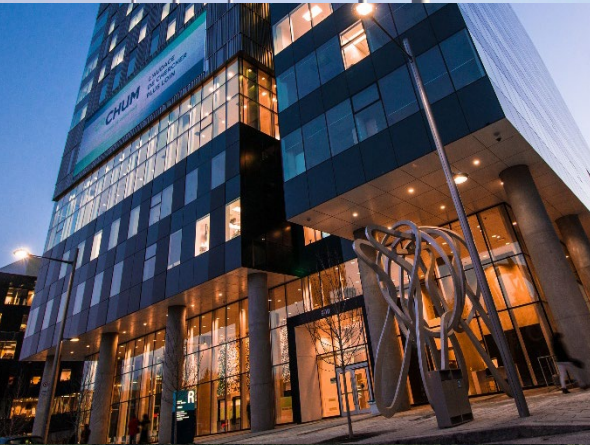
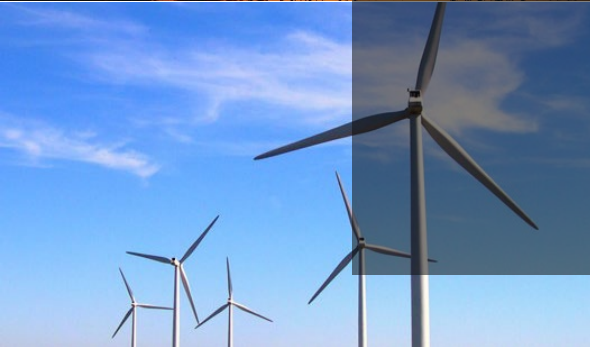


2023

Axium Infrastructure

Net Zero Strategy





CONTENT

01 INTRODUCTION

02 HISTORY AND BACKGROUND

03 NET ZERO COMMITMENTS

04 NET ZERO STRATEGY

05 SUMMARY

DISCLAIMER

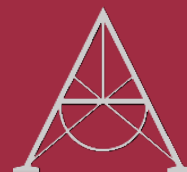
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INTRODUCTION

Axiom Infrastructure is an independent fund manager dedicated to investing in core energy and utilities, social, and transportation infrastructure assets led by a team with deep sector expertise. Established in late 2008, The Firm has offices in Montréal, New York, Toronto, and London with over 100 investment professionals and support staff. Focused to date on the North American market, Axiom has broadened its geographical fund offerings. Axiom Infrastructure focuses on middle-market assets both in operating and greenfield projects at the late stage of their development. Axiom Infrastructure seeks assets supported by robust market demand, under long-term contract with creditworthy counterparties, within concession-based structures or protected under an established regulated framework. Axiom Infrastructure invests mostly in joint or majority control situations.

As long-term investors, we hold the conviction that sustainable development and ethical investment is essential to long-term value creation. Since the inception of the Fund, Axiom has embedded the United Nations Principles for Responsible Investment (UN PRI) in its Investment and Restriction Guidelines and became an official signatory in 2019. Today, our ESG practices and climate considerations have evolved and are embedded in all aspects of the investment process, from the initial screening to post-acquisition asset management. The management team has developed an understanding of material physical and transition risks that have arisen due to the ongoing transition towards a low-carbon economy. Consistent with the Paris Agreement, Axiom has committed to reach Net Zero by 2050 at the latest.

The following sets forth Axiom's commitments, progress, and strategy towards achieving Net Zero by 2050.

HISTORY AND BACKGROUND

The infrastructure sector consists of assets that are critical to the very organization of society. Energy, utilities, transportation, health, and education assets are essential and must be built and operated in a manner consistent with sustaining the livelihoods of our communities into the future. More specifically, we acknowledge that climate change presents a set of distinct risks and opportunities which are identified, analyzed, and integrated into Axiom's overall risk management. As long-term, buy-and-hold investors of infrastructure assets, Axiom recognizes the need to embed climate change considerations into our business activities, while also staying agile in recognizing and applying future advancements to climate resiliency efforts. As per the Funds' Investment Restrictions and Guidelines, Axiom does not invest in any assets considered to be non-environmentally friendly, including coal and oil sands unless the investment case includes a plan towards decarbonization.

With this vision in mind, we continue to increase our focus on the environmental and climate change impact of our investment activities. Our portfolio of assets is built with the objective of bringing a substantial contribution to the energy transition to net zero carbon emissions in the communities where we invest. We have a significant platform of renewable energy and transition generation assets, to which we have recently expanded into the battery storage space to further support the intermittency of renewable energy generation by providing a steady baseload of energy to the system.

It is also important to note that Axiom only invests in natural gas generation facilities in locations where such an investment contributes to reduce the intensity of GHG emissions per MWh. In these regions, natural gas generation help provide a reliable baseload and contributes in the transition towards a carbon sober energy sector.

In 2021, Axiom announced our ambition to be Net Zero by 2050 or sooner, which has accelerated the development of our decarbonization strategy, interim targets, and subsequent engagement efforts to align our entire portfolio with this ambition. In the current state, viable solutions, and achievable targets are continuing to be prioritized by the Firm. Axiom has focused on setting targets that are inspired by sectorial decarbonization pathways, with an objective that these goals can be realized, with clear actions and without relying on solutions which may not yet be viable. This approach ensures continued accountability and that real-world actions are achieved by the Firm, while also placing a focus on avoiding making unsubstantiated claims.

In order to develop a decarbonization plan to achieve our Net Zero by 2050 ambition, an important first step for Axiom was to measure our portfolio emissions to understand of our baseline GHG emissions. To do so, Axiom worked closely with EEM Gestion ESS inc. ("EEM"), a third-party consultant, to conduct a survey and develop a tailor-made tool to directly engage with our on-site operators and collect real emissions data. Following the data collection process, Axiom partnered with WSP Canada Inc. ("WSP") to align the real portfolio emissions with the Partnership for Carbon Accounting Financials ("PCAF") reporting standard. PCAF provides guidance and quantification methodologies specific to various asset classes and has developed a harmonized approach for financial institutions to disclose the GHG emissions associated with their investments. This exercise is now conducted on a quarterly basis to measure our progress and has been used to set our emission reduction targets.

Once we completed a baseline greenhouse gas inventory, Axiom leveraged target setting guidelines to align emission reduction targets with the latest science. To further strengthen these commitments, as of March 2022, Axiom became a proud member of the Net Zero Asset Managers (NZAM) initiative, and consequently also a member of the Glasgow Financial Alliance

for Net Zero (GFANZ). The organization brings together asset managers globally to achieve Net Zero emissions throughout the industry.

The key milestones of Axiom’s Net Zero strategy and decarbonization plan and progress to date have been summarized below:

Previous Commitments and Initiatives	2021	2022	Next Steps
<p>Since inception: Investment Restrictions and Guidelines excluded oilsands and coal and a clear focus on renewable energy</p> <p>Manager’s GHG emissions and purchase of carbon offsets since 2017</p> <p>Reporting of avoided emissions from renewable energy portfolio since 2017</p> <p>Climate resilience assessment of portfolio in 2020 with KPMG</p> <p>Limits to investment in natural gas-fired power generation facilities.</p>	<ul style="list-style-type: none"> • 2020 Scope 1 and Scope 2 portfolio emissions (as per the GHG Protocol). The results are used as a baseline to develop our decarbonization plan. This is now an ongoing quarterly initiative • Use of PCAF framework to report portfolio financed emissions 	<ul style="list-style-type: none"> • Joined Net Zero Asset Managers (NZAM) Initiative • Became a Partnership for Carbon Accounting Financials (PCAF) signatory • First standalone TCFD report • Engagement with WSP for the development of a decarbonization roadmap 	<ul style="list-style-type: none"> • February 2023, Axiom submitted its 2030 interim targets to NZAM and received approval May 2023. • Ongoing engagement with partners and stakeholders to implement asset-specific emissions reduction projects • Finalizing and sharing our decarbonization plan with relevant stakeholders

GOVERNANCE AND OVERSIGHT

Axiom’s Board of Directors has the ultimate responsibility for overseeing risks and opportunities relating to ESG topics, including climate change and the Net Zero strategy. Both the President and CEO, Pierre Anctil and the President and COO, Stéphane Mailhot, hold responsibility for the climate change strategy and climate-related risks at both the Board and the management levels. The energy transition is at the heart of Axiom’s activities with its increasing footprint in the renewables sector and both the CEO and COO consistently reiterate their support towards climate innovations and initiatives undertaken by the firm.

Furthermore, Suzanne Leblanc, Senior Vice President, Responsible Investment, is the chair of the ESG Committee. Ensuring the application of the ESG Policy, Suzanne acts as the steward for ESG and climate-related matters impacting Axiom’s activities as part of her role on the Board of Directors, the Risk Overview Committee, the Investment Committee, the Steering Call, the Asset Management meeting, and the Executive Committee.

NET ZERO COMMITMENTS

Transitioning a buy-and-hold infrastructure portfolio to Net Zero greenhouse gas emissions is no small task but one Axiom is committed to undertake. Following its first greenhouse gas inventory of 2020 baseline emissions, Axiom has spent extensive time understanding and assessing Paris-aligned pathways and science-based methodologies to set targets and develop a realistic decarbonization plan.

Achieving Net Zero will require significant global efforts in scaling existing technologies, maturing novel solutions, and exploring alternatives not yet available. From the onset of the Fund’s inception, Axiom has prioritized investments in climate solutions by investing in renewable energy projects. To date, Axiom’s funds are comprised of solar, wind and hydro projects spanning across North America that have a cumulative energy capacity of **8,599 MW** as of December 31, 2022. Our renewable energy portfolio contributes to the fight against climate change by reducing the need for carbon intensive energy sources and building greater capacity for clean energy solutions. With this vision in mind, our portfolio of assets is built with the objective of bringing a substantial contribution to the energy transition.

As mentioned above, the first formal commitment made by Axium in 2020 regarding its carbon reduction ambition was to limit the portion of portfolio investments in natural gas-fired power generation facilities.

Limit investment to no more than 20% of portfolio net asset value in each country-level Fund in natural gas-fired power generation facilities. Additional limits have been set to no more than 15% by 2025 and 10% by 2030.

As per the Net Zero Asset Owners Alliance Target Setting Protocol, Axium referenced the Intergovernmental Panel on Climate Change (“IPCC”) special report on global warming, 1.5°C scenario, which recommends a 49 to 65% reduction by 2030. However, at this time, the current available guidance and target-setting frameworks don't address all sectors in which Axium invests (i.e., energy, social and transportation). Because Axium is an open-end fund always investing in new assets, and considering the limitations mentioned above, we have opted for our own methodology. Growing the portfolio inevitably increases total portfolio emissions and we believe our intensity-based target allows Axium to directly measure the Funds' progress towards decarbonization while also being ambitious enough to drive real world reductions.

Axium submitted our 2030 targets disclosure to NZAM in early 1H2023. These include:

NZAM quantified targets to be achieved by 2030

Sub-portfolio (portfolio-wide): 50% reduction in absolute tCO₂e/C\$m total portfolio NAV

Sub-portfolio (energy portfolio): 30% reduction in absolute tCO₂e/MWh for Axium Infrastructure energy portfolio

Climate Solutions: Axium managed funds are already comprised of climate solutions (57% of NAV in renewable energy sectors as of December 31, 2022) and Axium intends to continue to increase its investments over AUM in these sectors as it works to reduce the overall GHG emissions of its portfolio.

Engagement: Axium already has a number of ongoing engagements focused on emission reduction activities with portfolio companies. Axium intends to continue to increase the number of these types of bilateral engagements with our partners as it works to reduce the overall GHG emissions of its portfolio.

COVERAGE

Axium is proud to commit 100% of its asset under management (“AUM”) to be aligned with Net Zero and we believe our 50% reduction target aligns with the fair share of global reduction in CO₂ emissions. The targets mentioned above go beyond Axium's own financed emissions, as they cover all absolute Scope 1 and Scope 2 emissions of our operational assets. We will look to include Scope 3 emissions once data is sufficiently available and reliable. These targets will be monitored closely and adapted when data and innovation enable Axium to do so. In five years, Axium will submit an updated decarbonization plan to NZAM. As an open-end fund, we think our intensity-based target allows Axium to directly measure the Funds' progress towards decarbonization, considering the continued growth of the portfolio each year.

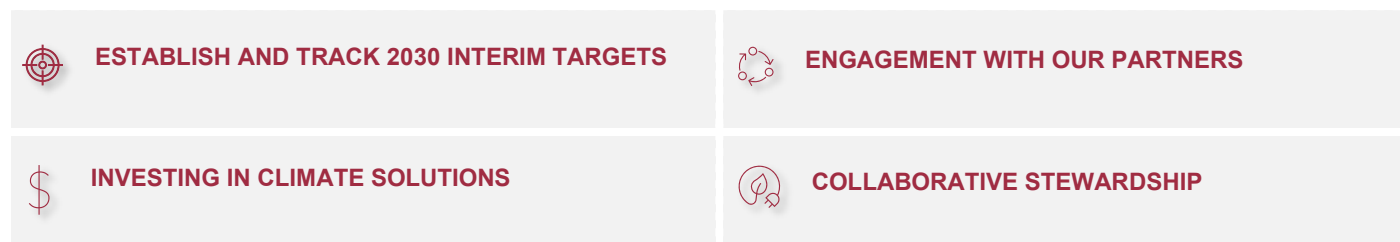
Total Scope 1 and 2 portfolio emissions are calculated in accordance with the Greenhouse Gas Protocol and PCAF methodologies. This exercise is conducted via a bottom-up exercise where real activity data is collected from the portfolio companies and aggregated to monitor and report on the corresponding emissions.

- › The 50% reduction in tCO₂e/C\$m covers 100% of Axium's managed portfolio emissions, **on an absolute basis**.
- › The 30% reduction in tCO₂e/MWh covers all energy generating assets within Axium's energy portfolio (i.e., solar, wind, hydro, gas-fired generation, and applicable utilities), **on an absolute basis**.

The targets mentioned above cover all Scope 1 and Scope 2 emissions of **operational** portfolio assets that have been held for the **full calendar year** reported on. Emissions from **assets under construction** are considered to be outside the boundaries of operational activities.

NET ZERO STRATEGY: DELIVERING ON OUR COMMITMENTS

Through a wide variety of approaches, Axium's Net Zero strategy is focused on building greater portfolio value by achieving positive climate impacts and supporting the transition to a low carbon economy. The below principles illustrate the main strategic areas of focus intended to achieve our ambitious commitments:



2030 INTERIM TARGETS

In order to develop a decarbonization plan and achieve our Net Zero by 2050 ambition, an important first step for Axium was to measure our portfolio emissions to have an understanding of our baseline. Axium tracks both firm- and portfolio-level emissions and, in 2021, we conducted a baseline GHG inventory of Scope 1 and Scope 2 emissions for all portfolio investments for the year ended December 31, 2020. Moving forward, this is an exercise that is conducted on a quarterly basis and results are aligned with the PCAF framework and included in the Annual ESG Report. To collect the asset-level GHG data, Axium engages with its onsite operators to collect real data during the quarter. This allows for more precise and accurate reporting that is then reviewed via a third-party assurance process.

As disclosed above, below are the two quantified 2030 interim targets submitted to NZAM for validation:

- › Sub-portfolio (portfolio-wide): 50% reduction in absolute tCO₂e/C\$m total portfolio NAV
- › Sub-portfolio (energy portfolio): 30% reduction in absolute tCO₂e/MWh for Axium Infrastructure energy portfolio

When establishing these ambitious targets, Axium leveraged generation forecasts from financial models in order to project the evolution of our energy portfolio and deliver real, measurable, and achievable results. Progress will be measured on an annual basis by comparing baseline metrics from 2020 with year-end results and updating energy forecasts with actual generation.

INVESTING IN CLIMATE SOLUTIONS

Axium's portfolio of assets is built with the objective of bringing a substantial contribution to the energy transition in the communities where we invest. The renewable energy sectors represent the assets within our portfolio that are carbon sober, meaning that the emissions associated with the energy generation activities are close to none. In total, as of December 31, 2022, this sector represents 57% of NAV which contribute to the decarbonization objective by financing climate solutions, and Axium intends to continue to increase its investments over AUM in these sectors as it works to reduce the overall GHG emissions of its portfolio.

Beyond renewable energy, Axium has invested in other sectors (social, transportation, utilities, transmission, and gas-fired generation) that bring other environmental, economic, and social benefits to society. Axium is dedicated to managing the assets within these sectors in line with our ambition to be Net Zero by working with our partners to establish emission reduction plans and targets. These assets are critical to energy transition activities and, as mentioned above, limits have been set for the gas-fired power generation facilities to limit their weight in the portfolio.

ENGAGEMENT WITH OUR PARTNERS

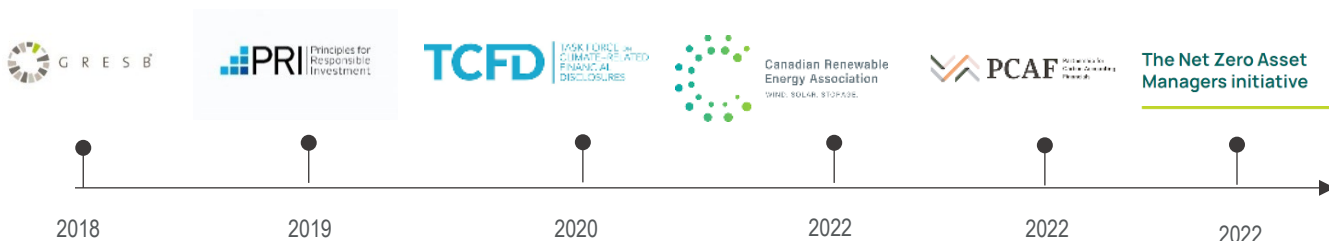
With a hands-on asset management approach, engagement with all stakeholders continues to be prioritized at every phase of the investment process to ensure strategic alignment and implementation of portfolio-wide initiatives. As part of our Net Zero targets, engagement priority initiatives will be centered on Axium's top emitting assets. Axium's gas-fired generation facilities will be evaluated for ways to reduce the overall GHG intensity of the Funds. For Axium, successful engagement is centred on structured dialogue and clear objectives to transition to low-carbon activities. This will require significant effort, support,

resources, and capital to facilitate meaningful discourse and collaboration, which we believe will be the key to our success. To reinforce the importance of engagements focused on emission reduction activities, Axiom intends to continue to increase the number of these types of bilateral engagements with our partners as it works to reduce the overall GHG emissions of its portfolio.

Engagement Channels	
Dialogue	This involves reaching out to various stakeholders as collaboration is the key to building the required momentum towards Net Zero. This includes our investee companies, as well as our partners and clients. Many of our operating partners who are very active in the sectors we invest in often have their own pledges aligned with Axiom’s objectives. Further, some of our partners and collaborators are active worldwide, so we can benefit from lessons learned by early movers, notably European companies. We are determined to devote time and human capital to understand the asset, including its distinctive risks and opportunities, as well as the nuances of the sector and the policy landscape they operate within.
Sector-Based	Collaboration with manufacturers to learn about and understand upcoming technology enhancement and advancements in clean technology, with a specific focus on Axiom’s power plants.
Co-Investors	Collaborative engagement to align with common goals and share lessons learned.
Asset Management	Dialogue with O&M providers many of which are global industry leaders with extensive experience in the energy, social and transportation sectors.
Peer Groups	Gather information via our involvement in associations such as AQPER, CanREA, etc.
Technical Experts	Axiom relies on technical experts to help with improvements that will translate into energy reductions, especially for our social assets.
Industry Associations	Involvement in associations in CanREA and others often lead to calls for action from policymakers and other regulatory bodies to help in the effort.

COLLABORATIVE STEWARDSHIP

Industry collaboration is critical to establish clear methodologies, frameworks and tools that enable the financial sector to converge and progress in its decarbonization commitments. By participating in several leading national and international organizations looking to advance climate objectives and responsible investment practices, Axiom is able to apply industry best practices and collaborate with thought leaders in communicating shared challenges and staying informed of climate stewardship and Net Zero advancements.



SUMMARY

Axium is proud of the progress made in our Net Zero strategy since officially announcing our intent to achieve Net Zero emissions by 2050. Our commitment to responsible investment has continued to evolve in order to capture the latest science around climate change, align with recognized frameworks and ensure real world emission reductions. We are determined to ensure that our financial decisions help support the transition towards a low carbon economy and a sustainable future. Axium's decarbonization pathway and interim targets build on the existing engagement efforts to mobilize the necessary emission reductions throughout our portfolio. As we continue to strengthen our alignment to Net Zero, advance our investments in climate solutions and deepen our level of engagement with stakeholders, updates on Axium's progress will be made available in annual disclosures, along with yearly updates to this strategy document.

There are no easy options, we know the road will be paved with challenges, but Axium looks forward to being an active participant in accelerating the transition to a low carbon economy.