

RESPONSIBLE INVESTMENT REPORT 2023





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At Connor, Clark & Lunn Infrastructure (CC&L Infrastructure), Responsible Investment (RI) is a key pillar of our business. This report will outline our approach to RI, why we believe RI integration is important to our organization, and the results for our both our company and clients.

All information provided is in Canadian dollars as of December 31, 2023, unless otherwise stated.

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CC&L Infrastructure – Who We Are

CC&L Infrastructure is an experienced owner, operator, and manager of infrastructure assets, providing essential services that support local communities and serve a broad range of investors. Our investors include pension funds representing working professionals, Indigenous groups supporting their community, and universities managing their endowments. Founded over 15 years ago, we have grown from less than five individuals investing balance sheet capital, to a dedicated team of over 35. We are committed to providing our investors with access to a diversified portfolio of high-quality, mid-market investments with attractive risk-adjusted returns.

Our business is employee-owned and our team invests in our funds directly alongside our clients; our business success is tied to the success of our investors. This keeps our focus on building and maintaining a portfolio that benefits both our business and clients well into the future. We do this through diligent and thoughtful consideration when making investments and taking an active, hands-on approach to managing our portfolio. Because our typical investments are long term, we

know that operating responsibly is crucial when it comes to protecting and maximizing the value of our assets. At CC&L Infrastructure, committing to Responsible Investment (RI) means identifying, assessing, pricing, managing, and monitoring material RI-related risks and opportunities. RI is integrated into our entire investment cycle, from initial assessment to ongoing management, and is embedded in our screening process of new assets through a systematic analysis of the impact, guided by our RI toolkit and supported through the expertise of our RI Steering Committee. Our engagement in our investments does not stop post-acquisition—we monitor performance, identify opportunities for value creation, and work to capitalize on these opportunities throughout our involvement and over the life of an asset.

Everyone at CC&L Infrastructure shares a common goal of not only succeeding financially, but also making a meaningful and positive impact on the communities in which we live and operate. Environmental, social, and governance (ESG) principles are integrated into the fabric of our company, from the workplace to our investments, always with the goal to contribute to a sustainable future for generations to come.



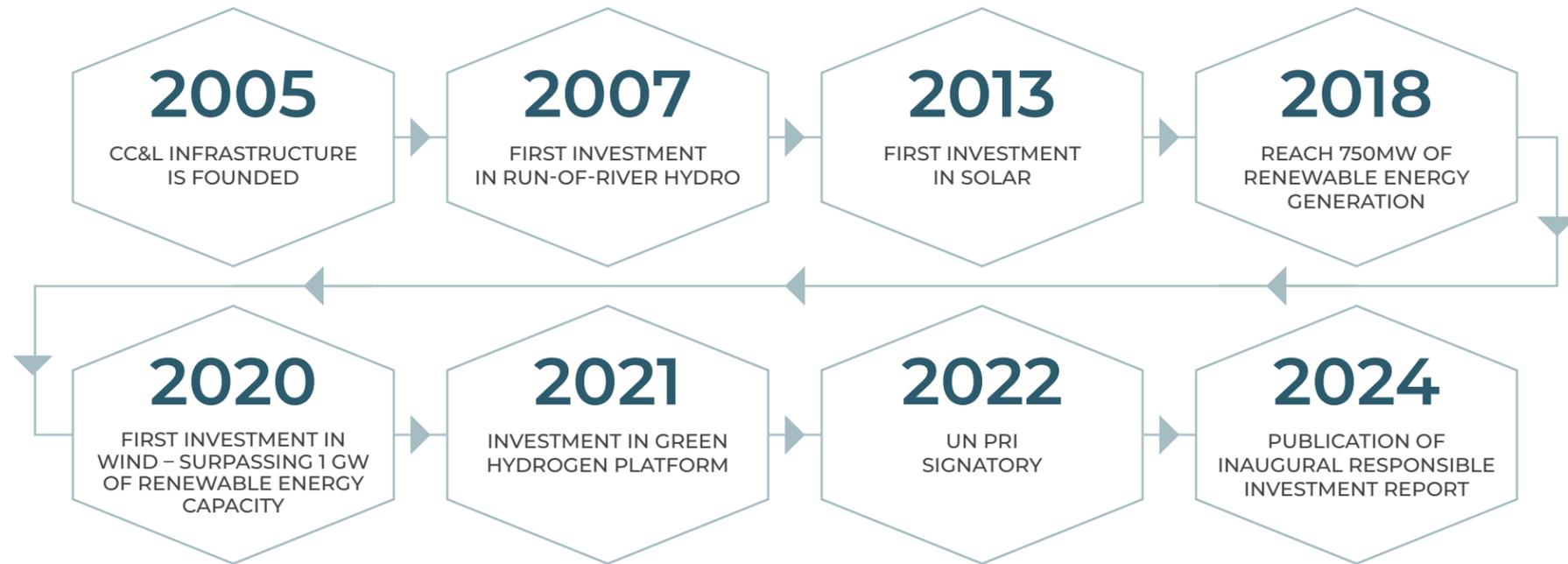
INFRASTRUCTURE PORTFOLIO

-  **61 GROUND-MOUNTED SOLAR FACILITIES**
-  **15 HYDROELECTRIC FACILITIES**
-  **5 WIND FARMS**
-  **GREEN HYDROGEN ASSETS**
-  **1 AIRPORT**
-  **4 HIGHWAY PROJECTS**
-  **6 SHORTLINE RAIL TERMINALS**
-  **2 ACUTE-CARE HOSPITALS**
-  **NORTH AMERICAN STUDENT TRANSPORTATION BUSINESS**

Our Journey

When CC&L Infrastructure was created in 2007, both the renewable energy sector and the concept of Responsible Investment were in their infancy. Even in our early years, we recognized the need for clean energy—our first investment was a run-of-river hydroelectric project—and we have continued to make renewable investments as the world moves towards a more sustainable future. Today, we have over 1.8 gigawatts (GW) of renewable energy capacity across a range of technologies, and a diversified portfolio of traditional infrastructure assets that are operated sustainably.

As the company has grown and evolved, we have developed and refined tools, reporting, and training to ensure that RI is integrated throughout our organization. Most recently, in 2023, we developed focus areas that represent the most important contributions to the success of our business. These focus areas have become the foundation of our portfolio and are: **Asset Resilience, Climate and Transition, Shared Value, People Focus, and Governing with Integrity.**



In 2024, the CC&L Infrastructure Energy Transition Strategy was launched with a focus on renewable energy projects, sustainable solutions and enabling infrastructure and investments targeted specifically at the decarbonization of assets and businesses. As we look beyond 2024, we will continue to define, pursue, and measure RI outcomes throughout our organization and investments, building on the foundation we've laid to date.

Our progress towards meeting our RI objectives will be detailed in subsequent Responsible Investment Reports, and through third-party RI frameworks such as the Principles for Responsible Investment (PRI).



“Our investment approach has not only consistently delivered strong risk-adjusted returns for our investors over our long history, but allows us to continue to make meaningful contributions to communities for years to come.”

Ryan Lapointe
Managing Director and member of the RI Steering Committee

Letter from the President

Since CC&L Infrastructure's founding, our ability to learn, adapt, and evolve has been fundamental to our success. In a more interconnected world and an increasingly competitive environment, investing in and managing infrastructure is more complex than ever. However, the opportunities are also more abundant. We are proud to have successfully managed one of the longest running open-ended infrastructure strategies in North America and consider our longevity a validation of our strategy and process.

We believe that the objectives of Responsible Investment and return optimization are entirely compatible. Our RI strategy protects the value of our assets and enables us to better foresee and address a wider variety of risks and opportunities over the long term. Our commitment to sustainable investments and their benefits is evident in the composition of our portfolio, our ongoing strong performance, and our future ambitions.

We recently undertook a formal and comprehensive review of our RI regime, supported by an external sustainability consultant, to assess the effectiveness of our current approach and identify areas for improvement. This process resulted in a series of initiatives to enhance the rigour and transparency of our RI strategy.

We have converted our previous Responsible Investment Principles into a more comprehensive [Responsible Investment Policy](#), with specific focus areas linked to the UN Sustainable Development Goals (SDGs). We have also established a formal RI Steering Committee, composed of senior representatives from the investment management, asset management, and investor relations teams, to enhance our governance structure and ensure the proper resources are allocated to our RI initiatives. The RI Steering Committee has established a more robust RI framework and developed tools that facilitate a systematic approach to the data collection, analysis, documentation, and communication of ESG factors within our business.

As we look to the future, the major driver of infrastructure investment remains people—those who use our assets, depend on our services, and who partner, live, and work alongside us. As the habits, attitudes and behaviours of these people change in response to an array of

secular forces, new infrastructure will be required to support them. Demographic shifts, digitalization, electrification, re-industrialization, and urbanization are among the trends that we expect to dominate in the coming decades and prompt the need for new capital investment in infrastructure. The global imperative to transition away from fossil fuels is perhaps the most powerful force facing society today. This transition will require massive investment, far more than what governments can fund alone. As a result, we have identified opportunities for private capital to participate in the energy transition, investing in cleaner and more sustainable systems of energy production, storage, distribution, and consumption.

As we embark on the next stage of growth for our business, we recognize and take seriously our role as stewards of client capital. The key focus of our business remains to deliver strong and stable risk-adjusted returns for our investors over the long term, and I look forward to working with our dedicated, diverse, and talented team to deliver on our investment promise to our clients for many years to come.

I hope you enjoy CC&L Infrastructure's inaugural *Responsible Investment Report*.

Matt O'Brien
President & Chair of the
RI Steering Committee



Our Approach to Responsible Investment

In 2023, CC&L Infrastructure identified key areas to frame our RI strategy, incorporating our internally developed views as well as widely accepted ESG frameworks like the UN SDGs. After conducting stakeholder consultations and gathering employee feedback, we identified five focus areas that reflect our RI priorities and govern our processes and growth, including how we evaluate new assets and manage existing ones. We work with like-minded investors, partners, employees, and stakeholders, to consistently apply ESG principles across our portfolio and embed RI elements in all stages of the investment cycle.

Focus Area	Description	Applicable SDGs	
1 - Asset Resilience	We identify and manage ESG risks and opportunities to improve asset resilience and reliability, now and in the future (e.g., environmental plans, ESG certifications, cybersecurity audits)	9 Industry, Innovation & Infrastructure	11 Sustainable Cities & Communities
2 - Climate & Transition	We invest in the clean energy transition and decarbonization (e.g., clean energy generation, measurement and reduction of greenhouse gas emissions)	7 Quality Education	13 Climate Action
3 - Shared Value	We develop mutually beneficial partnerships with our stakeholders (e.g., stakeholder engagement plans, collaboration with local First Nations groups, community support initiatives)	8 Decent Work & Economic Growth	10 Reduced Inequalities
4 - People Focus	We keep our people, and anyone involved in our assets, safe and create a supportive and respectful work environment (e.g., health & safety audits, employee training, DEIB policy)	3 Good Health & Well-Being	8 Decent Work & Economic Growth
5 - Governing with Integrity	We operate with high ethical standards, establish good governance, and disclose our ESG performance transparently (e.g., governance policies, board representation, UNPRI reporting)		

How we Integrate Responsible Investment

In 2022, CC&L became a signatory to the United Nations supported Principles for Responsible Investment (PRI). The PRI is an international network of financial institutions with over 5,000 signatories representing over US\$120 trillion of AUM, and being a signatory involves committing to the UN PRI's six Principles (right), grounded in the fiduciary duty to act in the best interests of our beneficiaries.

It also involves submitting standardized reporting on our RI program, including the methods we use in our investment process, how our RI policy informs our investment activities, and how we oversee and enact our RI practices. Our first publicly available scored reporting is anticipated to be available in late 2024.

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.



Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

Focus Area Overview

CC&L Infrastructure recognizes the significant impact of our projects, both in the communities we live and work and the environment at large. In managing our assets with these impacts in mind, we are better able to foresee risks to our business, clients, and stakeholders. With the aim of providing structure and consistency around the integration of RI factors throughout our business practices, we have undertaken a number of significant RI initiatives across our portfolio.

Our Responsible Investment program sets out several goals:

- Systematic integration of RI considerations throughout our business and investment practices;
- Actively building on our RI competencies and resources across our teams and assets;
- Ensuring accountability and transparency around our RI progress;
- Actively aligning ourselves with third-party standards.

The development of our focus areas is based on these goals and is the lens through which we view our assets. Our focus areas are chosen because of their resonance with our investment philosophy, relevance to our portfolio, and alignment to independent Responsible Investment frameworks, covering the spectrum between environmental, social, and governance considerations.



Focus Area #1: Asset Resilience

Infrastructure assets by their nature are generally large, essential projects that operate over the long term—and almost always involve significant capital investment. Given the size, longevity, and critical nature of the services these assets provide, stakeholders come to depend on the consistency of their day-to-day operations. When we consider asset resilience, we assess a range of risks, from the impact of climate change on our investments, to the growing threat of cyber-attacks on critical infrastructure, to ensuring appropriate environmental policies and procedures are documented and adhered to at our sites. By improving the resiliency of our assets, we can enhance their long-term performance and minimize the occurrence and severity of unplanned negative environmental, social, or governance outcomes.

RELEVANT SDGS



Key Performance Indicators

Our key performance indicators (KPIs) help to evaluate our monitoring program for its ability to identify risks (both short and long-term) and proactively address them. We believe that the resilience of our assets contributes to the aims of the SDGs through providing quality, reliable, and sustainable infrastructure, and increasing quality of life while expanding access to quality services.

- Share of assets conducting and monitoring ESG risk and resilience assessments: **100%**
- Share of assets/operators with relevant environmental policies in place: **100%**
- Share of assets with environmental management plans in place: **86%**
- Share of assets conducting cybersecurity audits within the last 2 years: **100%**

Case Study: Cybersecurity

Keeping up to date with industry best practices, technological developments, and other factors that could impact asset value is an important element of our risk management and requires active monitoring of our portfolio. This approach extends to how we think about cybersecurity, which is a rapidly evolving area that requires consistent review.

Many of our assets safeguard critical information and provide crucial services—the consequences of interruptions can be severe. The global average cost of a data breach in 2023 was roughly \$4.45 million USD¹, through direct costs (like interruptions to business operations, ransom demands, fines or lawsuits) and indirect costs (like reputational damage and lost potential business). Vulnerabilities in our cybersecurity network can impact the privacy of our stakeholders, magnify risks to business continuity, threaten the protection of proprietary data, and may incur regulatory action or fines.

¹<https://www.ibm.com/reports/data-breach>

As part of CC&L Financial Group, CC&L Infrastructure is also supported by a specialized Information Systems team whose mandate includes overseeing cybersecurity training for all corporate staff, including keeping up to date with leading security practices and ensuring we remain in line with compliance and regulatory requirements. These processes are overseen by an information security management team composed of senior personnel across CC&L Financial Group, providing a breadth of expertise and viewpoints from various aspects of the business. In 2023, employees also received training on a series of cybersecurity topics over several months, including phishing attacks, access control, social media security, secure uses of AI, and more.

Asset Spotlight: Chilean Solar Portfolio

An example of how the cybersecurity assessments promoted asset resiliency is the Chilean distributed solar portfolio. The investment consists of 53 solar projects dispersed across the country, representing an aggregate of over 360 megawatts of capacity. CC&L Infrastructure's cybersecurity consultant performed a detailed assessment, which was conducted through documentation reviews, extensive workshops with key users and stakeholders, as well as conducting vulnerability testing.

As the assessment completed, it was discovered that some of the sites' security cameras were still using default credentials, which left them vulnerable to being remotely accessed by an attacker. This increased the risk of unauthorized access to the camera, which could cause issues in the event of a site security breach. CC&L Infrastructure quickly worked with the operator to change the default credentials on the camera management systems, adding greater security to the sites and preventing a potentially damaging breach through a relatively simple remedy.

Elements of Cybersecurity Review



Technical Reports



Control Testing



Board Reports



Documented Policy and Procedures



Metrics



Open Issues



Focus Area #2: Climate and Transition

Climate change is one of the most significant and complex challenges facing society. As an infrastructure investor, we can play a role in facilitating the transition to a low-carbon economy. Infrastructure projects are heavily impacted by the environment in which they operate, and so they need to be evaluated and managed in line with changes in the world around them. Climate change comes with a host of associated impacts, from more frequent and extreme weather events and natural phenomena, to changes in the legal and regulatory environment, to societal changes in how we live and work. As a result, our Climate and Transition focus area outlines how we analyze potential investments during our screening process and manage our existing portfolio with an eye to mitigating climate-related risks in the long term.

RELEVANT SDGS

7

Quality Education

13

Climate Action

Key Performance Indicators

CC&L Infrastructure invests in the clean energy transition and decarbonization. As a result, we developed KPIs that measure our influence on the climate and highlight our goal of responsibly managing emissions. These include measuring our greenhouse gas (GHG) emissions across our portfolio in 2023 (2022 baseline year). The KPIs also reflect our commitment to ongoing measurement of GHG emissions across our portfolio, including for newly acquired assets.

- Annual GHG emissions (2022 baseline year)^{2,3}
 - Scope 1 and 2 emissions: **22.87 tCO₂e**
 - Scope 3 emissions: **62,480 tCO₂e**
- Weighted average carbon intensity: **22.04 tCO₂e/\$thousand of revenue**
- Total 2023 renewable energy generation: **3,499 GWh**
- Total 2023 renewable energy capacity: **4,095 GWh**
- Equivalent homes powered by renewable energy in 2023: **612,363⁴**
- Share of assets conducting GHG assessments within the last 2 years: **100%⁵**

Case Study: GHG Measurement

To assess and mitigate climate change risk, we engaged an independent consultant to conduct a GHG emission assessment of our portfolio. The emissions accounting inventory was conducted in accordance with the ISO 14064-1:2018, WRI/WBCSD GHG Protocol Accounting and Reporting Standard, and applicable best practices.

This assessment outlined the key areas in our portfolio where we needed to direct

our efforts to make the best improvements in the most efficient way, including reducing emissions that are economic to abate (i.e., an acceptable risk-adjusted return can be earned on capital costs invested to achieve the abatement). As the costs of emissions mount over time, we expect more decarbonization projects to become economical. We believe the portfolio is in a strong position to adapt over time to ensure sustainable operations, beginning with the measurement and engagement of our assets today.

²Represents emissions for portfolio assets owned for at least 6 months as of December 31, 2022 (most recent period for which data is available).

³Scope 1 is defined as direct emissions from sources owned and controlled by the company. Scope 2 represents direct emissions from purchased energy (e.g., used for heating and cooling) and transportation (e.g., business travel). Scope 3 represents indirect emissions associated with the use of products sold by the Firm, most notably CC&L Infrastructure's investments, which are represented by our assets' Scope 1 and 2 emissions.

⁴Based on average home energy usage in the relevant jurisdiction.

⁵Includes assets owned for the at least 6 months as of December 31, 2022. Excludes development stage assets, which represent <1% of the CC&L Infrastructure Strategy by Net Asset Value as of December 31, 2023.

Asset Spotlight: Landmark Student Transportation

Landmark Student Transportation is a school bus operator, which provides school districts with safe, reliable, contracted student transportation services in rural and suburban markets across both Canada and the United States. As one of North America's leading student transportation businesses, Landmark delivers hundreds of thousands of students to school each day through its owned and managed fleet of more than 5,000 buses. Landmark provides an essential service prioritizing safety and consistency

(school buses are statistically one of the safest modes of road transportation⁶) and pooled transportation reduces the overall number of vehicles on the road, contributing to lower aggregate GHG emissions⁷.

We are always looking for ways to increase the efficiency of an asset's operation. In the case of Landmark, it is crucial to consider how to ensure Landmark's operations can be more sustainable over the long term, and compatible with a low-carbon economy decades into the future. Undertaking the electrification of Landmark's fleet of buses has the effect of greatly reducing the GHG emissions of our portfolio, as well as

mitigating potential future regulatory risks, increasing fleet longevity, and maximizing the value of the platform over the long term. To date, 47 electric buses have been purchased and many more are expected to be added to the fleet in the coming years, in cooperation with local municipalities, school districts, and multiple levels of government.

⁶Savage, I. (2013). Comparing the fatality risks in United States transportation across modes and over time. *Research in Transportation Economics*, 43(1), 9–22. <https://doi.org/10.1016/j.retrec.2012.12.011>.

⁷Hodges, T. U.S. Federal Transit Administration (2010) *Public Transportation's Role in Responding to Climate Change*. U.S. Department of Transportation.



Energy Transition Fund Launch

Throughout our history, CC&L Infrastructure has been an active investor in the development, operation, and optimization of a range of renewable energy assets; we invested in our first hydro asset in 2007, solar farms in 2013, wind projects in 2020, and formed our green hydrogen partnership in 2021. Today, we own over 80 individual renewable energy assets, representing approximately 1.8 GW of clean energy capacity.

We define energy transition as a broad range of infrastructure needed to shift away from fossil-based systems of energy production, storage, distribution, and consumption. It is increasingly important to invest in renewable energy assets given the urgency, momentum and scale of investment required to support decarbonization efforts around the world. In 2023, global spending on energy transition infrastructure was over \$1.7 trillion, and it is expected to grow meaningfully over the course of the coming decades⁸.

CC&L Infrastructure's Energy Transition investment strategy will focus on acquiring a diversified portfolio of critical energy transition infrastructure assets to achieve an attractive risk-adjusted return target.

⁸Bloomberg NEF, Energy Transition Investment Trends 2024.

⁹These are potential outcomes only. There is no guarantee that such outcomes will be achieved.

Investments will generally fall into three broad categories:

- Funding the development, construction, and expansion of clean energy production and other low-carbon fuels;
- Investing in low-carbon operation alternatives and enabling infrastructure to support the production and delivery of intermittent sources of clean power (including large-scale storage assets like batteries, expanding transmission assets, and charging stations);
- Investing in assets and businesses to support the shift from carbon-intensive business models to lower carbon alternatives. These efforts may include carbon capture and sequestration, the electrification of existing systems, implementing lower carbon production processes, or the adoption of cleaner fuels.

These transition strategies capitalize on reducing the risk of the assets we acquire, and through fundamental change—like grassroots development and decarbonization—we expect to de-risk assets, gain increased access to debt and equity, and ultimately benefit from capital appreciation⁹.

For more information, please visit our website: [CC&L Infrastructure Energy Transition Strategy](#)

LARGE AND GROWING INVESTMENT OPPORTUNITY

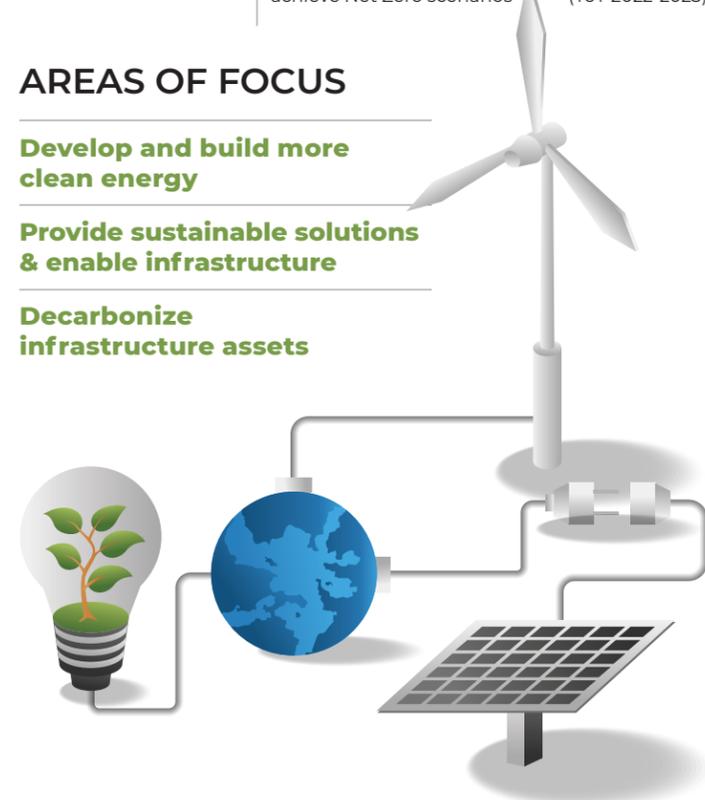


AREAS OF FOCUS

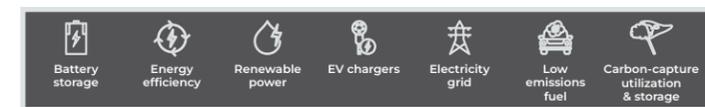
Develop and build more clean energy

Provide sustainable solutions & enable infrastructure

Decarbonize infrastructure assets



DIVERSE ENERGY ECOSYSTEM



Source: Bloomberg NEF, Energy Transition Investment Trends 2023.

Key Performance Indicators

CC&L Infrastructure is deliberate in selecting the organizations with which it partners—they must have shared values and priorities. Key areas that we assess include public RI commitments and objectives (such as an ESG Report) and what policies are in place at the corporate or asset level. Stakeholder value is created when there is a common understanding of success, risk management, and responsibilities.

¹⁰As of end of Q1 2024; represents operating employees on a 100% equity ownership basis.

- Share of assets/operators with a publicly available ESG policy: **72%**
- Share of assets/operators with a sustainable procurement policy: **56%**
- Number of operating employees across the portfolio: **Over 3,100¹⁰**
- Share of assets/operators with a Diversity, Equity and Inclusion policy: **75%**

Focus Area #3: Shared Value

Given the significant size and scale of our infrastructure assets, as well as their importance to the communities in which they operate, we recognize that we depend on a wide group of stakeholders to support the operations of our projects. To that end, we work with like-minded partners, employees, and communities to ensure aligned interests and the collective support of those impacted by our projects. It is vital to ensure that we consciously work alongside our stakeholders to support safe and successful operations, and that we maintain the social licence to operate in the communities in which our projects are located.

RELEVANT SDGS



Indigenous Relationships

There is a growing recognition of the importance of including Indigenous peoples as key stakeholders in infrastructure projects, ensuring their rights, cultural heritage, and economic interests are respected and supported. This is particularly critical in countries such as Canada where many infrastructure projects directly impact Indigenous lands and territories, as well as their peoples, traditions, and communities.

~60%

OF CC&L INFRASTRUCTURE'S CANADIAN INVESTMENTS HAVE SOME FORM OF INDIGENOUS PARTNERSHIP

6

PROJECTS WITH DIRECT EQUITY INTERESTS

Through our direct relationship with Indigenous groups as partners in our assets, as well as through the broader outreach of the Connor, Clark & Lunn Financial Group, we consistently seek to learn from and engage with Indigenous partners to create mutually beneficial relationships. In collaboration with CC&L Infrastructure, CC&L Financial Group's Peter Muldowney, Head of Institutional & Multi-Asset Strategy, authored an article in the Journal of Aboriginal Management (JAM), outlining the rationale and benefits behind Indigenous inclusion in infrastructure projects.

Case Study: Netmizaaggamig Nishnaabeg First Nation

Given the engineering and physical space requirements of infrastructure projects, they are often located in remote areas, including on Indigenous lands and territories. As a result, engagement with Indigenous groups to ensure alignment of interests is imperative for the long-term success of a project.

The White River Hydro Project (White River) is a 19 MW run-of-river hydro project, comprised of two generating sites and a transmission line located in Northern Ontario. The project is fully contracted with a strong counterparty in the Independent Electricity System Operator (IESO), with over 30 years remaining on its power purchase agreement. The project has strong roots in the local community and is co-owned with the Netmizaaggamig Nishnaabeg (formerly Pic Mobert First Nation), an Indigenous group with land bases off the shore of White Lake. In consultation with the Netmizaaggamig Nishnaabeg First Nation, the White River project diversified



the water uses of White Lake, including fostering economic development as well as maintaining safe drinking water for the local community, among other uses. In addition to various services and maintenance contracts, the project maintains full-time employment of at least one Netmizaaggamig Nishnaabeg member within the three-person operator team. Additionally, an internship program was created with the First Nation to build the next generation of hydropower workers within the community.

In consultation with the Netmizaaggamig Nishnaabeg, the project works with local biologists to maintain a robust fish population in the vicinity of the asset. Each spring, the White River facility increases water flow downstream of the dam to create a favourable spawning area for pickerel, a traditional source of food for the Netmizaaggamig Nishnaabeg First Nation. Furthermore, the project has received the Ontario Waterpower Association's Innovation and Stewardship award for innovative use of increasing power production while maintaining a safe source of drinking water and managing the watershed to prevent oversized ecological impacts.



Key Performance Indicators

We hire and maintain a diverse and talented workforce, creating an environment where employees feel safe and prioritized at work—and we ensure this continues by reviewing the conditions of our sites and the frameworks in place to measure our ability to support safe day-to-day operations, including periodic audits of policies and procedures. Our ambition for 2024 is to increase the breadth of our annual audits to span our entire portfolio, providing full and productive employment with decent working conditions to a larger workforce.

- Share of assets with a health and safety policy: **100%**
- Portfolio health and safety metrics:
 - Near misses: **212**
 - Reportable incidents: **2**
 - Lost time injuries: **0**
- Share of assets/portfolio companies conducting annual health and safety audits: **64%**

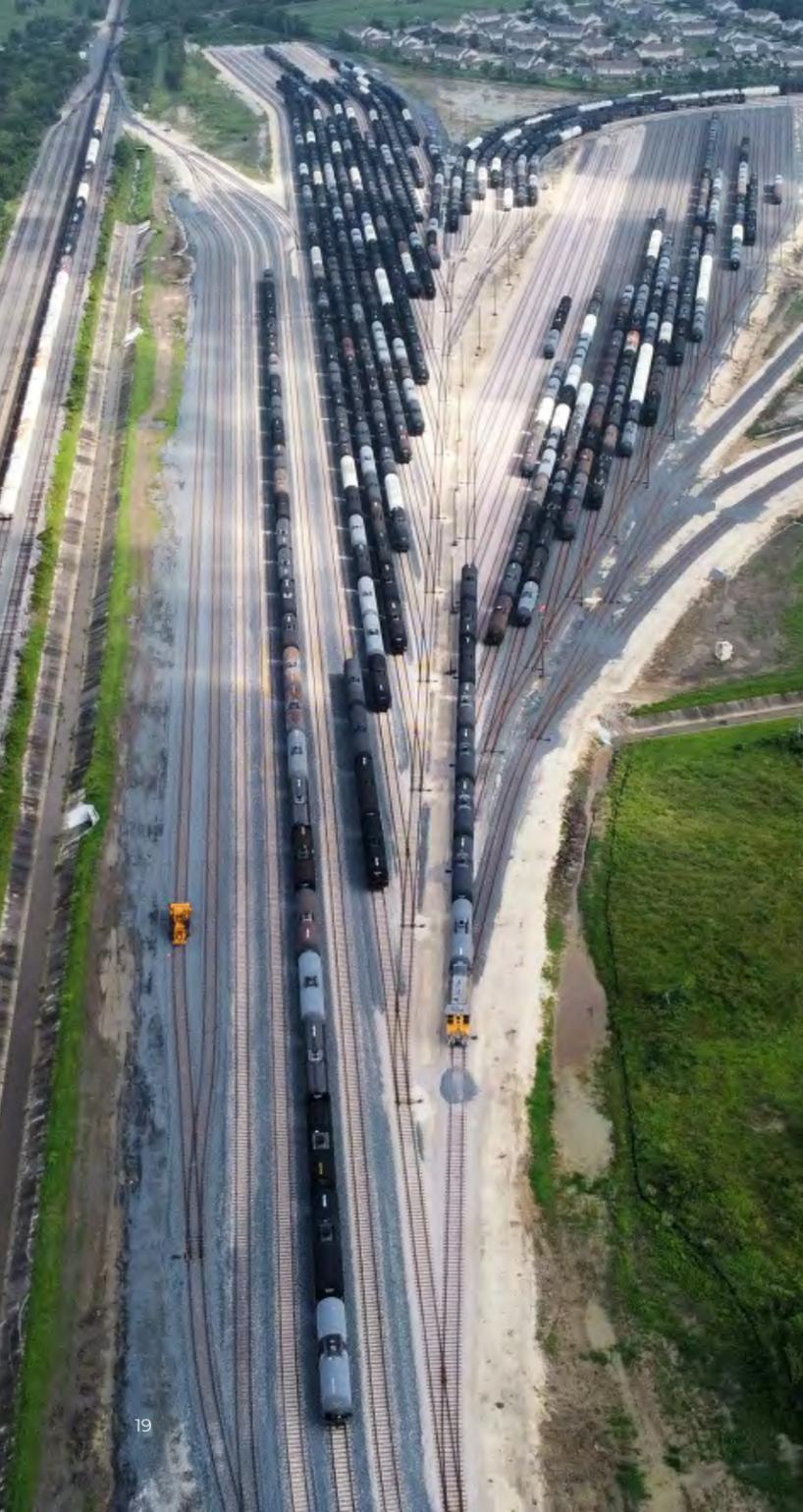


Focus Area #4: People Focus

Our business success is anchored by our people—our employees, third-party managers, contractors, and suppliers—who work with us to build, operate, and maintain our assets. As owners and operators of infrastructure projects, we have the responsibility of employing over 3,100 people across the portfolio. In each of the many regions that we operate, we aim to treat our employees fairly and strive to meet, or exceed, applicable labour laws and standards including respecting human rights, offering fair wages, and implementing non-discriminatory hiring practices. As employers, it is important that our employees feel respected, included, and safe, which is a principle that starts with CC&L Infrastructure and filters through our portfolio assets, as we seek to make our people a priority at each of our projects.

RELEVANT SDGS





Case Study – Health & Safety Audits

Injuries have an obvious and unfortunate human cost, and working to reduce the frequency and mitigate the severity of injury is the ethical responsibility of any employer. The financial cost of injuries is direct and includes lost workhours, increased insurance premiums, and legal costs. Further, the impact of poor health and safety standards extends to severe indirect costs, like reputational damage, injury investigations, hiring and training of replacement staff, and service interruptions. Estimates from the Workplace Safety Insurance Board (WSIB) quote a total average cost of \$117,000 to \$234,000 per injury in Ontario, varying by sector.¹¹

We believe a stringent focus on health and safety is not only important from an ethical perspective, but also key in providing consistent operations and mitigating risk.

As a result, part of our investment approach involves an evaluation of the health and safety culture of an asset, whether operations are conducted in a responsible manner, and the design and implementation of safety systems

and processes. Post-acquisition, our asset management team works to reinforce a culture of prioritizing safety, ensuring that it is a regular item in project board meetings and that we consistently review asset operations to identify gaps or areas for improvement. Our asset management team, in conjunction with a third-party consultant, has been conducting health and safety audits to better assess potential risks in our portfolio, establish mitigation plans, and review operations as part of our long-term monitoring strategy to periodically review and enhance our practices.

Key outcomes include:

- Established a Joint Health & Safety Committees at our hydro assets and at a corporate level, which consists of dedicated H&S workers from each operating site and representation from management.
- A comprehensive health and safety training program rolled out across CC&L Infrastructure, supplementing prior training and ensuring a strong baseline level of knowledge across the organization.

¹¹<https://osg.ca/understanding-the-roi-of-health-and-safety/>

Asset Spotlight: VIP Rail

CC&L Infrastructure first partnered with Alpenglow Rail in the ownership and management of VIP Rail, a strategic short-line rail logistics business with two terminals located in Sarnia, Ontario. VIP Rail provides necessary first and last mile rail transportation and storage solutions to blue-chip corporate customers.

Employee and workplace safety was identified as an important operational factor for the business, and CC&L Infrastructure's Investment team closely reviewed the management team's culture and track

record of health and safety as part of its original assessment of this investment. We were impressed by the importance that management placed on safety, which has supported VIP Rail's zero time lost to injury record over 14 years of operation. The company also won CN's Gold Safe Handling Award several years running.

This operational model focusing on customer service and health and safety has not only resulted in a strong operational record, but has also tangibly contributed to the significant growth experienced by the rail portfolio, and VIP Rail in particular.

VIP Rail's health and safety performance over 2023 includes:

- Lost time injuries: **0**
- **100%** of employees First Aid and CPR trained
- Amount of training provided to employees: **700+ hours across 65 employees**
- Environmental spills or breaches: **0**
- Derailments: **0**



Focus Area #5: Governing With Integrity

Strong governance is an important part of effectively managing ESG risks and opportunities, both in our own governance practices, as well as at the assets within our portfolio. Establishing structures and practices to support high standards of conduct and transparent communication promotes accountability, consistency, and continuous improvement. A business with strong governance practices is less likely to be exposed to significant risks, including litigation and regulatory punishments, higher employee turnover and difficulty hiring, and reputational damage.

Key Performance Indicators

We consistently implement and reevaluate processes, policies, and best practices across our business, which reduces the potential for unethical behaviour. This involves critically assessing how we limit the potential for breaches, how we discuss potential vulnerabilities and enhancements, and the review of our policies and procedures. Over time, we aim to broaden the scope of our KPIs to capture different facets of our governance structure and the initiatives we undertake to support a culture of ethical behaviour.

- Proportion of assets with ESG as a standing item on board meeting agendas: **100%**
- Share of assets/operators with relevant governance policies in place: **100%**
- Share of assets/operators with cybersecurity/data protection and privacy policy: **50%**
- CC&L (including CC&L FG and CC&L Infrastructure employees) equity investment in the CC&L Infrastructure Strategy: **~\$80M or ~4% of net asset value¹²**

Case Study: RI Steering Committee

We believe good governance begins from the top down, and CC&L Infrastructure's Management Committee is responsible for broad oversight of the Firm's Responsible Investment approach, including ensuring that RI practices are integrated into investment processes. The Management Committee approves all major commitments, targets, disclosures, and resourcing associated with the firm's RI activities, ensuring a widespread culture of business ethics. The Management Committee is supported by the CC&L Infrastructure RI Steering Committee, which meets quarterly to review progress on RI projects and performance, and to make recommendations regarding major initiatives. The RI Steering Committee is chaired by the President of CC&L Infrastructure and

composed of senior representatives from the investment management, asset management and investor relations teams, reflecting a breadth of views across various business lines.

A dedicated review of RI practices is conducted by the RI Steering Committee, with feedback and recommendations relayed upwards to the Management Committee. Following review, the senior representatives who make up the RI Steering Committee are then charged with integrating RI considerations throughout their teams: assigning responsibility, advancing initiatives, and providing oversight at various levels throughout the business. Our structure ensures that those with the responsibility for oversight and advancement of our RI program have the appropriate level of seniority to execute on our priorities, and can instill and reinforce this culture of good governance throughout the organization and the portfolio.

¹²Represents the mark-to-market value of capital invested by CC&L Infrastructure and its clients, including principal investments. Excludes co-investment capital.

Steps of the Investment Process

CC&L Infrastructure integrates RI into every step of our investment process, ensuring there are multiple points of review and critical assessment throughout. This helps to ensure that new assets are subject to a rigorous RI-focused review process with our values and principles in mind before an investment is made, and existing assets are evaluated with an eye to future success and improvement.

Step 1: Deal Sourcing

Our investment process begins with the identification and sourcing of opportunities. The Investment team first determines whether a prospective investment falls within our overall strategy and risk profile and completes a high-level review of the investment's fundamentals. As part of this process, we assess any material ESG risks or opportunities that are evident at this stage.

Our focus on Shared Values ensures we work with partners that have compatible values, and mutually beneficial interests. These conditions allow us to pursue acquisitions on a bilateral basis with trusted partners and that investments are well-aligned with our philosophy, focus areas, and mandate.

CC&L Infrastructure does not typically

exclude companies, sectors, or asset types based on a particular activity or RI sensitivity exposure alone, we instead incorporate these considerations as part of an overall assessment of the prospective investment.

CC&L Infrastructure uses an RI Screening Tool to assess potential investments that have advanced beyond an initial review. The RI Screening Tool enables the investment team to evaluate a potential investment on several factors to ensure it is aligned with our RI strategy and focus areas. The process highlights publicly available ESG breaches, sectors that carry ESG risk, and publicly available ESG disclosures. Once initial assessments are completed and CC&L Infrastructure makes the decision to proceed further in an asset acquisition process, a more thorough due diligence assessment is conducted.

KEY CONSIDERATIONS INCLUDE:

Environmental

- Air Pollution
- Biodiversity and Habitat
- Energy
- Greenhouse Gas Emissions (GHG)
- Hazardous Substances
- Physical Risk
- Waste
- Water

Social

- Employee Engagement and Diversity
- Health and Safety
- Human Rights
- Indigenous Relations
- Stakeholder Relations

Governance

- Board/Committee Composition
- Board ESG Oversight
- Business Ethics
- Cybersecurity and Data Protection
- Executive Compensation
- Shareholder Rights

Step 2: Due Diligence

CC&L Infrastructure completes a detailed assessment of a potential investment in order to understand how the asset's RI factors may affect its long-term performance, and informs the asset management team on risks and opportunities.

RESPONSIBLE INVESTMENT TOOLKIT

Tool	Stage	Diligence Conducted	
A - RI Screening Tool	Occurs once a potential transaction has been identified.	<ul style="list-style-type: none"> ■ Questionnaire of potential risks, opportunities and material RI considerations for prospective investments ■ Intended to identify immediate material risks that indicate misalignment with our values and/or focus areas ■ Covers potential areas of concern such as: <ul style="list-style-type: none"> □ Whether the asset is located in a prohibited jurisdiction; □ Operates in a sector exposed to physical or transition risk; 	<ul style="list-style-type: none"> □ Has material publicly identifiable ESG controversies, policies, or commitments, and other items readily available on initial review. ■ Identified risks are required to be explicitly documented and explained prior to pursuing further diligence, as well as including a rationale for what kind of additional research will be conducted to address the concern
B - RI Due Diligence Checklist	Occurs during more advanced diligence of an asset. Included in Investment Committee memorandums prior to the submission of a final binding bid.	<ul style="list-style-type: none"> ■ Asset and sector-specific considerations are reviewed based on a proprietary checklist, incorporating third-party frameworks such as the GRESB Infrastructure Materiality and Scoring Tool, to provide guidance for more detailed analysis. Many considerations are included such as: <ul style="list-style-type: none"> □ Environmental (GHG emissions, biodiversity, energy usage, waste); □ Social (health & safety, diversity, equity & inclusion, stakeholder engagement) and; □ Governance (board composition, business ethics) ■ Potential investments are then evaluated along a matrix consisting environmental, social, and governance categories, and scored based on 1) the significance of the risk; and 2) alignment with the Firm's focus areas ■ Risk range: <ul style="list-style-type: none"> □ Severe items, which are those deemed to have potential for significant cost or delay in achieving asset plans; to □ Low risks, wherein the risk factor is either immaterial or viably addressable within an acceptable timeline and budget. 	<ul style="list-style-type: none"> ■ Focus area alignment range: <ul style="list-style-type: none"> □ Negative alignment with our focus areas, wherein the investment is expected to detract/diverge from our strategic objectives, and it is infeasible to rectify the issue; to □ Exceeding expectations, where the investment is expected to materially exceed our key RI KPIs and objectives. ■ Potential investments that have material ESG risks, negative focus area alignments, or opportunities for ESG value creation are explicitly addressed with a remedial plan in the Investment Committee memorandum, costed to the extent possible, and with a viable timeframe to execute ■ Supplemented by input from third-party market or technical advisors where necessary, as well as through specialized tools to identify material ESG considerations common to assets based on their sector and geography
C - RI Handover Memo	Occurs post-investment close, as the asset management team is onboarding the new asset	<ul style="list-style-type: none"> ■ The <i>RI Handover Memo</i> is delivered to the Asset Management team at acquisition by the Investment team, further outlining material considerations identified during due diligence, including post-acquisition workstreams such as RI remediation and/or enhancement plans ■ The RI action plan included in the <i>RI Due Diligence Checklist</i>, and approved by the Investment Committee, is formalized in the RI Handover Memo 	<ul style="list-style-type: none"> ■ The <i>RI Handover Memo</i> outlines the short-term (first 100-days) and longer-term items to be completed by the Asset Management team post-acquisition. These can include GHG assessments, sustainability projects, and cybersecurity reviews, among other plans



Step 3: Investment Decision

Our underwriting process culminates in a formal Investment Committee presentation prepared by the Investment team that is submitted for review and approval. This presentation includes, among other elements, a summary of the ESG considerations analyzed during the screening process, as well as proposed strategies to mitigate ESG-related risks and capitalize on opportunities during the holding period of our investment. The Investment Committee, which includes CC&L Infrastructure's President, the CEO of CC&L Financial Group, and the Chairman of CC&L Financial Group, is responsible for reviewing and approving investment decisions and considering material factors that affect the value of an asset, including RI considerations.



#	A - GENERAL	Risk Rating	ESG Focus Area Alignment
1	Leadership	2 - Low Risk	2 - Exceeds Expectations
2	Oversight	2 - Low Risk	2 - Exceeds Expectations
3	Policies	2 - Low Risk	2 - Exceeds Expectations
4	Reporting	2 - Low Risk	2 - Exceeds Expectations
5	Risk Management	2 - Low Risk	2 - Exceeds Expectations
6	Certifications	2 - Low Risk	2 - Exceeds Expectations
#	B - ENVIRONMENTAL	Risk Rating	ESG Focus Area Alignment
1	GHG Emissions	2 Low Risk	2 - Exceeds Expectations
2	Energy	2 Low Risk	2 - Exceeds Expectations
3	Air Pollution	2 Low Risk	2 - Exceeds Expectations
4	Water Usage	2 Low Risk	2 - Exceeds Expectations
5	Waste	2 Low Risk	2 - Exceeds Expectations
6	Biodiversity	1 - Medium Risk	2 - Exceeds Expectations
#	C - SOCIAL	Risk Rating	ESG Focus Area Alignment
1	Indigenous Relations	2 - Low Risk	1 - Meets Expectations
2	Health and Safety	2 - Low Risk	2 - Exceeds Expectations
3	Employee Engagement	2 - Low Risk	2 - Exceeds Expectations
4	Diversity, Equity and Inclusion	2 - Low Risk	2 - Exceeds Expectations
5	Stakeholder Engagement	2 - Low Risk	2 - Exceeds Expectations
6	Economic Impact	2 - Low Risk	1 - Meets Expectations
#	D - GOVERNANCE	Risk Rating	ESG Focus Area Alignment
1	Board/Committee Composition	2 Low Risk	2 - Exceeds Expectations
2	Board ESG Oversight	2 Low Risk	2 - Exceeds Expectations
3	Business Ethics	2 Low Risk	2 - Exceeds Expectations
4	Cybersecurity and Data Protection	2 Low Risk	2 - Exceeds Expectations
5	Executive Compensation	2 Low Risk	2 - Exceeds Expectations
6	Shareholder Rights	2 Low Risk	2 - Exceeds Expectations

Select excerpt from RI Due Diligence summary. Negative scores are explicitly covered in the body of Investment Committee memorandums and require an action plan to mitigate as part of an investment decision. Potential investments with material RI risk factors that cannot be reasonably mitigated, or otherwise addressed to the satisfaction of the Investment Committee, are rejected.

Step 4: Onboarding & Asset Management

We actively manage our assets and portfolio companies and partner with like-minded operators to protect and maximize the value of our investments over the long term and operate in line with our core values and focus areas. The Asset Management team is responsible for integrating RI screening findings into asset onboarding, executing on any post-acquisition RI plans, and ensuring that assets comply with our RI program. The onboarding process also involves inclusion in our GHG emissions tracking, health and safety and cybersecurity audits, as well as integrating a set of policies and procedures consistent with our standards.

We monitor RI performance through ongoing management of the asset and a suite of ESG key performance indicators (KPIs). These KPIs are aligned with our focus areas and third-party frameworks.

The KPI collection process informs how we:

- Consult with stakeholders;
- Subcontract parties with aligned management approaches;
- Drive the strategic direction on the asset-level board of directors; and
- Communicate with management teams, including senior executives at each asset, to support continued improvement.

This active management allows us to pre-emptively address RI risks and opportunities and, should an issue arise, minimize the delay between identification and remedial action. The Asset Management team is also able to proactively undertake RI initiatives to enhance value and mitigate risk, such as physically reinforcing an asset to better withstand natural events before they occur, reducing GHG emissions (in advance of regulatory requirements), and understanding key supply chains and potential efficiencies.

GRAND RENEWABLE SOLAR VEGETATION



HUNTER CREEK HYDRO CONSTRUCTION



RIVERSTART SOLAR CONSTRUCTION



Integration at Each Stage of the Investment Process



FROM INITIAL REVIEW...

Case Study: Rejected Investment – Short Line Rail Opportunity

ASSET OVERVIEW

Following the formation of our partnership with Alpenglow Rail in 2019, we set out to build a diversified short-line rail platform across North America. In 2021, we evaluated a potential follow-on investment involving the acquisition of a terminal in South Texas. The asset would provide transloading (switching goods from one mode of transport to another), and tank and railcar storage services to local businesses. This project would build on our expertise in the short line rail business, providing critical first and last mile transport and storage service to an established customer base located near the terminal.

DILIGENCE CONDUCTED

As part of our due diligence of the transaction, we conducted an analysis of the financial health of the business, including existing contracts, stability of revenues and expenses, potential competitors, and long-term viability. The initial evaluation led us to believe that our partners had identified a potentially attractive investment, which included the ability to drive significant further growth over the life of the asset through a robust pipeline of commercial opportunities. Complementary components of our analysis included an evaluation

of the management team and their business practices, environmental and technical analyses of the land, and further legal and market analysis, among other areas.

Throughout the diligence process, our research uncovered a governance structure with weak controls, unethical decision-making, and a culture that incentivized short-term profits over long-term growth in partnership with its customers. We believed this exposed the business to significant reputational risk, direct costs such as legal and regulatory expenses, and indirect costs such as reputational damage and lost future revenues.

INVESTMENT DECISION

We concluded that the long-term viability of the business was in question, with potential exposures that were unlikely to be remedied on a cost-effective basis and in an appropriate timeframe. As a result, this transaction was rejected.

Our review of the RI considerations of the asset contributed to our decision to decline further diligence and walk away from the opportunity. We believe rigorous diligence and the consistent application of this type of analysis enhances our ability to build and grow a portfolio that is well-suited to fulfill our mandate and deliver stable and strong returns over the long term.





THROUGHOUT DUE DILIGENCE...

Case Study: New Investment – L. F. Wade International Airport

ASSET OVERVIEW

In 2023, CC&L Infrastructure acquired a 49% stake in the concessionaire to the L.F. Wade International Airport (Bermuda International Airport) from Aecon Group Inc. (Aecon), a leading Canadian construction firm. The Bermuda International Airport provides sole aviation access to the island nation, and the airport consists of a modern, newly constructed terminal supporting Bermuda's growing tourism industry and its status as a global financial centre. The Bermuda International Airport terminal redevelopment was commissioned under a public-private partnership model and currently has 23 years remaining on its original 30-year term.

DILIGENCE CONDUCTED

During initial and detailed due diligence, CC&L Infrastructure explored how the specific characteristics of the Bermuda Airport would affect its long-term viability, including how the asset was operated and whether the current owner would be a good partner. CC&L Infrastructure used its RI tools, including the RI Screening Tool, Due Diligence Checklist, and Handover Memo to investigate, document, and action key RI risks and opportunities.

Material RI factors surrounding the operations of the asset included local wildlife impact, resilience to climate and weather events, health and safety records, and energy usages. Diligence around our potential partner included a review of ESG policies and commitments, operating history

and track record, as well as material publicly available breaches. This review was intended to determine whether Aecon was a compatible partner, and whether we would be able to work collaboratively towards a shared vision of success. To supplement our own research, consultants and third-party advisors were engaged, including a commercial, environmental, and technical consultant, as well as an insurance advisor, allowing us to address our outstanding questions and determine whether the Bermuda International Airport was owned and operated in a sustainable manner.

INVESTMENT DECISION

Our decision to invest hinged on whether the risks we had identified during early diligence were sufficiently addressed by the time we were prepared to submit a final bid. Given Bermuda's location as an island nation, a key focus was on the airport's physical durability and resilience, as well as the environmental sustainability of its operations.

During the Bermuda International Airport redevelopment project, the terminal was physically reinforced to protect against extreme weather events common to island nations, including storm surges and gale force winds, and elevated several meters to avoid flooding. The airport itself is also operated with environmentally efficient lighting, cooling, water, and waste-water systems, further reducing its environmental impact. Given the high operating standard and strong sustainability characteristics of the asset, we were confident in the safe and consistent operation of the airport over the long term and made the decision to proceed with the investment.

...AND OVER THE LIFE OF AN ASSET

Case Study: Existing Asset – Regional Power

ASSET OVERVIEW

Regional Power represents an investment in a portfolio of three run-of-the-river hydro facilities in British Columbia and Ontario, totaling 70 megawatts across three distinct hydrological regions. Each asset is fully contracted with a strong counterparty and with expected useful lives well beyond the initial contract term. The asset generates equivalent clean energy to power more than 43,500 Canadian homes¹³.

ENVIRONMENTAL STEWARDSHIP

Regional Power has a strong track record of ecosystem preservation and improvement initiatives, including partnering with local Indigenous groups in the promotion of wildlife populations, maintenance of aquatic and terrestrial habitats, and monitoring and protection of local plant species. Regional Power has established Owner's Environmental Monitoring Plans (OEMPs) detailing ecosystem maintenance of their respective watershed, and Water Management Plans (WMPs) with regulatory agencies to establish fair water use between all stakeholders, including Indigenous groups, local communities, and fisheries.

CC&L Infrastructure also conducts meetings

annually with Indigenous stakeholders to review watershed management methodology for the prior year, ensuring adherence to the WMP. By incorporating RI-related considerations in our ongoing monitoring and operations of our assets, we can maximize value, mitigate risk, and enhance the long-term sustainable operations of our portfolio.

Hydropower plants are especially sensitive to the local ecology, which is why many of the operating and management plans at our hydro sites involve restoring and maintaining aquatic and terrestrial habitats, taking steps to mitigate the risk of significant environmental impacts, and improving biodiversity. CC&L Infrastructure performs periodic environmental assessments to comprehensively understand potential impacts and establish baseline studies. Our OEMPs are developed during sensitive post-construction periods to identify potential issues and ensure that watershed health indicators remain positive.

CC&L Infrastructure's long-term operations and maintenance program includes annual monitoring of water quality, at-risk flora and fauna, invasive plants, and fish health, under advisement of third-party biologists. At several of our facilities, we have created spawning channels to enhance the population growth for local wildlife, including pike, muskellunge, and sturgeon, and in one case improving the annual spawning salmonid count from less than 500 to over 20,000 in the span of a decade.

¹³Based on proportionate average home energy usage in BC and Ontario.



Industry Recognition and Collaboration

We believe that a key element of Responsible Investment is not only to uphold our own values, but to benchmark ourselves against independent standards, ensuring transparency and comparability for our stakeholders. To that end, CC&L Infrastructure is a signatory to the UN PRI, and we've aligned our focus areas with many of the UN SDGs.

The SDGs are an urgent call to action by all countries in a global partnership. Infrastructure projects serve a critical role in reaching the targets set out in this framework and aligning our focus areas with specific SDGs provides context for the work we do and the contribution our projects have to the communities in which they operate.

Collaboration and Engagement

Part of our active management approach is to ensure we remain current with industry developments and collaborate with like-minded partners. To better manage and support our assets, we are signatories to, or support, the following organizations and initiatives:



- CC&L Infrastructure has been a member of the Canadian Renewable Energy Association (CanREA) since its inception in 2020. CanREA is comprised of renewable power owners and operators, and is important in shaping policy, sharing information, and working with stakeholders to ensure low-cost, reliable, and sustainable energy accessibility is implemented across Canada.
- CC&L Infrastructure, through its Regional Power portfolio, has been a member of the Ontario Waterpower Association (OWA) since 2018, which promotes sustainable development through hydroelectricity, providing a reliable and affordable energy source.

Recognition

We take pride in the reliable and safe operation of our assets, and in our over 3,100 employees working to provide essential services to local communities, whether it is ensuring our hospitals are open to provide critical care, transporting people to work or school, or generating clean energy to power homes and businesses.



Investing in Our People

We operate in a talent-driven industry, and many of our activities are driven not only for the benefit of our clients, but also to reflect the values and priorities of our employees, both in the office and in the community. Our aim is to maintain an engaging and rewarding work environment, starting with fostering a culture of open communication.

We collect the opinions of our employees in a variety of ways, including formal and informal polls, named and anonymous surveys, and dedicated team meetings with an open forum for discussion. We gather feedback on topics ranging from the

kind of tables we should keep in our meeting rooms, to the charitable causes and volunteering activities that we support, to how we represent CC&L Infrastructure and our values externally.

We also leverage our relationship with the CC&L Financial Group, as well as the CC&L Foundation, to coordinate philanthropic activities and better support the initiatives that are important to our employees, partners, and the communities in which we operate. CC&L Foundation funds are 100% contributed by CC&L Financial Group and its affiliates, which are managed by a cross-section of senior employees to direct donations towards deserving causes.



Employee Engagement Survey

Our annual employee engagement survey involves gathering feedback from employees regarding their level of engagement, satisfaction, and motivation in the workplace. It allows us to identify priorities and launch initiatives that are important to our team. The survey is anonymous and entirely voluntary, enabling employees to voice their opinion in a candid manner, and provides real guidance on how to evolve as a company and community.

In 2023, the survey had a 100% participation rate from the CC&L Infrastructure team. Acting on the feedback received from across the business, we have started to roll out targeted initiatives to ensure we are consistently providing a supportive and rewarding work environment. These include restructuring and broadening of our employee investment program, and a greater focus on recognizing individual milestones and successes.

A key priority identified by the survey was professional development, including goal-oriented and planning supported by structured training programs, regular manager check-ins, and a proactive approach to the professional growth of our employees. Employees work with their manager to identify relevant areas of opportunity for development, access third-party training as necessary, and create a personalized progress plan with regular touchpoints. This helps our employees feel supported in their roles and allows them to plan the next steps in their careers. We strongly believe that listening to the feedback of our team members, supporting them in their goals, and working to nurture an inclusive and communicative culture benefits the people who contribute the most to our success.



100%
PARTICIPATION RATE

>90%
WOULD RECOMMEND
CC&L INFRASTRUCTURE AS
A PLACE TO WORK

>90%
ARE CONFIDENT AND
SATISFIED IN THEIR ROLE

100%
HAVE CONFIDENCE IN THE
LEADERSHIP TEAM

Corporate Social Responsibility

As an affiliate of CC&L Financial Group, CC&L Infrastructure is committed to being responsible corporate citizens and we strive to have a positive impact on the communities where we live and work. Through our Business Practices Working Group (BPWG), we focus on socially responsible business practices, and through the CC&L Foundation, we focus on philanthropic initiatives.

Our BPWG is focused on three areas:

- Diversity, equity, inclusion and belonging (DEIB);
- The health and wellness of our employees; and
- Environmentally sustainable business practices.

Through the CC&L Foundation, we aim to enrich the communities in which we live and work by creating opportunities for both funding and volunteering in support of causes that are important to our employees, partners, clients, and the communities in which we invest.



Diversity, Equity, Inclusion & Belonging

We are committed to workforce diversity, promoting equity, and creating a culture of inclusion. To ensure our people feel a sense of belonging, we strive to foster a culture that unites people of diverse backgrounds and perspectives, in an environment where everyone has the opportunity to achieve personal and professional success.

Our 2023 diversity, equity, inclusion, and belonging (DEIB) initiatives focused on education, communications, and events to promote a culture of inclusion, celebration, and learning throughout the year. Some examples of our DEIB initiatives in 2023 include:

- Introducing an augmented parental leave policy, expanding the length of our maternity leave policy, and offering competitive leave to non-birthing parents.
- Hosting an International Women’s Day internal event focused on expanding leadership talent by addressing issues that have contributed to gender imbalances.
- Celebrating Pride Month, which included a webinar from, and a donation to, Rainbow Railroad, a global not-for-profit organization that helps members of the LGBTQIA+ community facing persecution based on their sexual orientation, gender identity, and sex characteristics.
- Promoting an art auction supporting Indigenous Artists with proceeds donated to the Future Generations Foundation.

Health and Wellness

We believe the health and wellbeing of our employees is critical to maintaining our collective performance. We are committed to undertaking initiatives that support a safe and healthy work environment within a culture where everyone feels secure and supported.

Our 2023 activities targeted mental and physical health through in-office activities, education sessions, and employee engagement. Some examples of our health and wellness initiatives in 2023 include:

- Highlighting Mental Health Month by hosting an education session from the Centre for Addiction and Mental Health (CAMH) on burnout and delivered education to employees regarding CC&L’s employee benefits package.
- Hosting an overall fitness month with a company-wide fitness challenge, guided meditation sessions, yoga and stretching sessions, and educational webinars on gut-brain connection as well as identifying and managing burnout.



Volunteering



BRUCE TRAIL CONSERVANCY

In 2023, CC&L Infrastructure partnered with the Bruce Trail Conservancy to volunteer at Fisher's Pond, an 87-acre green space on the Niagara Escarpment, a UNESCO World Biosphere Reserve. Our team of 25 volunteers planted approximately 200 trees as part of an ecological revitalization project, supporting the health and resilience of the local biosphere. Trees provide a variety of support functions for the nearby ecosystem, including carbon sequestration, air quality improvement, wildlife habitat, nutrient and seed dispersal, and more.

Volunteering with the Bruce Trail Conservancy broadened our perspective on responsible stewardship, reinforcing our commitment to ensuring our activities are compatible with a healthy and flourishing ecosystem over the long term.

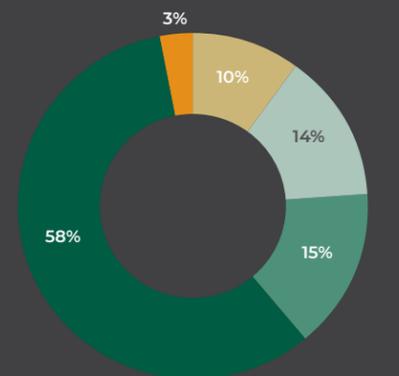


CC&L FOUNDATION

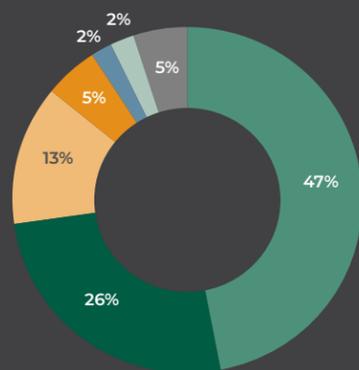
The CC&L Foundation actively supports employee and client philanthropic endeavors by making donations focused on the environment, education, science and medicine, communities and the arts. In 2023, the CC&L Foundation donated nearly \$2 million, supporting over 175 organizations. Some of our 2023 philanthropic and volunteering opportunities included:

- Continuing our Centre for Addiction and Mental Health (CAMH) partnership, through a significant donation and by volunteering with CAMH patients to reduce the stigma associated with mental illness and addiction.
- Organizing an employee-led Week of Giving campaign focused on strengthening communities, alleviating poverty, and addressing food insecurity. This initiative supported CC&L Financial Group's community partners, including the United Way. This firm-wide initiative has raised nearly \$8 million over the years.
- Aiding students through bursaries and scholarships, including Indspire's Building Brighter Futures program.
- Making a multi-year commitment to Ronald McDonald House Charities Alberta along with volunteering at one of Ronald McDonald's Home for Dinner nights, preparing and serving meals to families in need.
- Supporting the Canadian Red Cross in its effort to provide relief and support to those impacted by the Alberta wildfires.

BY CATEGORY:



BY REGION:



Closing – Letter from the Head of Asset Management

As we draw to the close of another year, I am proud of what we have accomplished and excited for the future.

Our Responsible Investment report is the culmination of efforts from many teams, reflecting our overall commitment to sustainable investment and transparent communication. We have advanced opportunities that add value, while also safely and efficiently providing the services that our stakeholders depend on. One of the key themes we aim to emphasize with this report is the interrelationship between the integration of RI considerations throughout our business practices and the generation of strong returns for our investors.

Looking forward, we are committed to the continuous improvement of our RI program. Over the next year, we aim to build on the processes implemented in 2023 and action the feedback we've received thus far. Key initiatives in 2024 include:

- Launching the Energy Transition Strategy;
- Evaluating the results of the initiatives launched this past year, including the outcomes of our Health and Safety audits, our GHG emissions accounting project, and our cybersecurity audits;

- Analyzing the KPIs collected from our investments and formulating asset-specific RI plans to achieve our ambitions;
- Submitting our first publicly available UN PRI submission; and
- Continuing to improve our climate management practices.

As the responsible investment landscape continues to change, CC&L Infrastructure remains committed to staying current on developments, best practices, and technologies. We remain well-positioned to deliver strong returns in a sustainable, thoughtful, and responsible manner.

Thank you for taking the time to read our Responsible Investment Report, and I'm looking forward to providing further updates in next year's report.

Moira Turnbull-Fox

Head of Asset Management,
member of RI Steering Committee





CONNOR, CLARK  LUNN
INFRASTRUCTURE

