Sustainability Report 2024

We plan.

We transform.

We protect.

Providing inherently sustainable assets to support the infrastructure of the future and the world it enables.

ARCUS INFRASTRUCTURE PARTNERS

Contents

Company overview 3
Letter from the Managing Partner 4
Arcus sustainability highlights 6

Arcus approach to ESG

Arcus values 8
Employee engagement 9
Arcus governance overview 10
Arcus approach to ESG 12

Key developments in 2024

Arcus' contribution to the United Nations Sustainable Development Goals 20
Supporting the United Nations Global Compact 23

Portfolio sustainability highlights

Portfolio sustainability highlights 25

Environmental

Climate strategy 27
- Vehicle electrification as part of climate strategy
- EZE 28
- Climate resilience adaptation
- Workdry International 29

Net zero 30
Task Force on Climate-Related Financial Disclosures reporting 31
- CO_2 carbon capture and storage
- Peacock 37

Energy efficiency 38
- Smart battery storage
- HB Returnable Transport Solutions 39
- Increasing demand for clean energy in the data centre sector
- Portus Data Centers 40
- Climate-neutral buildings in Europe
- Officium, Einhundert 41

Biodiversity 42
- Rewilding
- Momentum Green Energy 43
- Fostering local flora and fauna
- GTC 44
- Turtle conservation
- TDF 45

Air, land and water 46
- Sustainable Water Management
- Workdry International, Selwood 47

Social

Diversity, Equity and Inclusion ("DEI") 49
- Equal parental leave
- Arcus 49

Health and safety 50
- Food security and safety
- Coolworld Investments 51

Human capital development 52
- Developing and equipping the team
- Arcus 52
- Recognition and employee empowerment
- Momentum Green Energy 53

Human rights 54
Stakeholder rights 54
- Human rights in global supply chain
- Momentum Green Energy 55

Community engagement 56

Governance

Risk management 58
- Case study
- CSRD revision under the Omnibus Package 59
- ESG in the investment lifecycle
- Constellation Cold Logistics 60

Corporate governance 61
- Enhancing risk management at origination
- Arcus 61
- Influencing industry benchmark through GRESB
- Case study 62

Portfolio summary

Arcus ESG Timeline 73
Glossary 74
Important notice 76

Market-leading returns, meaningful impact
Creating value in European mid-market infrastructure investments

Company overview

Arcus is an independent infrastructure fund manager with a focus on the European mid-market. We bring together deep expertise with a considered, rigorous and aligned approach that enables us to bridge the gaps between opportunities, exceptional returns and long-term positive impact.

Experienced, diverse and stable team[1]

75	People
39	Investment professionals
59% male 41% female	Gender balance
17%	Female senior management[2]
4	European offices
12	Year's average experience in infrastructure across the investment team

Proven ability to create value across the whole portfolio[1]

23	Investments
€9.3bn	AUM
€8.1bn	Total realised proceeds across the portfolio

1 As at 31 December 2024
2 Defined as Arcus Partners, senior investment team and members and senior roles across key support functions including risk and compliance, ESG, legal and finance

Letter from the Managing Partner

Dear Arcus stakeholders,

I am pleased to present the Arcus 2024 Sustainability Report, which highlights our commitment to sustainability and updates on the significant progress we have made since our 2023 report.

Providing high-quality infrastructure is crucial for Europe's future economic growth, environmental protection, societal development, and the reduction of inequality. As asset managers, we see ourselves as custodians with a responsibility to uphold these values. Consequently, we continue to systematically integrate the evaluation of Environmental, Social, and Governance ("ESG") risks and opportunities into our origination, asset management, and exit decisions.

Moreover, we recognise that sustainable businesses generate better and more enduring value for our stakeholders and deliver stronger returns for our investors. Since the founding of Arcus in 2009, responsible investment has been at the core of our operations. It is a fundamental part of our investment strategy, with ESG aspects being considered at every stage of the investment process, from origination and due diligence to asset management and exit.

This approach is formalised and documented in Arcus' ESG Policy, which is reviewed and revised annually, most recently in April 2025. You can view our ESG policy on our website.

Additionally, Arcus has a dedicated ESG Committee which Ronak Patel, Head of Capital Formation & Investor Relations was appointed to in 2024. The ESG team also welcomed a new team member, Fabio Schweinoster Manfroni, who joined as an ESG Executive. The performance of the ESG team and ESG Committee is regularly reviewed by the Management Committee ("ManCo").

The ESG Committee met quarterly throughout the year to assess the strategy and discuss areas for improvement. These regular touchpoints ensure that Arcus and our investee companies remain at the forefront of best practices in ESG, resulting in numerous improvements outlined in this report.

Best-in-class ESG performance

Arcus believes in accountability when it comes to ESG performance and reporting. As such, we are a signatory to the UN Principles for Responsible Investment, UN Global Compact, TCFD, UK Stewardship Code, iCI, and a member of GRESB.

In 2024, Arcus participated in the GRESB benchmarking assessment and once again demonstrated market leading performance. The full results can be found on pages 17-19, however, some highlights include: AEIF2 maintaining a 4-star GRESB rating and receiving 93 out of a possible 100 points in the GRESB fund assessment, significantly above the average fund participant's score of 87 points and two points more than 2023. AEIF3 participated for the second time, increasing its score by 18 points, from 67 out of 100 to 85 out of 100, demonstrating Arcus' commitment and approach to best-in-class ESG across all Arcus funds.

Team diversity

We recognise the importance of having a diverse, inclusive workforce with Partners and employees from 28 nationalities, speaking 29 languages (as at 31 December 2024), compared to 23 nationalities and 20 languages in 2023. The team also has a gender balance of 41% female, with 17% of females in senior management positions.

Ian Harding
Managing Partner
26 June 2025

Pathway to net zero

Arcus advanced its net zero approach in 2024, translating its net zero commitment into its fund and investee company operations. In 2024, Arcus collaborated with sustainability consultant Anthesis to assist its funds and investee companies with setting interim CO_2 reduction targets, aligned with science-based standards for Scope 1 and Scope 2 emissions, and to prepare decarbonisation roadmaps. As part of the 2024 phase of work, Arcus worked with the four AEIF2 investee companies (namely Constellation, HB RTS, Opus B and Peacock) setting decarbonisation roadmaps, supporting investee companies to transition in a way that is in line and consistent with the Paris Agreement. Through this project, Arcus has identified a decarbonisation strategy covering c. 85% of AEIF2 2023 emissions. In addition, Arcus is aligning its processes with the IIGCC Net Zero Investment Framework ("NZIF") 2.0 and Arcus will continue to make progress on these workstreams in 2025.

Sustainable Development Goals

Arcus is supportive of the 2030 Agenda for Sustainable Development adopted by the United Nations Member States in 2015, with a particular interest in supporting 13 of the 17 SDGs. These goals align closely with our investment strategy and the long-term trends impacting European markets, such as the decarbonisation of the economy to combat climate change, the transition from a linear to a circular economy, demographic shifts leading to rapid urbanisation, and the increasing use of telecommunication data. The contributions of Arcus' investee companies to these SDGs are detailed from page 20 of the report.

To commemorate the ninth anniversary of the adoption of the Sustainable Development Goals in 2024, Arcus participated in the UN Global Compact Network UK's SDG Flag Campaign promotion in September 2024. This initiative underscores our dedication to promoting and achieving these global goals.

Charitable activity

Arcus is dedicated to supporting social and environmental charitable activities, encouraging all members and employees to fundraise, volunteer, participate, and contribute to any charitable organisations they are passionate about. Arcus promotes individual volunteering and provides "match-funding" for selected fundraising initiatives on an annual basis. In 2024, Arcus and its staff donated approximately £60,000 to a selection of charities chosen by Arcus employees and approved by ManCo. These charities included: Starlight Children's Foundation, Sufra Food Bank, Streets of London, Trees for Cities, Impact 100 London, Het Fort, and Foundation Kriibskrank Kanner.

We hope that readers will find our Sustainability Report informative, transparent and provide evidence of our ongoing commitment to improving our, and our investee companies', ESG performance.

Arcus sustainability highlights

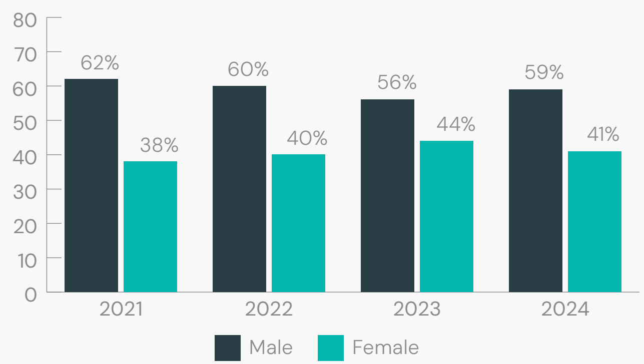
Arcus believes that the provision of high-quality infrastructure is critical to Europe's future economic growth, environmental protection, societal development and to reduce inequalities.

315 Tonnes	Amount of carbon offset	29 Languages	Spoken at Arcus
€48k	Amount spent on Arcus staff training	28 Nationalities	at Arcus

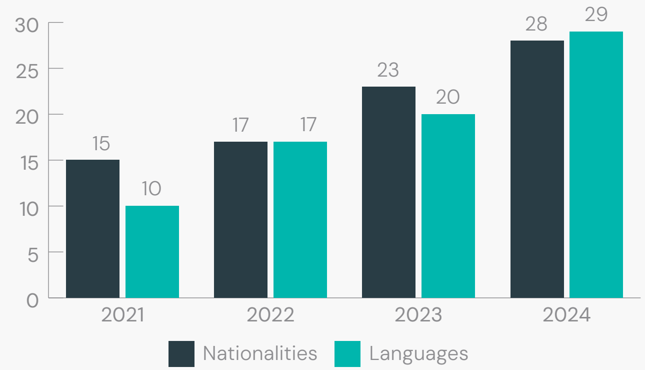
GRESB INFRASTRUCTURE sector leader 2024

Arcus European Trains – Infrastructure Fund

Gender diversity (%)



Diversity of nationalities and languages



Arcus is a member of/signatory to the following organisations:

GRESB

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Signatory of:

PRI Principles for Responsible Investment

initiative climat international

WE SUPPORT UN GLOBAL COMPACT

GIIA Global Infrastructure Investor Association

UK STEWARDSHIP CODE

Arcus approach to ESG

Arcus values

In conducting our day-to-day business, Arcus seeks to apply the following core values and behaviours as they are fundamental to our conduct and interactions with stakeholders.

Arcus values	Supporting behaviours
Transparent	Transparency and integrity sits at the core of our business. Evidenced in our partner-owned structure, through our partnerships with our portfolio companies and investors, and in the focused approach that we apply to our investment decisions. Our investors' interests always come before ours.
Collaborative	Our individual expertise is a strength; when combined it becomes a true differentiator. We recognise this and approach our work as a team, embracing diversity of thought, expertise and experience to deliver the best results.
Accountable	We hold ourselves and our work to high standards. We trust each other to deliver excellent work, knowing that when the time comes to be on, we can rely on each other to be all in. We value diligence and reliability in ourselves and each other.
Meticulously innovative	We believe that a rigorous approach and a deep understanding are critical in order to think differently. We understand first, before applying creativity to the challenges that we face and the opportunities that we uncover.
Respectfully humble	We approach our work and the trust instilled in us by our investors and portfolio partners with the respect that it deserves. We complement our deep expertise with a level of humility that enables us to remain open to learning and different perspectives.

Employee engagement


Sarah Curme, Head of HR

2024 survey results show an increase in overall employee satisfaction

Arcus conducts an annual employee engagement survey focusing on management effectiveness, engagement, culture, and general wellbeing in the workplace. The engagement survey is conducted using independent third-party software, ensuring the survey is anonymous. The survey is a source of employee feedback, and the results are used as an input to ongoing improvements within the business.

The 2024 Arcus Employee Engagement Survey marked the 6th annual survey. Following the survey, Arcus shares the results with the team and provides an opportunity for a debrief session to close the feedback loop and guide follow-up actions. This is part of the Arcus culture of continuous improvement. Specific actions were taken in 2024 as a result of the 2023 employee engagement survey, including enhanced maternity/paternity leave that was equalised for all Partners and employees.

The employee engagement survey at the end of 2024 (which had a 91% response rate compared to 96% in the previous year) showed that 100% of respondents enjoy working at Arcus, 97% believe their personal values are aligned with Arcus' values and 99% believe that Arcus conducts its business with honesty and integrity.

Further to this, there were significant increases in scores on questions relating to the relationships between employees and managers, as well as the understanding of the company's goals. Overall, employees felt that they are recognised for the part they play in the company's success, with a strong belief that the employee engagement survey results will deliver actions. In Q1 2025, the Head of HR has developed a list of areas for improvement based on the feedback from the 2024 employee engagement survey and has been proactively engaging with ManCo for support on various initiatives.

Key highlights

Arcus' investment strategy and beliefs with regards to responsible investment are clearly articulated by the results of the employee engagement survey. These four highlights show that employees are culturally aligned and have faith in Arcus' approach to business and employee wellbeing.

91% response rate (vs. 96% in 2023)

97% believe their personal values are aligned with Arcus values (vs 93% in 2023)

100% of participants are proud to work for Arcus (vs 90% in 2023)

99% believe that Arcus conducts its business with honesty and integrity (vs 94% in 2023)

Arcus governance overview

Arcus is a partner-owned, independent fund manager focused solely on European infrastructure. At 31 December 2024, Arcus was owned by 14 Partners, with no individual Partner owning more than 25% of the business.

Thirteen of the Partners work in the Arcus business and invest in each of our investments alongside our institutional investors. This ensures strong alignment between the investors in each of the pools of capital managed by Arcus and the owners of Arcus itself. Each Partner brings a different perspective on the European infrastructure market, and Partners have each over 15 years' experience working in the infrastructure industry.

The firm has established robust governance structures and processes to provide strong alignment between the people in the business and the interests of our investors and other stakeholders. Arcus is structured to ensure that responsibilities for the organisation's principal activities are clearly apportioned so that management is conducted effectively, investment decisions are taken prudently and responsibly in well documented processes, and communication with investors is clear and transparent.

Please see Arcus' structure chart and key committees on page 11. For further information regarding Arcus' governance structures, please refer to our annual **response to the FRC UK Stewardship Code**.

Management Committee


Ian Harding


Toby Smith


Stuart Gray


Christopher Ehrke


Neil Krawitz

ESG Committee


Neil Krawitz


Jenni Chan


Ian Harding


Shirene Madani


Ronak Patel


Kaj Bakker

Investment Committee


Ian Harding


Simon Gray


Michael Allen


Stefano Brugnolo


Jordan Cott

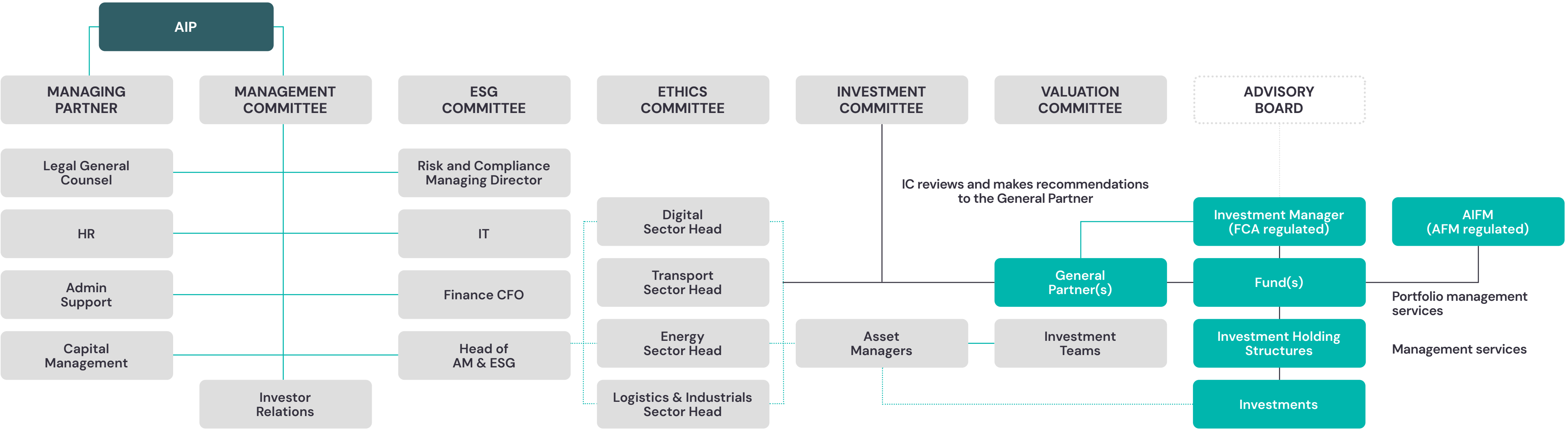


Chart Key

- Internal Arcus Functional Reporting
- Content-driven Steering line
- Fund Reporting line
- Fund Governance body

Arcus approach to ESG

Arcus believes that the provision of high-quality infrastructure is critical to Europe's future economic growth, environmental protection, societal development, and reduction in inequalities.

The experienced, innovative private investments team targets opportunities in the European infrastructure market, seeking to unlock value through a dedicated and focused asset management approach. As an asset manager, we systematically integrate the evaluation of ESG factors into our origination, asset management and exit decisions. Our focus on managing ESG risks and pursuing ESG opportunities relevant to infrastructure stems from our aim to consistently act in the best interests of our investors and other stakeholders and our firm belief that incorporating ESG factors into our policies and procedures helps us to create responsible investee companies generating sustainable value for all stakeholders and thus delivering better long-term returns for our investors.

Policy

Arcus has an ESG policy which applies to all members, employees and contractors. Our policy, available on our website, sets out our principles, the implementation of these principles, reporting, disclosure, communication and training of our team in relation to ESG. The policy is reviewed annually and was last updated in April 2025. Since its establishment in 2009, the application of the ESG policy to the funds is most relevant in our investment origination process, where we consider material ESG factors in our opportunity screening and pre-acquisition due diligence, as well as in the asset management of our investments where we target continuous improvements to the investee company approach to, and management of, ESG factors over time.

The ESG policy sets out Arcus' ESG objectives, the ESG principles Arcus follows, and the ESG Committee's terms of reference and incorporates guidelines concerning responsible investing. The policy also details Arcus' approach to reporting ESG matters to investors and ESG training provided to Arcus team members.

Origination

Consideration of ESG risks and opportunities is a formal element of the Arcus origination process. Every investment opportunity undergoes a three-stage process where ESG factors are considered as part of 1) the initial sourcing and Investment Committee approval to progress preliminary due diligence, 2) the assessment of the investment prior to submission of a non-binding, indicative offer and, if successful, 3) the final review of due diligence and investment hypothesis prior to submission of a binding offer. Arcus pays particular attention to companies that operate, or have plans to operate in, difficult operating environments (including physical environments), e.g. countries which are prone to floods, droughts or industries that face significant supply or demand shifts driven by climate change, or where government is known to be weak, corruption prevalent, and regulation and enforcement of environmental and social issues poor.

The first level of screening for ESG risks and/or opportunities occurs as part of the fortnightly Arcus origination meetings. When an investment opportunity enters the diligence phase, further analysis is undertaken on ESG risks and opportunities, typically involving the appointment of third-party independent experts or consultants. Following on from the screening and the diligence phases, the investment opportunity then enters a decision-making phase where the results of the diligence exercise are provided to the Investment Committee, and thereafter to the AEIMNL Board, via a final approval paper.

Asset Management

Once Arcus has completed an investment, ESG risks and/or opportunities (identified as part of diligence and actions associated with ensuring investee companies meet Arcus' ESG requirements) are included in the 100-day plan workstreams. Arcus ensures that its investee companies have appropriate policies and procedures for ESG matters (either via an ESG or sustainability policy or specific subsidiary policies dealing with relevant ESG factors such as health and safety or environmental matters).

ESG risks and opportunities are continually assessed by the Asset Manager and monitored formally as part of regular board reporting. ESG is monitored at Arcus level quarterly through the internal Arcus risk and ESG reporting process. Climate change related risks and opportunities are integrated into the quarterly risk reviews and are discussed further where they are identified as material. Existing and emerging regulatory requirements related to climate change are also considered when assessing risks on a quarterly basis. All asset risk reviews are reported to the Investment Committee and AEIMNL Board on a quarterly basis and any urgent issues are reported on an ad hoc basis to all appropriate committees and investors.

Reporting

Arcus focuses on disclosure and transparency of reporting as well as materiality of ESG risk and opportunity, including climate-related risks, when setting out ESG monitoring and performance targets. At Arcus we recognise that each investment is unique – whether by virtue of geography, size or other differences – and we consider these factors when setting our initial reporting as well as when setting performance targets.

The main channel for communicating management of ESG risks and opportunities to our investors is the relevant quarterly written Fund or Managed Account reports. Arcus follows the Invest Europe Investor Reporting Guidelines on ESG matters in each of its reports, as well as responding to ad hoc questions on ESG matters from investors.

In compliance with the SFDR, Arcus provides fund PAI reporting on mandatory and voluntary indicators for AEIF2 and AEIF3 as part of the Annual Report to investors.

Exit

Asset management activities throughout the lifecycle of Arcus' investments are focused on managing and reducing risk factors, and pursuing value-add opportunities to improve investment returns. In many cases the benefits accruing from this approach materialise at the point of exit, either through a premium to valuation multiple on account of the improved business prospects or a reduced buyer equity discount rate due to the reduction in perceived investment risk. ESG is an integral part of the Arcus Asset Management Framework and this systematic approach is incorporated for many years in advance of exit with value realisation in mind.

Key developments in 2024

Arcus is a signatory to the UN Principles for Responsible Investment, UN Global Compact, TCFD, UK Stewardship Code, iCI and a member of GRESB. Following the commitment Arcus made to achieve net zero by 2050, Arcus continued to advance its net zero approach, working to translate this commitment both at a fund and investee company level, engaging with the management teams of the investee companies to map out the required next steps on this journey.

During the year, Arcus in collaboration with consultancy firm Anthesis has identified a decarbonisation strategy covering c. 85% of AEIF2 2023 emissions (namely for Constellation, HB RTS, Opus B and Peacock). Arcus is aligning its processes with the IIGCC NZIF 2.0. Arcus will continue to make significant progress on these workstreams in 2025, ensuring infrastructure continues to fulfil its critical role in a more sustainable future. For more information please refer to page 30 of this report.

Throughout the year, Arcus continued to make material contributions to 13 of the 17 SDGs that Arcus recognises it can have the greatest impact on through investing in European infrastructure, supporting the energy transition, decarbonisation of transportation, digitisation of society and promoting the circular economy. To mark the ninth anniversary of the adoption of the Sustainable Development Goals in 2024, Arcus joined the UN Global Compact Network UK for the SDG Flag Campaign promotion in September 2024.

The Arcus Origination Management Team considers relevant ESG factors from the very beginning of the investment lifecycle and in 2024, c. 6% of the 321 potential investment opportunities were not progressed post the initial screening meeting due to specific ESG concerns. We continued to enhance our ESG due diligence process with a designated member of the ESG team working with deal teams to identify ESG risks and opportunities at an early stage of the investment process. This process starts in advance of engaging and scoping specialist due diligence advisors to ensure the consistent application of a best practice approach and documentation of ESG due diligence across all potential investment opportunities.

This process includes consideration of the Principal Adverse Impacts ("PAIs") as part of the investment decision-making process documented as part of the final investment. The PAIs assessment is included as a mandatory element in the investment process ensuring that Arcus considers the adverse impacts of its investment decisions. In line with EU sustainability regulations and disclosure standards, Arcus must report annually on the mandatory PAIs, and voluntarily chooses to report on relevant voluntary PAIs under the Sustainable Finance Disclosure Regulation ("SFDR"). Additionally, during the year, Arcus worked with an external advisor, Pinsent Masons, to provide relevant training to management teams on upcoming regulatory requirements, the Corporate Sustainability Disclosure Directive ("CSRD"). For more information on the training programme please refer to the case study on page 59 of this report.

In August 2024, the UK Financial Reporting Council confirmed Arcus as a signatory to the UK Stewardship Code for the reporting period of 1 January to 31 December 2023. In the 2023 Stewardship Code response, Arcus focused specifically on demonstrating stewardship during the reporting period through case study examples. The Arcus Stewardship Code report is available on the Arcus and FRC websites and provides a summary of the approach to the Principles of the Code and explanations of the activities we undertook in 2023. Arcus plans to report annually on its stewardship activities in line with the Code's requirements.

The key ESG risks and mitigants for Arcus and each investee company were reviewed quarterly and a full annual ESG review was undertaken for each investee company in the Q1 2024 Asset Review Meeting.

Arcus participated in the UN Global Compact Network UK's SDG Flag Campaign promotion

Arcus continued its data collection in 2024 for its own Scope 1, 2 and 3 (material categories) emissions. In 2024, Arcus' Scope 1, 2 and material Scope 3 carbon emissions were 315 tonnes of CO_2 ("tCO_2") compared to 363 tCO_2 in 2023. The Arcus 2024 emissions were offset through Carbon Footprint, which manages the Verified Carbon Standard Kenya reforestation project in the Great Rift Valley. Arcus continues to monitor office paper usage and printing, targeting reduction throughout the year.

We recognise the importance of having a diverse, inclusive workforce. Arcus continues to be a diverse organisation with Partners and employees from 28 nationalities, speaking 29 languages (as at 31 December 2024) (compared to 23 nationalities and 20 languages in 2023). Arcus continues to grow, with several new hires in 2024 whilst applying an improved DEI policy within the approach to recruitment to ensure fairness and equality. In Q4 2024, Fabio Schweinoster-Manfroni joined Arcus as ESG Executive, bringing the Arcus ESG team to five members, three of whom are dedicated full-time to ESG matters.

Arcus had a team gender balance of 41% female, compared with 44% in 2023. In November 2024, Arcus hosted a mandatory diversity workshop which focused on a culture of trust, mutual respect, and engagement, which was attended by all staff. Arcus team members continued to engage in technical and personal development training, funded by Arcus, at a cost of c. €48,000 during the year.

Arcus employees volunteer with Trees for Cities

The entire Arcus team completed online training relating to anti-money laundering, code of conduct, Senior Managers and Certification Regime conduct rules, information security and cyber risk awareness, anti-harassment & discrimination and GDPR training.

Neil Krawitz, Head of Asset Management and ESG, continued to serve as a member of the GRESB Foundation Infrastructure Standards Committee and Arcus was represented by employees on the GRESB Expert Group as well as the GRESB Net Zero and GRESB Data Centre working groups during 2024.

Members of the Arcus ESG Committee and team attended various sustainability workshops and seminars during the year including the UN PRI's main annual event, "in Person & Online Conference", GRESB training and results presentation, the Women in Infrastructure Forum, the Morningstar Sustainable investing Summit and additional regulatory-related seminars and workshops.

Arcus, in association with the Sutton Trust charity, delivered its fifth annual social mobility programme to six A-level school students from underprivileged backgrounds in May 2024. Arcus team members volunteered in delivering sessions over four days, which covered insights into Arcus, infrastructure, finance, asset management and general skills sessions such as CV building and the use of professional social media tools. The placement ended with presentations from the group, in the forum of a mock Investment Committee scenario. In July, Arcus delivered its second formal summer internship programme, also in partnership with the Sutton Trust, for university students from minority and underprivileged backgrounds. The programme saw four university students join Arcus in paid roles for six weeks, predominantly working with the investment teams while receiving weekly teach-ins on topics such as infrastructure investing, accounting, investor relations and more. The four students also had the opportunity for a site visit at a former Arcus investee company.

In July 2024, members of the Arcus team spent a day volunteering at Sufra Food Bank, a London charity tackling food poverty, helping in their local community kitchen and food shop. In October, four of the Arcus team also participated in the Streets of London sleep out, raising money and awareness for the homeless. In November, seven Arcus team members participated in a corporate volunteer day at Trees for Cities, a UK-based charity which plants urban trees to create greener cities, planting 12 elm and hazel trees in Ashburton Playing Fields, Croydon.

Arcus and its employees made c. £60,000 in donations to several staff nominated charities in 2024. These charities include Starlight Children's Foundation, Sufra Food Bank, Streets of London, Impact 100 London, Sutton Trust, Het Fort, the Foundation Kriibskrank Kanner and Family Action. In addition, Arcus used Carbon Footprint in 2024 for carbon offsetting in respect of emissions from the prior year.

GRESB and UN PRI process and results

GRESB

Arcus has been a GRESB member since March 2017 and has completed the GRESB reporting cycle for all Arcus funds and investee companies where they meet GRESB's qualification requirements (assets held in fund at year end and that have been held for more than six months of the reporting period). In 2024 GRESB ran the infrastructure benchmarking process with 167 infrastructure funds and 720 infrastructure assets participating (compared to 172 funds and 687 assets in 2023).

Arcus completed a fund assessment questionnaire for all its Funds and Managed Accounts in Q2 2024, along with each of the investee companies completing an asset assessment questionnaire.

In the 2024 GRESB Infrastructure Assessment, Arcus has once again demonstrated its best-in-class ESG performance with Arcus European Trains (the Alpha Trains holding partnership or "AET") ranking first out of 116 infrastructure funds which completed the full GRESB performance assessment, scoring 98 out of 100 possible points. This impressive score also meant that AET has been named GRESB Infrastructure Sector Leader in the following category: Europe Transport. Alpha Trains came first out of the entire management component of 696 participating assets, and was also awarded a Sector Leader awards for the overall Transport and Rail Companies categories.

AEIF2 received a 4-star GRESB rating and scored 93 out of 100 available points in the GRESB fund assessment, improving its score by two points and performing significantly above the average fund participant's score of 87 out of 100 points. Constellation scored 99 out of 100 points, an increase of six points compared to 2023, and received a 5-star rating. This compares to a score of 67 out of 100 points received in 2021, the first year of Constellation's participation in GRESB. This result reflects Arcus' dedication to continuously improving Constellation's ESG approach over AEIF2's ownership and represents the significant improvements that can be implemented by Arcus over its ownership period.

Momentum achieved an outstanding 95 out of 100 points, while HB RTS and Opus B scores increased to 77 and 86 points respectively; in relation to other notable results in the fund's assets, Peacock ranked first out of 695 assets for the Performance module, with 60 out of 60 points and an overall score of 93 out of 100 points. Other AEIF2 assets performed very well, with Horizon, SMA and Swiss4net all receiving 93 out of 100 points.

Arcus' latest fund, AEIF3, also participated in the GRESB assessment for the second year, scoring 85 out of 100 points, up from 67 out of 100 points in 2023. The investee company coverage was expanded to include Officium and Portus for the first time in 2024. Workdry scored 89 out of 100 in its second year of participation, an increase of over 60% when compared to last year's score of 54 out of 100. Other AEIF3 assets performed in line with expectations of first-year participants, with Officium and Portus scoring 67 and 75 out of 100 points respectively. In 2025, Coolworld and EZE will participate for the first time.

As the AEIF3 portfolio is in the process of being built out, and the investee companies are new to the Arcus portfolio, we expect improvements as we implement our ESG approach in all AEIF3 investee companies. Improved year-on-year GRESB asset scores demonstrate our commitment to continuous ESG improvement and the effectiveness of the systematic and disciplined Arcus ESG approach to show changes that we have implemented during the year to improve sustainability within the businesses. Workdry's score improvement illustrates this and is recognition of the hard work of the Workdry and Arcus teams over the year.

GRESB remains an important tool for Arcus as it allows us to measure our ESG performance and benchmark ourselves against other funds and assets. As ESG is an evolving topic, we are continually striving to improve our management of ESG factors and report to investors. GRESB is also a tool which provides feedback and is used to engage investee company management teams on areas where investee companies can improve and develop. The results of the GRESB assessment have and will continue to provide a baseline for ESG performance and allow us to analyse further the materiality and relevance of ESG issues at our Funds and Managed Accounts and investee companies to enable us to target improvements where necessary and possible.

The table on page 19 of this report summarises the GRESB performance of each of our Funds and Managed Accounts and the portfolio summary section of this report on pages 64 to 72 provides individual asset scores.

Principles for Responsible Investment ("PRI")

Arcus completed the PRI reporting in July 2024 under the revised and extended PRI reporting portal. Arcus achieved a 5-star rating across all modules. In the Policy Governance and Strategy module, as well as the Infrastructure module, Arcus continued to perform well, scoring 95 out of 100 and 98 out of 100, respectively. In the Confidence-Building Measures module (which was newly introduced in 2023), Arcus demonstrated a 20-point improvement, and a one-star increase. This improvement resulted from incorporating our internal audit processes related to the PRI report into this year's submission

United Nations Global Compact ("UNGC")

In 2024, Arcus submitted its UNGC response in June 2024 satisfying the requirements of the UNGC's Communication on Progress ("COP"). Please refer to page 23 for more information on how Arcus supports the 10 UNGC principles.

Reporting to investors

In 2024 we reported on ESG to investors on a quarterly basis both at Fund level and for each investee company. In March 2024 we reported for the second time under SFDR for the 2023 financial year in the respective Fund annual reports. We also continued to report ESG developments and specific Arcus ESG related initiatives and performance to investors on an ad hoc basis as necessary.

AEIF2 and AEIF3 issued a 2023 annual and quarterly report to its investors in March 2024, followed by an Annual General Meeting in May.

In 2024, Arcus continued portfolio-wide on Task Force on Climate-related Financial Disclosures ("TCFD") and GHG emissions reporting. Further detail can be found in our TCFD summary on page 31.

Arcus ESG Performance Results

Awards	Entity	2023	2024
GRESB	AEIF2	91/100 ★★★★	93/100 ★★★★
	AEIF3	67/100 ★	85/100 ★★
	A1	96/100 ★★★★★	96/100 ★★★★★
	AET	99/100 ★★★★★	98/100 ★★★★★
	Tivana	98/100 ★★★★★	96/100 ★★★★★
PRI	ARCUS	Policy, Governance & Strategy – 95/100 ★★★★★ Direct – Infrastructure – 98/100 ★★★★★ Confidence building measures – 80/100 ★★★★	Policy, Governance & Strategy – 95/100 ★★★★★ Direct – Infrastructure – 98/100 ★★★★★ Confidence building measures – 100/100 ★★★★★

Arcus' contribution to the United Nations Sustainable Development Goals

Arcus is supportive of the 2030 Agenda for Sustainable Development adopted by the United Nations member states in 2015.

Arcus is most likely to have the greatest impact on the following SDGs identified below, as these are well aligned to where we are investing capital through our investment strategy and the long-term trends we see affecting our core European markets, such as decarbonisation of the economy as a result of climate change, demographic shifts leading to rapid urbanisation and increasing reliance on telecom data networks.

3 GOOD HEALTH AND WELL-BEING

Opus Bilprovning ("Opus B") is a market-leading vehicle inspection business in Sweden, focusing on safety and emissions testing, with a network of 99 stations nationwide undertaking approximately 1.5 million inspections annually. Opus' business operations contribute directly to SDG 3, goal 3.6 'By 2020, halve the number of global deaths and injuries from road traffic accidents. The Periodic Technical Inspection ("PTI") of vehicles is a key tool in ensuring road safety and controlling vehicle emissions. As a PTI operator, Opus B provides mandatory inspections to ensure vehicles remain roadworthy and meet emissions standards.

6 CLEAN WATER AND SANITATION

Workdry makes a material contribution to improving water quality through the provision of pumping, wastewater treatment and services to water utilities. The company operates from a depot network of 40 sites, with over 18,000 pumps.

4 QUALITY EDUCATION

Swiss4net prioritises community engagement across their businesses, and this includes working with local communities and schools to increase awareness of FTTH, supporting access to highspeed broadband, sponsoring educational events and innovative education lab.

7 AFFORDABLE AND CLEAN ENERGY

Officium provides submetering in domestic premises. Submetering technologies allow energy suppliers to offer tailored and cheaper energy tariffs. The customers' ability to observe energy usage with sub-meters allows for better awareness of energy use and dynamic energy consumption matching demand and supply. By the end of 2024, Officium's portfolio included more than 2.5 million submetering devices.

8 DECENT WORK AND ECONOMIC GROWTH

All Arcus portfolio companies are committed to highest standards of labour and health & safety practices in the workplace.

5 GENDER EQUALITY

DEI is a key social goal across the AEIF3 portfolio, and we encourage all investee companies to incorporate DEI principles in their ESG and/or HR policies while actively promoting gender equality. Peacock has employment and human rights policies to promote a safe, healthy, secure and flexible working environment to further strengthen their commitment towards a diverse and inclusive working environment. Additionally, Brisa is committed to achieving gender equality, with the strategic goal of achieving gender parity in leadership positions by 2029. The aim, after doubling the number of women in top management positions by 2022 (initial target was 2025), is now to achieve full convergence between the percentage of women in the workforce and the percentage of women in leadership positions by 2029.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Momentum is committed to ensuring its renewable energy infrastructure is maintained to high standards and is optimised in a sustainable, reliable and resilient way. With specialised in-house professional management and dedicated maintenance, the Momentum team can improve the resilience and technical life of existing renewable energy plants well beyond their original design lives.

10 REDUCED INEQUALITIES

In 2024, all AEIF2 and 3 investee companies voluntarily reported on the number of incidents of discrimination and number of incidents of discrimination leading to sanctions.

11 SUSTAINABLE CITIES AND COMMUNITIES

AEIF2 investee companies like HB RTS and Peacock contribute to reduce environmental impact of cities by enabling sustainable transport solutions. Peacock facilitates the safe transport of liquids and gases through the use of ISO tank containers minimising the risk, wastage, energy cost and GHG emissions from alternatives like cargo transhipments. HB RTS significantly contributes to the circular economy by providing reusable load carriers solutions for a diverse range of customers allowing them to reduce single-use packaging.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

"Responsible use of resources" is one of Arcus' material environmental factors. Through investee companies such as Officium and Workdry, AEIF3 actively supports efficient consumption of energy and water. Through Coolworld, AEIF3 makes a material contribution towards limiting food waste and improving food security. Climate storage conditions play a critical role in the food industry. Approximately 19% of food available to consumers is being wasted by the retail and food service industries and through household waste[3].

14 LIFE BELOW WATER

Workdry is a leading provider of water pump and wastewater treatment assets in the UK, the Netherlands and United States, offering multiple asset solutions designed to address water pollution, thereby contributing to Life below Water. Wastewater treatment plants employ various processes to remove contaminants from agricultural, industrial or sewer wastewater, through physical, chemical and biological treatments.

17 PARTNERSHIPS FOR THE GOALS

All AEIF3 investee companies have policies on ESG factors (either via an ESG or sustainability policy or specific subsidiary policies dealing with relevant ESG factors such as health and safety or environmental matters). As ESG is an evolving topic these policies are reviewed at least annually to facilitate continuous improvement. In 2024, Officium worked towards the integration of its first ESG policy as part of the internal policy suite.

13 CLIMATE ACTION

All Arcus investee companies have completed climate change impact assessments that inform climate change mitigation and adaptation strategies. In 2024, all Arcus' investee companies continued to report on Scope 1, 2 and material Scope 3 GHG emissions in line with the GHG protocol.

3 Source: The UN Environment Programme ("UNEP") Food Waste Index Report 2024

Supporting the United Nations Global Compact

As a signatory of the UNGC, Arcus is committed to responsible investment and has aligned relevant policies and procedures with the UNGC's ten principles on human rights, labour standards, environment and anti-corruption.

Human rights

Arcus recognises Human Rights as a material topic in its ESG policy. Arcus' commitment towards human rights outlines the expectation that its members, employees, contractors, and its investee companies will respect human rights in their business activities. As part of Arcus' approach to continuous improvement and increased transparency, Arcus annually reports on compliance of investee companies to the UN Global Compact principles and OECD Guidelines for Multinational Enterprises to investors and efforts made towards SDG 8 "Decent work and economic growth". Arcus' statement in response to the UK Modern Slavery Act is publicly disclosed on the Arcus website. Arcus has zero tolerance for slavery and human trafficking in its supply chain management. Staff annually receive relevant compliance training. Through its acquisition due diligence procedures and ongoing asset management of investments, Arcus endeavours to ensure no form of slavery, servitude, forced or compulsory or child labour or human trafficking takes place. All Arcus members and employees receive training on the Modern Slavery Act on a regular basis. In 2024, two more investee companies adopted standalone Human Rights and Labour policies to further formalise their approach.

Labour standards

Arcus is committed to paying fair wages, supporting human capital development and providing ongoing employment security for its members, employees, contractors and investee companies. This is translated into Arcus' support of SDGs 3, 4, 5, 8 and 10. Arcus has implemented a remuneration policy, which governs the processes concerning the payment of remuneration to Arcus' members and employees. The Remuneration Policy, and an individual's remuneration, incorporates the management of sustainability factors. This continues to be in effect. Arcus has an inclusive corporate culture and recognises the importance of having a diverse, inclusive workforce with members, employees, contractors and investee company personnel coming from diverse backgrounds. During the reporting period, Arcus continued to promote DEI within the approach to recruitment. In 2024 Arcus continued to support social mobility in association with the Sutton Trust charity through a work experience programme, more details can be found on page 16.

UN GLOBAL COMPACT

Environment

Arcus is aware of the adverse impacts its operations could have on the environment and has outlined environmental factors considered to be material to Arcus and the wider infrastructure sector in its ESG policy. These environmental factors are monitored from early stages of the investment analysis and throughout the lifecycle of Arcus' investment, and public disclosure improves transparency to Arcus' investors and key stakeholders. Arcus continues to report on physical and transitional climate-related risks and opportunities for all its investee companies as part of TCFD reporting, outlined on page 31 of this report.

Anti-corruption

A core Arcus value is "Integrity, honesty and professionalism" which, in combination with Arcus' policy framework, forms the basis for a zero-tolerance approach to bribery and corruption that extends beyond Arcus' employees and members to service providers and investee companies. Arcus has an Anti-Bribery & Corruption policy as part of the wider Compliance manual. In 2024, 100% of Arcus staff completed online Anti-Bribery and Corruption training and signed an annual attestation that they have read and adhered to the Arcus policy framework.

> "As part of our ongoing commitment to putting the UN Global Compact and its principles at the centre of the strategy, culture, and day-to-day operations of our business, and to commemorate the ninth anniversary of the adoption of the Sustainable Development Goals in 2024, Arcus participated in the UN Global Compact Network UK's SDG Flag Campaign promotion in September 2024. This initiative underscores our dedication to promoting and achieving these global goals."
> **Ian Harding, Managing Partner**

Portfolio sustainability highlights

Portfolio sustainability highlights

Arcus believes that the provision of high-quality infrastructure is critical to Europe's future economic growth, environmental protection, societal development and to reduce inequalities. In this section, we outline our portfolio companies' approach towards Environmental, Social and Governance topics as defined by materiality. We will present a series of case studies showcasing ESG best practice through our portfolio companies in 2024.

Major Health & Safety Incidents across all portfolio companies	0
Major Environmental Incidents across all portfolio companies	0
Number of employees across all portfolio companies	8,579
Gender ratio across all portfolio companies	71% male 29% female

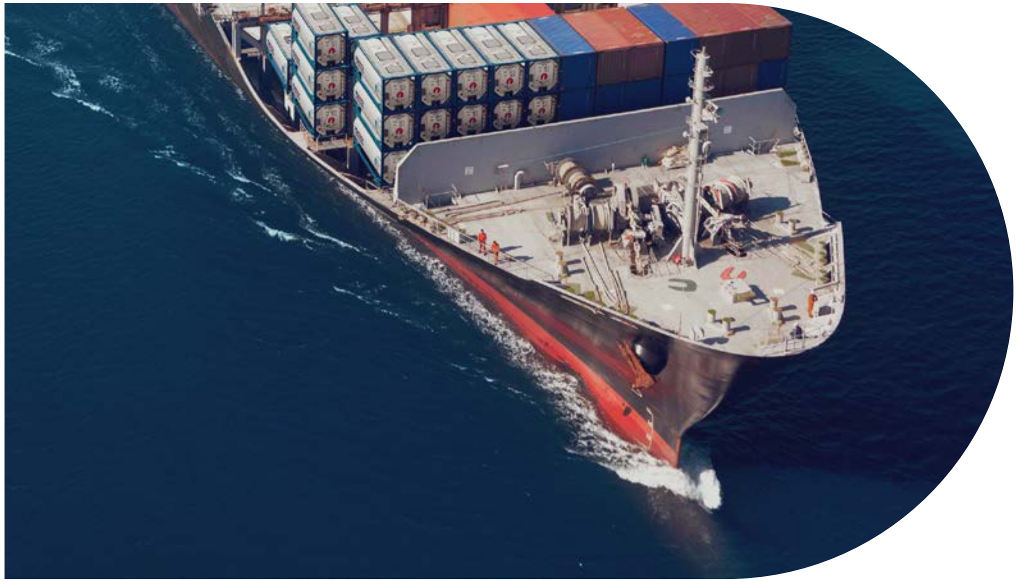
Environmental

Climate strategy

13 CLIMATE ACTION

Severe weather-related incidents in all regions of the world impacted millions of people and underscored the urgency of addressing climate change. As an infrastructure asset manager, we are essential in not only reducing carbon emissions in our portfolio and investing in value-add solutions but also in adapting our infrastructure to the challenges posed by climate change. In this section, we detail the actions we are taking to fulfil our net zero commitments and our efforts to maintain a climate-resilient portfolio. Sustainable and efficient operations of critical infrastructure play a vital role in the global race against climate change. In Arcus' investment strategy, it is recognised that infrastructure plays a critical role in the transition to a low-carbon future and Arcus seeks to avoid stranded asset risk and maximise transitional climate change opportunities.

As a responsible investment manager Arcus has a responsibility towards integrating best-in-class ESG strategy, including risks and opportunities associated with climate change. Physical and transitional effects of climate change continue to pose risks globally. Arcus requires all portfolio companies to monitor and review climate change risks and opportunities annually and the asset teams are expected to review all physical climate change risks and opportunities regularly and present these during the asset review meetings in the first quarter of each year. The materiality of climate change risks to and opportunities for each of the investee companies are discussed at the asset review meeting and a subsequent Fund/portfolio-wide summary is presented to the Investment Committee, AEIMNL board, GP board as relevant for consideration. Climate change risks and opportunities are also reported to investors (as relevant to the Fund or Managed Account they are an Investor in) on an annual basis, in line with the TCFD recommendations. Reporting is structured around four thematic areas that represent core elements of how organisations operate: governance, strategy, risk management, and metrics and targets. Where required, climate change specialists will be consulted to assist with TCFD requirements, such as climate forecast scenario analysis. A portfolio-wide TCFD summary report view is included within this report on page 31.



Vehicle electrification as part of climate strategy

EZE

In June 2024, AEIF3 invested in a majority stake in eze.network ("EZE"). EZE, founded in 2019, is at the forefront of making local electromobility a viable alternative for urban populations. The company owns and operates over 1,200 EV charge points across major metropolitan areas in Germany and continues to expand through partnerships with cities and municipalities.

EZE's model focuses on long-term collaboration allowing for stable infrastructure planning and integration into urban development strategies. The company's mission is to create a cleaner future by delivering seamless EV charging solutions which directly supports Germany's broader mobility and climate objectives.

EZE's infrastructure contributes significantly to the decarbonisation of Germany's transport sector. By expanding charge point networks in dense urban areas, the company helps shift mobility patterns away from fossil fuels. Moreover, EZE's scalable model can support wider regional and national goals for electrification.

As cities look to future-proof their transportation network, companies like EZE demonstrate how private-sector innovation, aligned with public policy and ESG values, can turn climate ambition into tangible infrastructure and everyday impact. EZE is thereby, directly contributing to SDG 9 "Industry, Innovation, and Infrastructure". In addition, EZE is a key partner to cities and municipalities across Germany supporting amongst other SDG 11 "Sustainable Cities and Communities" by fostering cleaner, more connected urban environments and reducing emissions from traditional transport systems.

Climate resilience adaptation

Workdry International

WORKDRY INTERNATIONAL

In September 2022, AEIF3 acquired a controlling stake in Workdry. Workdry is a leading provider of water pumps and wastewater treatment assets in the UK, operating through its trading brands Selwood and Siltbuster. The assets are leased to UK water utilities, construction and engineering firms and other industrial customers to manage the maintenance and expansion lifecycle of the UK's water infrastructure network and to support large-scale infrastructure and construction projects.

The company operates from a depot network of 40 sites, with over 7,500 pumps and over 1,000 wastewater treatment assets. During Arcus ownership, Workdry's ESG journey has commenced with a more robust reporting process, publishing its first ESG report, hiring a dedicated ESG manager and starting to track key ESG metrics, allowing it to set actionable targets and then report against those.

In February 2024, Workdry expanded its geographical footprint through acquiring Vanderkamp Pompen ("Vanderkamp"), a leading European provider of engineered pump leasing solutions with primary operations in the Netherlands and the UK. This acquisition was followed by the purchase of Holland Pump in August 2024, a leading provider of water pump leasing solutions with a strong presence across the East and Gulf Coast regions of the US.

Supporting recovery and resilience during Hurricane Milton
In October 2024, Hurricane Milton, a Category 3 storm, struck Florida, bringing severe rainfall, flooding, and widespread infrastructure disruption. In response, Holland Pump, part of the Workdry group, rapidly deployed a fleet of pumps to assist affected areas in managing excess water. This swift intervention enabled customers to minimise downtime, protect infrastructure, and accelerate recovery efforts from the hurricane.

The supply of capital intensive equipment which helps build resilience in local infrastructure is especially critical in regions prone to climate hazards such as hurricanes and flooding like those in the South Eastern United States.

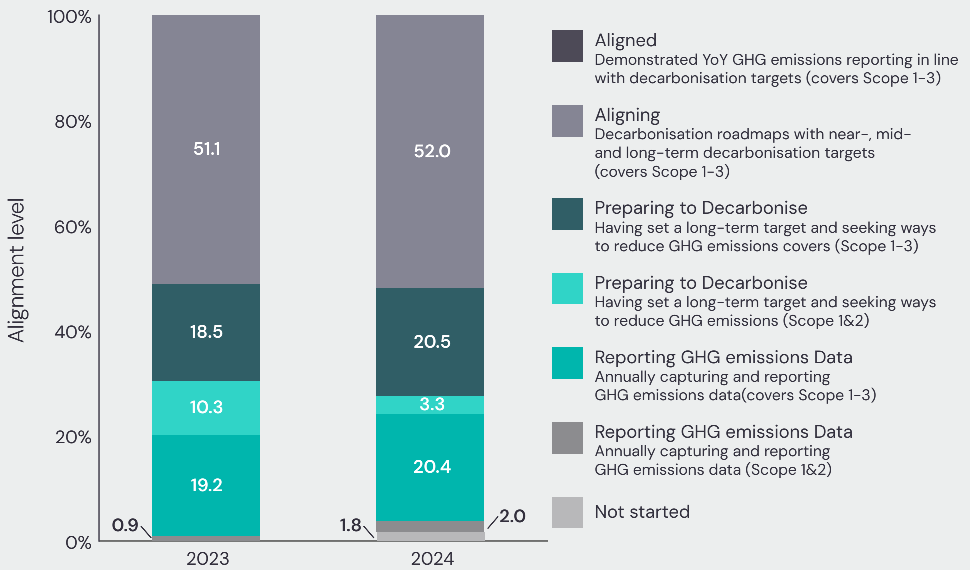
This case highlights the importance of infrastructure solutions that respond to evolving climate risks, protect communities, and contribute to sustainable development goals, particularly SDG 11 "Sustainable Cities and Communities" and SDG 13 "Climate Action" which Workdry directly contributes to.

Net zero

In December 2022 Arcus pledged to achieve net zero by 2050 in line with a 1.5°C temperature increase limit scenario. Arcus commits as a signatory to recognised industry net zero initiative, initiative Climat International ("iCI"), and is in the process of adopting a science-aligned net zero framework to guide its implementation of net zero targets. In addition, in line with the TCFD recommendations, Arcus reports annually on transitional climate change impacts for its Funds and Managed Account assets.

Therefore, GHG emissions and the carbon footprint of all individual assets and Arcus' Funds are a material topic for the approach to responsible investment. This reflects Arcus' support of SDG 9 "Industry, Innovation and Infrastructure" and SDG 13 "Climate Action", as set out on page 22. Arcus has been reporting the second consecutive year on the Scope 1, 2 and material Scope 3 emissions of its funds and managed accounts in line with the standard of the GHG Protocol.

Arcus portfolio net zero alignment



NZIF Portfolio alignment by equity invested

Creating transparency of long-term ESG targets

Arcus recognises ESG data is instrumental in providing transparency to its investors and other stakeholders. Consistent data collection, robust policies and processes allow regular reporting on progress against long-term ESG targets. Arcus follows international reporting standards and discloses relevant climate data annually to its investors. Through participation in widely recognised benchmarks such as GRESB and commitments to international reporting standards, Arcus enables its key stakeholders to compare fund performance against peer groups. In 2024, all Arcus investee companies except FixMap, which was acquired at the end of Q3 2024 (and will report in future years), collected and reported relevant GHG emission data in line with the GHG protocol.

Measuring progress towards net zero

Arcus uses the Net Zero Investment Framework ("NZIF") for infrastructure to set science-based decarbonisation targets for its assets. As part of this commitment, Arcus worked with sustainability consultancy Anthesis and four AEIF2 investee companies in 2024—Constellation, HB RTS, Opus B, and Peacock—to develop comprehensive decarbonisation roadmaps. These investee companies accounted for approximately 85% of AEIF2's total GHG emissions in 2023. The roadmaps included identifying relevant decarbonisation levers as well as setting actionable interim CO_2 reduction targets aligned with Science Based Targets initiative (SBTi) standards for Scope 1 and 2 emissions.

In order to provide an overview of the Fund's progress to climate change mitigation and alignment to the corporate net zero commitment, Arcus uses the guidance from the Private Markets Decarbonisation Roadmap 2.0 ("PMDR")[4]. The graph on the left hand side presents Arcus' portfolio net zero alignment by invested equity across investee companies.

Advancing the net zero strategy

In 2024, 20.5% of Arcus' portfolio, measured by invested equity, was in the process of preparing to decarbonise, representing an increase of approximately 3[2] percentage points compared to the previous year. A further 52% of the portfolio had already established a decarbonisation roadmap and initiated the process of setting relevant GHG targets. Arcus is planning to further extend its net zero approach bringing AEIF3 investee companies towards a decarbonisation trajectory aligned with net zero by 2050 during the ownership period. In December 2024, Arcus commenced work with the first AEIF3 investee company, Workdry, to support the development of its decarbonisation roadmap.

4 The Private Markets Decarbonization Roadmap ("PMDR") provides a common language that enables Private Equity firms to disclose their assets' decarbonisation evolution. It was first developed by Bain in collaboration with the iCI with input from more than 250 GPs and LPs (Bain, 2025)

Task Force on Climate-Related Financial Disclosures reporting

Arcus reports on the recommended four TCFD key areas (known as "pillars"): Governance, Strategy, Risk Management and Metrics and Targets. With the addition of two more assets within AEIF3 in 2024, we conducted a climate scenario analysis of these new Arcus investee companies, namely EZE and FixMap. While it is widely recognised that the emission of greenhouse gases will cause further warming of the planet, the financial implications of climate change are more challenging to understand, which highlights the need for such reporting as well as processes for assessing, measuring, and monitoring climate change risk.

The analysis contained within this report, and the underlying climate data, has been prepared in conjunction with ERM, a global sustainability consultancy, who we have been working with since the inception of our TCFD reporting. The Arcus disclosure is contained below and concludes that, relative to other infrastructure sector peers, the Arcus portfolio's average physical climate risk remains low to moderate and the low carbon transition continues to provide more of an opportunity than a risk, which aligns with our investment thesis that captures the transition to a low carbon, resilient economy.

The TCFD published its final recommendations, recommended disclosures and specific guidance for financial institutions on climate-related risks and opportunities and has been disbanded as of December 2023. In its place, the IFRS (International Financial Reporting Standards) Foundation has taken over the monitoring of the progress of companies' climate-related financial disclosures. In addition, the IFRS Foundation has integrated TCFD's framework into their own requirements and will be monitoring climate-related disclosures through the ISSB (International Sustainability Standards Board).

For the purposes of the FCA's TCFD reporting requirements, the reporting entity is Arcus European Investment Manager LLP ("AEIM"). The disclosures in this Report are in accordance with the climate-related disclosure requirements in Chapter 2 of the FCA's ESG Sourcebook, Annex I. AEIM is authorised and regulated by the FCA in the UK. As an FCA regulated asset manager, AEIM is required to prepare and publish a climate report based on the TCFD recommendations and recommended disclosures and compliant with the FCA Rules. Arcus seeks to adopt a consistent approach across the management of all Funds and Managed Accounts in its strategy and management of assets, including with respect to climate-related risks and opportunities. Accordingly, this section of the Sustainability Report represents AEIM's TCFD entity-level report in accordance with the FCA Rules for the reporting period 1 January 2024 to 31 December 2024.

Governance

Arcus has established robust governance structures and processes to manage climate-related risks and opportunities. Arcus' oversight of ESG factors, and specifically management of climate-related risks and opportunities related to investments, is the overall responsibility of the Manager via the Investment Committee. ManCo is the governing body of the Manager and takes decisions on all Arcus-related matters but does not directly oversee the investments in Funds and the Managed Accounts. The responsibility for overseeing investments in Funds and the Managed Accounts is delegated by the ManCo to the Investment Committee. Day-to-day management of climate change risks and opportunities for each investee company is further delegated by the Investment Committee to the Arcus Asset Manager, and the Arcus Head of ESG and the ESG Committee assist with the integration of climate related risk management protocols within Arcus, investment origination processes and investee companies' policies and procedures. Overall oversight of climate risk management remains the responsibility of the Investment Committee, including key decision making as it relates to the effects of climate change on Arcus investee companies.

Climate change risk is first assessed through the Principal Adverse Impacts ("PAIs") assessment that is completed for each potential Arcus investee company prior to a decision on whether to invest, documented within the final investment approval paper. Arcus' asset management teams for each investee company shortly after acquisition, and then on an annual basis, review ongoing physical and transition climate change risks and opportunities during the annual Q1 internal asset review meeting (a portfolio-wide knowledge and best practice sharing forum attended by all Asset Managers and the Investment Committee). The materiality of the climate-related risks and opportunities is discussed for each investee company and compared against other Arcus investments. Arcus also requires investee companies to monitor and review climate change risk on a quarterly basis through risk reviews.

These risk reviews are presented to the Investment Committee and the Head of Compliance who review the risk identification and assessment and also for consideration of the completeness of risk analysis and appropriate risk management. These are then presented to the Board of AEIMNL

Through our use of GRESB as a benchmarking process and tool for ESG performance assessment, which leverages the TCFD framework in its questionnaire, investee companies receive annual feedback on climate change management and performance. This allows Arcus to benchmark investee company performance against peers and generally accepted industry best practice measures.

Strategy

As set out on page 30, Arcus has committed to a 2050 net zero target and is a signatory to the initiative Climat International ("iCI"). Further details on our process of decarbonisation pathways for our investee companies can be found in the Metrics & Targets section. AEIM is incorporated in the UK and operates in the UK. AEIM notes that the UK Government committed in June 2019 to a 100% reduction of greenhouse gas emissions by 2050 compared with 1990 levels. This is referred to as the net zero target. The Government stated that net zero means "any emissions would be balanced by schemes to offset an equivalent amount of greenhouse gases from the atmosphere, such as planting trees or using technology like carbon capture and storage". While the Arcus 2050 net zero target has been determined separately to the UK Government's commitment, it is aligned with the ambition of the UK Government.

Scenario analysis of our investee companies was conducted by ERM through two specific stages, which were: (i) a portfolio screen that provided an overview of climate risks and opportunities across the portfolio, and (ii) a financial driver analysis that involved a review of the possible impact of climate related issues and refined the identified risks and opportunities that had a material financial relevance.

1) **Physical**: risks and opportunities associated with changing physical climate, (e.g. more frequent or severe storms or flood events); and
2) **Transition**: risks and opportunities associated with a transition to a low carbon economy (e.g. the shift to electric vehicles and increasing carbon prices).

Scenario analysis methodology

The scenario analysis considered a range of timeframes and scenarios in order to provide a comparative view of possible future operating environments, as well as to (a) 'stress test' against possible key risks; and (b) assess preparedness for realising opportunities that might emerge.

Physical scenario selection

For the physical assessment we selected the date reference points of 2030 and 2050 aligning with the Intergovernmental Panel on Climate Change ("IPCC") and Shared Socio-Economic Pathways ("SSPs") 2-4.5 and 5-8.5, sourced from AR6. The SSP 2-4.5 scenario implies global climate warming of 2.1 to 3.5°C and 3.3 to 5.7°C by 2100 for SSP 5-8.5. For the physical climate change element of the assessment, scenarios providing data on future climate projections was used to measure the expected change in the severity and/or frequency of eight climate event types[5]. Physical risks and opportunities associated with changing climatic conditions (e.g. more frequent or severe weather events like flooding, droughts and storms) were assessed against a worst-case scenario (AR6 SSP 5-8.5) for most of the event types (with the exception of storms and water stress/drought which continued to use Assessment Report 5 ("AR5") data) to identify conditions experienced where there has been a failure to limit GHG emissions. In this year's assessment of the two new AEIF3 assets ERM used two climate scenarios from the IPCC's latest release of climate data. This includes SSP1-2.6 and SSP5-8.5 – representing a variety of plausible future climate change scenarios. Additionally, a new methodology was applied, which incorporates updated climate data and an enhanced portfolio screening approach.

In previous Portfolio screening assessments, precipitation and sea level rise data from CMIP6—the latest climate dataset—was used as an indirect indicator of flood risk, as periods of intense rainfall could suggest the likelihood and severity of flooding in a given area. However, this year's assessment directly simulated flood risk using flood models. ERM has confirmed that the different climate datasets are comparable, ensuring that this year's screening results can be analysed alongside those performed in previous years. The assessment assumed that the present-day baseline risk presented by physical climate should have largely been factored into corporate risk management and mitigation measures, but that future trends in changing climatic conditions from the worst-case scenario SSP 5-8.5 potentially create enhanced risk (and opportunity) which management has not planned for.

Full details of the physical scenarios used were provided in the reporting to the relevant Fund/Managed Account investors.

Transition scenario selection

The approach consisted of a base case scenario compared against a low carbon scenario to explore the potential commercial effects of either outcome on sectors in the portfolio using the International Energy Agency's ("IEA") 'Stated Policies Scenario' ("SPS") and 'Announced Pledges Scenario' ("APS"), depending on when the review of each investee company was performed. The APS builds on analysis released during Glasgow COP26, which demonstrated that the combined implementation of all net zero emissions pledges and the Global Methane Pledge would lead to a temperature rise of 1.7-1.8°C by 2100, and has been used for all AEIF3 companies, whereas 'Sustainable Development Scenario' ("SDS") was used in the assessment of AEIF2 companies. Similar to the physical assessment, updated scenario and indicator data have been gathered and applied in this phase for the transition assessment. ERM incorporated the latest IEA WEO data for the STEPs and APS scenarios in 2024.

5 The eight physical scenario indicators to assess potential risks and opportunities across the Arcus portfolio were: extreme heat, extreme cold, flooding, coastal and sea level rise, tropical cyclones, storms, wildfires and water stress/drought

The analysis leveraged a dataset comprising 13 scenario indicators[6], chosen to have a relevance to the investee companies and to capture the effects of the low carbon energy transition, for example, the effects of disruption in the transport sector due to increasing electrification of transport modes. Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Additional risk or opportunity presented by the APS, which is a low carbon scenario, were assessed in comparison to the Stated Policies Scenario ("SPS"), also referred to as the base case. The analysis therefore assumes that risks that are present in the base case should have already been factored into 'business as usual' corporate risk management and strategy by management. The scenarios were assessed on date reference points of 2025, 2030, 2035 and 2040 for the transition assessment.

Full details of the transition scenarios used were provided in the reporting to the relevant Fund/Managed Account investors.

Translation of scenario data using forecast climate and policy information

The physical and transition scenarios were then mapped with the assistance of ERM into specific regional or country carbon reduction policy positions (transition) and projected climate data (physical) to assess how significant the risks and opportunities were for each investee company. This considered the country/region/location of operations, the commercial nature of the business and the potential exposure each investee company's business model has to the transition to a low carbon economy. The risks were then filtered by materiality and, for those considered with potential to be material, further investigation undertaken into the nature of each investee companies and its business model and whether those risks had the potential for a material impact on financial performance.

Results

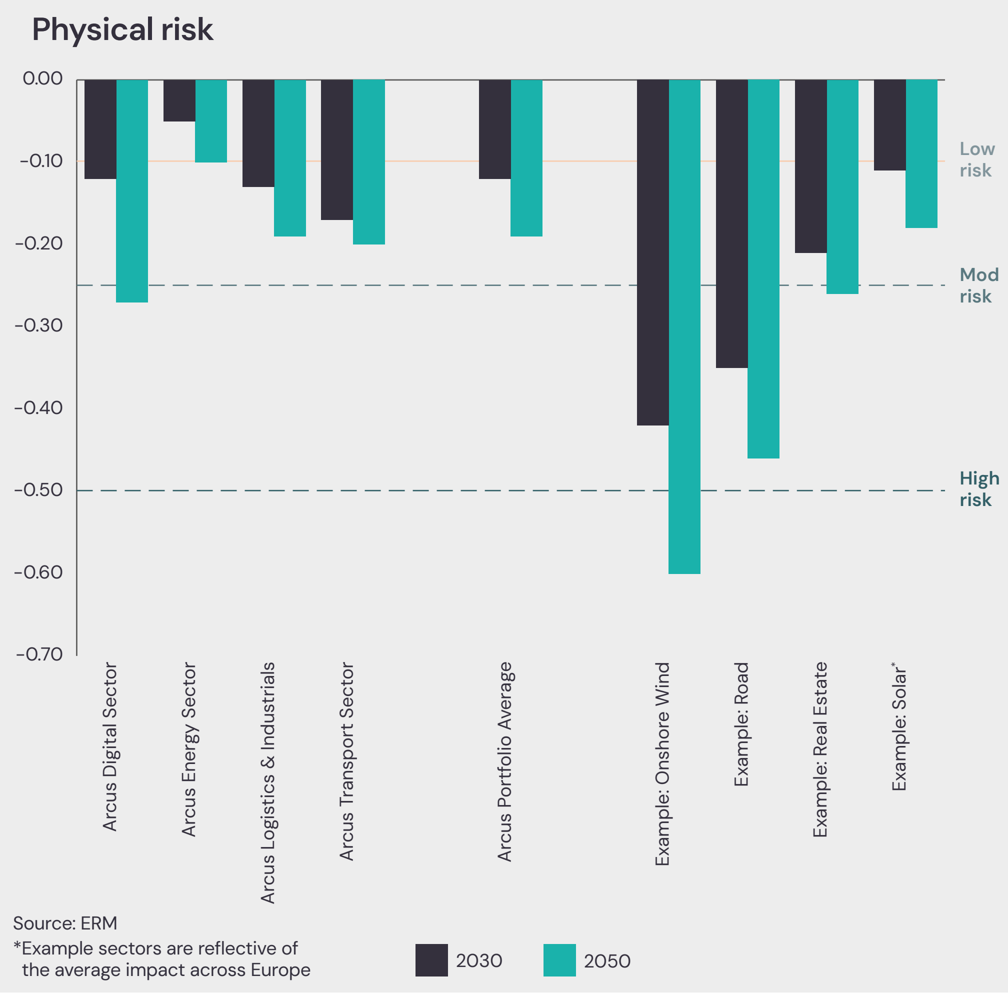
The output of the analysis of potential transition and physical climate-related risks and opportunities is illustrated below as an average across all scenarios examined of our investee companies and compared to infrastructure asset benchmarks that represent the upper and lower ends of the risk and opportunity spectrum for both transition and physical impacts. The sector results are calculated and displayed using an average across peer sector investments. The example industry sectors in the physical risk chart are reflective of the average impact across Europe (consistent with the Arcus target investment geography), as the data can vary depending on the underlying region(s).

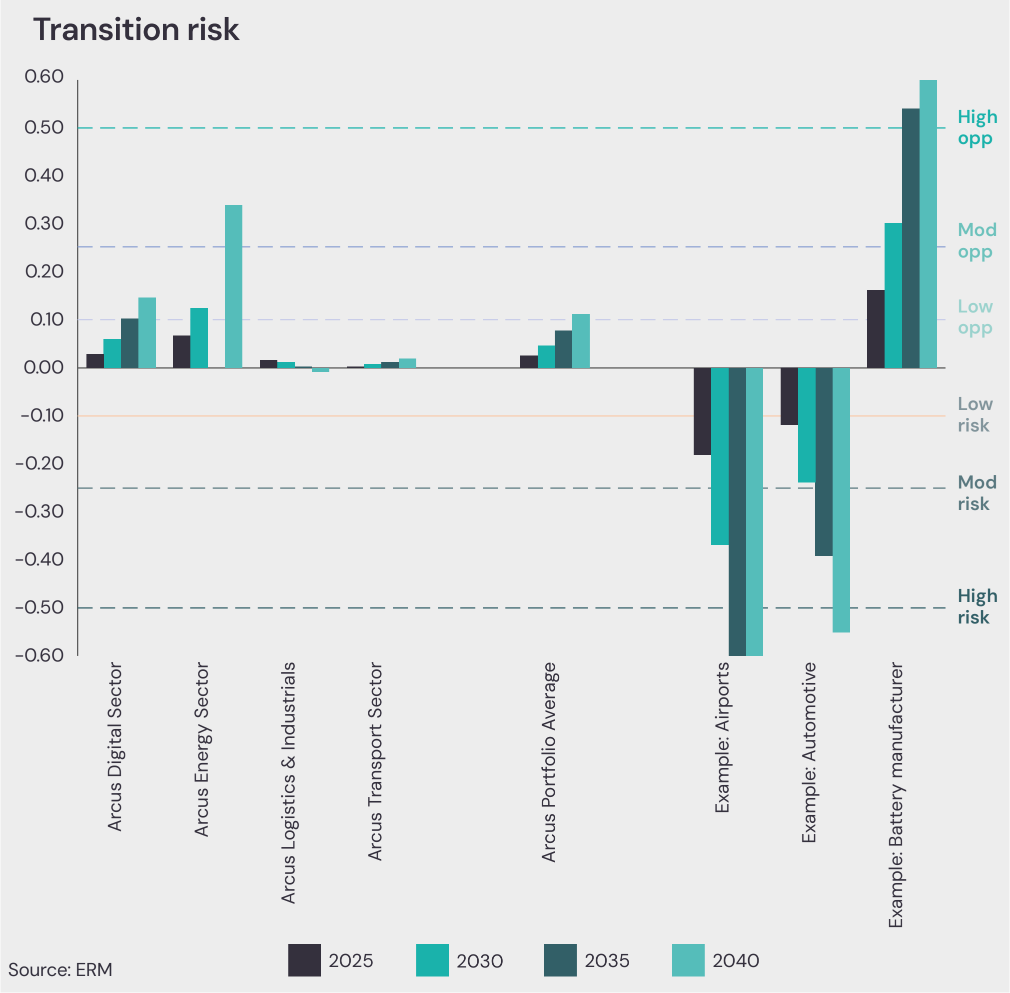
Overall, the average portfolio as at 31 December 2024 has low to moderate risk exposure to physical risks. The two newly acquired assets had a minimal impact on the Arcus portfolio's physical and transitional risk assessment outcomes. Flooding continues to be the largest contributor to the Arcus portfolio's risk profile as it causes disruption across transport networks and damage to facilities and equipment. This is unsurprising given the impact of flooding on physical assets and the broader infrastructure asset class. Transitioning to a lower-carbon economy presents opportunity for our portfolio as industries seek low emission alternatives in order to decarbonise. Another key opportunity which is present for all assets across the portfolio is the potential to invest in on-site renewable energy generation which would result in greater resiliency and lower grid reliance. The assessment of the portfolio did not identify any material risks to any of the businesses or systematically across the portfolio. As the average portfolio exposure is not deemed to be material, we have not quantified the effects of the residual risk on our portfolio. Individual gross risks that are high are managed to a lower net risk position using mitigation processes and are monitored at an investee company level in accordance with the risk management framework described on page 58.

Relative to other sectors, Arcus' average portfolio physical climate risk across all scenario indicators can be viewed as low to moderate, and the low carbon transition average of all scenario indicators continues to provide more of an opportunity than a risk, and those opportunities are greater than many other infrastructure sector peers.

This is an unsurprising outcome for Arcus. In our investment selection process, we are focused on acquiring and building the sustainable European infrastructure of the future and many of the businesses we are involved in are deploying capital to invest in the transition to a low carbon, resilient economy. The results of this analysis are discussed with the Investment Committee annually who use the results to make informed decisions for each of our funds' investment strategies on an ongoing basis.

6 The 13 transition scenario indicators to assess potential risks and opportunities across the Arcus portfolio were: energy intensity of GDP, CO_2 intensity of GDP, CO_2 emissions per capita, buildings CO_2 intensity, industrial CO_2 intensity, aviation emissions, shipping emissions, passenger rail km travelled, rail freight tonne km, passenger road km travelled, road freight tonne km, total power demand and wind & solar generation





Risk management

Arcus' ESG risk management approach aligns well with the TCFD Recommendations as we seek to clearly identify, assess, and manage material risks throughout the investment lifecycle. Therefore, the integration of climate-related risk management within this process was completed rather seamlessly, as detailed in the Governance section and in our Stewardship Code report publicly available on the Arcus website.

Please refer to the risk management process outlined on page 58 which highlights our ESG management approach throughout the investment lifecycle, including climate change management.

Metrics and targets

Arcus follows a materiality-driven approach to collection of metric data for all ESG risks and opportunities, including climate-related factors – data is collected to be used as information in decision making, not just data collection. Disclosure of key metrics for each investee company is included from page 64 for each portfolio company. From 1 January 2023, Arcus reporting commitments include reporting annually on the 14 mandatory PAIs and an additional 16 voluntary PAIs that Arcus feels are material for the infrastructure sector in accordance with Article 4 of SFDR.

Through the Arcus remuneration and ESG policies, Arcus has embedded non-financial performance in its remuneration structure which is used to align the interest of Arcus' employees and the management teams of investee companies to address material ESG factors. This includes the management of climate change mitigation and adaptation reflecting the importance that climate-related risks and opportunities present to Arcus and its investee companies.

Arcus' investee companies have historically reported on GHG emissions within the operational control of each investee company focusing mostly on Scope 1 and 2 emissions. While the data has been collected and reported by investee companies, the sourcing and accuracy of the data has historically had elements of inconsistency between investee companies' methodology.

In 2021 as part of Arcus' continuous ESG improvement, Arcus engaged ERM to enhance our GHG reporting and ensure alignment of the Arcus and investee company GHG reporting with the GHG protocol standards. ERM has assisted in the design of Arcus' emissions calculation methodology and reporting template tool specifically for the infrastructure sectors we operate in, provided GHG accounting training to Arcus investment team and investee company management teams and run workshops with investee companies to discuss specific industry or company data collection queries, including the investee companies. In 2024, ERM has updated the existing GHG Assessment Tool to include most up-to-date emission factors and this has been used by the AEIF3 investee companies to report on their emissions. The baseline GHG emissions of all AEIF3 portfolio companies have been externally verified by ERM, including EZE. AEIF3 acquired FixMap in September 2024. Given the proximity of the investment in FixMap to the reporting date, Arcus has made initial steps to promote the environmental and social characteristics; however FixMap is not yet able to report on the corresponding GHG indicators for FixMap.

In line with the GHG protocol standards, investee companies will report separately on Scope 1, 2 and material Scope 3 emissions. In relation to Scope 3 reporting, some data collection will require continued efforts from Arcus and investee company management teams to refine and improve the data sourcing and reporting (e.g. from supply chain and customers) and while initially there are still some data gaps, where estimations of emissions have been made with the assistance of ERM, it is our aim to improve the data quality and accuracy year on year.

The table below presents aggregate GHG emissions across the Arcus portfolio of investee companies.

Arcus portfolio[7]	2023	2024	% Change	Comment
Scope 1 (tCO_2e)	26,260	29,374	12%	The increase of Scope 1 emissions is a result of perimeter changes from the acquisition of EZE as well as several bolt-on acquisitions for Officium, Coolworld and Workdry and facility expansions at Constellation and HB RTS.
Scope 2 (tCO_2e)	30,436	36,332	19%	The increase of Scope 2 emissions is a result of perimeter changes from the acquisition of EZE as well as several bolt-on acquisitions for Officium, Coolworld and Workdry and facility expansions at Constellation and Momentum. HB RTS has improved its tracking and data coverage of Scope 2 emissions, resulting in higher values.
Scope 3 (tCO_2e)	438,110	571,467	30%	The increase in Scope 3 emissions is a result of perimeter changes from the acquisition of EZE and bolt-on acquisitions from Coolworld, Officium, and Workdry and through a combination of organic growth, expanded and more comprehensive reporting, and higher capital expenditure at Constellation, HB RTS, Portus and Momentum. In addition, the Scope 3 category 11 (Use of sold products) emissions for GTC has been included for the first time.
Total (tCO_2e)	494,806	637,173	29%	
Total WACI[8] (Scope 1,2)	24.2	25.26	5%	Despite the increase of total emissions -driven by inorganic growth, facility expansions, and improved reporting – the Weighted Average Carbon Intensity ("WACI") has only risen moderately. This is due to several decarbonisation initiatives within the portfolio. For example, Workdry switched to renewable energy sources for its UK businesses. Additionally Officium, Coolworld, and Momentum increased their consumption and production of renewable energy. As Arcus' investee companies mature over time, the overall WACI is expected to stabilise.

7 Emissions are adjusted for the percentage of ownership Arcus represents
8 The Weighted Average Carbon Intensity ("WACI") ratio has been calculated as tonnes of Scope 1 & 2 GHG emissions by EUR millions of revenues ($tCO_2 e$/€m)

Neil Krawitz,
Head of Asset
Management and ESG

Arcus recognises ESG data is instrumental in providing transparency to its investors and other stakeholders. Consistent data collection policies and processes allow regular reporting on progress compared to long-term ESG targets. Through participation in widely recognised benchmarks and commitments to international reporting standards, Arcus enables its key stakeholders to compare fund performance against peer groups. Arcus uses the guidance from the Private Markets Decarbonisation Roadmap 2.0 ("PMDR") to provide an overview of the Fund's progress to climate change mitigation and alignment to the corporate net zero commitment. Please see the net zero section on page 30.

The reported climate data has been sourced directly from the investee companies, with minimal use of data estimates. To ensure data quality is adhered to, Arcus mandates the use of standardised data templates and calculation methodologies that are consistently followed in line with documented reporting processes. The reported data is in line with the GHG Protocol. The data is collected on a quarterly basis and reported annually to be included in broader annual reporting obligations. For Scope 3 emissions, the investee companies have made limited use of standardised emissions factors sourced from credible international standards (i.e. ADEME Base Carbone and DEFRA 2021).

In December 2022, Arcus announced its commitment to reach net zero across its portfolio by 2050. In late 2023, Arcus appointed a sustainability consultant, Anthesis, to assist its funds and investee companies set science-based targets and prepare a decarbonisation roadmap. Anthesis has worked in conjunction with the IIGCC (Institutional Investors Group on Climate Change) on the development of the net zero guidance for the private equity sector. In December 2024, the ESG policy was updated to include an update on net zero commitments.

Next steps in climate-related disclosures

Arcus will continue to develop and improve the quality of our climate-related disclosures, as well as working with investee companies to enhance our approach to climate change mitigation and adaptation.

Looking ahead, Arcus will explore the integration of IFRS S2 into our reporting framework. As we transition from disclosures prepared under TCFD recommendations to those aligned with the ISSB Standards, we will also work towards providing sustainability-related financial information alongside our financial statements as part of our general-purpose financial reporting, in line with evolving disclosure requirement. Arcus has taken the initial step by including TCFD outputs this year in our financial statements.

This TCFD reporting is signed by a senior manager of AEIM in accordance with the climate-related disclosure requirements in Chapter 2 of the FCA's ESG Sourcebook.

Neil Krawitz

Neil Krawitz
Head of Asset Management and ESG
Authorised signatory of Arcus European Investment Manager LLP

CO_2 carbon capture and storage

Peacock

Carbon Capture and Storage ("CCS") is a potential climate mitigation strategy that involves capturing carbon dioxide ("CO_2") emissions from industrial sources, and either transporting it to users of CO_2 (like in agriculture) or to a storage site, and sequestering it underground to prevent its release into the atmosphere.

A key challenge in CCS lies in the safe and efficient transport of captured CO_2. This is where ISO tank technology comes in; the process involves three main stages:

i) Capturing CO_2 at the emission source, ii) compressing and transporting often in liquefied form, and iii) storing it deep underground in geological formations.

Transport is a key part in this process, especially when emissions are captured at decentralised or remote locations. ISO tanks, particularly cryogenic models, have emerged as an effective and scalable solution for transporting liquid CO_2. The cryogenic ISO tanks allow CO_2 to be liquefied under high pressure and low temperature, significantly reducing its volume for more manageable transport and storage.

Peacock – ISO tanks CO_2 storage

Peacock Container, a portfolio company of AEIF2, is a global ISO tank leasing provider which has strategically positioned itself to support this emerging sector. The company offers 20ft T75 cryogenic ISO tanks capable of transporting up to 23.3 tons of liquefied CO_2 and storing it for extended durations for up to 58 days in full tanks or 172 days in partial loads due to advanced thermal insulation. These tanks feature integrated systems for real-time monitoring of temperature and pressure, ensuring operational safety and reliability across the supply chain.

In support of its green ambitions, Peacock Container secured a $350 million sustainability-linked debt facility in 2024, with performance metrics tied to its EcoVadis ESG rating. This financing boost enables fleet expansion and accelerates its role in supporting global decarbonisation initiatives. Peacock also holds a four-star GRESB Infrastructure rating, underscoring its environmental leadership.

By combining cutting-edge technology with financial and ESG commitment, Peacock is providing flexible transport assets to assist industries transition to a low-carbon future. Its ISO tank solutions offer transporting captured CO_2, making it an enabler in the success of carbon management strategies worldwide.

Energy efficiency

7 AFFORDABLE AND CLEAN ENERGY

Power generation remains the largest contributor to European carbon emissions and has been the focus for European policymakers. Therefore, energy consumption and GHG emissions are intricately linked material factors. In the transition to a low-carbon economy, Arcus believes this is an opportunity to invest in the energy transition, whilst supporting the rest of the portfolio companies to minimise risks and leverage this opportunity through consideration of energy efficiency measures.

In the transition to a low-carbon economy, Arcus believes that demonstrating best practice in energy efficiency within operational control will have a positive long-term financial impact. Arcus is supportive of SDG 7 "Affordable and Clean Energy" and actively encourages its members, employees, contractors, and investee companies to seek opportunities to further improve energy efficiency, fostering a culture that promotes energy conservation and engagement with relevant stakeholders to encourage energy saving behaviour. Where practicable, Arcus supports the procurement of renewable sourced energy to reduce its and the investee company's carbon footprint.

Smart battery storage

HB Returnable Transport Solutions

Battery storage systems help manage energy more efficiently by matching supply to demand during peak times, a process that is also known as peak shaving. This means less strain on the grid and lower energy costs for businesses and facilities.

Mobile storage units can step in where energy is needed most, absorbing spikes in demand and providing extra capacity when the grid is under pressure. These units also store excess energy, making it available later when supply lowers or demand rises.

By helping balance supply and demand, smart battery systems improve energy reliability, reduce dependence on the grid, and support the shift to renewable energy sources. This flexibility supports more resilient and adaptive energy infrastructure.

HB RTS smart battery storage
HB, a portfolio company of AEIF2, is a leading provider of rental, washing and integrated logistics services for returnable transport items ("RTIs"). HB RTS provides integrated rental and value-added logistics to its diverse customer base, with a pool of c. 6m RTIs and a network of 29 primary operating facilities and depots in the Netherlands. It offers a range of critical services to the food industry including RTI rental, washing, storage, logistics and returns handling.

HB RTS has procured and installed a portable battery system at its site in Utrecht. The battery is used for peak shaving electricity demands when HB's centrifugal spinning crate dryer system is in use. Spin drying crates after washing uses electricity rather than traditional fossil fuel-based heating systems. The spinner runs only periodically, but with a high consumption of energy, creating a spike in HB RTS electricity demand which is satisfied by the battery.

The company' operations of washing and drying the RTIs rely on effective energy use, making energy storage a valuable addition to their infrastructure.

The integration of energy storage at HB RTS demonstrates a practical approach to energy management, securing a more stable power supply, without relying on the grid and facilitates the transition from fossil fuels. This collaboration highlights the role of energy storage in industrial and logistics applications, contributing to both operational efficiency and reduced environmental impact.

Increasing demand for clean energy in the data centre sector

Portus Data Centers

As the push for decarbonisation intensifies, European businesses are under increasing pressure to align energy procurement with sustainability goals. This trend is particularly the case amongst energy-intensive sectors such as data centre operations, where demand for capacity is rising alongside expectations for climate responsibility. Many operators and their end-users continue to draw electricity from traditional grid sources while aiming to gradually replace this with clean energy through renewable sourcing mechanisms.

In this context, Power Purchase Agreements ("PPAs"), have become a key part for securing long-term access to renewable energy. PPAs provide price stability, enhance traceability of green energy claims, and offer tangible progress toward emissions reduction targets.

However, executing these agreements remains complex, especially within the heterogeneous regulatory, infrastructure, and market conditions across European countries.

Data centres: at the crossroads of demand, sustainability, and infrastructure constraints

Data centres are one of the clearest examples of this challenge. Hyperscale operators remain the primary adopters of renewable PPAs, often through physical or virtual structures, with some moving toward more advanced models such as 24/7 matching and hybrid agreements. Adoption among smaller, enterprise-focused data centres remains limited, but this is expected to shift as EU regulation, particularly the Energy Efficiency Directive ("EED"), begin to require verified reporting of clean energy procurement.

Markets with abundant renewable resources and fewer grid constraints, such as the Nordics, Spain, and Portugal, are proving attractive for renewable energy sourcing. In contrast, key data centre hubs like Germany, Ireland, and the Netherlands face significant grid congestion, long connection timelines, and permitting delays. These factors present barriers to implementing traditional off-site PPAs, particularly when new renewable projects require additional grid infrastructure. In response, more operators are evaluating on-site and near-site generation options paired with Battery Energy Storage Systems ("BESS"). These "behind-the-meter" solutions offer advantages such as reduced transmission losses, avoidance of grid fees, and improved energy cost predictability.

Portus' road ahead

Arcus views hybrid energy solutions as a strategic advantage in building resilient, efficient data centre infrastructure. This vision is being realised through the continued expansion of our Portus platform, which supports fast-growing enterprise and regional connectivity workloads across Germany and Luxembourg.

In Munich, our latest Portus development is exploring a near-site PPA paired with a BESS. This initiative builds on long-established relationships with local authorities and renewable energy developers. The aim is to secure reliable, locally generated power while avoiding common grid-related challenges such as transmission losses, step-down inefficiencies, and escalating grid fees.

By moving towards a private-wire solution, we anticipate reducing electricity unit costs by as much as 40%, all while increasing energy resilience and sustainability. As Portus continues to grow, these innovations will play a central role in delivering low-carbon, high-performance infrastructure for the digital economy, while also helping to alleviate strain on the wider grid.

Climate-neutral buildings in Europe

Officium, Einhundert

OFFICIUM

In Q1 2024, AEIF3 acquired tenant electricity company, Einhundert Energie GmbH ("Einhundert") as a bolt-on acquisition of Officium. Einhundert is the leading provider of tenant electricity from solar photovoltaic ("PV") in multi-dwelling properties. Officium plays a key role in supporting energy efficiency and the decarbonisation of multi-tenants' properties.

Einhundert directly addresses the challenge with a full-service digital energy platform tailored to the multi-tenant housing market. Their business model enables landlords and housing providers to decarbonise buildings without complexity, while ensuring tenants benefit directly from the energy transition.

At the core of the Einhundert offering is the" Mieterstrom" (tenant electricity) model, where on-site solar power is supplied to tenants through a managed infrastructure. Einhundert oversees the entire process, from rooftop PV system installation and financing, to real-time metering, billing, and long-term operation in order to ensure compliance with regulatory requirements and transparency for both landlords and residents.

Key features of their model include:

- PV electricity generation: PV system installation and financing.
- End customer portal: Digital smart meters enabling detailed consumption insights and transparent monthly billing and digital tenant interfaces.
- Green residual power from the grid: Seamless integration with green grid electricity where necessary.
- Long-term operational and regulatory compliance support for landlords.

Supporting the energy efficiency in the built environment
The revised EU Energy Performance of Buildings Directive provides a framework to accelerate the decarbonisation of Europe's building stock, with a focus on the worst-performing buildings. Solutions such as those offered by Einhundert support this ambition by providing integrated, scalable models for renewable energy use in multi-tenant housing.

By combining rooftop solar, digital metering, and tenant-focused energy services, Einhundert contributes to increasing building energy performance and enabling localised clean energy generation. In doing so, the approach aligns with broader policy goals related to climate neutrality, energy system digitalisation, and the integration of sustainable infrastructure.

5,484 MWh
Solar PV electricity produced

3,871,000t
CO_2 avoided

564
# of solar systems deployed

Biodiversity

Biodiversity encompasses all living things and is the foundation of health and wellbeing. Arcus recognises that infrastructure assets have the potential to adversely impact proximate flora and fauna biodiversity. Therefore, Arcus considers biodiversity as a potential material topic for investment opportunities. Where biodiversity is regarded as material, Arcus is committed to best practice and actively monitors and reports on the topic.

At a minimum, Arcus and its portfolio companies will comply with local biodiversity legislation and continuously seek ways to minimise the adverse impacts during the asset lifecycle. Arcus has included an assessment of the adverse impact on biodiversity sensitive areas as part of its investment process. Furthermore, Arcus reports annually on the exposure its investments have to areas with sensitive biodiversity as part of the SFDR PAI reporting to investors as well as via the GRESB benchmarks. Arcus' approach and policy on the biodiversity factors considered material to Arcus, its Funds and Managed Account assets are set out in the Arcus ESG policy.

After net zero which has a central focus, biodiversity is the topic next gaining attention and Arcus expects the emphasis on reporting on biodiversity will increase. Through frameworks such as the Taskforce for Nature-related Financial Disclosures ("TNFD") and Science Based Targets for Nature ("SBTN"), there is growing recognition on the importance of biodiversity which will inevitably force us all to act.

13 CLIMATE ACTION

Rewilding

Momentum Green Energy

The dual crises of climate change and biodiversity loss are closely intertwined, demanding integrated solutions that address both simultaneously. In Denmark, the way land has historically been primarily used for agriculture has led to fragmented, uniform landscapes that leave little room for wild nature. This has resulted in the isolation of habitats and a significant decline in native species and ecological diversity.

Rewilding offers a pathway to reverse this trend by restoring natural processes, reconnecting fragmented habitats, and allowing ecosystems to recover and function more independently. It represents a shift from controlling nature to enabling its regeneration, promoting self-sustaining ecosystems that support a wide range of biodiversity.

As land use practices evolve in response to climate and environmental goals, rewilding in Denmark is gaining attention as a strategy that not only enhances biodiversity, but also contributes to climate resilience. By restoring wetlands, reintroducing native species, and transforming former agricultural areas into more natural landscapes, rewilding can help re-establish ecological balance and strengthen the natural foundation on which both people and wildlife depend.

Momentum energy group's holistic approach

Momentum Energy Group ("Momentum") is at the forefront of combining renewable energy development with nature restoration. With over 2,000 hectares of land under management, Momentum committed to setting a new standard during 2024: integrating biodiversity into energy projects to create multifunctional, resilient landscapes that benefit both people and nature.

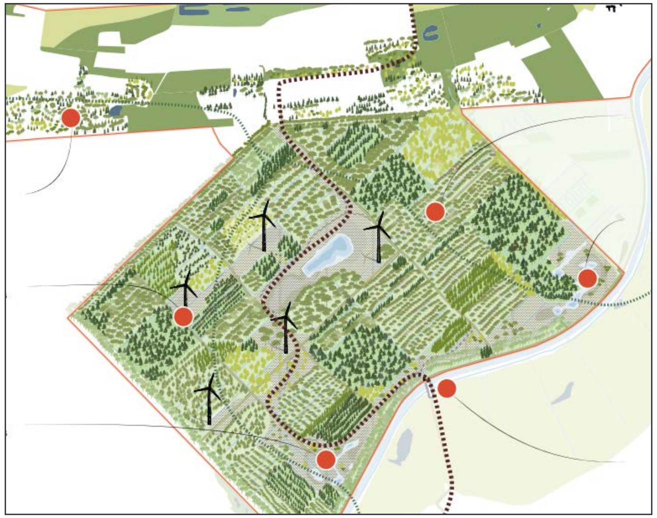
Momentum follows five biodiversity principles that guide each project, emphasising ecological quality, landscape cohesion, local stakeholder engagement, and knowledge-sharing to enhance nature across Denmark. The principles guide Momentum in ensuring that its projects develop in the right direction and have positive effects for both nature and local communities.

1) To create cohesive and multifunctional landscapes.
2) To leave natural areas in higher quality than it received them.
3) To work broadly with biodiversity – locally and nationally.
4) To ensure local anchoring.
5) To create new knowledge for the benefit of society.

Nature promotion plan

To operationalise its biodiversity goals, Momentum applies a tailored nature screening model and a dedicated Nature Promotion Plan developed in collaboration with ecological experts. This ensures that every wind and solar project contributes positively to local ecosystems and includes biodiversity impact monitoring throughout the project lifecycle.

Momentum also uses the Fireman's Law, a prioritisation framework aligned with the EU's mitigation hierarchy, to allocate biodiversity efforts where they yield the highest ecological return. This means preserving high-value nature first, protecting existing habitats, then restoring damaged ecosystems, and finally creating new natural areas in strategic locations.



Local stakeholder engagement

Recognising the unique knowledge held by local stakeholders, Momentum engages communities early in project planning. Dialogue sessions and roundtable discussions with nature organisations, landowners, and residents inform how each project can align with both energy production and local ecological and recreational needs.

Measurable nature outcomes

All new projects begin with a biological baseline study to assess existing and potential ecological value. This data-driven approach ensures biodiversity improvements are grounded in science and tailored to each site's natural potential. The studies, combined with landscape screenings and stakeholder input, form the foundation for setting and tracking site-specific nature targets.

Fostering local flora and fauna

GTC

The impact of infrastructure development on biodiversity is of increased importance. As road infrastructure expands, once continuous ecosystems are divided into isolated patches, making it difficult for species to use migration pathways and move freely in search of food, mates, or seasonal habitats. For many animals, these migration routes are essential to their survival and highways can act as physical barriers[9]. However, infrastructure can also support biodiversity, fostering local flora & fauna if designed thoughtfully.

Wildlife bridges, local reforestation, and crossing structures can help mitigate habitat fragmentation. A global analysis of over 300 studies found that more than 60% of such crossings improved animal movement, and 36% successfully prevented movement declines after road construction[10].

GTC's biodiversity and ecosystems approach

GTC is the concessionaire of the AmberOne A1 dual-lane motorway in Poland. The A1 concession comprises a 152km- long dual carriage motorway linking the city of Gdansk in the North with Torun further South, and forms part of the broader c. 400km long Autostrada A1 motorway.

Assessing, monitoring, and protecting key biodiversity elements

As part of the double materiality review, GTC assess relevant biodiversity aspects of its activities and operations. Intertoll Polska, the contractor of GTC, undertakes monitoring of migration routes of large and medium-sized animals on an ongoing basis. To facilitate migration routes, a number of infrastructure crossing bridges, whose function is to maintain local migration, have been built throughout GTC's AmberOne premises. Furthermore, the information collected by GTC helps in planning activities – such as installing elevated fences – to reduce wild animal intrusions onto highways, thereby improving road safety and lowering accident rates.

Positive impact with meadow project

Through Meadow project, GTC has planted c. 1,000 bushes and trees and developed a meadow of over 7,000m^2 adjacent to the highway belt. In total, the area of greenery managed by GTC includes c. 1,060ha of lawns and meadows and over 220,000 trees or bushes. This area not only positively contributes to biodiversity but also offsets relevant Scope 1 & 2 emissions of GTC's operations, absorbing approx. 6,000 tCO_2 a year[11].

Collaboration with local authorities

In cooperation with municipalities located along the infrastructure, GTC collaborates and co-finances the plantings of trees and shrubs as part of the AmberGreen project. In 2024, GTC spent a cumulative amount of 180kPLN on biodiversity-related projects, compared to 170kPLN in 2023.

9 Benítez-López, A., Alkemade, R., & Verweij, P. A. (2010). The impacts of roads and other infrastructure on mammal and bird populations: A meta-analysis. Biological Conservation, 143(6), 1307–1316. https://doi.org/10.1016/j.biocon.2010.02.009

10 Soanes, K., Rytwinski, T., Fahrig, L., Huijser, M. P., Jaeger, J. A. G., Teixeira, F. Z., van der Ree, R., & van der Grift, E. A. (2024). Do wildlife crossing structures mitigate the barrier effect of roads on animal movement? A global assessment. Journal of Applied Ecology. https://doi.org/10.1111/1365-2664.14582

11 Based on independent carbon footprint assessment report commissioned by GTC for the A1: 1ha of meadows absorbs 11 tCO_2 a year, 1ha of lawn absorbs c. 3.8 tCO_2 a year, and a tree or bush absorbs c. 0.011 tCO_2 a year

Turtle conservation

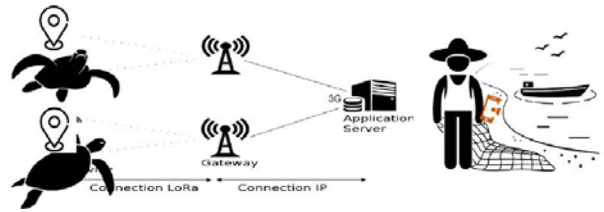
TDF

TDF, in partnership with WWF French Guiana, is supporting a marine conservation initiative aimed at protecting the Olive Ridley turtle through its YanaRiba project. Using its existing infrastructure, TDF installed a LoRaWAN-enabled antenna on its pylon on Îlet-la-Mère to collect data from GPS transmitters attached to the turtles.

Conserving biodiversity in French Guiana
French Guiana, an overseas department and region of France, is home to a rich and diverse array of ecosystems. Among its inhabitants is the Olive Ridley turtle which is an endangered marine species. Biodiversity in this region plays a vital role in maintaining ecological balance and supporting local communities. However, increasing environmental pressures demand new approaches to monitoring and protection.

Technological innovation is proving to be a valuable tool in modern conservation. By enabling researchers to gather real-time data on species behaviour, digital tracking solutions can help understand the ecological needs and inform more effective protection strategies. When combined with local engagement, these initiatives can support both environmental resilience and sustainable livelihoods.

TDF's contribution to turtle conservation in collaboration with WWF French Guiana
In line with its commitment to environmental responsibility, TDF has partnered with WWF French Guiana on a conservation project aimed at protecting the Olive Ridley turtle. A specially installed antenna on a TDF pylon was used to collect data from GPS transmitters fitted to individual turtles. This allowed researchers to track their movements between nesting events and identify areas for resting and migration. Understanding these patterns is needed for protecting habitats critical to the turtles' reproductive success. A specific feature of the project is its collaboration with local fishermen, who will eventually receive real-time notifications when turtles are detected in their fishing zones. This enables them to avoid accidental captures and align their practices with conservation goals.



Through this initiative, TDF demonstrates how infrastructure and technology can contribute meaningfully to biodiversity preservation.

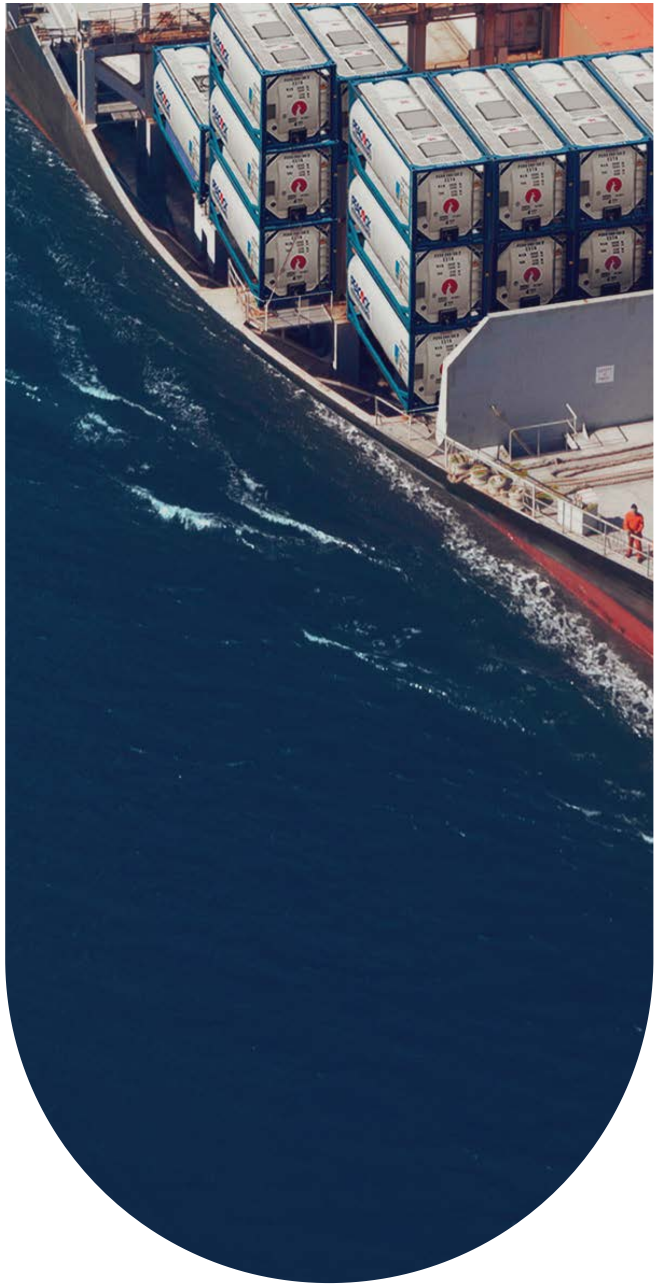
Air, land and water

The degree of materiality of potential air, land and water pollution differs for each investee company.

Arcus will not invest in companies that demonstrate poor environmental management, recognising the damage such occurrences have to ecosystems and that causing pollution can lead to reputational damage as well as result in financial penalties/loss. With a focus on high-quality infrastructure and a commitment to responsible investment and good stewardship, Arcus aims to actively prevent pollution and reduce the adverse impacts on air, soil and water throughout the investment lifecycle.

During due diligence, the Arcus investment teams work closely with the Arcus ESG team to understand the ESG footprint of a potential investment opportunity and whether any specific ESG factors are material and would require attention post-investment. The investment opportunities impact on air, land and water pollution would be considered within this due diligence and if the investment passes all other requirements and is acquired, these material ESG factors would be considered during the 100-day plan and beyond. The ESG team would then work closely with the management team and ESG leads at the portfolio company to plan ESG objectives around achieving specific efficiencies in relation to their air, land or water pollution footprint.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Sustainable water management

Workdry International, Selwood

Storm overflows are designed to act as safety valves for sewer systems during periods of heavy rainfalls. When the volume of rainwater exceeds the system's capacity, these overflows help prevent flooding that could disrupt daily life and business operations.

With climate change leading to more extreme weather, this challenge is growing. In 2024, Europe experienced one of its ten wettest years since 1950, according to the EU Copernicus Climate Change Service and the WMO. As rising water flows demand more resilient and adaptive systems to mitigate risks and protect both urban areas and natural ecosystems, it is vital for water companies to have robust solutions in place to manage and mitigate these risks effectively.

Workdry's approach to assist with storm overflows

Workdry, through its associated business, Selwood Ltd, is a world leader in pump manufacturing and the leading pump rental solutions company in the UK. Selwood designed and manufactured a new type of tank (also called "SelTank") in 2024 which combines intelligent flow control of excess water with high-capacity storage – making it ideal for managing storm overflows whilst protecting the environment. SelTank is a modular, intelligent storm overflow solution designed to help water companies and contractors cut Combined Sewer Overflows ("CSOs") with each unit capable of temporarily storing 40,000 litres of wastewater. Units are modular and can be coupled together to be sized to deliver bespoke solutions.

The SelTank was engineered by Selwood's experts, it adds capacity, prevents overflows, and adapts to storm surges and peak demand. Its advanced Programmable Controller "brain" automates flow control, ensuring safe, gradual discharge. With remote access, real-time telemetry, and data reporting to ensure full control.

SelTank assets are aligned with the Storm Overflows Discharge Reduction Plan, a UK Government policy aimed at reducing CSOs, i.e. sewage discharges into rivers and seas from storm overflows. These overflows are part of the wastewater system operation, releasing excess rainwater and sewage into rivers and seas during heavy rainfall to prevent flooding of homes and streets.

By reducing overflow events, SelTank minimises ecological impact, protects public health, and supports the UK Government's goal of reducing overflow occurrences to fewer than 10 per year by 2050. Its advanced spill management system also mitigates harmful pathogens near bathing waters, ensuring a cleaner and safer environment.

As an example, in 2024 Selwood helped a local water authority to avoid storm overflow and protect the environment. In order to capture overflow during adverse weather, two SelTanks were installed on site, with capacity of storing 80,000 litres of wastewater until the storm weather passed and then slowly returned the wastewater into the network once capacity was normalised. Feedback from the telemetry enabled the customer to identify system optimisations such as quicker return flows, enhance system performance, and provide additional storage capacity.

Social

Diversity, Equity and Inclusion ("DEI")

Arcus and its portfolio companies recognise the importance of having a diverse and inclusive workforce. Diversity and Inclusion are promoted within the approach to recruitment to ensure fairness and equity.

As a signatory of the UN Global Compact, Arcus is committed to the elimination of discrimination in respect of employment and occupation. Arcus encourages all portfolio companies to uphold a similar commitment towards DEI within their organisations, encouraging diversity and reducing inequalities across their workforce.

In 2024 all Arcus portfolio companies made a formal commitment towards DEI and formally documented their approach as part of the ESG policy or a standalone DEI policy. In addition, Arcus and its portfolio companies are working on ways to improve reporting on DEI metrics.

Equal parental leave

Arcus

A 2019 report by the European Commission highlighted positive progress across EU Member States in promoting access to maternity, paternity, and parental leave, in line with broader policy goals to support the wellbeing of children and families in recent times[12]. In 2024, a study of 270 organisations in the UK offering comprehensive maternity leave found that only 45% provide equal paternity leave to their staff. These findings are supported by the Fatherhood Institute, which reports that while the average maternity leave is 22.7 weeks, fathers typically take just 4.9 weeks.

Arcus provides its staff members with a range of non-financial incentives, including a positive work culture, additional ancillary employment benefits (including healthcare and dental cover and access to various support institutions) and actively supports and encourages further education and career development.

In response to employee feedback from the 2023 Engagement Survey, Arcus introduced enhanced maternity/paternity leave in 2024 that was equalised for all Partners and employees.

12 Recent trends in child and family policy in the EU European Platform for Investing in Children: Annual thematic report – Written by Barbara Janta (RAND Europe), Lynn M. Davies (Requat Advisory Ltd.), Victoria Jordan (RAND Europe), Katherine Stewart (RAND Europe) May 2019

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

Health and safety

Health and safety ("H&S") of employees, contractors and customers is a key priority across all Arcus portfolio companies. To ensure the highest standards of H&S are upheld at every level of a portfolio company, we closely monitor health and safety performance through regular board reporting. Arcus supports all portfolio companies in establishing, implementing, and regularly reviewing H&S policies, relevant to their business operations and the sector they operate in.

This helps to ensure that Arcus portfolio companies meet their statutory and civil obligations to provide a safe and healthy working environment. All Arcus portfolio companies are committed to this approach to H&S and individual portfolio companies discuss materiality and relative size/number of personnel/risks to H&S based on office versus technical staff.

On an annual basis all portfolio companies are reviewing key initiatives undertaken and are setting targets and next steps for future improvements.

8 DECENT WORK AND ECONOMIC GROWTH

Food security and safety

Coolworld Investments

In the food sector, correct refrigeration is a crucial part of the supply chain, from production to storage and transportation. A small temperature fluctuation can lead to food spoilage, loss of product, and potential health risks, making reliable cooling solutions essential for both routine operations and emergency situations.

Coolworld Rentals: providing reliable cooling solutions
In Q3 2023, AEIF3 acquired Coolworld which offers rental solutions of flexible, temporary cooling units that support food processing operations in meeting stringent temperature requirements. Coolworld's equipment is often used to support companies during seasonal fluctuations, emergencies, as well as through additional capacity during high-demand periods. The company's systems are designed to be both efficient and adaptable, featuring advanced technology that ensures precise temperature control and continuous monitoring. This allows food producers to maintain compliance with health and safety regulations and minimise any risks associated with the storage and transportation of goods.

Additionally, Coolworld's rental services support sustainability goals by providing energy-efficient cooling solutions that help reduce the environmental impact of food processing operations. The company offers equipment that minimises energy consumption, aligns with green initiatives, and supports the broader food industry's drive for more sustainable practices.

Through their reliable, responsive, and flexible cooling solutions, Coolworld plays a vital role in enhancing food security and safety within the food processing sector, enabling companies to meet high standards of quality and hygiene, while navigating the complexities of temperature-sensitive logistics.

Human capital development

An aging population is causing strain on availability of workers, especially skilled labour. This, in addition to recent global changes in working patterns such as hybrid work and workforce disengagement post COVID-19, is posing a challenge to organisations to improve ways of engaging and empowering employees.

Human capital management and development is vital to improving company culture in addition to delivering better performance. Arcus actively promotes human capital development and a positive working environment on a corporate level for its members, employees, contractors, and for investee company personnel. Investee companies are approaching human capital development and initiatives around training in the same manner as Arcus. In addition, every portfolio company has set a budget for providing training to all its employees.

Developing and equipping the team

Arcus

In 2024, Arcus' AuM and the number of investee companies in its portfolio grew, leading Arcus to expand its team to 75 Members and Employees across four offices by the end of the reporting period, reflecting a 19% increase from the previous year.

Arcus actively promotes human capital development and a positive working environment on a corporate level for its Members, Employees, and for investee company personnel. An annual budget is allocated for Arcus team members to engage in technical and personal development training. The objective was to build a structure and provide development opportunities for team that effectively support Arcus' evolving business needs. This included internal knowledge sharing, leadership development, and other soft skill training courses.

Arcus' Head of HR focused on organising employee engagement, health and wellbeing sessions as well as career development training to strengthen the organization's human capital. Arcus continued to organise technical and personal development training, funded by Arcus at a cost of c. €48,000 during the reporting year.

Recognition and employee empowerment

Momentum Green Energy

In 2024, Momentum received regional recognition at the EY Entrepreneur of The Year awards, with CEO and founder Kim Madsen named winner for Region Sjælland. This award reflects both the company's sustained business growth and its people-centred approach, which has been foundational to its success.

Founded in 2005, Momentum has grown into a key player in Denmark's renewable energy sector. The jury commended the company's strong financial development, its contribution to the circular economy through lifetime extension of wind assets, and its relevance in addressing contemporary environmental challenges. The award also recognised the entrepreneurial leadership that has driven innovation and resilience within the business.

Importantly, the achievement was framed by the company as a collective success. Madsen emphasised that the recognition belongs to all 137 employees, highlighting a culture of inclusion, collaboration, and shared purpose. This approach aligns with the company's commitment to creating a supportive working environment that fosters long-term employee engagement and development.

The case of Momentum illustrates how social factors, including leadership, recognition, and employee inclusion, are vital to achieving sustainable business outcomes and advancing the broader green transition.

Human rights

Arcus' commitment to human rights is based on the expectation that its members, employees, contractors, and its investee companies will respect human rights in their business activities.

This commitment is further strengthened through Arcus' support of the ten principles of the UNGC. Arcus' statement in response to the UK Modern Slavery Act 2015 is publicly disclosed on the Arcus website. Arcus has zero tolerance for slavery and human trafficking in its supply chain management and staff complete relevant compliance training annually. Through its due diligence procedures and ongoing asset management of investments, Arcus endeavours to ensure no form of slavery, servitude, forced, compulsory or child labour, or human trafficking takes place.

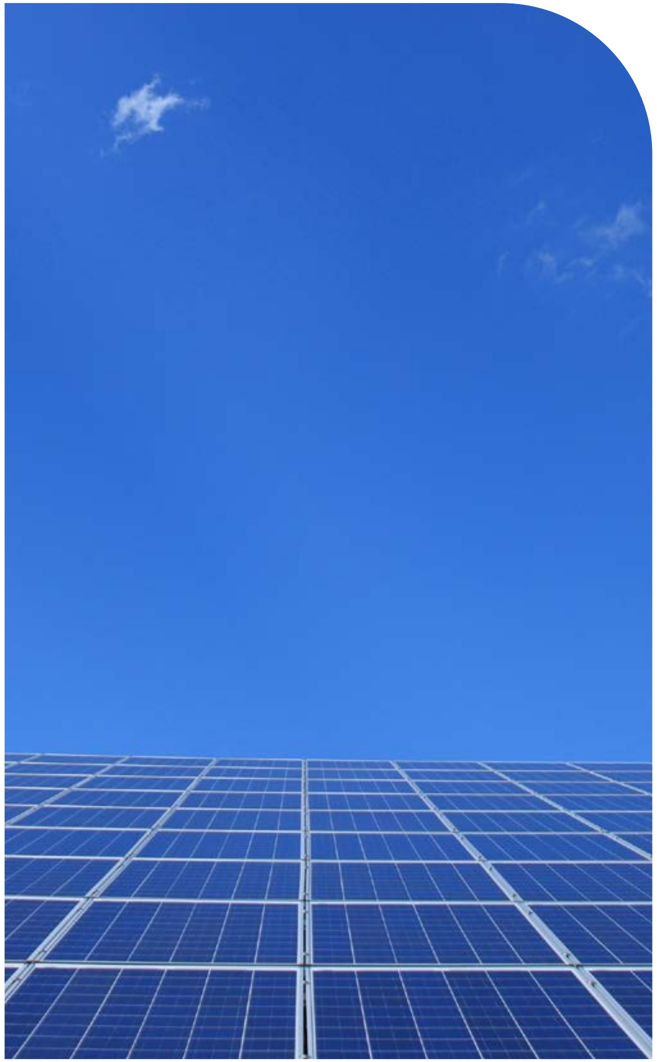
Stakeholder rights

Arcus recognises that its operations and the operations of portfolio companies have impacts on a broad range of stakeholders.

Through its commitment to responsible investment and active stewardship, Arcus considers relevant stakeholders' interests and the importance of infrastructure as a shared community resource. Arcus actively promotes integration of employee engagement and customer satisfaction in the processes and procedures of the investee companies. Arcus works closely with all its portfolio companies to formalise an approach to stakeholder engagement, including stakeholder mapping, policy setting and annual strategy setting.

Human rights in global supply chain

Momentum Green Energy



As the global transition to renewable energy accelerates, solar photovoltaic ("PV") projects have become an important component of national and corporate decarbonisation strategies. However, alongside environmental benefits, the rapid growth of the solar sector, and raw materials required to produce PV cells, has raised concerns about the social impact of supply chains, particularly in relation to the way solar-grade polysilicon is sourced. In response to these concerns, enhanced due diligence is increasingly being incorporated into solar project PV procurement processes.

Momentum's commitment to transparent sourcing
Momentum, Arcus' clean energy investment and services platform covering the full lifecycle for wind and solar projects, recently conducted enhanced due diligence for the procurement of key components related to a planned new solar PV development in Denmark.

Recognising broader market concerns around the integrity of supply chains for certain components used in the production of solar panels, the Momentum management team undertook a supply chain traceability assessment of the key raw materials used in the components of its preferred PV panel suppliers. The focus was heightened given this was a new PV supplier to Momentum, with specific detailed attention given to the audit trail of where the solar-grade polysilicon used in the PV panels was sourced from.

Firstly, sourcing information related to higher risk components was requested and provided by the proposed PV panel provider, which covered both the panel providers direct supplier relationships, plus the underlying procurement practices of the suppliers to the panel provider. To further strengthen the level of comfort on the supply chain sourcing, Momentum engaged an independent third-party auditor, recommended by the European Solar Stewardship Initiative, who verified the information provided by the supplier in relation to its direct sourcing relationships on a PV panel batch level. The enhanced due diligence provides comfort that there was low supply chain integrity risk associated with the procurement of these panels.

More broadly, Momentum is a part of a working group with other Danish based solar developers focused on increasing the robustness of their approaches to solar panel sourcing, and further mitigating social supply chain risk associated with solar PV panel procurement.

Community engagement

All Arcus portfolio companies seek to make a positive contribution to the communities or charitable organisations in the countries in which they operate through corporate monetary donations and corporate volunteering activities.

Aiming to use multiple channels to provide support, and in addition to Arcus' organised charitable activities, all members and employees are encouraged to fundraise, volunteer, participate and contribute to charitable organisations that they feel passionately about. Arcus supports individual volunteering, subject to it not unduly interfering with their role within the business and Arcus provides "match-funding" for selected fundraising initiatives on an annual basis.

Celebrating the passage of the Olympic Flame in front of the TDF des Lilas tower

TDF employees took part in the Pilatrail race in France

Coolworld Team during the Tilburg Ten Miles

Portus and Arcus' recent involvement in Mopo Team-Staffelauf, a 5x5 relay bringing the Hamburg business community together

3 GOOD HEALTH AND WELL-BEING

Governance

Risk management

Every Member and Employee has a responsibility in managing risk at Arcus, at fund and/or investment level. At Arcus, the risk management function has full escalation and whistleblowing capacity, while being hierarchically and functionally independent from portfolio management activities.

Arcus has a proprietary Enterprise Risk Management ("ERM") framework detailing its commitment to managing risks and describing how risk management activities are embedded in its business practices, systems, processes and behaviours. The objective of the Arcus ERM framework is to create and protect the value to Arcus' investors, employees, investments, and other stakeholders. It improves performance, encourages innovation, and supports the achievement of Arcus' objectives, while complying with law and regulations.

The ERM framework is adapted to Arcus' highly scrutinised regulatory environment and is founded on strategy, risk appetite, risk governance, risk management process and risk culture. The risk appetite is determined on an annual basis and the Investment Committee, AEIMNL board, GP Board, and the ManCo (as relevant) discuss compliance with the defined risk appetite by reviewing the risk profile on a quarterly basis as relevant to their respective roles. Through this ERM framework, Arcus can identify, measure, manage and monitor on an ongoing basis all key risks. To identify and control risks, Arcus uses a risk universe, in accordance with prevailing market standards, consisting of financial risks (market, credit, liquidity and counterparty risks) and non-financial risks (strategic, ESG, operational and compliance risks).

Case study

CSRD revision under the Omnibus Package

The Corporate Sustainability Reporting Directive ("CSRD") is an EU Directive, that specifically targets European (and some non-European) companies to disclose enhanced sustainability-related reporting. CSRD is designed as part of the European Green Deal to increase transparency and improve corporate sustainability reporting whilst encouraging comprehensive non-financial disclosures on ESG factors. The EU is moving in this direction in a strategy to strengthen sustainable investment.

CSRD revisions under the omnibus package.
2024 marks a year of significant change for CSRD, following a proposal to substantially revise the scope and thresholds of the CSRD directive, the so-called "Omnibus package" is expected to materially revisit this EU directive in an effort to reduce administrative burdens by 25% for all businesses and 35% for SMEs, according to EU authorities.

Unlike the SFDR, which targets financial market participants like Arcus, the CSRD applies to European companies that meet certain size-based thresholds. During the year, Arcus assessed its exposure to the CSRD directive. Under the revised Omnibus proposal, which would raise the threshold for mandatory sustainability reporting from companies with 250 or more full-time employees (FTEs) to those with 1,000 or more FTEs – the number of Arcus' investee companies subject to the directive would decrease from 12 to three out of 18, should the proposal be adopted into law.

Prior to the Omnibus package, in an effort to support investee companies prepare for the adoption of these regulatory requirements, during the year Arcus appointed Pinsent Masons, a multinational legal consultancy firm, to design and deliver a CSRD training programme. This training was provided to management teams across the entire portfolio, and inspired some investee companies to continue aligning their sustainability reporting efforts to the European Sustainability Reporting Standards ("ESRS"), the underlying standards which underpins the CSRD.

By providing specific centralised guidance material for the investee companies, Arcus targeted a standardised and more cost-effective approach to preparation for regulation adoption and to assist with guiding the double materiality exercise required to comply with the regulation.

Arcus continues to support its investee companies in navigating new regulatory requirements, such as the revisited CSRD approach under the Omnibus package, providing relevant feedback and guidance where deemed necessary.

ESG in the investment lifecycle

Constellation Cold Logistics

In October 2024, AEIF2 completed the 100% sale of its investment in Constellation. During AEIF2's ownership, Arcus implemented significant ESG improvements which were well recognised at exit and contributed to the successful exit of Constellation.

Constellation is a chain of cold storage companies currently comprising 38 facilities and approximately one million pallet positions of capacity. The Constellation platform was one of the more energy-intensive investments within the Arcus portfolio. The platform's buy and build strategy has resulted in a good geographical spread across multiple European countries. Arcus first invested in Constellation in 2019. Since that time, and through close collaboration with Arcus on material ESG factors, Constellation has become an ESG pioneer in the cold storage sector.

Arcus targeted reduction of the transitional risk profile of the Constellation platform, ensuring the company's competitive position in a transition to a low carbon economy and longevity as critical infrastructure ensuring food security. When looking at market-wide and systemic risk in the context of our investments, we identified energy efficiency and climate risk exposure as examples of key considerations. The implementation of these issues into investment strategy is evidenced by the businesses that Arcus buys, and the way we manage them.

From a social aspect, Constellation implemented robust measures, including the adoption of Personal Protective Equipment ("PPE") standards and comprehensive policies across all sites to ensure employees are protected to the highest possible standard.

From an environmental perspective, Arcus identified energy efficiency solutions. Investments during AEIF2 ownership to upgrade refrigeration systems achieved up to 40% energy efficiency improvements and the installation of self-generation into renewable energy generation have also been a key part of the firm's ESG strategy, contributing to reductions in carbon footprint. The investment in 12.4MW of solar capacity during AEIF2's ownership allowed an average self-generation of 12% of Constellation's total energy requirements. Constellation also installed more efficient LED lighting, best-in-class insulation and rapid-roll doors across multiple sites to further increase energy efficiency during AEIF2's ownership.

These improvements implemented through Arcus' guidance and stewardship were well recognised at exit and contributed to the successful exit of Constellation from AEIF2.

Corporate governance

The Arcus governance framework is documented in its Corporate Governance Policy, including detailed procedures regarding document execution and delegated authorities.

As part of the Arcus commitment to responsible investment, it actively focuses on ensuring, establishing and maintaining robust corporate governance for its investee companies, to generate sustainable value and deliver better long-term returns for investors.

Enhancing risk management at origination

Arcus

In recent years, Arcus has updated its risk methodology within the asset management process. While risks were previously identified during the origination phase, the approach was not structured in the same way as for the asset management phase. To strengthen this process, further enhancements were required.

The aim was to refine and align the risk management methodology used in the origination phase with the structured approach applied during the asset management phase. This would ensure consistency, improve risk identification and assessment.

To enhance the risk methodology while maintaining efficiency, several steps were undertaken. Meetings were held with Arcus sector heads to gather insights and consult on preferred approaches and ensure that any enhancements integrated into existing workflows without adding unnecessary complexity. The focus was on improving risk identification and assessment.

The structure and risk methodology used in the Final Investment Approval Request ("FIAR") was revised in 2024 to align with the Arcus established risk management framework.

The FIAR is now aligned with Arcus' risk management methodology. Key improvements include the incorporation of a standardised risk taxonomy, a more structured assessment of risks within the origination phase, and the integration of qualitative and, where possible, quantitative risk processing within the acquisition financial model.

Influencing industry benchmark through GRESB

Case study

Arcus is a member of the GRESB infrastructure benchmark and participated in the ESG assessment and benchmarking process over the last eight years (2017-2024). Arcus requires all investee companies to complete the GRESB infrastructure assessment annually.

Arcus uses the GRESB benchmarking process as a tool to assess ESG performance at investee company level, facilitate engagement for internal and external discussions and set performance targets, with the aim of consistently improving asset ESG performance. Neil Krawitz, Head of ESG and Asset Management at Arcus, was selected following the application process in early 2022 to the Infrastructure Standards Committee ("ISC"), one of GRESB's key governance bodies and has been a member of the ISC since. Kaj Bakker, Senior ESG Director serves as expert in the infrastructure working group that supports GRESB by providing technical expertise, industry resources and guidance used to develop GRESB ESG standards. In addition, in Q4 2024 Arcus team members participated in the GRESB Data Centre and Net Zero working groups.

During the year, Arcus participated in all committee meetings of the ISC. With 16 years of relevant infrastructure and ESG experience, Neil Krawitz actively contributed to further development of the GRESB standards, on behalf of Arcus. Through the participation Arcus continues to have access to thought leadership by other ESG frontrunners in the infrastructure sector. Arcus can contribute to shaping the future of an important ESG infrastructure benchmark and influence as well as align its own ESG strategy with the best practice of others.

In 2024, following work and guidance of the ISC and associated working groups, the GRESB standard improved or adopted amongst others the following ESG topics: net zero, carbon reduction targets, physical and transitional climate change risk and opportunity assessments, verification and assurance of GHG information, and DEI. Through involvement in these initiatives Arcus seeks to continuously improve its approach and maintain its position as an ESG sector leader.

Portfolio summary

Alpha Trains

Sector Transport	**Location** Luxembourg
Website www.alphatrains.eu	**Number of employees** 128
Investment date 5 August 2008	**Gender diversity** 58% male, 42% female
Percentage ownership as at reporting date 37.35%	**Arcus asset manager** Neil Krawitz
Energy consumption 150 MWh renewable energy 700 MWh total energy	**Health & Safety metric** 0 recordable injuries 0.0% workdays lost to injuries or accidents
GRESB scores 100/100	**GHG emissions (tCO_2e)** Scope 1: 116 Scope 2: 39 Scope 3: 203,600

UN SDGs

3, 5, 7, 8, 9, 10, 11, 12, 13

Brisa

Sector Transport	**Location** Portugal
Website www.brisa.pt	**Number of employees** 3,003
Investment date 27 June 2007	**Gender diversity** 61% male, 39% female
Percentage ownership as at reporting date 83.30%	**Arcus asset manager** João Garcia
Energy consumption 240 MWh renewable energy 49,240 MWh total energy	**Health & Safety metric** 64 recordable injuries
GRESB scores 100/100	**GHG Emissions (tCO_2e)** Scope 1: 5,475 Scope 2: 4,357 Scope 3: 65,867

UN SDGs

3, 5, 7, 8, 9, 10, 11, 12, 17

Constellation Cold Logistics

Sector Logistics	**Location** Luxembourg
Website www.constellationcold.com	**Number of Employees** 1,085
Investment Date 30 September 2019[13]	**Gender diversity** 81% male, 19% female
Percentage ownership as at reporting date 25%	**Arcus asset manager** Jordan Cott
Energy consumption 105,160 MWh renewable energy 203,940 MWh total energy	**Health & Safety metric** 96 recordable injuries 0.1% workdays lost to injuries or accidents
GRESB scores 99 / 100	**GHG Emissions (tCO_2e)** Scope 1: 10,386 Scope 2: 17,239 Scope 3: 27,610

UN SDGs

3 Good health and well-being; 5 Gender equality; 7 Affordable and clean energy; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 10 Reduced inequalities; 12 Responsible consumption and production

Coolworld Investments

Sector Logistics	**Location** Netherlands
Website www.coolworld-rentals.com	**Number of Employees** 284
Investment Date 30 August 2023	**Gender diversity** 74% male, 26% female
Percentage ownership as at reporting date 93.60%	**Arcus Asset Manager** Jordan Cott
Energy consumption 531 MWh renewable energy 6,241 MWh total energy	**Health & safety metric** 24 recordable injuries 0.9% of workdays lost due to injuries or accidents
GRESB scores Will participate in 2025	**GHG Emissions (tCO_2e)** Scope 1: 14,232 Scope 2: 303 Scope 3: 64,127

UN SDGs

5 Gender equality; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 10 Reduced inequalities; 11 Sustainable cities and communities; 12 Responsible consumption and production; 13 Climate action

13 Following the sale of Constellation, The Partnership held its first closing on 4 October 2024, via Constellation Strategic Investment Vehicle SCSp ("CSIV")

eze.network

Sector Transport	**Location** Germany
Website www.eze.network	**Number of Employees** 33
Investment Date 12 June 2024	**Gender diversity** 73% male, 27% female
Percentage ownership as at reporting date 58.80%	**Arcus asset manager** Andrew Copeland
Energy consumption 58 MWh renewable energy 58 MWh total energy	**Health & Safety metric** 0 recordable injuries 3.6% workdays lost to injuries or accidents
GRESB scores Will participate in 2025	**GHG Emissions (tCO_2e)** Scope 1: 69 Scope 2: 4 Scope 3: 1,010

UN SDGs

FixMap Sp. z o.o.

Sector Digital	**Location** Poland
Website arcusip.com/portfolio-item/fixmap	**Number of Employees** 185
Investment Date 12 September 2024	**Gender diversity** 65% male, 35% female
Percentage ownership as at reporting date 85%	**Arcus Asset Manager** Christoper Ehrke
Energy consumption FixMap will collect energy data for 2025	**Health & safety metric** FixMap will collect relevant data for 2025
GRESB scores Will participate in 2026	**GHG Emissions (tCO_2e)** FixMap will collect GHG emissions for 2025

UN SDGs

GTC

Sector Transport	**Location** Poland
Website www.a1.com.pl/en	**Number of employees** 9
Investment date 22 December 2016	**Gender diversity** 33% male, 67% female
Percentage ownership as at reporting date 75.60%	**Arcus asset manager** Stefano Brugnolo
Energy consumption 123 MWh renewable energy 12,595 MWh total energy	**Health & Safety metric** 0 recordable injuries 0.15% workdays lost to injuries or accidents
GRESB scores 97/100	**GHG emissions (tCO_2e)** Scope 1: 1,365 Scope 2: 2,762 Scope 3: 192,968

UN SDGs

3, 5, 7, 9, 10, 12, 15

HB Returnable Transport Solutions

Sector Logistics	**Location** Netherlands
Website ww.hb-rts.com/en	**Number of Employees** 140
Investment Date 08 December 2021	**Gender diversity** 83% male, 17% female
Percentage ownership as at reporting date 99%	**Arcus Asset Manager** Lisero Perez Lebbink
Energy consumption 539 MWh renewable energy 14,949 MWh total energy	**Health & safety metric** 8 recordable injuries 0.3% workdays lost to injuries or accidents
GRESB scores 77/100	**GHG Emissions (tCO_2e)** Scope 1: 1,484 Scope 2: 2,076 Scope 3: 16,318

UN SDGs

5, 6, 9, 10, 11, 12, 13, 14

Horizon Energy Infrastructure

Sector Energy	**Location** United Kingdom
Website www.horizonei.co.uk	**Number of Employees** 41
Investment Date 13 November 2019	**Gender diversity** 24% male, 76% female
Percentage ownership as at reporting date 100%	**Arcus Asset Manager** Mark Cresswell
Energy consumption 3 MWh renewable energy 22 MWh total energy	**Health & safety metric** 0 recordable injuries
GRESB scores 93/100	**GHG Emissions (tCO_2e)** Scope 1: 0 Scope 2: 7 Scope 3: 2,159

UN SDGs

Momentum Green Energy

Sector Energy	**Location** Denmark
Website www.momentum-gruppen.com	**Number of Employees** 137
Investment Date 21 December 2021	**Gender diversity** 67% male, 33% female
Percentage ownership as at reporting date 64%	**Arcus Asset Manager** Jake Woolfstein
Energy consumption 1,30 MWh of electricity 97 MWh of heat 45,859 litres of diesel 95 litres of petrol	**Health & safety metric** 3 recordable injuries 3.7% workdays lost to injuries or accidents
GRESB scores 95/100	**GHG Emissions (tCO_2e)** Scope 1: 205 Scope 2: 395 Scope 3: 5,730

UN SDGs

Officium GmbH

Sector Energy	**Location** Germany
Website www.officium.gmbh	**Number of Employees** 315
Investment Date 19 January 2023	**Gender diversity** 55% male, 45% female
Percentage ownership as at reporting date 69.20%	**Arcus Asset Manager** Stefano Brugnolo
Energy consumption 10 MWh renewable energy 290 MWh total energy	**Health & safety metric** 17 recordable injuries 4.2% workdays lost due to injuries or accidents
GRESB scores 67 / 100	**GHG Emissions (tCO_2e)** Scope 1: 618 Scope 2: 129 Scope 3: 4

UN SDGs

5 Gender Equality; 7 Affordable and Clean Energy; 9 Industry, Innovation and Infrastructure; 10 Reduced Inequalities; 12 Responsible Consumption and Production; 13 Climate Action; 17 Partnerships for the Goals

Opus Bilprovning

Sector Transport	**Location** Sweden
Website www.opusbilprovning.se	**Number of Employees** 498
Investment Date 29 March 2022	**Gender diversity** 90% male, 10% female
Percentage ownership as at reporting date 100%	**Arcus Asset Manager** Michael Allen
Energy consumption 18,325 MWh renewable energy 20,085 MWh total energy	**Health & safety metric** 39 recordable injuries 0.2% workdays lost due to injuries or accidents
GRESB scores 86 / 100	**GHG Emissions (tCO_2e)** Scope 1: 121 Scope 2: 989 Scope 3: 3,049

UN SDGs

3 Good Health and Well-Being; 5 Gender Equality; 10 Reduced Inequalities; 11 Sustainable Cities and Communities; 13 Climate Action

Peacock Group Holdings B.V.

Sector Transport	**Location** Netherlands
Website www.peacockcontainer.com	**Number of Employees** 19
Investment Date 19 February 2021	**Gender diversity** 66% male, 34% female
Percentage ownership as at reporting date 90%	**Arcus Asset Manager** Jenni Chan
Energy consumption 35 MWh total energy	**Health & safety metric** 0 recordable injuries
GRESB scores 93/100	**GHG Emissions (tCO_2e)** Scope 1: 7 Scope 2: 9 Scope 3: 59,504

UN SDGs

Portus Data Centers

Sector Digital	**Location** Luxembourg
Website www.portusdatacenters.com/	**Number of Employees** 41
Investment Date 11 January 2023	**Gender diversity** 80% male, 20% female
Percentage ownership as at reporting date 100%	**Arcus Asset Manager** John Shea
Energy consumption 29,877 MWh renewable energy 29,990 MWh total energy	**Health & safety metric** 3 recordable injuries 1.32% of total working days were lost
GRESB scores 75/100	**GHG Emissions (tCO_2e)** Scope 1: 209 Scope 2: 7,275 Scope 3: 2,892

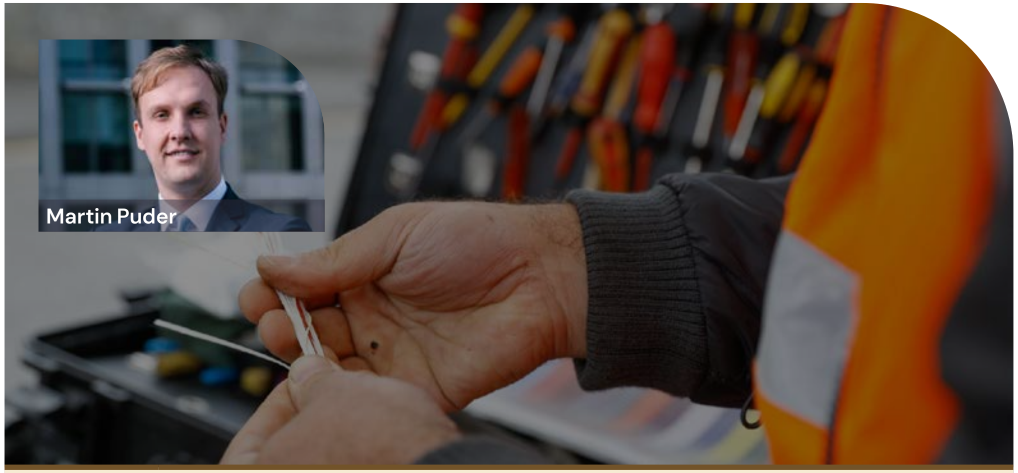
UN SDGs

Smart Meter Assets

Sector Energy	**Location** United Kingdom
Website www.smartmeterassets.co.uk	**Number of Employees** 10
Investment Date 12 May 2021	**Gender diversity** 30% male, 70% female
Percentage ownership as at reporting date 100%	**Arcus Asset Manager** Christian Scott-Mackenzie
Energy consumption 0.4 MWh renewable energy 16 MWh total energy	**Health & safety metric** 0 recordable injuries 0.44% of workdays lost due to injuries or accidents
GRESB scores 93/100	**GHG Emissions (tCO_2e)** Scope 1: 0 Scope 2: 3 Scope 3: 2,928

UN SDGs

5 Gender Equality; 7 Affordable and Clean Energy; 8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 10 Reduced Inequalities; 12 Responsible Consumption and Production; 13 Climate Action; 17 Partnerships for the Goals

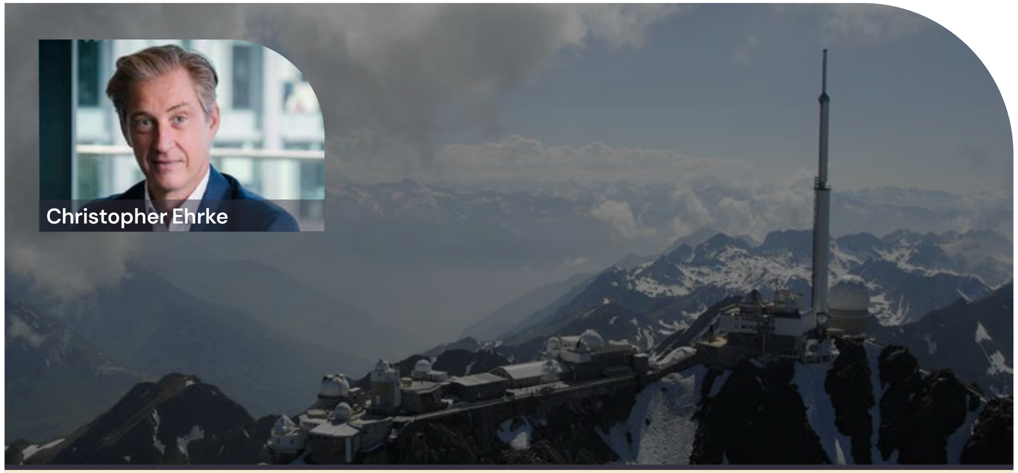


Swiss4net

Sector Digital	**Location** Switzerland
Website www.swiss4net.ch	**Number of Employees** 13
Investment Date 27 April 2018	**Gender diversity** 54% male, 46% female
Percentage ownership as at reporting date 83.30%	**Arcus Asset Manager** Martin Puder
Energy consumption 231 MWh renewable energy 232 MWh total energy	**Health & safety metric** 1 recordable injury 0.29% workdays lost due to injuries or accidents
GRESB scores 93/100	**GHG Emissions (tCO_2e)** Scope 1: 1 Scope 2: 5 Scope 3: 2,990

UN SDGs

4 Quality Education; 5 Gender Equality; 8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 10 Reduced Inequalities; 11 Sustainable Cities and Communities; 13 Climate Action; 17 Partnerships for the Goals



TDF

Sector Digital	**Location** France
Website www.tdf.fr	**Number of Employees** 1,868
Investment Date 31 March 2015	**Gender diversity** 77% male, 23% female
Percentage ownership as at reporting date 45%	**Arcus Asset Manager** Christopher Ehrke
Energy consumption 38,000 GWh renewable energy 546,000 MWh total energy	**Health & safety metric** 0 recordable injuries 3% workdays lost to injuries or accidents
GRESB scores 96/100	**GHG Emissions (tCO_2e)** Scope 1: 4,488 Scope 2: 32,037 Scope 3: 148,670

UN SDGs

Workdry International

Sector Logistics	**Location** United Kingdom
Website www.workdry.com	**Number of Employees** 770
Investment Date 21 September 2022	**Gender diversity** 84% male, 16% female
Percentage ownership as at reporting date 59.60%	**Arcus Asset Manager** Jordan Cott
Energy consumption 1,780 MWh renewable energy 24,331 MWh total energy	**Health & safety metric** 105 recordable injuries 0.1% workdays lost due to injuries or accidents
GRESB scores 89/100	**GHG Emissions (tCO_2e)** Scope 1: 4,950 Scope 2: 596 Scope 3: 166,047

UN SDGs

Arcus ESG timeline

July 2009
Arcus established

Shareholder Leadership | Management Excellence | Strategy & Operations | Finance & Reporting

October 2009
Creation of Arcus Asset Management framework with ESG considerations

March 2010
Signatory to the UK Stewardship Code

July 2014
First Arcus ESG policy and principle-based approach to managing ESG

December 2016
Appointment of Arcus Head of ESG and ESG Committee

March 2017
Signatory to UN PRI

March 2017
Member of GRESB, and mandatory investee company participation in GRESB

July 2017
Arcus commences supporting the Starlight Children's Foundation Annual Summer Party

December 2017
Integration of UN SDGs in ESG management

October 2018
Member of GRESB Infrastructure Benchmark Committee

January 2019
Arcus begins carbon offsetting all business travel

October 2019
Arcus wins BVCA Responsible Investment Award for firms with more than £1bn under management

November 2019
Adoption of further UN SDGs

February 2020
Signatory of UN Global Compact

December 2020
Arcus implements TCFD reporting across all portfolio companies

March 2021
Update of ESG policy for integration of Sustainable Finance Disclosure Regulation ("SFDR")

August 2021
Arcus initiates a social mobility programme in association with the Sutton Trust

November 2021
Arcus wins the SWEN ESG Best Practice Honours Award

December 2022
Member of iCI
Arcus commits to be net zero by 2050

August 2023
Arcus delivers its first social mobility summer internship programme

February 2024
Arcus awarded 1st place once again in the 2023 ESG Transparency Index for Private Equity and Venture Capital Firms

Glossary

Term	Definition
Advisory Board	A committee consisting of representatives of investors in AEIF1 and/or AEIF2, which will review, inter alia, AEIF1's or AEIF2's investment strategy and performance and any actual or potential conflicts of interest
AEIF1	Arcus European Infrastructure Fund 1
AEIF2	Arcus European Infrastructure Fund 2
AEIF3	Arcus European Infrastructure Fund 3
AEIF4	Arcus European Infrastructure Fund 4
AEIM	Arcus European Investment Manager LLP
AEIMNL	Arcus European Investment Manager Netherlands B.V.
AET	Arcus European Trains SCSp
AGM	Annual General Meeting (of Limited Partners)
AIF	The Alternative Investment Funds (as defined in the Alternative Investment Fund Managers' Directive) managed by Arcus from time to time, including the AEIF1, AEIF2, AEIF3, AET, and CSIV
AIFM	An Alternative Investment Fund Manager bound by AIFMD regulation
AIFMD	The Alternative Investment Fund Managers Directive, the regulation by which AIFMs are bound
AIP	Arcus Infrastructure Partners LLP
AIS	Arcus Infrastructure Services
Alpha Trains	Europe-wide rolling stock lessor (Arcus' Managed Account)
"Arcus", the "Firm" or "we"	Arcus Infrastructure Partners LLP and its directly and indirectly controlled subsidiary undertakings
Asset Manager	The asset manager appointed by Arcus for each investment asset, having day-to-day responsibility for the services performed by Arcus in connection with that asset
AuM	Assets Under Management
Brisa	Toll road operator in Portugal (Arcus' Managed Account)
COBS	FCA Conduct of Business Sourcebook

Term	Definition
CSIV	Constellation Strategic Investment Vehicle SCSp
Contractor	An agency worker or an independent contractor required to provide services on Arcus' premises under the instruction or supervision of an Employee or Member
Constellation	Constellation Cold Logistics
Coolworld	Coolworld Investments B.V. ("Coolworld") temperature control asset leasing for a range of industrial and commercial applications. The company is headquartered in the Netherlands and operates across Germany, the Netherlands, France, Belgium, Austria, and Switzerland
CSRD	The Corporate Sustainability Reporting Directive ("CSRD") is EU legislation that requires EU businesses to disclose their environmental and social impacts, and how their environmental, social and governance ("ESG") actions affect their business
DEI	Diversity, Equity & Inclusion
Employee	An individual with a contract of employment with Arcus
ESG	Environment, Social, and Governance
ESG Committee	The ESG Committee of Arcus as constituted from time to time
ESG risk or sustainability risk	An environmental, social or governance event or condition which, if it occurs, could cause an actual or a potential material negative impact on the value of an investment
ESOS	Energy Savings Opportunity Scheme ("ESOS") is a mandatory energy assessment and reporting scheme for large organisations in the UK
Ethics Committee	The ethics committee of Arcus as constituted from time to time
Eze.network/ EZE	eze.network operator of charging infrastructure at publicly available "park and charge" locations across several key metropolitan areas in Germany
FCA	Financial Conduct Authority
FixMap	FixMap is a FTTH company in Poland which owns and manages 20 subsidiaries who are network operators and local internet service providers covering c. 270k homes passed with c. 100k homes connected throughout Poland
FSB	Fund Supervisory Board

Term	Definition
FTE	Full time equivalent
Funds	Any funds managed or advised by Arcus from time to time, including but not limited to AEIF1, AEIF2, AEIF3, AEIF4, AET and/or CSIV (as relevant)
GHG	Greenhouse Gas emissions
GRESB	The Global ESG Benchmark for Real Assets
Gdansk Transport Company	Toll road operator in Poland (Arcus' Managed Account)
GWP	Global Warming Potential
HB RTS	HB Returnable Transport Solutions is a leading provider of critical logistics solutions to the Dutch food and retail industry (AEIF2 portfolio company)
Horizon Energy Infrastructure	A UK-based smart metering asset provider (AEIF2 portfolio company)
HR	The individual(s) with responsibilities for human resources matters within Arcus
iCI	initiative Climat International
Investment	Any investment made by any Fund or Managed Account from time to time
IC	The Investment Committee of Arcus as constituted from time to time
Investor	An investor in AEIF1 or AEIF2 or AEIF3 or another fund or investment vehicle managed or advised by Arcus from time to time
IIGCC	IIGCC Institutional Investors Group on Climate Change, a European network of investors working to address climate change and promote sustainable investment practices
ISC	GRESB Infrastructure Standards Committee
Managed Account	Any Arcus managed or advised investments (other than the Funds)
Managing Partner	Any individual(s) elected to the role of managing partner or co-managing partner from time to time
ManCo	The Management Committee of Arcus
Member	A member of AIP
MiFID	Markets in Financial Instruments Directive
NZIF	Net Zero Investment Framework initiative ("IIGCC")
Officium	Officium Holding GmbH, a provider of the long-term rental of submetering equipment and related services

Term	Definition
PAI or PAIs	Principal Adverse Impacts (in context of SFDR)
Portus	Portus Data Centers S.à r.l. ("Portus") is a data centre group that provides colocation/data centre capacity and related services to customers
PRI	Principles for Responsible Investment
SDGs	Sustainable Development Goals
SDR	The UK SDR is a proposed set of rules that will govern sustainability disclosure requirements for financial market participants in the United Kingdom
SECR	The UK's Streamlined Energy and Carbon Reporting regulation is a new policy that requires UK companies to disclose their energy consumption and carbon emissions annually.
SFDR	EU's Regulation on sustainability-related disclosures in the financial services sector
SMA	Smart Meter Assets is a UK-based smart metering asset provider
Stop List	The list of companies maintained by Head of Compliance & Risk in which personal account trading is prohibited
Swiss4net	Swiss4net Holding AG or Swiss4net is the holding entity in Switzerland that owns the two existing brownfield networks and will develop the future networks to be rolled out
TCFD	Task Force on Climate-related Financial Disclosures
TDF	Broadcasting tower and FTTH infrastructure operator in France (Arcus' Managed Account)
UNGC	United Nations Global Compact
UN PRI	United Nations Principles for Responsible Investment
Workdry	Workdry International Limited provides critical water pump and wastewater treatment asset leasing to UK water utilities, engineering firms and other industrial customers through the Selwood and Siltbuster trading brands

Important notice

This report (the "Report") is issued by Arcus Infrastructure Partners LLP ("Arcus"), registered in the UK under number OC343340 and with a registered office at 6th Floor, 1 Aldermanbury Square, London EC2V 7HR. This Report is for information only and should not be relied upon for any purpose. References to particular industries, sectors or companies are for general information and no guarantee, warranty or representation, express or implied, is made as to the accuracy, completeness or thoroughness of the contents of this Report. Arcus expressly disclaims any obligations to update this Report, including any information required to correct any earlier inaccuracy or error. No information set out in this Report constitutes legal, tax, regulatory, financial, investment, accounting or other advice, an advertisement, an invitation, an offer or a solicitation, to buy or sell any financial product or security or to engage in any investment activity, or an offer of any financial service. All securities and financial product or instrument transactions involve risks. Past performance is not a reliable indication of future performance.

Arcus European Investment Manager LLP ("AEIM"), a subsidiary of Arcus, is authorised and regulated by the UK Financial Conduct Authority (FRN 506441). Additionally, Arcus European Investment Manager Netherlands B.V. ("AEIMNL"), a subsidiary of Arcus, is authorised and regulated by the Netherlands Authority for the Financial Markets Autoriteit Financiële Markten ("AFM"). Its registration number is 15004443. Any information presented in relation to any fund or other investment vehicle managed or advised by AEIM or AEIMNL is general in nature.

The source for the data and information in this Report is Arcus unless otherwise noted.

Without the express prior written consent of Arcus, this Report and its contents are not to be reproduced or circulated to any other party.

This Report and the rights and obligations of the recipients arising out of or in connection with it, whether contractual, non-contractual, pre-contractual or otherwise, are governed by the laws of England and Wales.

LONDON
6th Floor, 1 Aldermanbury Square,
London, EC2V 7HR

AMSTERDAM
De Lairessestraat 107-2,
Amsterdam, Noord Holland,
1071NX
The Netherlands

LUXEMBOURG
37A, Avenue J.F. Kennedy
L-1855, Luxembourg

LISBON
Avenida da Liberdade, 110 – 1°
1269-046
Lisbon, Portugal

Contact us

General correspondence
Arcus European Investment Manager LLP
6th Floor, 1 Aldermanbury Square
London EC2V 7HR, United Kingdom
T. +44 20 7832 3400
F. +44 20 7936 3227

Neil Krawitz
Head of Asset Management and ESG
neil.krawitz@arcusip.com
T. +44 20 7832 3428

Designed and produced by Dusted.