use and recycling function



STEEL REEF

- Provides an environmentally critical service to oil and gas producers by capturing and processing associated gas that was previously being flared, thereby helping to reduce the overall environmental footprint of the sector
- Active community consultation and engagement and support for local charitable organizations



LEADING EDGE JET CENTER

- Recycles and re-uses a majority of its jet fuel waste
- Incorporating environmentally friendly designs and renewable energy in its plans for new hanger and terminal developments



SKYSERVICE

- Promotes waste reduction and recycling throughout its operations and is implementing new initiatives to green operations wherever possible
- Comprehensive employee health and safety and assistance programs
- Establishing a diversity and inclusion committee of employees to explore and enhance culture of collaboration



JET INFRASTRUCTURE

- Upgraded on and off-road fuel terminals in California to include biodiesel, moving toward including more sustainable fuel options
- Implemented rigorous health and safety protocols at all of their sites, upholding an "everyone goes home safe at the end of the day" company culture

"Our infrastructure investment thesis has, at its heart, always been guided by a strong, proactive approach to environmental, social and governance initiatives. Partnering with LPs and investors to mutually align on key ESG considerations is a cornerstone of InstarAGF's investment philosophy and commitment to quality infrastructure that creates new socioeconomic opportunities for our communities and future generations." - GEORGE SO, MANAGING PARTNER

InstarAGF has an ESG policy that is available upon request.

ABOUT INSTARAGF

InstarAGF, which makes direct investments and co-investments with like-minded investors and strategic partners, is an independent alternative asset management firm focused on North American middle-market opportunities in the infrastructure sector and other alternative real asset categories. InstarAGF's growing footprint spans the United States and Canada with a portfolio that includes diversified, high quality infrastructure businesses delivering essential services and value to communities, partners and investors. InstarAGF is a signatory to the United Nations-supported Principles for Responsible Investment. For more information: www.instaragf.com

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