



LEA 02	Discipline: Mandatory	Principle: PRI 1, 2, 3
<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in a company's ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 	<p>Type of engagement</p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in a company's ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff

RI TRANSPARENCY REPORT

2017

InfraRed Capital Partners Limited

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2017 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⚠	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	RI activities for listed equities	🔒	n/a							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO End	Module confirmation page	✓	-							

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04		✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Public							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13	Long term investment risks and opportunity	✓	Private	✓						
SG 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
SG 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
SG 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 17	Innovative features of approach to RI	✓	Private							✓
SG End	Module confirmation page	✓	-							

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments	✓	Private							✓
PR 02	Breakdown of assets by management	✓	Private							✓
PR 03	Largest property types	✓	Private							✓
PR 04	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 05	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 06	Formal commitments to RI	✓	Private				✓			
PR 07	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 08	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 09	ESG issues impact in selection process	✓	Public	✓						
PR 10	ESG issues in selection, appointment and monitoring of third-party property managers	⚡	n/a				✓			
PR 11	ESG issues in post-investment activities	✓	Public		✓					
PR 12	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 13	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 14	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 15	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 16	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 17	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 18	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 19	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR 20	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	
PR End	Module confirmation page	✓	-							

Direct - Infrastructure				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
INF 01	Breakdown of investments	✓	Private							✓
INF 02	Breakdown of assets by management	✓	Private							✓
INF 03	Largest infrastructure	✓	Private							✓
INF 04	Description of approach to RI	✓	Private	✓						✓
INF 05	Responsible investment policy for infrastructure	✓	Public	✓						✓
INF 06	Fund placement documents and RI	✓	Public	✓			✓			✓
INF 07	Formal commitments to RI	✓	Private				✓			
INF 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
INF 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
INF 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
INF 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
INF 12	ESG issues impact in selection process	✓	Private	✓						
INF 13	ESG issues in selection, appointment and monitoring of third-party operators	✓	Public				✓			
INF 14	ESG issues in post-investment activities	✓	Public		✓					
INF 15	Proportion of assets with ESG performance targets	✓	Public		✓					
INF 16	Proportion of portfolio companies with ESG/sustainability policy	✓	Public		✓					
INF 17	Type and frequency of reports received from investees	✓	Private		✓	✓				
INF 18	Proportion of maintenance projects where ESG issues were considered	✓	Public		✓					
INF 19	Proportion of stakeholders that were engaged with on ESG issues	✓	Private		✓					
INF 20	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
INF 21	Examples of ESG issues that affected your infrastructure investments	✓	Private	✓		✓				
INF 22	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓
INF 23	Approach to disclosing ESG incidents	✓	Private							✓
INF End	Module confirmation page	✓	-							

InfraRed Capital Partners Limited

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory services

OO 01.2

Additional information. [Optional]

InfraRed is a leading global investment manager focused on infrastructure and real estate. We create real value for our investors, project partners, communities and end users.

With over 120 professionals we manage more than US\$9bn of equity capital in multiple private and listed funds, primarily for institutional investors across the globe.

To date, we have launched 18 funds including two companies listed on the London Stock Exchange: HICL Infrastructure Company Limited and The Renewables Infrastructure Group. We have already either completely or materially realised 7 of these, demonstrating our ability to create real value for our stakeholders.

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

United Kingdom

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

1

2-5

6-10

>10

OO 02.3

Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

120

OO 02.4 Additional information. [Optional]

InfraRed's headquarters is located in London, with overseas offices based in Hong Kong, New York, Seoul, and Sydney.

OO 03 Mandatory Public Descriptive General

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04 Mandatory Public Gateway/Peering General

OO 04.1 Indicate the year end date for your reporting year.

31/12/2016

OO 04.2 Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on.

	trillions	billions	millions	thousands	hundreds
Total AUM		9	200	000	000
Currency	USD				
Assets in USD		9	200	000	000

OO 06 Mandatory Public Descriptive General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

OO 06.1 How you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	0	0
Private equity	0	0

Property	10-50%	0
Infrastructure	>50%	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

OO 06.2 Publish our asset class mix as per attached image [Optional].

OO 09	Mandatory to Report Voluntary to Disclose	Public	Peering	General
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OO 09.1 Indicate the breakdown of your organisation's AUM by market.

Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
<i>Total</i>	<i>100%</i>

Gateway asset class implementation indicators

OO 11	Mandatory	Public	Gateway	General
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OO 11.1

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

- Property
- Infrastructure
- None of the above

OO 12

Mandatory

Public

Gateway

General

You will need to make a selection in OO 12.1 only if you have any voluntary modules that you can choose to report on.

OO 12.1

Select from below any additional applicable modules or sections you would like to report on voluntarily. You are only required to report on asset classes that represent 10% or more of your AUM.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Other asset classes with dedicated modules

- Property
- Infrastructure

Closing module

- Closing module

InfraRed Capital Partners Limited

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input checked="" type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.4

Indicate what norms you have used to develop your investment policy that covers your responsible investment approach.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)

other (1) description

Modern Slavery Act 2015

- Other, specify (2)

other (2) description

AIFMD

Other, specify (3)

other (3) description

CFA UK Asset Managers Code of Professional Conduct

None of the above

No

SG 01.6

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

InfraRed has an overall ESG Policy which is publically available on the company website (see SG 02.2), and also specific ESG policies for Infrastructure and Real Estate which are not publically available.

SG 02

Mandatory

Public

Core Assessed

PRI 6

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

Policy setting out your overall approach

URL/Attachment

URL

URL

<https://ircp.com/files/Downloads/ESG%20Policy%202016.pdf>

Attachment (will be made public)

Formalised guidelines on environmental factors

Formalised guidelines on social factors

Formalised guidelines on corporate governance factors

Asset class-specific RI guidelines

Sector specific RI guidelines

Screening / exclusions policy

We do not publicly disclose our investment policy documents

SG 02.4	Additional information [Optional].
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We also publish our PRI Assessment Report so our stakeholders can see how we compare against our peers. The URL for this Assessment Report is <https://ircp.com/files/Downloads/PRI%20Assessment%20report%202016%20-%20InfraRed%20Capital%20Partners%20Ltd.pdf>

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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Where legal duties of loyalty and trust towards an investor are applicable, InfraRed and the funds it manages must put the interests of the investor above their own interests and must not profit from their responsibilities except with the knowledge and consent of the investor.

InfraRed's Conflicts of Interest Policy sets out how it seeks to:

- Identify circumstances which may give rise to conflicts of interest entailing a material risk of damage to investor interests
- Establish appropriate mechanisms and systems to manage those conflicts
- Maintain systems designed to prevent actual damage to investor interests through any identified conflicts

InfraRed has well established adequate internal policies, procedures, systems and controls in place which are designed to identify and manage potential conflicts of interest fairly and control access to information and subject deals to appropriate controls and reviews. These include, but are not limited to the following:

- Conflicts register
- Chinese walls
- Confidential information
- Personal Account Dealing
- Gifts and corporate entertainment
- Separate supervision and segregation of function
- Disclosure and declining to act

InfraRed's Conflicts of Interest Policy is publically available and can be found at the following address:
<https://ircp.com/files/Downloads/Conflicts%20of%20Interest%20Disclosure%20Statement%202016.pdf>

No

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not reviewed

SG 05.2

Additional information. [Optional]

Corporate ESG objectives are set by the ESG Steering Committee and approved by InfraRed's Governance Board. The ESG Committee also meet quarterly to review progress and discuss strategy.

Investment level ESG objectives are incorporated into the initial investment proposal which is approved by the Investment Committee. Progress is then monitored and discussed at the quarterly asset review meetings on each fund.

Governance and human resources

SG 07**Mandatory****Public****Core Assessed****General****SG 07.1**

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 Head of Risk & Compliance

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (1)

ESG Steering Committee

Other description (1)

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (2)

Other description (2)

Tax

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

SG 07.2 For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

InfraRed has an ESG Steering Committee chaired by the Deputy CEO and is comprised of various ESG champions from the Infrastructure, Real Estate and Central Functions business areas.

The ESG Committee report into the Governance Board, and the main purpose of the committee is to champion the implementation of InfraRed's ESG Policy. Core objectives include to:

Promote good ESG and strive for best practice

Ensure the current ESG policy remains fit for purpose

- Ensure InfraRed's values remain aligned
- Ensure all individuals understand the importance of good ESG
- Arrange training where appropriate
- Ensure all reporting is being undertaken in an efficient and timely manner
- Ensure all regulatory risk is considered and mitigated
- Develop our ESG communications
- Monitor developments in the market and our competitors

Some members of staff also have specific ESG related objectives written into their formal annual performance appraisal process.

SG 07.3	Indicate the number of dedicated responsible investment staff your organisation has.
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	Number
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0

SG 08	Voluntary	Public	Additional Assessed	General
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SG 08.1	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.
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Board members/Board of trustees

- Responsible investment included in personal development and/or training plan

SG 08.2	Describe any activities undertaken during the reporting year to develop and maintain Board members' skills and knowledge in relation to responsible investment.
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Training is provided with respect to:

- FCA requirements
- Anti-money laundering
- Anti-bribery
- Director training

Quarterly fund performance review meetings also focus on recent and forthcoming ESG issues with respect to portfolio assets

- None of the above

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Other C-level staff or head of department

Head of Risk & Compliance

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Portfolio managers

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Investment analysts

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Investor relations

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Other role (1) [from SG 07]

ESG Steering Committee

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Other role (2) [from SG 07]

Tax

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

SG 08.3

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

A number of members of staff have specific ESG related objectives written into their formal annual performance appraisal which is linked to the reward process. Our corporate values also have strong ties to responsible investing and these values are inherent in all staff and partners performance appraisals.

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 09.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- AFIC – La Commission ESG
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

InfraRed Capital Partners Ltd claims compliance with the CFA Institute Asset Manager Code of Professional Conduct. This claim has not been verified by CFA Institute.

- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
The Energy Savings Opportunity Scheme

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

InfraRed has submitted its ESOS notification and is compliant

- Other collaborative organisation/initiative, specify

CRC Energy Efficiency Scheme

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

InfraRed Capital Partners (Management) LLP and Ilere Kingdom 1 Ltd have successfully submitted their annual reports for CRC Phase 2, and were also engaged with the Department of Energy and Climate Change with respect to a cost of compliance survey.

- Other collaborative organisation/initiative, specify

Long Term Infrastructure Investors Association

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Founding member of the LTIIA and part of the ESG Workgroup. InfraRed has contributed to the LTIIA ESG Handbook and have provided content to the LTIIA / FrontESG best practise library of infrastructure asset ESG initiatives. Also participated in surveys which have been used to help shape policy across the industry.

- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
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SG 10.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

SG 10.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Wrote articles on responsible investment in the media.
- Other, specify

No

SG 10.3

Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

In late 2016 InfraRed organised a half day workshop with many of its management service provider teams present to discuss and seek assistance in improving the overall effectiveness of its approach to Responsible Investment on its operational assets. A considerable amount of useful feedback was obtained and cross project links established which will assist with future performance improvements

Implementation not in other modules

SG 12

Mandatory

Public

Descriptive

PRI 1

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1

Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

SG 12.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.
----------------	---

- We do the following
 - Allocation between asset classes
 - Determining fixed income duration
 - Allocation of assets between geographic markets
 - Sector weightings
 - Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 12.3	Additional information. [OPTIONAL]
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InfraRed utilises various sources to determine robustness of governance structures in potential geographic markets. If a country does not meet certain minimum requirements, InfraRed will not invest in this location.

Analysis of consumer behaviours is also undertaken at a portfolio level to help us focus on specific real estate sectors that are increasing in prominence.

Portfolio level Risk Register reporting is also undertaken that analyses the valuation and cash flow impacts under various different scenarios.

SG 14	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 14.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
----------------	---

- Yes

SG 14.2	Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.
----------------	--

	Area
--	------

- Clean technology (including renewable energy)

	Asset class invested
--	----------------------

- Property
- Infrastructure

	% of AUM
--	----------

15

Brief description and measures of investment

Includes building and operating wind farms, PV solar and CSP solar parks.

- Green buildings
- Sustainable forestry
- Sustainable agriculture
- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing
- Education

Asset class invested

- Property
- Infrastructure

% of AUM

9

Brief description and measures of investment

Includes building schools and providing facilities management services

- Global health

Asset class invested

- Property
- Infrastructure

% of AUM

22

Brief description and measures of investment

Includes building hospitals and various healthcare facilities and providing facilities management services

- Water

Asset class invested

- Property
- Infrastructure

% of AUM

2

Brief description and measures of investment

Includes building desalination facilities and providing facilities management services

Other area, specify

No

InfraRed Capital Partners Limited

Reported Information

Public version

Direct - Property

PRI disclaimer

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Overview

PR 04	Mandatory	Public	Core Assessed	PRI 1-6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 04.1 Indicate if your organisation has a Responsible Property Investment (RPI) policy.

Yes

PR 04.2 Provide a URL or attach the document

URL

<https://ircp.com/files/Downloads/ESG%20Policy%202016.pdf>

Attach Document

No

PR 04.3 Provide a brief overview of your organisation's approach to responsible investment in property, and how you link responsible investment in property to your business strategy.

InfraRed believes that the adoption and monitoring of environmental, social and governance (ESG) policies as part of its investment processes is complimentary to its added value investment strategy. Each project's business plan identifies ESG opportunities and targets, through a two stage process:

Stage 1 - a Red Flag pre-bid checklist - to identify obvious and material areas of concern. Red Flags do not mean we will not buy, rather that our Business Plan will incorporate strategies to remedy these issues.

Stage 2 - every Business Plan includes several ESG initiatives to be delivered over the hold period, which are approved by the Investment Committee as part of the decision to purchase.

Once acquired, the implementation of initiatives identified at purchase are monitored on a project by project basis as part of the Fund's Investment Committee's quarterly investment reviews, with progress and outcomes communicated to investors through quarterly reporting, annual investor events, as well as regular meetings with investors.

ESG is embedded into our sourcing and asset management decision making process and a key driver of value. This, along with our active management approach, inevitably means that InfraRed acquires buildings which it believes can be improved by capital investment, often having a positive impact on the environmental attributes of the building or the community in which the building is located. Strong governance regimes also lie at the heart of InfraRed's business strategy, something that is proven regularly as assets subject to significant works of construction by InfraRed are sold without due diligence challenges.

Fundraising of property funds

PR 05	Mandatory	Public	Core Assessed	PRI 1,4,6
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PR 05.1 Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

Yes

PR 05.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
- Approach to ESG issues in post-investment processes
- No
- Not applicable as our organisation does not fundraise

Pre-investment (selection)

PR 07

Mandatory

Public

Gateway/Core Assessed

PRI 1

New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 07.1

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

- Yes

PR 07.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection.

The European Real Estate Team have integrated ESG analysis and delivery into their property acquisition and asset management processes to ensure that ESG targets are incorporated into Business Plan recommendations ahead of purchase and performance is monitored and measured during ownership.

The processes and tools that accompany InfraRed's ESG Policy are designed to enable those involved in the acquisition of real estate assets (Deal Team) to incorporate ESG targets into Business Plan recommendations to be made to the Investment Committee ahead of purchase, balancing desirability from an environmental and/or social perspective against the impact implementation will have on investment performance.

InfraRed adopts a two stage process at acquisition:

Stage 1 - Pre Acquisition Checklist: To identify 'red flag' issues in respect of due diligence matters, including ESG considerations.

Stage 2 - every Business Plan includes several ESG initiatives to be delivered over the hold period, which are approved by the Investment Committee as part of the decision to purchase.

The China Real Estate Team has a detailed set of procedures and approval processes in relation to the making of new investments. These include ESG considerations as part of the initial opportunity assessment as well as the subsequent detailed due diligence process. Where appropriate, external technical consultants would be engaged to undertake a detailed assessment of the asset under the supervision of the Technical Director. The Sponsoring Investment Director (together with the Technical Director and ESG Champion) would analyse the results of the due diligence, including any environmental, resettlement, anti-bribery and health and safety issues identified during the due diligence process. Any issues identified would be set out in the investment approval paper and discussed and considered as part of the investment decision (applying the company's ESG Policy). Consideration of environment, social factors and good corporate governance will also form part of the transaction sign-off.

Decisions to enter into an investment are made by the relevant Investment Committee which comprise of members with relevant industry and sector experience. The Investment Committee requires that all investment proposals consider the approach to ESG. The Investment Committee is aware of the ESG Policy and its approval decisions are based on investments aligning with this policy.

- No

PR 07.3

Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process, and list up to three examples per issue.

ESG issues

- Environmental

List up to three typical examples per E, S and G issue

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other

Description [OPTIONAL]

For assets with external areas - principally industrial estates and retail parks - InfraRed replaces high energy lights, with energy efficient LED fittings. This invariably improves the level of illumination, creating a safer environment during darkness, as well as reducing energy consumption.

List up to three typical examples per E, S and G issue

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other

Description [OPTIONAL]

Throughout its shopping centre portfolio, InfraRed adopts a zero waste to landfill strategy, seeking to recycle as much waste as possible.

List up to three typical examples per E, S and G issue

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other

Description [OPTIONAL]

The French office investment theme is predicated on developing energy efficient buildings. In 2016, InfraRed completed the full scale refurbishment of a 15k sq.m building comprising facade replacement, asbestos removal and interior refurbishment to Grade A specification, compliant with the latest environmental

standards, including geothermic heating/cooling - the building achieved a BREEAM Very Good rating and HQE Renovation Exceptional.

Social

List up to three typical examples per E, S and G issue

- Building safety and materials
- Health, safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Description [OPTIONAL]

When undertaking refurbishment, InfraRed typically removes asbestos, rather than seeking to manage its retention. This approach has been adopted in refurbishing a German office building, with the ultimate aim of securing green certification under LEED or BREEAM.

List up to three typical examples per E, S and G issue

- Building safety and materials
- Health, Safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Description [OPTIONAL]

Providing space to NHS initiatives at shopping centres. In Norwich, the Centre took part in the "Love your Liver" campaign, where Norwich NHS Trust occupied a vacant unit to provide liver scans to shoppers visiting the Centre. Over 130 people were seen. In Bristol, space was handed over to the NHS to encourage people to sign up blood donors.

List up to three typical examples per E, S and G issue

- Building safety and materials
- Health, Safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Description [OPTIONAL]

Shopping Centres engaging with the communities in which they are located by raising money for locally relevant charities. For example, in Basildon £18k was raised in 2016 for St Luke's Hospice as part of its "Light up a Life" campaign, dedicating lights on the hospices' trees throughout the town to people who have passed away.

- Governance

List up to three typical examples per E, S and G issue

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Description [OPTIONAL]

Appointment documentation of key business partners - such as asset managers, property managers - include obligations upon service providers to comply with anti-bribery legislation relevant to the jurisdictions in which they are appointed.

We maintain policies that prohibit bribery and we seek to avoid working with business partners and contractors involved in corrupt or unethical practices.

List up to three typical examples per E, S and G issue

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Description [OPTIONAL]

We adopt "best in class" appointment regimes for the appointment of building contractors and professional consultants. As well as ensuring that construction does not become an issue when assets are sold (as the suite of documents are of institutional grade), a robust approach here sets an expectation among our service providers that we expect works to be carried out in a way that mimises the impact on occupiers (where works are being carried out in a live environment) and a high degree of attention is paid to health and safety before and during works

List up to three typical examples per E, S and G issue

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Description [OPTIONAL]

Each project is subject to a quarterly compliance review, covering matters such as fire, insurance, construction, asbestos, etc. This is challenged at a quarterly compliance meeting by the real estate management team and outcomes reported to Investment Committee.

PR 09

Mandatory

Public

Core Assessed

PRI 1

New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 09.1

Indicate if ESG issues impacted your property investment selection process during the reporting year.

- ESG issues helped identify risks and/or opportunities for value creation
- ESG issues led to the abandonment of potential investments
- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the investment selection process
- Other, specify
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

PR 09.2

Indicate how ESG issues impacted your property investment deal structuring processes during the reporting year.

- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the deal structuring process
- Other, specify
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

Post-investment (monitoring and active ownership)

Overview

PR 11

Mandatory

Public

Gateway

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 11.1

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

Yes

PR 11.2

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and major renovations.
- We consider ESG issues in property occupier engagements
- We consider ESG issues in community engagements related to our properties
- We consider ESG issues in other post-investment activities, specify

Requirement for third party providers to comply with InfraRed's ESG policy in the conduct of their activities.

PR 11.3

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets.

Property management reports typically cover ESG activities undertaken on a month by month basis.

Asset managers are required to provide environmental impact statements to accompany refurbishment proposals, so the impact on E&S can be considered in the approval process.

ESG initiatives identified during the selection process are recorded in InfraRed's property management database - initiative, capital spend and timing for delivery - and reports have been developed to monitor progress against Business Plan.

In addition, Managing Agents are required to record utility consumption, waste to landfill / recycling and EPCs within InfraRed's property management database, whilst precedent leases prevent occupiers from undertaking works that will negatively impact the energy performance characteristics of their premises.

Once an investment has been made, ESG matters (including environmental compliance, health and safety matters, service provider performance and anti-bribery compliance) would continue to be monitored. Any issues identified would be notified to the Investment Committee as soon as possible, and in any event, would also be set out in the quarterly report produced by the relevant Investment Director for each investment. These issues would be discussed and considered at the Quarterly Portfolio Review with the relevant Investment Committee. Where shortcomings are identified, immediate actions should be taken to rectify the position.

ESG is the first item on the agenda at each board meeting of the relevant General Partner. Discussions include corporate governance, compliance, adherence to antibribery and health and safety policies and any issues relating to ESG.

No

Property monitoring and management

PR 12

Mandatory

Public

Core Assessed

PRI 2,3

New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 12.1

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- >90% of property assets
- 51-90% of property assets
- 10-50% of property assets
- <10% of property assets

(in terms of number of property assets)

PR 12.2

Indicate which ESG targets your organisation and/or property managers typically set and monitor

Environmental

Target/KPI	Progress Achieved
<p>Introduce LED lighting at all asset classes</p> <p>Refurbish office buildings to recognised "green" standard.</p> <p>Pro-active approach to complying with MEES legislation</p>	<p>Culture established of replacing light fittings with LED - in both front and back of house locations.</p> <p>Paris and German office themes have delivered refurbishments of BREEAM very good or under LEED - implementation of such specification fundamental part of Business Plans.</p> <p>Strategy implemented to identify works required to take non-compliant units (in 2018) to EPC rating of E or higher.</p>

Social

Target/KPI	Progress Achieved
<p>Raising of funds for local charities at shopping centre assets.</p> <p>Undertaking research to understand the views of tenants and consumers at shopping centre assets.</p> <p>Health & Safety inspections and audits</p>	<p>Activities embedded as part of community engagement initiatives at all Centres.</p> <p>Research being "rolled out" - completed at two centres and underway at a further asset.</p> <p>Implementing regular health & safety inspections and independent H & S audits to enhance occupiers/employees safety knowledge for projects in Beijing and Dalian.</p>

Governance

Target/KPI	Progress Achieved
<p>Capital expenditure recommendation reports to contain H & S statement / actions before works commence on site.</p> <p>Standardised appointment documentaiton for building contractors and construction professionals</p> <p>Quarterly reporting to Investment Committee to review progress of ESG initiative implementation and legislative compliance.</p>	<p>H & S incorporated as a core heading within InfraRed's capital expenditure recommendation template to be completed by project managers before works commence.</p> <p>Process established for UK construction projects, reflecting volume of instructions and established legal framework.</p> <p>ESG and legislative compliance is a standing agenda item at Investment Committee quarterly review meetings.</p>

We do not set and/or monitor against targets

PR 12.3 Additional information. [Optional]

The ESG policy was formally established in 2013, to formally record ESG performance and this has been adopted on all transactions from 2013

Property developments and major renovations

PR 14	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 14.1 Indicate the proportion of active property developments and major renovations where ESG issues have been considered.

- >90% of active developments and major renovations
- 51-90% of active developments and major renovations
- 10-50% of active developments and major renovations
- <10% of active developments and major renovations
- N/A, no developments and major renovations of property assets are active

(by number of active property developments and refurbishments)

PR 14.2 Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.

- Environmental site selection requirements
- Environmental site development requirements
- Sustainable construction materials
- Water efficiency requirements
- Energy efficiency requirements
- Energy generation from on-site renewable sources
- Waste management plans at sites
- Health and safety management systems at sites
- Construction contractors comply with sustainability guidelines
- Resilient building design and orientation
- Other, specify

Occupier engagement

PR 15	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 15.1 Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.

- >90% of occupiers
- 51-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

(in terms of number of occupiers)

PR 15.2 Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.

- Distribute a sustainability guide to occupiers
- Organise occupier events focused on increasing sustainability awareness
- Deliver training on energy and water efficiency
- Deliver training on waste minimisation
- Provide feedback on energy and water consumption and/or waste generation
- Provide feedback on waste generation
- Carry out occupier satisfaction surveys
- Offer green leases
- Other, specify

PR 15.3 Additional information. [Optional]

ESG policy was implemented in 2013 on all new acquisitions across the different funds, and in China the ESG Policy was incorporated into the tenant handbooks.

Tenant satisfaction surveys have been carried out across all UK shopping centre assets. There is engagement with tenants across asset classes in relation to energy consumption and waste generation, with a focus on minimising energy consumption and waste to landfill.

Communication

PR 20	Mandatory	Public	Core Assessed	PRI 6
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PR 20.1 Indicate if your organisation proactively discloses ESG information on your property investments.

- Disclose publicly

provide URL

<https://ircp.com/files/Downloads/RI%20Transparency%20Report%202016%20-%20InfraRed%20Capital%20Partners%20Ltd.pdf>

provide URL

<https://ircp.com/files/Downloads/PRI%20Assessment%20report%202016%20-%20InfraRed%20Capital%20Partners%20Ltd.pdf>

PR 20.2 Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

- Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- Other property reporting standards, specify
Internally developed reporting suite

No property specific reporting standards are used

PR 20.3

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

- Yes
 No

PR 20.4

Indicate the type of ESG information that your organisation proactively discloses to the public.

- ESG information on how you select property investments
 ESG information on how you monitor and manage property investments
 Information on your property investments' ESG performance
 Other, specify

PR 20.5

Indicate your organisation's typical frequency of disclosing ESG information to the public.

- Quarterly or more frequently
 Biannually
 Annually
 Less frequently than annually
 Ad-hoc/when requested, specify

PR 20.6

Indicate the type of ESG information that your organisation proactively discloses to your clients/beneficiaries.

- ESG information on how you select property investments
 ESG information on how you monitor and manage property investments
 Information on your property investments' ESG performance
 Other, specify

PR 20.7

Indicate your organisation's typical frequency of disclosing ESG information to your clients/beneficiaries.

- Quarterly or more frequently
 Semi annually
 Annually
 Every two years or less frequently
 Ad-hoc/when requested, specify
- Disclose to clients/beneficiaries only
 No proactive disclosure to the public or to clients/beneficiaries

InfraRed Capital Partners Limited

Reported Information

Public version

Direct - Infrastructure

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Overview

INF 05	Mandatory	Public	Core Assessed	PRI 1-6
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INF 05.1 Indicate if your organisation has a responsible investment policy for infrastructure.

Yes

INF 05.2 Provide a URL if your policy is publicly available.

<https://ircp.com/files/Downloads/ESG%20Policy%202016.pdf>

No

Fundraising of infrastructure funds

INF 06	Mandatory	Public	Core Assessed	PRI 1,4,6
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INF 06.1 Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

Yes

INF 06.2 Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
- Approach to ESG issues in post-investment processes

No

Not applicable as our organisation does not fundraise

Pre-investment (selection)

INF 08	Mandatory	Public	Gateway	PRI 1
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INF 08.1 Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.

Yes

INF 08.2

Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection.

InfraRed's broad investment approach to ESG matters during the pre-investment process has been described in the response to INF 04 in this section of the reporting template.

ESG matters are fundamental to all InfraRed investment decisions across sectors, geographic locations and the scale of the investment. InfraRed manages several different funds with different investment parameters and strategies including two that are publically listed but the InfraRed ESG strategy and philosophy is a common requirement across all of them without any differentiation.

Throughout the investment review and approval process ESG is a large part of the decision-making process and the funds' investment committees require suitable and adequate demonstration of the acceptability of the ESG aspects of the investments at each stage. Many of the professional fund investors have their own ESG requirements that they require to be satisfied and the InfraRed overarching ESG philosophy has been developed to ensure that it exceeds their requirements. One of these investors has identified InfraRed as an ESG leader in their categorisation of ESG performance when comparing fund managers' performance across their portfolio and using their "leader/laggard" terminology.

No

INF 10	Mandatory	Public	Core Assessed	PRI 1,3
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INF 10.1

Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.

ESG issues

Environmental

List up to three typical examples of environmental issues

Pollution risk

BREEAM performance or local equivalent

Effective sustainable material usage in construction

Social

List up to three typical examples of social issues

Effective and acceptable employment standards in all areas of the project

Acceptable levels of H & S performance

Community relationships and interaction

Governance

List up to three typical examples of governance issues

Effectiveness of Project Board

Anti-bribery performance

Effective human rights performance in the local area

Selection, appointment and monitoring of third-party operators

INF 13.1	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party operators.
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Yes

INF 13.2	Indicate your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party operators.
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- Selection process of third-party operators incorporates ESG issues
 - For all third-party operators
 - For a majority of third-party operators
 - For a minority of third-party operators
- Contractual requirements when appointing third-party operators includes ESG issues
 - For all third-party operators
 - For a majority of third-party operators
 - For a minority of third-party operators
- Monitoring of third-party operators covers ESG responsibilities and implementation
 - For all third-party operators
 - For a majority of third-party operators
 - For a minority of third-party operators

INF 13.3	Provide a brief description of your organisation's selection, appointment and monitoring of third-party operators. [Optional]
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The InfraRed investment approach for new projects where it is investing as a primary investor at the project's inception is to ensure that it is working with other primary investors who have comparable in-house Responsible Investment, ESG and other policy standards to its own. Thereafter InfraRed's investment management teams have strict criteria to meet and have a track record of selecting and appointing suitable third party operators each of whom will be required to meet the InfraRed benchmark standard for Responsible Investment, ESG and other policies.

INF 13.4	Describe how your third-party operators contribute to the management of ESG issues for your infrastructure investments. [Optional]
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The majority of InfraRed's investments are in project financed special purpose companies (SPC) where the operational activities of the SPC are subcontracted to a third party operator. An InfraRed Asset Manager will be appointed to the Board of the SPC to ensure adequate oversight.

The third party operators are vital to the management of ESG issues as in the vast majority of cases it is they that have to fulfil these requirements supported by the SPC, if appropriate, with additional funding and/or resources.

No

Post-investment (monitoring and active ownership)

Overview

INF 14	Mandatory	Public	Gateway	PRI 2
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INF 14.1	Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets.
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Yes

INF 14.2	Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.
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- We consider ESG issues in the monitoring and operation of infrastructure
- We consider ESG issues in infrastructure maintenance
- We consider ESG issues in stakeholder engagements related to our infrastructure
- We consider ESG issues in other post-investment activities, specify

INF 14.3	Describe how your organisation, and/or operators, considers ESG issues in post-investment activities related to your infrastructure investments. [Optional]
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As described in INF 2 typically a specialist MSA Provider is appointed to provide the day to day management oversight of the SPC's activities and contractual obligations and to implement the SPC Board's policies and aspirations. Where there is no separate appointment a team appointed directly by the SPC is in place. The management company or team provides a link between all the project's stakeholders seeking to align all parties' ESG aspiration as part of their duties. Stakeholders include the SPC's Clients, Users, Funders/Lenders, Service Providers and Insurers.

At least one InfraRed Asset Manager is appointed director for each project investment. The InfraRed Asset Manager attends regular Board meetings (typically monthly during construction and the early operational stage thereafter reducing to quarterly) where a full operational and financial report, including ESG and Health & Safety matters, is considered. The MSA Provider is provided with direction and guidance on such matter by the Board, if appropriate. Periodic site visits are made, often in conjunction with the Board meeting, which are often conducted at the project for that purpose.

During 2016 InfraRed has enhanced its periodic audits of each project's activities to cover Responsible Investment (focussing on high level Governance (G), Environmental (E) and Social (S) aspects. A second component seeks a more detailed analysis of the E & S performance from original project commencement to date. The combination of these specific questionnaires seeks a broader oversight of the projects' ESG and associated performance over and above the regular Board reports from the management team. Having obtained a complete set of returns from all projects to the questionnaires InfraRed is able to measure all projects against its KPIs and provide effective feedback to the InfraRed Asset Managers and MSA Providers on where each project ranked against its peers and where improvements could be achieved. To assist with this potential improvement InfraRed has developed a best practice guide that has been circulated and discussed with all Asset Managers and MSA Providers as well as a template ESG policy statement for adoption by the individual projects, subject to the approval of all co-shareholders.

InfraRed has appointed a part time consultant to undertake this review and analysis activity so as to provide an independent review of its performance.

InfraRed's primary access point to ensure that its Responsible Investment aspirations are met and it is able to influence ESG matters is via the SPC Board meeting, in the majority of its investments. The management team will be encouraged to identify community activity, or project based activity that benefits the wider community, that the SPC and its third party operators can support with either direct funding or pro bono support. Many of the third party operators are large corporations in their own right with active community initiatives at an individual project as well as wider regional/national initiatives which often benefit from the additional support of the SPC.

No

Infrastructure monitoring and operations

INF 15	Mandatory	Public	Core Assessed	PRI 2
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INF 15.1	Indicate the proportion of infrastructure assets where your organisation, and/or operators, included ESG performance in investment monitoring during the reporting year.
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- >90% of infrastructure assets
- 51-90% of infrastructure assets
- 10-50% of infrastructure assets
- <10% of infrastructure assets

(in terms of number of infrastructure assets)

INF 15.2	Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.
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- Environmental

	List up to three example targets per issue
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Social infrastructure investments typically have energy usage targets by comparison to the building volume. The energy usage strips out weather effects to isolate true performance.

Utility usage reduction initiatives are actively encouraged on all assets.

The condition of the project facilities are monitored annually

- Social

	List up to three example targets per issue
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Sponsorship/community support initiatives are actively encouraged on all assets wherever possible. Activities are recorded and expenditure is tracked against a budget. Annual review undertaken

All projects are required to have a H &S policy and effective processes and procedures to ensure compliance. Annual review undertaken

All projects are required to have effective anti-discrimination policies in place for all contracted organisations within the projects. Annual review undertaken

- Governance

	List up to three example targets per issue
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100% of the Board meetings of the individual investments to be presented with and discuss the management team's Health & Safety report

100% of the Board meetings of the individual investments to be presented with and discuss the management team's ESG report.

An infrared director is expected to undertake a H &S inspection of the asset every 18 months

- We do not set and/or monitor against targets

INF 15.3	Additional information. [Optional]
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InfraRed's portfolio of investments is concentrated in the Social Infrastructure sector with 63% of the investments by AUM in this sector. Typically such projects have KPIs established by the Client in the project agreement documentation for energy usage (gas and electricity) and in a proportion of investments for water usage. The energy KPIs almost always relate to the amount used for a given volume of building.

A full description of the monitoring activities undertaken via the SPC Boards is included in the response to 14.3.

InfraRed's ESG broad approach is to treat all its investments, whatever the sector or geographic location, in an equal manner with similar expectations for outcomes. However it has to be recognised that some of the individual projects have contracted activities that are closer to the local community than others and that has a direct impact on the degree and scale of community interaction that a project can achieve. As an example of this comparison a hospital project, where the SPC undertakes all maintenance, cleaning and catering, has a greater ability to connect with the local community both directly and indirectly through its Client than a road project based on an availability criteria. The road and its operation has a greater potential for environmental damage in some circumstances if maintenance standards are not continuously provided to a high standard and it is more difficult for such a project to connect with the local community.

INF 16	Mandatory	Public	Additional Assessed	PRI 2
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INF 16.1	Indicate if you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
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Yes

INF 16.2	Indicate the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
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- >90% of infrastructure investees
- 51-90% of infrastructure investees
- 10-50% of infrastructure investees
- <10% of infrastructure investees
- 0% of infrastructure investees

(in terms of number of infrastructure investees)

INF 16.3	Describe how your organisation, and/or your operators, contribute to the infrastructure investees' management of ESG issues. [Optional]
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In INF 08 there is a full description of the InfraRed processes and principles that ensure that the investees, other stakeholders and delivery partners are required to meet key Responsible Investment and ESG benchmarks before InfraRed will select them where it is a primary investment or invest in the asset if the transaction is in the secondary market. ESG matters are a key selection benchmark that must be passed if the investment is to proceed. Consequently InfraRed has partner organisations that share its objectives allowing effective collaborative working on such issues.

InfraRed has two major ways to engage with ESG matters on its assets. Firstly, the management company appointed to manage the assets on a day to day basis will have ESG service delivery obligations in its appointment that will require it to engage with the operators, subcontractors and clients on a regular basis. They will be obliged to report to the ProjectCo's Board of directors on ESG issues as part of the routine management reports. Secondly the InfraRed Asset Manager, who will be a member of that Board of directors, will raise relevant ESG issues at the regular Board meetings including the provision of feedback from across the InfraRed portfolio sharing best practice and other useful information. InfraRed's policy is to have one of the Board of directors appointed to take specific ESG responsibility. On many projects there will be periodic liaison meetings between the ProjectCo's Board of directors and the ProjectCo's client's Board of

directors and ESG issues are routinely raised at this level to assist the project teams in their daily management level ESG efforts.

In late 2016 InfraRed organised a half day workshop with many of its management service provider teams present to discuss and seek assistance in improving the overall effectiveness of its approach to Responsible Investment on its operational assets. A considerable amount of useful feedback was obtained and cross project links established which will assist with future performance improvements

No

Infrastructure maintenance

INF 18	Mandatory	Public	Core Assessed	PRI 2
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INF 18.1 Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered.

- >90% of active maintenance projects
- 51-90% of active maintenance projects
- 10-50% of active maintenance projects
- <10% of active maintenance projects
- N/A, no maintenance projects of infrastructure assets are active

(in terms of number of active maintenance projects)

INF 18.2 Describe your approach to ESG considerations for infrastructure maintenance projects. [Optional]

InfraRed's approach is to encourage a thorough, wide-ranging and rigorous ESG management plan from the project's inception under the direction of the InfraRed Investment Director. Issues considered to be of significant importance for pre-development projects include site selection, where possible (in many projects the specific site has already been predetermined by the Client in order to satisfy their particular business needs), energy performance where UK based projects will be expected to achieve a BREEAM excellent performance and non-UK projects a local equivalent where available, construction & maintenance contractor selection where a requirement will be a contractor with their own strong ESG and Health & Safety policies and proven track record as well as contractual requirement setting out best practice objectives.

As already described in previous sections InfraRed has a strong ESG management approach to the on-going operational activities of all its investments whether these ProjectCos are ones where InfraRed was an original primary investor directly involved with the development stage or is a secondary investor purchasing the investment during or after the development stage. For the secondary investment projects ESG performance is a key investment decision where acceptable standards must be achieved for the investment to be made. InfraRed requires that an active ESG improvement approach is adopted on all post-development assets particularly for energy and water usage and waste reduction and actively seeks the cooperation of all stakeholders to an asset who have a part to play in these activities. If appropriate InfraRed will invest in "spend to save" ESG opportunities as well as community interaction projects.

Communication

INF 22	Mandatory	Public	Core Assessed	PRI 6
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INF 22.1

Indicate if your organisation proactively discloses ESG information on your infrastructure investments.

- Disclose publicly

please provide URL

<http://hicl.com/about-hicl/esg>

please provide URL

<http://www.trig-ltd.com/about-trig/why-invest-trig>

INF 22.2

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

- Yes

INF 22.3

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

- ESG information on how you select infrastructure investments
- ESG information on how you monitor and manage infrastructure investments
- Information on your infrastructure investments' ESG performance
- Other; specify

INF 22.4

Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify
- No
- Disclose to clients/beneficiaries only
- No proactive disclosure to the public or to clients/beneficiaries