

Creating Real Value.



Section 172 Statement

InfraRed Capital Partners Limited

April 2020

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In accordance with the Companies Act 2006 InfraRed Capital Partners Limited is required to prepare a statement in its strategic report which describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) when performing their duties as a director under section 172 of the Companies Act 2006 (commonly known as a “section 172 statement”). The section 172 statement must be made available on a website.

The success of InfraRed is based upon the success of the funds and assets it manages. Ensuring that all our stakeholders needs are met is key to the success of InfraRed and InfraRed does this through ensuring we maintain our track record, create real value for people and their communities in the form of job creation and high quality buildings and infrastructure that enhance their surroundings and through the integration of Environmental, Social and Governance (ESG) criteria into our investment process.

During 2019, InfraRed made a number of decisions with long term effects for stakeholders.

In December 2019 InfraRed entered into a partnership with Sun Life Financial Inc. to drive the next phase of InfraRed’s growth. On completion, this transaction will see Sun Life take an 80% stake in InfraRed Partners LLP, which owns 100% of the Company’s ordinary share capital, with a put and call option for the InfraRed owners’ remaining equity interest, exercisable after four and five years respectively. This deal represents a key milestone in InfraRed’s evolution and will drive the next phase of growth securing InfraRed’s place among a small group of leading global investment platforms as the real asset markets continue to grow and institutionalise.

Backed by seed capital from Sun Life of US\$400m, which will support the launch of new funds including a new North American renewable infrastructure fund, the partnership and new products will transform InfraRed’s North American capability.

InfraRed has invested heavily in its staff and increased headcount across the InfraRed Group in order to drive further growth. This growth is key to the development opportunities of staff enabling, InfraRed to retain key talent and recruit the talent we need to strengthen our business. InfraRed also invested heavily in IT ensuring that, when it came to it, the business could continue to operate efficiently during the Covid-19 pandemic facilitating staff to maintain teamwork and morale.

InfraRed takes an active approach to long-term sustainable investment by integrating ESG criteria into every aspect of our business. We firmly believe this unlocks the potential of our investments, reduces the risks in the portfolio, and creates enduring benefits for the local economy.

InfraRed is a signatory to the Principles for Responsible Investment (PRI). These principles provide a voluntary framework for incorporating ESG issues into investment practice, contributing to a sustainable financial system. In the annual assessment by PRI, InfraRed has achieved the highest ratings, standing well above industry standards for the last four consecutive years.

InfraRed has values which are weaved into all activities of the business including all staff and partner appraisals to ensure we create an environment where all staff reach their potential.