B CAPITAL

B Capital Partners AG

Sustainability Policy

May 2021, v3

Content

Sustainability Policy

1. Overview Investment Process

At B Capital, the investment process is a team effort. A structured due diligence process systematically precedes the presentation of a formal investment recommendation from the investment advisor (the "**Investment Advisor**" or "**B Capital**") to the AIFM or the prospective asset owner, as the case may be, for every investment opportunity. Ultimately, it is the AIFM or the prospective asset owner, who takes the investment or divestment decision supported by the Investment Advisor.

The due diligence process incorporates a number of formal occasions for B Capital's investment team (the "**Investment Team**") to present and discuss the investment opportunity both, with and without the AIFM or the prospective asset owner. This approach facilitates an early heads up and involvement of the latter. It furthermore ensures that the due diligence draws on the knowledge and analytical experience of all parties involved.

Sustainability considerations – in the following also interchangeably referred to as environmental, social and governance ("**ESG**") considerations – are an integral part of B Capital's investment process. This document presents B Capital's conceptual approach to, and integration of, sustainability into its investment process.

B Capital structures the investment process into five steps (see Fig. 1.1 below), with each step requiring fulfilment of the following activities as a minimum:

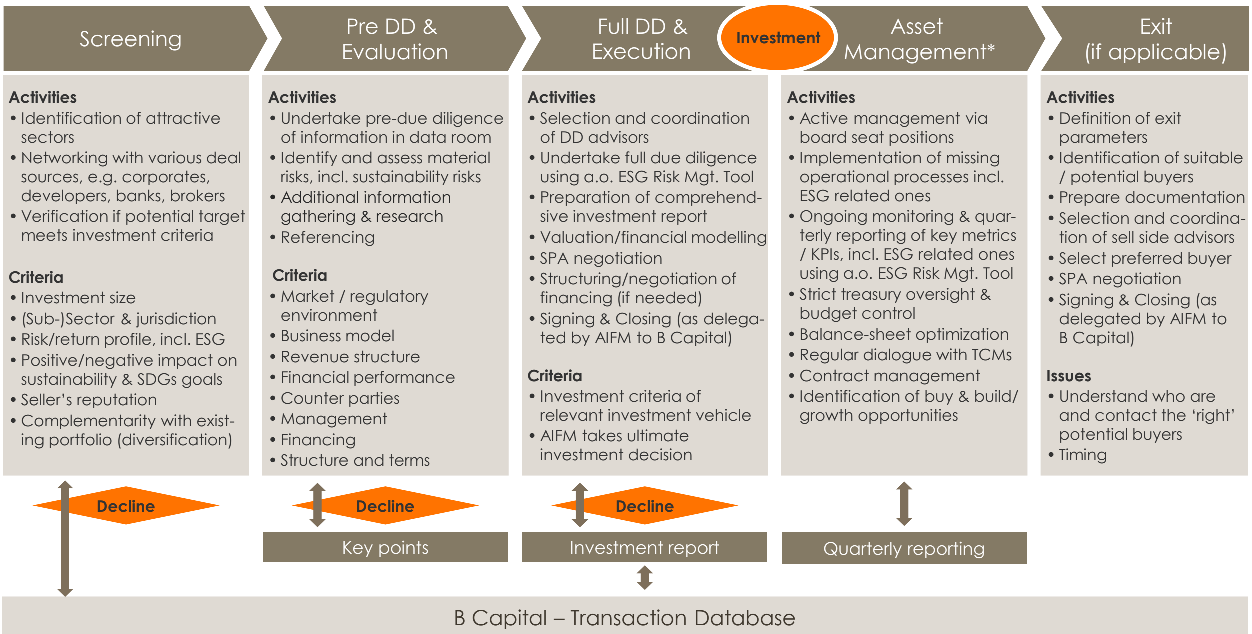


Fig. 1.1 ESG integration into investment process – Illustrative

2. Sustainabililty Integration

2.1. B Capital's Commitment to Sustainability

From an early stage, B Capital has demonstrated its commitment to assessing the impact of sustainability risks and opportunities on the business case of any given asset. Consequently, B Capital integrates ESG risks and opportunities (together, the "**ESG factors**" or **"Sustainability factors"**) into both, its investment due diligence as well as ongoing monitoring processes post acquisition.

Moreover, this commitment goes beyond strategy and internal processes, as leading publications (e.g., "Infrastructure as an Asset Class, Wiley 1st ed. 2010 and 2nd ed. 2016) and membership in various industry initiatives (UNPRI, GRESB, CCRI) demonstrate. As an UNPRI-signatory since 2017, B Capital has also incorporated sustainability factors into its investment processes according to the six UNPRI Principles (the "**Principles**").

At B Capital, ESG risks are not considered a separate risk category but rather aspects of existing, traditional risk categories such as credit risk or reputation risk, for instance. By now, most regulatory frameworks consider ESG-related risk as an integral part of the existing risk categories as well. Notwithstanding, B Capital also assesses those risks on a stand-alone basis/separately due to their specific nature.

B Capital is convinced that ESG factors both, can have a significant impact ON the long-term resilience, the financial viability of infrastructure assets, as well as corporate reputation. At the same time, there can be an impact FROM the asset on the ESG factors.

2.2. General Sustainability Considerations

Sustainability comprises a broad field of topics. As a consequence, agreeing on a commonly agreed definition may be impossible. For the purpose of this document, B Capital adheres to the broadly accepted **definition of sustainability or sustainable development** as suggested in the Brundtland Report[1]:

"*Sustainable development is development that meets the needs of the present without compromising the needs of future generations to meet their own needs*".

Based on the 2030 Agenda for Sustainable Development adopted by all UN members in 2015, the following high level **Sustainable Development Goals** ("**SDGs**")[2] have been agreed upon:

[1] Report of the World Commission on Environment and Development: Our Common Future (1987).

[2] Further explanations and SDG indicators are defined in the UN Resolution adopted by the General Assembly on 6 July 2017.

Figure 2.2: Infrastructure underpinning sustainable development

Sustainability and the SDGs are implemented via a broad variety of ESG-related factors, which the EU Commission defines in these words[3]:

"Although there is no universal definition of ESG factors within the investment industry, it is widely accepted that ESG factors are a universal concept that include a range of environmental, social and governance factors […]. According to United Nations Environment Programme (UNEP) Inquiry and the United-Nation Backed Principles for Responsible Investment (UNPRI), ESG factors are broadly defined as follows:

(i) ***Environmental (E)*** *issues relate to the quality and functioning of the natural environment and natural systems;*

(ii) ***Social (S)*** *issues relate to the rights, well-being and interests of people and communities; and*

(iii) ***Governance (G)*** *issues relate to the governance of companies and other investee entities."*

2.3. Specific ESG Categories of the SFDR

According to the Sustainable Finance Disclosure Regulation ("**SFDR**"), ESG issues can be categorised as follows:

[3] Chapter 1.2 EU Commission Impact Assessment SWD (2018) 264 final, 24.5.2018.

(i) ESG-related financial risk / sustainability risk[4]

"*Environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment*[5]"

ESG-related financial risk could negatively impact credit spreads and rates of return, ratings, future cash flows, valuations of financial and real assets. In this specific context, such risks could affect the assets advised by B Capital on behalf of its investors.

Example: Not considering adequately the demands and the life quality of indigenous people living in the area of a wind farm, could lead to curtailments, reputational issues, fines and the decrease of the expected returns (= S risk).

(ii) ESG-related financial opportunities / sustainability opportunities

ESG-related opportunities can cause an actual or a potential material positive impact on the value of an investment advised by B Capital on behalf of its investors.

Example: An acquisition of environmentally-friendly projects today might represent a financial opportunity / increase of the market value over time if the demand and the political support for environmentally-friendly assets increases over time (= E opportunity).

(iii) Label-based ESG compliance

An investment, an entity, a process, or any other object fulfilling certain requirements as outlined by a particular standard or label reference guide and earning an outcome (e.g., rating, certificate) based on that particular standard.

Example: An investment is classified as a "environmentally sustainable investment" based on the EU Taxonomy.

(iv) Positive impact investments

[Positive] impact investments are "investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return".[6] *Positive impact investments can, but don't necessarily have to be, sustainable investments.*

Following SFDR, impact investments aim to have a positive impact on "*sustainability factors*" being "*environmental, social and employee matters, respect for human rights, anti-corruption and bribery matters*".[7]

4 "Sustainability risk" is a term defined by the SFDR, which is used interchangeably with the term "ESG-related financial risk" as ESG is the operationalisation of sustainability.

5 Art. 2(22) SFDR

6 The Global Impact Investing Network (GIIN), October 2019.

7 Art. 2 (24) SFDR

Example: An infrastructure project generates 100% of its revenues from the production of clean / green energy supporting the CO2-reduction goals, while simultaneously fostering local employment.

(v) Sustainable Investment

Sustainable investment means "an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff, and tax compliance".[8]

Example: Based on the assessment of an investment target incl. an analysis of KPIs, B Capital identifies that an asset positively contributes to at least one SDG, doesn't significantly harm any other SDG and the target company follows good governance practices. Therefore, B Capital would classify such an investment as a sustainable investment.

(vi) Negative impact / Principal Adverse Impact (PAI) on Sustainability Factors

Negative impact means an adverse impact on sustainability factors caused by an investment.

Example: An asset was rejected by B Capital's investment process, because it had caused water pollution in the past.

(vii) Responsible Investment (UN PRI)

UN PRI defines responsible investment as: "*ESG as a lens through which investors can identify potential investment risks and opportunities in a systematic way*"[9]

Example: B Capital acquires an asset after having carefully considered ESG-related risks and opportunities (amongst other factors) as part of its investment process. During the due diligence process, it identified effective engagement strategies in order to reduce the ESG-related risks.

Please note: any asset can simultaneously fall into different ESG categories as defined by SFDR (see above). Dependant on the context, ESG categories can

[8] Art. 2 (17) SFDR

[9] UN PRI (2019), "Responsible investment overview".

have different relationships with each other, e.g., they can be independent of each other, positively or negatively correlated.

Example: An investment into an eco-friendly technology might be considered to be a positive impact investment as well as to fulfil certain green standards (e.g., based on the EU Taxonomy). At the same time, it might present an investment opportunity in light of the rising demand for green investments. The investment can still be subject to an ESG-related market risk caused by the transition, e.g., high competition in the market.

2.4. Financial Product Categories and Positive Impact

In the disclosures of its various financial products, B Capital distinguishes between the following product categories in accordance with the SFDR:

SFDR Art. 6	**Transparency of the integration of sustainability risks** It is not the investment objective of the product to make a positive impact on sustainability factors.
SFDR Art. 8	**Transparency of the promotion of environmental or social characteristics[10] in pre-contractual disclosures** It is part of the investment objectives to promote at least one environmental and / or social objective.
SFDR Art. 9	**Transparency of sustainable investments in pre-contractual disclosures** It is part of the investment objectives to make sustainable investments.

The sustainability/ESG due diligence of a project, albeit being standardized in its approach, may differ in relation to the requirements set for the different products subject to SFDR. B Capital commits to develop article 8 and 9 products in the future only.

2.5. Interdependency of Sustainability and Infrastructure Assets

As forward-leaning investment advisor, B Capital has long understood that sustainability factors and infrastructure assets have a mutual effect on each other: the impact FROM the asset on its surrounding and the impact ON the asset from its surrounding (see Fig. 2.5).

[10] The term "characteristics" used in the SFDR is defined as "factors" in this document.

Impact FROM the asset

- Infrastructure assets may have a positive or negative impact on the surrounding - environment or society; examples are environmental degradation, pollution, improved access to basic services, health and safety for workers, corruption etc.;
- A reaction from the surrounding back onto the asset may occur, e.g. tax breaks (positive) or societal backlash such as strikes or boycotts (negative);
- Financial consequences for infrastructure assets can be of direct or indirect nature, e.g., via reputational risks.

Negative impacts (externalities) of infrastructure assets on their surrounding (environmental and social) often tend to impact a public (vs. a private) good (air, water). As a consequence, they do not harm or benefit the owner of the asset directly unless the regulator intervenes.

Impact ON the asset

- Surrounding – environment or society – may affect positively or negatively – the infrastructure asset;
- External impacts on the asset are primarily physical or regulatory in nature; examples are floods, droughts, (natural) resource constraints, pollution, demographics, riots, regulatory changes etc.;
- Assets built to be resilient to external repercussions can anticipate, accommodate, absorb or recover from such impacts.

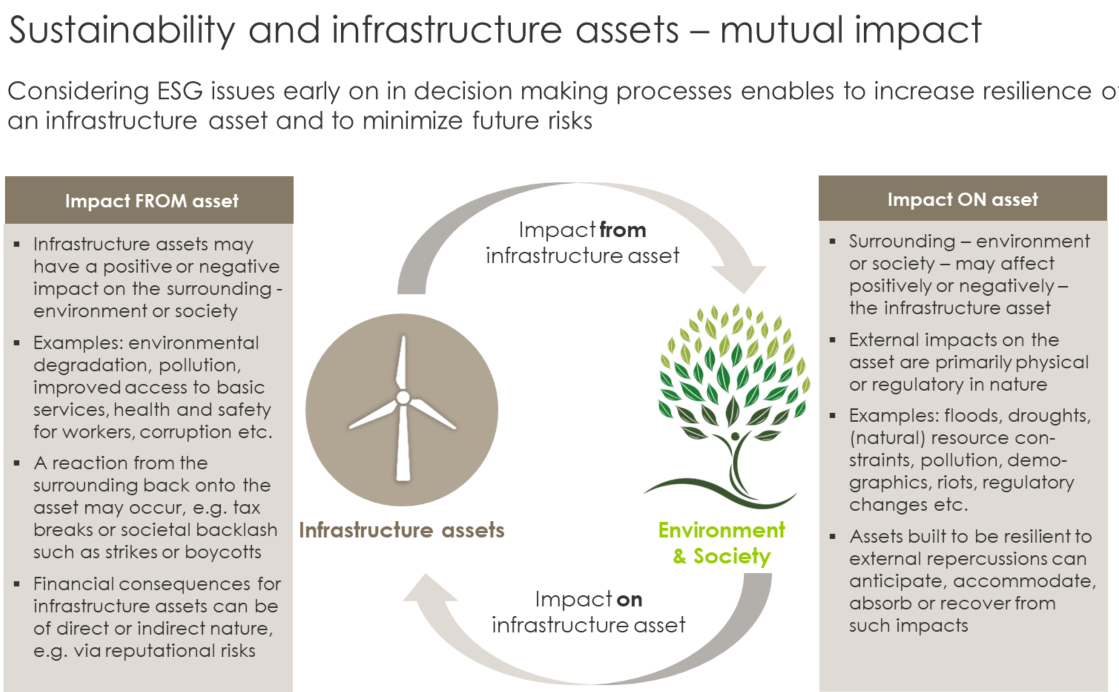


Fig. 2.5: Sustainability and infrastructure assets – mutual impact, Source: B Capital Partners AG

Notwithstanding the fact that consequences on the surrounding and from the surrounding are particularly difficult to assess, evaluate and quantify, difficult is not synonymous with impossible: these – positive or negative – impacts can be quantified or at least assessed, judged or estimated using an ESG risk framework. This is what B Capital does for every single investment opportunity, using its own proprietary ESG risk management tool (the "**ESG Risk Management Tool**", see Section 2.7), as part of the due diligence process.

2.6. Life-cycle ESG Risk Assessment

Infrastructure assets are exposed to ESG risks during their entire lifetime. Therefore, early integration of ESG risks, starting with the investment due diligence prior to acquisition, is as important as assessing any other risks when evaluating the feasibility of transaction in order to anticipate their potential impact.

The chart below (Fig. 2.6) illustrates how B Capital integrates the ESG assessment into the investment process.

	Sourcing	Due diligence	Investment decision	Asset Management Ongoing Monitoring	Exit – if applicable
ACTIVITIES	▪ Screen compliance with 'Exclusion Lists' of respective investor, if any ▪ Screen compliance with key governance and business integrity requirements ▪ Materiality: Assess the potentially most import ESG impact factors	▪ Perform desk review ▪ Define the scope of ESG DD based on initial materiality assessment ▪ Assess the need for and engage ESG DD advisors ▪ Assess the asset's compliance with and capability to comply with ESG requirements (together with external DD advisors ▪ Undertake site visits ▪ Materiality: Conclude on (potential) material ESG adverse impact ▪ Run ESG stress scenarios ▪ Prepare ESG due diligence reports ▪ Develop and agree ESG Action Plans ▪ Ensure influence and oversight of ESG issues	▪ Provide input for the investment decision – Material ESG risks both, ON the environment and BY the environment – Owner's willingness and capability to address key ESG risks – if applicable – Assessment of required resources - costs and personnel – as well as time line – Any open issues of which the IC should be aware – Impact of ESG DD results on valuation informed, a.o. by ESG stress scenarios Investment decision	▪ Establish formal governance processes for ESG aspects ▪ Implement open ESG DD findings – if applicable ▪ Specify KPIs ▪ Ongoing Monitoring: – Meetings with board and/or management, incl. site visits of portfolio companies – Asses all ESG KPIs and track performance against ESG targets using ESG Risk Mgt. Tool – Run ESG stress scenarios – Provide ESG updates as part of quarterly reports – Periodic review of ESG management system ▪ Manage unplanned events (accidents, non-compliance, regulatory changes, etc.)	▪ Improved ESG compliance can enhance exit valuation ▪ High ESG compliance helps to prevent prospective buyers from using ESG factors to negotiate a lower price e.g. by arguing for expensive warranties on potential ESG liabilities ▪ Attract buyers for whom good ESG performance is important and/or legal requirement. ▪ Help mitigate post-exit reputational risks ▪ Prepare vendor DD documents featuring ESG DD

Source: B Capital Partners, following broadly CDC toolkit

Fig. 2.6: ESG integration in the investment process. Source: B Capital Partners AG

The following selected examples illustrate potential ESG risks and their respective impacts, which the investment due diligence process could uncover:

(E)nvironmental

Environment-related risks are driven by environmental factors. They should be understood as the financial risks posed by the institutions' exposures to assets that may potentially contribute to or be affected by climate change and other forms of environmental degradation (such as air pollution, water pollution, scarcity of fresh water, land contamination, biodiversity loss and deforestation). Climate-related risks may arise from transitional risks as a consequence of the speed of the establishment of a low-carbon economy or from physical risks as a consequence of extreme weather events as a result of climate change.

(S)ocial

Investee companies may face prosecution or fines if neighbours, workers or contractors are injured or killed due to physical or chemical hazards, noise, heat, dam failures (hydropower), etc. Local communities may be exposed to long-term health and safety risks arising from noise and vibration, electromagnetic fields, air and water emissions, and waste disposal caused by an infrastructure asset. Any of this could result in costs, liabilities and reputational damage for a company, which in turn may impact its future profits.

(G)overnance

Infrastructure assets might be exposed to business integrity issues during the construction (generally higher risk) or operation phase (generally lower risk). In some countries, demands for inducements or even bribes are notoriously common. Even the small size and prevalence of such demands do not make them acceptable. Investors must have strong systems in place to prevent corrupt practices in the investee companies. A large portion of this risk can be avoided by choosing low-risk jurisdictions and reputable partners and suppliers. A necessary and thorough K(now) Y(our) C(ustomer) process shall be in place for any significant transaction.

B Capital takes into consideration all ESG factors relevant for an investment opportunity or a portfolio company from an economic, technical and regulatory point of view. For instance, current prescriptions and potential changes in the environmental law with respect to decommissioning obligations or climate-related requirements are part of the initial ESG risk assessment as well as the ongoing control during the holding period of the asset.

To undertake the ESG risk assessment in a systematic, structured, and diligent way, B Capital uses its proprietary ESG Risk Management Tool. It evaluates the potential ESG related financial risks for each individual asset (see Section 2.7).

In addition, B Capital started, more recently, to also assess the impact of infrastructure assets with respect to promoting (or harming) selected sustainability factors and – as a consequence – reaching selected SDGs (see Section 2.8).

2.7. ESG Risk Management Tool (Art. 3/6 SFDR)

B Capital has developed an **ESG Risk Management Tool** to assess ESG factors. It does so in line with Art. 3 and 6 of the SFDR. Before the implementation of SFDR, B Capital had already launched, in collaboration with GRESB, a leading ESG benchmarking service provider for infrastructure and real estate assets, an open-source ESG Due Diligence Tool, which, after further improvement, has become the ESG Risk Management Tool it is today

During the due diligence, the Investment Team, as well as the selected legal and technical advisors, use the ESG Risk Management Tool to record, score and address potential ESG risks and opportunities as well as the sustainability profile/impact of the potential investment. The results of the ESG assessment, when material, are also used as an input for sensitivities/stress scenarios of the financial model to the extent possible/applicable. If a negative impact cannot be mitigated or is considered too severe, the investment will be declined.

Ad-hoc expert appraisals provide additional support to B Capital when populating the ESG Risk Management Tool and assessing the ESG risk of a specific asset. Following the transaction, B Capital will regularly monitor and report changes in the ESG profile compared to the status at the time of acquisition.

The ESG Risk Management Tool includes a list of potential ESG factors, which are assessed and are given a score on a scale from 1 – 25 with regard to their probability of occurrence (likelihood), e.g., once in 100 years or once in 5 years, and their magnitude (consequence), e.g., loss of 1% in market value or loss of 20% in market value of a particular asset. Each of these factors is grouped into one of 5 categories from “low risk” to “high risk”. This connection to quantitative magnitude and probability implications allows for consistent application of the qualitative scores between the different people using the Tool as well as scorers over time.

The scores are based on the expert judgement of the selected advisors in discussion with B Capital following the assessment of the relevant underlying data, incl. various KPIs. In most cases, the risk scores represent a qualitative judgement based on all relevant quantitative and qualitative information available. To ensure documentation of processing and future traceability, the assessors have to provide an explanation of the basis or reasoning behind their qualitative judgement.

The risk score of any given ESG factor, may in some cases trigger action. As a rule, the risk category “low” (score 1-5) triggers no action except in case of “no go” risks listed as part of the exclusion list (please refer to Section 3.3). Risk categories low-medium (score 6-10) and medium (score 11-15) trigger a qualitative discussion with the advisors and/or internally. Clear conclusions and next steps will be agreed and documented in the ESG Risk Management Tool. Risk categories medium-high (score 16-20) and high (score 21-25) trigger further due diligence and – to the extent possible data-wise and meaningful – the calculation of stress scenarios for the identified risks. Depending on the outcome, B Capital will either interrupt the due diligence process or identify appropriate mitigating actions.

ESG factors observed that would trigger action for exclusion of an asset already in the portfolio (vs. acquisition process) would prompt a review procedure specific to both the nature of the risk and the asset in order to identify the most appropriate course of action for this particular situation.

Each investment opportunity / asset in the portfolio will, going forward, receive a “total ESG risk score”. In principle, the score will be equal to the highest risk score amongst the ESG factors considered. With this risk-based approach, B Capital can account for the highest risk and avoid high risks being offset by low risks.

2.8. Negative Impact Assessment (Principal Adverse Impact, SFDR Art. 4/7)

Already today, potential negative, mainly physical impacts FROM an envisaged investment target or an existing portfolio company ON its surroundings (essentially environment and society) are integrated into and considered as part of B Capital's proprietary ESG Risk Management Tool. The due diligence process provides an in-depth assessment of the potential material impacts the asset in question may have on identified ESG factors. To the extent available, the analysis uses set targets as a benchmark for the results. Already today, strict investment exclusion criteria are applied.

B Capital monitors the development of the regulatory landscape, including the Regulatory Technical Standards (RTS) and the principal adverse impacts ("**PAIs**") of investment decisions on ESG factors as per Art. 4 (1) (b) SFDR. De jure, B Capital and its products fall under the general exemption from the PAI disclosures required by Art. 4. since both the AIFM and B Capital employ less than 500 employees. For the time being, B Capital has decided not to "opt in" voluntarily given the uncertainties surrounding future regulatory requirements/direction.

Notwithstanding, B Capital will continue to communicate transparently to its investors and to external stakeholders on developments concerning its voluntary implementation of the PAI framework and will keep publishing relevant PAI results. To this end, B Capital is further improving its methodology for assessing impact on ESG factors – positive and negative, introducing a new **Impact Module**, which builds on its existing ESG Risk Management Tool (see Section 2.9 for further detail).

2.9. Positive Impact / SDG Assessment (SFDR Art. 8/9)

B Capital is incorporating in its ESG Risk Management Tool the assessment of the positive and negative sustainability impact of an asset (the "**Impact Module**"). The ultimate goal is to fully integrate the sustainability impact assessment into the risk management, which would allow a transparent and true net-net consideration of ESG risks/negative impacts on the one hand and opportunities/positive impact on the other hand – like a "Sustainability Balance Sheet".

The Investment Team as well as the selected legal and technical advisors will record, grade and address the promotion of positive impacts on selected SDGs/sustainability factors in the Impact Module of the ESG Risk Management Tool.

B Capital has identified eight key SDGs (see figure 2.9). B Capital believes that those are the SDGs most served by the achievements of the material sustainability impacts through B Capital's investment strategy.

In the context of its impact analysis, B Capital will formulate measurable KPIs for its envisaged sustainability impacts. These KPIs will allow B Capital to measure the degree to which goals have been achieved and how actions and remedies can increase the impact over the lifetime of a specific investment.

Fig. 2.9: B Capital's key SDGs

In a next step, building on and significantly expanding the systematic impact assessment framework of Actis, which only considers positive impact, B Capital will assess the magnitude of both, the positive and the negative impact from an asset, on a scale ranging from (1) none/marginal & short to (5) deep & long-term. In a next step the impact will be assessed along two dimensions: (i) quantity: (1) few to (5) much/many are impacted; and (ii) "how well served" is the affected environment/society: (1) well-served to (5) under-served.

The selected expert advisors, together with B Capital, will define the score following the assessment of the relevant underlying data, incl. a number of KPI's. The sum of the score of the previous three steps will be weighted with a factor depending on whether the impact is derived from core (5x), ancillary (3x) or peripheral (1x) activity resulting in a total score. The results of the positive impact assessment are intended to also be used as an input for the sensitivities of the financial model, to the extent possible/applicable.

3. ESG-conscious Risk Management

The ultimate goal of risk management is to ensure that the risk profile of any given asset as well as that of the portfolio of the given investment product as a whole are in line with the strategy and objectives of the product in question as outlined and disclosed in the offering documents or whatever the applicable document may be.

B Capital employs a comprehensive risk management framework, which includes the ESG Risk Management Tool. The framework allows to consider all risks relevant to the individual asset and/or investee company, from the start of the due diligence process and over the entire duration of the investment.

3.1. Responsibility of the risk management function

Formally, the risk management function for any investment vehicle for which B Capital is mandated as Investment Advisor is the responsibility of the capital owner, or of the AIFM in question, depending on the specific structure.
Notwithstanding, B Capital supports the capital owner or the AIFM in risk management related activities as part of its role as Investment Advisor. To that effect, it has established its own inhouse risk management. This is an integral part of the investment process conducted for any investment opportunity. Doing this, B Capital strictly follows the written operating instructions and delegated tasks of the capital owner or the AIFM and seeks for pre-approval in case of decisions outside of the framework of the standard operating instructions and delegated tasks.

The Investment Team member(s) assessing and/or monitoring an investment opportunity, take over the supportive risk management function with respect to the assets they analyse or oversee. He/she reports directly to B Capital's Investment Committee or Asset Management/Portfolio Committee, as the case may be, which is responsible within B Capital for overseeing the risk management for that specific asset and which need to ensure that the asset in question meets its ongoing obligations.

3.2. Risk management process

The Investment Team follows a rigorous risk management process during the investment due diligence process (see graphic 3.2). It constitutes the core of the due diligence process pre-acquisition and also sets out the risk parameters to be monitored and reported for as long as the asset is part of the portfolio.

The Investment Team first identifies, analyses, and evaluates the intrinsic risks (including ESG risks) at asset level which may negatively impact the investment vehicle as a whole. It then assesses ways to reduce the risks or "distribute" the risks elsewhere via various kinds of risk-mitigating actions.

B Capital has developed skills and techniques, successfully applied during the course of past transactions, to mitigate the risks identified during due diligence, which may significantly vary between segments, stage of asset life and jurisdiction. Depending on the specificities of the transaction, risk mitigation techniques may revolve around the following steps: (i) identify and prioritize the most material risks and their probability of occurrence (from red-flag reports by the due diligence advisors and the ESG Risk Management Tool); (ii) analyse, evaluate and quantify, to the extent possible, their economic impact in the financial model (sensitivities and scenario analyses); (iii) "distribute" risks to the seller or whoever else is best suited to take and/or control the risk, through e.g.: negotiated indemnifications or price reductions (for known risks), long-term supply and demand agreements, for example, market risk, or with underwritten W&I insurance policies for unknown acquisition risks; (iv) define clear responsibilities between the various parties involved to ensure that all identified risks are monitored and audited as required while holding the assets.

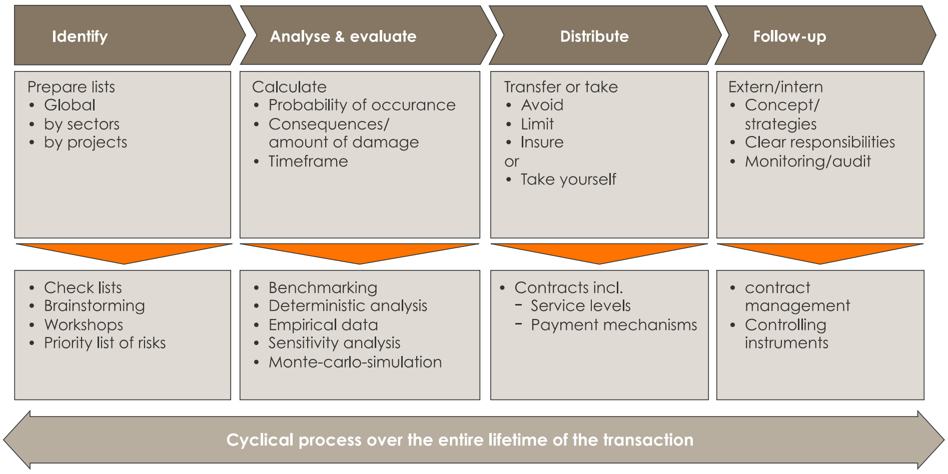
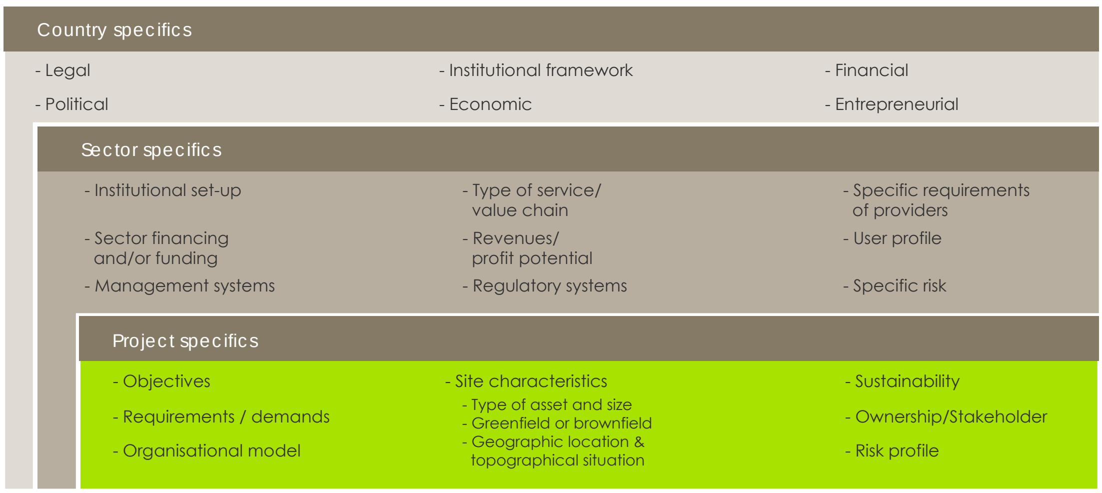


Fig. 3.2 Risk management process, Source: Infrastructure as an Asset Class, Weber et al. 2016 Wiley.



Source: Infrastructure as an asset class, B. Weber, 2016 Wiley

Fig. 3.3 Risk taxonomy - illustrative, Source: Infrastructure as an Asset Class, Weber et al. 2016, Wiley

To increase the chances of selecting the right investment opportunities from the outset, B Capital follows its proprietary risk taxonomy (see Fig. 3.3) which helps to structuring and identifying the risks associated with infrastructure investments. It also allows for an optimised priorities' setting during the due diligence phase.

3.3. Exclusions

Sustainability or ESG (Environmental, Social, Governance) considerations are an integral part of B Capital's investment as well as risk management process as described in Section 2 of this document.

Our sustainability considerations, which guide us in our investment process, lead us to formulate/implement a number of investment exclusions, which apply up-front to all of our assets/portfolios. They are designed to reject investment opportunities if essential sustainability related criteria are not met at the point of initial screening and again before acquisition. For assets already in the portfolio, the exclusion list triggers action as appropriate. Please refer to our website www.b-capitalpartners.com to download our most updated Exclusion Policy.