

Desjardins Global Asset Management – Investments ESG Guidelines for DGAM Global Private Infrastructure Funds, S.E.C. (“the Funds”)

Desjardins Global Asset Management (DGAM) Infrastructure Investments believes that taking environmental, social and governance (ESG) issues into consideration when managing investments can have a positive impact on financial returns for clients and partners.

Responsible investment is key to our management philosophy. We believe that integrating ESG criteria can identify investment opportunities and create value. Incorporating these criteria into investment practices also supports effective risk management and helps address our stakeholders’ expectations, which is in alignment with our portfolio managers’ fiduciary duty.

This is in line with the values and mission of the Desjardins Group which seeks to address global challenges and contribute to sustainable economic development that respects people, communities, and the environment.

This policy outlines DGAM Infrastructure Investments team commitments to ESG integration and our implementation approach. It applies to all our investment activities, including direct investments and fund investments, and complements the [DGAM Responsible Investment Guidelines](#).

Commitments

DGAM Infrastructure Investments team is committed to integrating ESG considerations across our investment management activities and collaborating with partners to address ESG criteria. We seek to align our ESG integration approach with the Principles for Responsible Investment (PRI).

We are also committed to addressing climate change and therefore endeavour to apply the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

DGAM Infrastructure Investments recognizes that ESG criteria and management approaches are constantly evolving. We therefore aspire to continually improve our ESG management practices and work toward industry leadership.

ESG criteria and their importance will vary depending on a number of factors, including the sector, region, company, and asset. The Appendix outlines ESG criteria that we consider in our investments.

Implementation

To address our ESG commitments, we have developed a process to embed considerations in both our direct investments and fund investments. This process includes the following implementation actions:

Direct infrastructure investments

Investment

- Systematically review ESG criteria for each investment opportunity

- Incorporate ESG criteria into due diligence processes and tools, aligned with the Global Real Estate Sustainability Benchmark (GRESB) Infrastructure and the Sustainability Accounting Standards Board (SASB)
- Generate an ESG score and evaluate ESG practices alongside other investment risks and opportunities
- Document findings and results of ESG due diligence analysis for the Investment Committee

Asset management

- Establish appropriate ESG governance and incident reporting processes for all direct investments
- If required, ensure that assets have plans to improve ESG practices and performance
- Monitor ESG implementation and performance for all direct investments

Fund investments

Investment

- Ensure a due diligence verification process to understand fund ESG practices and management
- Evaluate ESG management, policies, initiatives, and reporting practices
- Document findings and ESG due diligence analysis for the Investment Committee

Asset management

- Integrate ESG into fund contracts and side letters, where applicable
- Request information annually on fund ESG practices and performance
- Encourage fund partners to align with global ESG standards, including PRI

Reporting

DGAM Infrastructure Investments team will provide this Guideline to investors.

We will report on our ESG implementation practices and performance to investors and the public, at least once a year.

Responsibilities and policy administration

All DGAM Infrastructure Investments Employees are responsible for implementing the actions outlined in this Guideline. The Investment Committee is responsible for ensuring that the guidelines are followed during investment practices.

The DGAM Responsible Investment team supports the DGAM Infrastructure Investments team to evaluate ESG criteria, direct investments, and investment funds, to educate them and provide resources and tools. The Responsible Investment team is accountable for communicating these guidelines and training our employees.

The Head of DGAM Infrastructure Investments will review and update this policy every five years.

Approved: November 17th, 2021

Appendix – ESG Considerations

Common ESG criteria that we seek to consider in our investments include but are not limited to:

Environmental

- Environmental compliance
- Contamination and hazardous material management
- Land use and natural capital management
- Resource efficiency and measurement
- Climate change risk and opportunity identification and management

Social

- Health and safety
- Fair labour and contracting practices
- Diversity, equity, and inclusion
- Human rights and stakeholder engagement

Governance

- Ethical business practices and executive compensation
- Corporate and ESG governance
- Risk management systems
- Data privacy and cybersecurity