



Austrian Climate Change Workshop

31 January 2019



Meridian overview

A developer, investor and asset manager specializing in greenfield infrastructure with a core focus on ESG and Sustainability

- Founded in 2005 by current CEO Thierry Déau, Meridian is an independently owned and managed investment firm
- The firm adopts a whole-of-life approach to the design, structuring, financing, building and long-term operation of greenfield infrastructure projects
- Meridian is comprised of a specialist management team of c.130 professionals with a deep understanding of public and private sectors and an ability to understand and manage technical risks
- With assets under management of c. €7bn, Meridian has built a portfolio of 72 projects
- All funds' projected performance is in line with target returns set at the outset¹
- Sustainability (with a focus on carbon reduction and climate change), ESG (Environmental, Social and Governance) and UN SDGs (Sustainable Development Goals) are at the core of the firm's approach to investment

A deep understanding of **public sector** and **local community** sensitivities

Established network of relationships with industrial partners to co-develop projects

25-year fund life enabling **alignment of interests** with investors and public sector counterparties creating genuine long-term partnerships

Proven track record of **managing greenfield/ construction risk** with all projects on time and on budget²

Extensive greenfield & **project development expertise** enabling to generate a **unique pipeline**

Consistent record of delivering on financial and sustainability & ESG targets

Greenfield strategies applying high ESG and sustainability standards

Impact oriented strategies

Meridian Infrastructure
Meridian Infrastructure Europe II & III
Meridian Infrastructure North America II & III

Meridian Transition³
Meridian Infrastructure Africa Fund

1. Projected performance is not indicative of future results and there can be no assurance that any fund or other vehicle managed or advised by any Meridian fund or any of its affiliates will achieve comparable results.
 2. Past performance is not indicative of future results and there can be no assurance that any Meridian Fund will achieve comparable results.
 3. COP-21 focused on energy transition projects in France and Europe



A sustainable investment philosophy

“Our mission is to deliver sustainable infrastructure that improves the quality of people's lives”

Commitment to ESG and sustainability

- Founded on the principle that infrastructure investment should be on a long-term, responsible and sustainable basis, with clear benefits to local communities
- ESG is fully integrated at every stage:
 - At the core of Meridiam’s risk assessment methodology;
 - In the pipeline screening process
 - Assessed at the outset of each project
 - Monitored through a project’s life
- Meridiam’s rigorous approach of the ESG and SDG includes:
 - An environmental and social assessment of each project
 - An assessment through an integrated SDG framework of the impact in “Shared value” creation of each project
 - Continual monitoring of specific KPIs
 - Regular reporting on ESG issues
 - A systematic approach to carbon risk
- Meridiam believes this acts as a strong mitigant to political and counterparty risks.



Certified by the International Organisation for Standardisation

Investment process and risk management systems were certified ISO 9001:2008 first in 2012 and renewed each year since and are now certified ISO 9001:2015.



3rd year in a row high quality rating by the UN PRI¹

A 2018 assessment by the UNPRI scored Meridiam:

- A+ (29/30) for overall approach to ESG
- A (27/30) for infrastructure specific issues



Integrated Carbone 4

The investment process includes an early stage carbon assessment and carbon footprint analysis based on the Carbone 4 methodology



ESG audit by Vigeo Eris

Vigeo, carried out a corporate social responsibility audit of Meridiam (as an organisation rather than specifically as a fund manager) in 2011, 2013, 2015 and 2017 under ISO 26000 and rated Meridiam “Advanced”



Policies consistent with those of leading development banks



1. For further details please refer to the PRI website. Meridiam’s full assessment report is available in the dataroom and on request. Meridiam’s transparency report is available at <https://www.unpri.org/explore?q=Meridiam&hd=on&hg=on&he=on&ptv=&tv=76&sp=pub>



Meridiam funds strategy directly supporting SDG: Core and direct impacts of Meridiam's infrastructure projects

Energy transition

CORE IMPACT



Ensure access to affordable, reliable, sustainable and modern energy for all

- Sustainable energy infrastructures with increased resource efficiency & environmentally sound technologies
- Access to affordable, reliable and modern energy
- Increase the global share of renewable energy



Resilient infrastructure Inclusive & sustainable industrialization

- Develop quality, reliable, sustainable and resilient infrastructure
- Develop transport infrastructures with a focus on affordable and equitable access for all

DIRECT IMPACTS



Sustained, inclusive & sustainable growth, full & productive employment and decent work for all

- Create work opportunities locally
- Affordable access to the distribution platform



Strengthen the means of implementation and revitalize the global partnership for sustainable development

- Promote effective partnerships with public and private actors

IMPLIED CONTRIBUTION



Take urgent action to combat climate change and its impacts

- Contribute to the reinforcement of resilience & adaptive capacity to climate-related risks

Mobility

CORE IMPACT



Make cities and human settlements inclusive, safe, resilient and sustainable

- Provide access to safe, affordable, accessible and sustainable transport systems for all



Resilient infrastructure Inclusive & sustainable industrialization

- Develop quality, reliable, sustainable and resilient infrastructure
- Develop transport infrastructures with a focus on affordable and equitable access for all

DIRECT IMPACTS



Ensure availability and sustainable management of water and sanitation for all

- Improve water quality by reducing pollution
- Reduce the proportion of untreated wastewater



Sustained, inclusive & sustainable growth, full & productive employment and decent work for all

- Create work opportunities locally
- Affordable access to the distribution platform



Strengthen the means of implementation and revitalize the global partnership for sustainable development

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Social

CORE IMPACT



Resilient infrastructure Inclusive & sustainable industrialization

- Develop quality, reliable, sustainable and resilient infrastructure
- Develop transport infrastructures with a focus on affordable and equitable access for all

DIRECT IMPACTS



Sustained, inclusive & sustainable growth, full & productive employment and decent work for all

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Strengthen the means of implementation and revitalize the global partnership for sustainable development

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PROJECT-SPECIFIC CONTRIBUTION



Ensure inclusive and equitable quality education and promote lifelong learning opportunities

- Contribute to upgrading education facilities (schools and student accommodations) that provide safe and inclusive learning environments



Ensure healthy lives and promote well-being for all at all ages

- Contribute to the access of quality essential health-care services through hospital investment



“2-Infra Challenge” Initiative

Objective: develop an industry-wide methodology

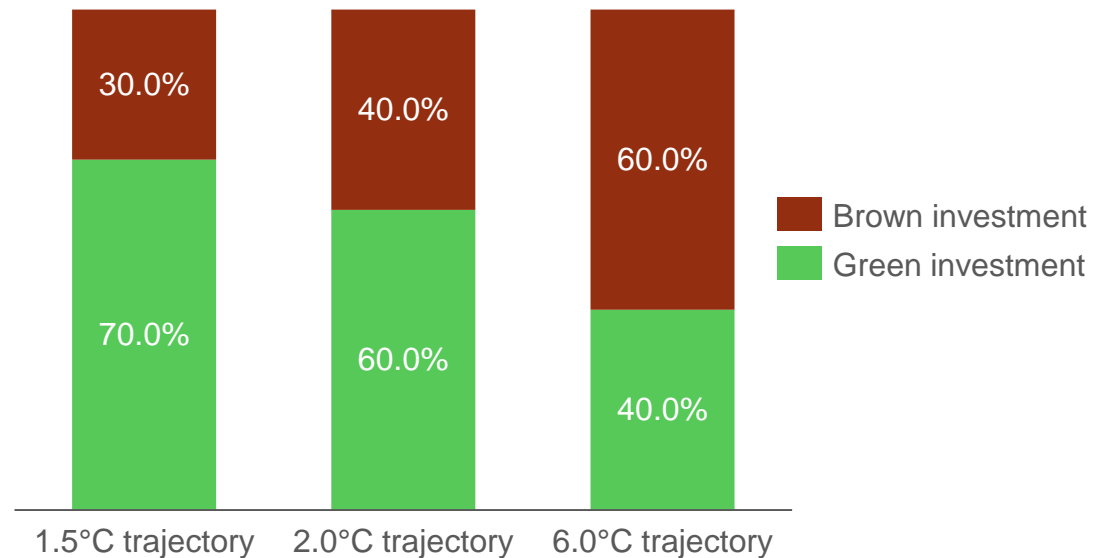
- Measure the alignment of infrastructure portfolios with a 2 degrees trajectory
- Approach and results validated by a scientific committee
- Based on reliable data

Initial Partners



ASSET
MANAGEMENT

Illustration of the methodology output

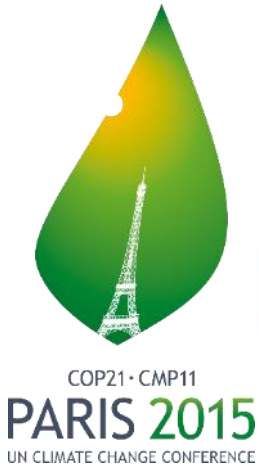


Interested parties are welcome to join the initiative

Focus on Meridiam Transition

Meridiam Transition targets unaddressed energy transition opportunities to contribute to deliver the COP 21 Paris Agreement in Europe

Context



Leading investors



Meridiam Transition Approach

Background and objectives	<ul style="list-style-type: none"> In 2015, Meridiam launched Meridiam Transition, together with French insurer CNP Assurances Support French insurers and long-term institutional investors seeking to invest in projects designed to help Europe transition towards a low carbon economy
Targeted segments	<ul style="list-style-type: none"> Resilience of electric systems Circular Economy & Biogas Smart grids & smart cities
Targeted projects	<ul style="list-style-type: none"> Target unaddressed energy transition market opportunities Relatively small and midsize projects contributing to the low carbon transition
Targeted geographies	<ul style="list-style-type: none"> Europe (50% min in France and 80% min across the Eurozone)
Financial instruments	<ul style="list-style-type: none"> Equity and quasi-equity with potential financing up to 100% of projects
Investment capacity/size	<ul style="list-style-type: none"> Final closing reached at €485m in excess of target

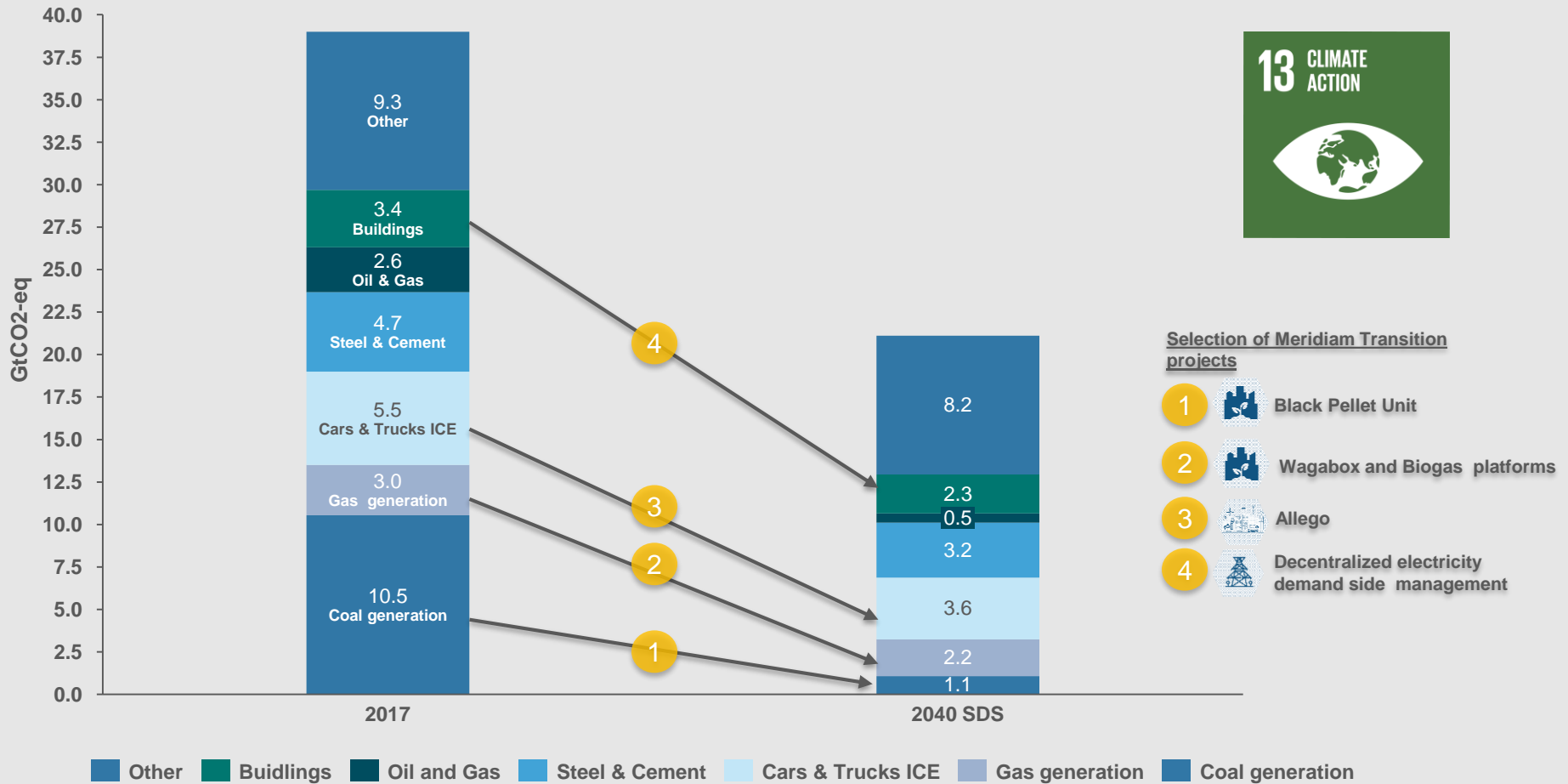
1. Fonds de Réserve pour les Retraites: investing by the public authorities on behalf of the community with the aim of financing the pension system.

2. Le Régime de Retraite additionnelle de la Fonction publique: mandatory scheme for the benefit of public servants of the French State (civil and military), territorial and hospital, as well as magistrates



Illustration of Meridiam Transition contribution to SDG 13 “Take urgent action to combat climate change and its impacts”

Energy related GHG emission from selected sector, 2017 and 2040 IEA’s Sustainable Development Scenario (SDS)





Illustrative examples of core and direct impacts of Meridiam's infrastructure projects in Africa

Senery & Ten Merina Solar

- 7 AFFORDABLE AND CLEAN ENERGY**
 - 60MW of sustainable, low cost power
 - Micro-credit facility for women & young adults
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
 - Renewable energy research centre

Kahone & Touba Solar

- 7 AFFORDABLE AND CLEAN ENERGY**
 - 80MWp of sustainable, low cost power
 - First projects in West Africa under the IFC's Scaling Solar
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
 - Targeted capacity building with the implementation of innovative technologies
 - Lowest tariff in Sub-Saharan Africa

Treichville Hospital

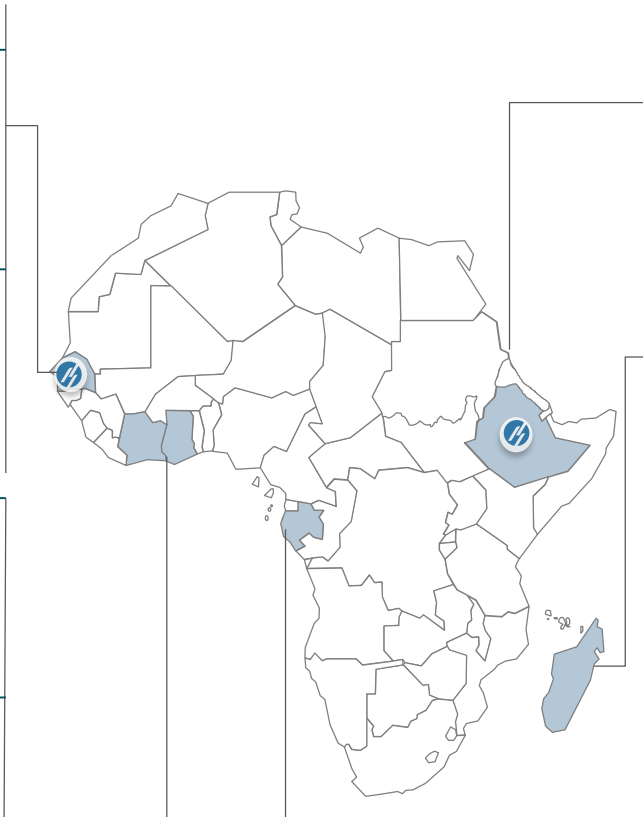
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
 - Rehabilitation of one of the four Big University health centers
 - Provides access to quality essential health-care services

NEOT Offgrid

- 7 AFFORDABLE AND CLEAN ENERGY**
 - Provide access to reliable renewable energy for local communities
 - Enables new businesses
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
 - Capacity building with the implementation of innovative technologies for the country

Biokala Biomass

- 7 AFFORDABLE AND CLEAN ENERGY**
 - 46MW Biomass plant providing baseload clean energy.
 - Create commercial opportunities for small local producers



Office



Assets in Portfolio

Tulu Moyo Geothermal

- 7 AFFORDABLE AND CLEAN ENERGY**
 - Ethiopia's first major IPP
 - 500MWp clean baseload geothermal power to meet the demands of a booming economy and population
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**

Madagascar Airports

- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
 - Madagascar's first PPP
 - €2.5m in environmental safeguarding
 - Unlocking international trade
 - Implementation of duty-free and quota-free market access

Owendo Port

- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
 - Clean development mitigating impacts of the port construction and exploitation on its ecosystem
 - Development of new businesses and improve living conditions through the import or export of merchandise
 - Connecting landlocked territories to merchandise distribution networks
 - Increase exports of developing countries

Kinguele Hydro

- 7 AFFORDABLE AND CLEAN ENERGY**
 - Country's first IPP
 - Detailed biodiversity action plan
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
 - Contribute to the sustainable use of freshwater resources in accordance with rigorous conservation and biodiversity protection measures