

Article 10 (SFDR)

Website disclosure for an article 9 fund

**Sustainable Water and Waste Feeder Fund  
SCSp**

**Document Approval**

<b>Version</b>	<b>Date</b>	<b>Brief Summary</b>	<b>Approved by</b>
1	16/09/2024	First version	IQQEQ Fund Management S.A.

A	SUMMARY
	<p>Sustainable Water and Waste Feeder Fund SCSp is investing 100% of its assets in Meridiam Sustainable Water and Waste Fund S.L.P. (“MSWWF” or the “master fund”). As a result, all disclosures regarding environmental and social characteristics, investment strategy, and performance of Sustainable Water and Waste Feeder Fund SCSp are based on the activities and policies of the master fund.</p> <p>The master fund is classified Article 9.2 under SFDR Regulation<sup>1</sup>. It will exclusively invest in Suez group (and follow-ons): a leading company with a 160-year history in the environmental services market globally, Suez is an integrated player with a wide footprint across the waste and water value chains. Its core business consists in operating water and waste facilities and networks under concession frameworks.</p> <p>The company also enjoys strong capabilities in engineering and construction as well as digital solutions. Suez also includes the CIRSEE, a global leading R&amp;D centre together with other advanced R&amp;D and Innovation centres (such as the Lyre).</p> <p>The master fund is dedicated to investing in Suez (and follow-ons) to support its growth and development objectives through operational excellence, enhanced long-term investment capabilities, R&amp;D and innovative solutions, to the benefit of all its stakeholders, including its local and regional communities.</p> <p>Meridiam will measure the contribution of the investments to the following sustainable investment objectives of the United Nations Sustainable Development Goals (UN-SDGs):</p> <ul style="list-style-type: none"> <li>• Clean water and sanitation (SDG 6): support access to essential services</li> <li>• Resilient infrastructure and sustainable cities (SDG 9 and 11): Make cities and human settlements inclusive, safe, resilient and sustainable</li> <li>• Clean and affordable energy (SDG 7): contribute to energy decarbonization</li> <li>• Climate action and strategy (SDG 13): reduce GHG Scopes 1 &amp; 2 (market based) emissions</li> <li>• Decent work, inclusion, and gender (SDG 8): promote equal opportunities</li> </ul> <p>MSWWF’s asset allocation is structured as follow:</p> <ul style="list-style-type: none"> <li>• 90%-100% of sustainable investments with environmental or social objectives: <ul style="list-style-type: none"> <li>- 0% minimum of sustainable investments with a social objective that are sustainable according to Art.2 (17) of SFDR Regulation</li> <li>- 90% minimum of sustainable investments with an environmental objective that are sustainable according to Art.2 (17) of SFDR Regulation: <ul style="list-style-type: none"> <li>○ 0% minimum of environmentally Taxonomy-aligned sustainable investments</li> <li>○ 90% minimum of environmentally sustainable investments that are sustainable according to Art.2 (17) of SFDR Regulation</li> </ul> </li> </ul> </li> </ul>

<sup>1</sup> Regulation (EU) 2019/2088

<p>The proportion of sustainable investments do not cause significant harm<sup>2</sup> to the sustainable investment objective.</p> <ul style="list-style-type: none"> <li>• 0%-10% corresponds to investments which are not qualified as sustainable (derivatives and money market funds).</li> </ul> <p>The following sustainability indicators are used to measure the attainment of MSWWF's sustainable investment objectives:</p> <ul style="list-style-type: none"> <li>• Number of people supplied with drinking water (SDG 6)</li> <li>• Number of people benefitting from sanitation services (SDG 6)</li> <li>• Tonnage of waste processed per annum (SDG 9 and 11)</li> <li>• Share of GHG avoided from energy production over GHG emitted by energy consumption (SDG 7)</li> <li>• GHG emission scopes 1 &amp; 2 (SDG 13)</li> <li>• Share of priority and vulnerable sites with a quantified climate change adaptation action plan (SDG 9 and 11)</li> <li>• Percentage of women in Management (SDG 8)</li> </ul> <p>In order to monitor the MSWWF's attainment of its sustainable investment objective, Meridiam leverages on its proprietary monitoring and management tool: The Sustainability Impact Measurement Platform; Simpl.®. The platform combines an in-depth survey of over 200 indicators per asset class with a data visualisation tool that enables Meridiam to understand its assets contribution to the UN-SDGs and monitor progress over time.</p> <p>The Simpl.® survey is conducted annually on Suez Group allowing Meridiam to monitor the progress made on every SDG indicator. MSWWF's sustainability investment objective is monitored through indicators that are aggregated by Suez Group based on the information obtained from the questionnaires completed by its subsidiaries.</p> <p>MSWWF is committed to considering Principal Adverse Impacts whereby 14 mandatory and 2 optional environmental and social indicators are monitored as indicated in the Annex 1 of the RTS (Level II) of SFDR (EU) 2019/2088.</p>
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<p><b>B NO SIGNIFICANT HARM TO THE SUSTAINABLE INVESTMENT OBJECTIVE</b></p>
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<p>The disclosure of DNSH for sustainable investments (90%-100% of assets) is demonstrated through the use of principal adverse impact (PAI) indicators and the respect of minimum safeguards.</p> <p>The DNSH principle is respected by all investments except the ones which are not qualified as sustainable (derivatives and money market funds), which will not exceed 0%-10%.</p> <p><b>a. Internal process of identification and mitigation of PAI</b></p> <p>Meridiam identifies and manages principal adverse impacts related to every investment opportunity through the following steps:</p>
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<sup>2</sup> MSWWF follows the specific internal process that Meridiam has put in place, uses principal adverse impact (PAI) indicators and respects minimum safeguards

i. Eligibility and regulatory check:

Verification of the eligibility of the opportunity against the exclusion list established by Meridiam for its various funds. It also includes ESG framing of the opportunity in regulatory terms in accordance with the laws of the countries in which the investee operates.

ii. Preliminary evaluation:

Initial analysis of risks (financial, operational, social, or environmental).

iii. Detailed evaluation:

Determination of detailed ESG risks, by performing a detailed Environmental Due Diligence (EDD) with the support of a specialized team of local and/or international consultants.

iv. Detailed implementation plan:

A Sustainable Development Roadmap<sup>3</sup> has been defined in a joint effort with the Suez sustainability team, Meridiam and other shareholders. The roadmap comprises quantified goals, practical measures, and focuses on three key environmental and social priorities: (i) acting for climate; (ii) protecting natural capital; (iii) developing human capital.

**b. Use of PAI**

The information on PAI indicators will be available in the periodic RTS template that will be provided to MSWWF limited partners and covers:

- All the mandatory indicators for principal adverse impacts on sustainability factors listed in Table 1 of Annex I of the delegated regulation 2019/2088 supplementing SFDR
- The following relevant additional indicators listed in Tables 2 and 3 of Annex I of the same delegated regulation:
  - Number/rate of accidents, injuries, fatalities
  - Lack of a supplier code of conduct

**c. Respect of minimum safeguards**

Meridiam is committed to respecting fundamental social rights in alignment with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization (ILO) on Fundamental Principles and Rights at Work and the International Bill of Human Rights. These commitments are inscribed in Meridiam's Sustainability Charter which principles are adopted by the portfolio company.

**C SUSTAINABLE INVESTMENT OBJECTIVE OF THE FINANCIAL PRODUCT**

MSWWF's sustainable objective is to invest a minimum of 90% of its net assets in shares of companies that derive at least 80% of their revenue from goods and services or invest at least 80% of their CAPEX in relation to business activities which align positively with one of the 5 out of 17 SDGs listed below:

- Clean water and sanitation (SDG 6): support access to essential services
- Resilient infrastructure and sustainable cities (SDG 9 and 11): Make cities and human settlements inclusive, safe, resilient and sustainable
- Clean and affordable energy (SDG 7): contribute to energy decarbonization

<sup>3</sup> Publicly accessible on Suez Website

- Climate action and strategy (SDG 13): reduce GHG Scopes 1 & 2 (market based) emissions
- Decent work, inclusion, and gender (SDG 8): promote equal opportunities

The following sustainability indicators are used to measure the attainment of MSWWF's sustainable investment objective:

- Number of people supplied with drinking water (SDG 6)
- Number of people benefitting from sanitation services (SDG 6)
- Tonnage of waste processed per annum (SDG 9 and 11)
- Share of GHG avoided from energy production over GHG emitted by energy consumption (SDG 7)
- GHG emission scopes 1 & 2 (SDG 13)
- Share of priority and vulnerable sites with a quantified climate change adaptation action plan (SDG 9 and 11)
- Percentage of women in Management (SDG 8)

## **D INVESTMENT STRATEGY**

This section requires to describe the investment strategy and the policy to assess good governance practices of the investee companies.

### **a. Investment strategy**

The investment policy of the master fund is to invest exclusively in Suez group (and follow-ons). The master fund is dedicated to investing in Suez to support its growth and development objectives through operational excellence, enhanced long-term investment capabilities, R&D and innovative solutions, to the benefit of all its stakeholders, including its local and regional communities.

Meridiam followed rigorous risk screening procedures prior to investment, namely involving the support of external independent experts to assess the strengths and shortfall of the company with respect to governance practices, and confirm alignment with the management company's criteria.

Meridiam respects applicable laws and regulations and contractual terms in all the different countries in which it operates. Throughout its portfolio, as a shareholder, Meridiam ensures compliance with its business ethics notably by prohibiting all types of corruption and disloyal practices. Meridiam SAS received in November 2021 the ISO 37001 anti-corruption certification from the French Standards Association (AFNOR).

Please refer to Meridiam Sustainability Risk Policy<sup>4</sup> for more details on the sustainability strategy, the ESG/SDG Management Approach and how risk management processes are integrated within Meridiam's investment procedures.

### **b. Good governance practices**

Upon taking control of the company, Meridiam has taken steps to ensure that good governance practices drive the company:

- A Sustainable Development Roadmap<sup>5</sup> has been defined in a joint effort with the Suez sustainability team, Meridiam and other shareholders. The roadmap namely comprises

<sup>4</sup> <https://www.meridiam.com/sustainability-strategy/esg-sdg-framework/>

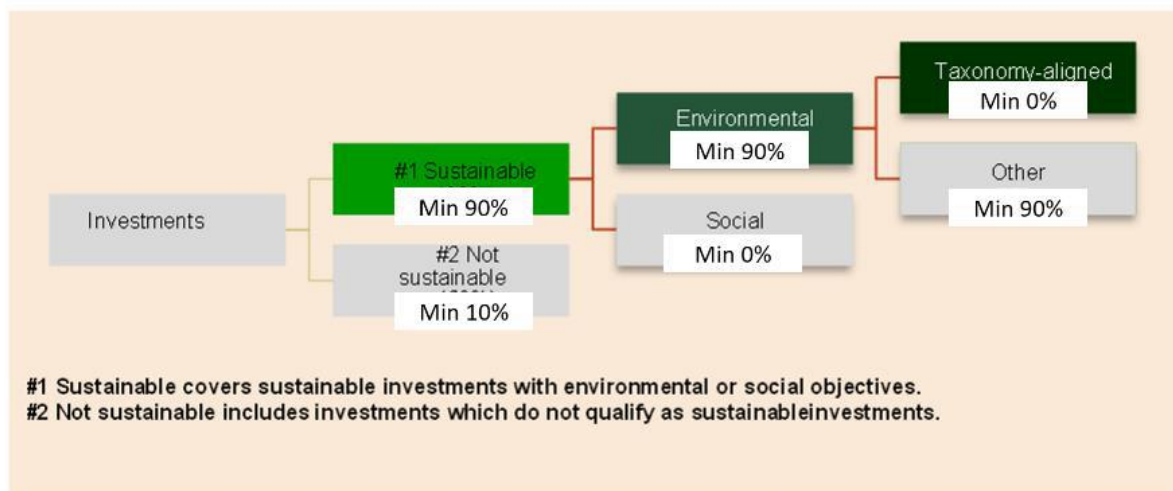
<sup>5</sup> Publicly accessible on Suez Website

measures to ensure strong governance (e.g. executive pay alignment, inclusive dialogue in the definition of company targets)

- Several specific committees (e.g. CSR, audit, remuneration) have been set up by shareholders. These specialized committees allow for more focused oversight and decision-making in their respective domains. The CSR committee ensures that the company's activities align with ethical and sustainable practices, while the Remuneration committee manages compensation and incentive structures for employees, promoting fairness and transparency. The Audit committee, on the other hand, is responsible for maintaining financial integrity and ensuring compliance with regulatory requirements. Together, these committees create a comprehensive governance framework that fosters corporate accountability, transparency, and responsible business practices, ultimately leading to long-term success and stability.
- We have actively encouraged the company to collect more extensive data on a wide range of extra financials areas. By increasing the quantity and quality of data gathered, we can effectively measure the company's performance across various ESG factors, facilitating a deeper understanding of our impact on the environment, social communities, and our internal governance structures, and in return a better ability to govern decision making. Each year, Suez will communicate a set of independently audited extra financial indicators, enabling to track performance of the company, and the attainment of its goals.

## E PROPORTION OF INVESTMENTS

The investment policy of the master fund is to invest exclusively in Suez group (and follow-ons).



90%-100% of sustainable investments with environmental or social objectives:

- 0% minimum of sustainable investments with a social objective that are sustainable according to Art.2 (17) of SFDR Regulation
- 90% minimum of sustainable investments with an environmental objective that are sustainable according to Art.2 (17) of SFDR Regulation:
  - 0% minimum of environmentally Taxonomy-aligned sustainable investments
  - 90% minimum of environmentally sustainable investments that are sustainable according to Art.2 (17) of SFDR Regulation

The remaining part of the master fund's investments (0%-10%) corresponds to investments which are not qualified as sustainable (derivatives and money market funds).

	<p>All investments respect the minimum safeguards indicated in section B.</p> <p>More information regarding the proportion of investments can be found on the RTS precontractual template<sup>6</sup>.</p>
<b>F</b>	<b>MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS</b>
	<p>Leveraging on its proprietary platforms Simpl.®, Meridiam analyses the company’s extra financial data, such as the sustainability indicators delineated in Section C, to measure the achievement of MSWWF’s sustainable investment goals. For further information on this process, which is common to all the funds managed by Meridiam, kindly refer to Section G or to Meridiam's official website. These monitoring methods ensure a professional and comprehensive evaluation of the master fund's progress towards its sustainability targets.</p>
<b>G</b>	<b>METHODOLOGIES</b>
	<p><b>a. Simpl. ® (Sustainability Impact Measurement Platform)</b></p> <p>Meridiam uses Simpl. ® to measure the contribution of each fund to the United Nations Sustainable Development Goals (UN-SDGs). Simpl. ® tracks and monitors the impact of a portfolio company using Meridiam’s unique framework of assessment against Environment, Social and Governance targets and the UN-SDGs.</p> <p>Simpl. ® is designed to focus on the pre-assessed core and direct impacts of its sectors of activities and uses data and KPIs available at the portfolio company level to rigorously monitor and identify each investments’ relevant contribution to the SDGs. The tool has also developed a set of sustainability indicators related to climate metrics.</p> <p>The objective is to monitor these indicators throughout the tenor of MSWWF.</p> <p>Simpl. ® is composed of an annual survey and dashboards, to evaluate the portfolio companies’ positive impacts during their lifecycle.</p> <p>Suez answers the questions on a yearly basis and fills in aggregated data on a dedicated web platform.</p> <p><b>b. Suez Sustainable development roadmap</b></p> <p>Suez Group has deployed a sustainable development roadmap, based on 3 pillars and 24 objectives to be achieved by 2027. The climate pillar focuses on contributing to decarbonizing energy, reducing greenhouse gas emissions, and adapting its most exposed sites to climate change, the nature pillar focuses on preserving biodiversity and natural resources wherever it operates and the social pillar on strengthening the positive impact of its activities to ensure the responsible development of communities.</p> <p>The performance indicators set out in the SFDR documentation to demonstrate Suez’s alignment to sustainable objectives have been defined by the Group sustainable development roadmap and are monitored at Meridiam level through Simpl. ®.</p>

<sup>6</sup> Link available at the end of this document



<b>H</b>	<b>PRINCIPAL ADVERSE IMPACTS (PAIs)</b>
	<p>The master fund considers Principal Adverse Impacts (PAIs) through its systematic approach, which includes monitoring 14 mandatory environmental and social indicators. Additionally, two optional indicators are tracked:</p> <ul style="list-style-type: none"> <li>• Number/rate of accidents and fatalities.</li> <li>• Lack of a supplier code of conduct.</li> </ul> <p>These PAIs are evaluated through regular reporting and data collection from the Suez Group.</p>
<b>I</b>	<b>LIMITATIONS TO METHODOLOGIES AND DATA</b>
	<p>The limitations that Meridiam could encounter are mainly related to obtaining exhaustive data. Indeed, Meridiam collects ESG data from the bottom-up and therefore needs the collaboration of the whole Suez Group to obtain the necessary information to feed Simpl. ®'s dashboards.</p> <p>In addition to that, data processing brings its own limitations: qualitative data requires a strong analysis procedure, while quantitative data is reliant on data's correct entry, reliability, and availability. In addition to that, checking data is a mandatory step that could thicken the assessment process even more.</p>
<b>J</b>	<b>DUE DILIGENCE</b>
	<p>Environmental Due diligence covered PAI related issues and relevant SDGs. Each investment opportunity is screened against Meridiam's exclusion list, and an initial risk classification of the opportunity is conducted, which will determine the ESG risk mitigation process to be implemented. Meridiam worked with an independent third party ESG DD specialist to get a second opinion on the ESG risk profile of the company.</p>
<b>K</b>	<b>ENGAGEMENT POLICIES</b>
	<p>Meridiam owns a co-controlling stake in Suez Group, with strong corporate governance rights. As an active investor, Meridiam works closely with the management in monitoring all aspects of the company's development including its strategy, financial and extra-financial performance, overall risk, ESG impact, etc.</p> <p>The proximity with the company ensures that Meridiam's investment is managed transparently in all areas, including for ESG and SDG aspects. To strengthen the company's commitment to measuring and monitoring extra financial performance, a dedicated CSR committee with representatives of all shareholders has been put in place.</p>
<b>L</b>	<b>INVESTMENT INDICATORS</b>
	<p>The master fund measures its overall sustainability impact using the following key performance indicators:</p>

	<ul style="list-style-type: none"> <li>• Access to clean water and sanitation.</li> <li>• GHG emissions reductions.</li> <li>• Waste processing efficiency.</li> <li>• Gender diversity in leadership roles.</li> </ul>
<b>M</b>	<b>BENCHMARKING (IF ANY)</b>
	<p>No specific reference benchmark has been designated for the master fund to measure the attainment of its sustainable investment objective.</p>
<b>N</b>	<b>ATTAINMENT OF THE SUSTAINABLE INVESTMENT OBJECTIVE</b>
	<p>The master fund's progress towards its sustainability goals is measured through the collection of data via Simpli.®, which tracks the performance of Suez Group's operations across the relevant SDG indicators. This data is reported annually and aggregated to provide a comprehensive overview of the master fund's impact on sustainability</p>
	<b>APPENDIX - FRENCH TRANSLATION</b>
	<p>Sustainable Water and Waste Feeder Fund SCSp investit 100 % de ses actifs dans Meridiam Sustainable Water and Waste Fund S.L.P. (« MSWWF » ou le « fonds maître »). Par conséquent, toutes les informations relatives aux caractéristiques environnementales et sociales, à la stratégie d'investissement et à la performance du Sustainable Water and Waste Feeder Fund SCSp sont basées sur les activités et les politiques du fonds maître.</p> <p>Le fonds maître est classé dans l'article 9.2 du règlement SFDR. Il investira exclusivement dans le groupe Suez (et ses successeurs) : société de premier plan présente depuis 160 ans sur le marché mondial des services environnementaux, Suez est un acteur intégré ayant une large empreinte sur les chaînes de valeur des déchets et de l'eau. Son activité principale consiste à exploiter des installations et des réseaux de traitement de l'eau et des déchets dans le cadre de concessions.</p> <p>L'entreprise dispose également de solides capacités en matière d'ingénierie et de construction, ainsi que de solutions numériques. Suez comprend également le CIRSEE, un centre de R&amp;D de premier plan au niveau mondial, ainsi que d'autres centres de R&amp;D et d'innovation avancés (tels que la Lyre).</p> <p>Le fonds maître a pour vocation d'investir dans Suez (et ses successeurs) afin de soutenir ses objectifs de croissance et de développement par l'excellence opérationnelle, le renforcement des capacités d'investissement à long terme, la R&amp;D et les solutions innovantes, au bénéfice de toutes ses parties prenantes, y compris les communautés locales et régionales.</p> <p>Meridiam mesurera la contribution des investissements aux objectifs d'investissement durable suivants des Objectifs de Développement Durable des Nations Unies (UN-SDGs) :</p> <ul style="list-style-type: none"> <li>• Eau propre et assainissement (ODD 6) : favoriser l'accès aux services essentiels</li> <li>• Infrastructures résilientes et villes durables (ODD 9 et 11) : Rendre les villes et les établissements humains inclusifs, sûrs, résilients et durables.</li> </ul>

- Énergie propre et abordable (ODD 7) : contribuer à la décarbonisation de l'énergie
- Action et stratégie pour le climat (ODD 13) : réduire les émissions de gaz à effet de serre des champs d'application 1 et 2 (basées sur le marché).
- Travail décent, inclusion et égalité des sexes (ODD 8) : promouvoir l'égalité des chances

L'allocation des actifs de MSWWF est structurée comme suit :

- 90%-100% d'investissements durables avec des objectifs environnementaux ou sociaux :
  - 0% minimum d'investissements durables avec un objectif social qui sont durables selon l'Art.2 (17) du règlement SFDR
  - 90% minimum d'investissements durables avec un objectif environnemental qui sont durables selon l'article 2 (17) du règlement SFDR :
    - 0% minimum d'investissements durables alignés sur la taxonomie environnementale
    - 90% minimum d'investissements durables sur le plan environnemental qui sont durables au sens de l'article 2 (17) du règlement de la SFDR

La proportion d'investissements durables ne nuit pas de manière significative à l'objectif d'investissement durable.

- 0%-10% correspondent à des investissements qui ne sont pas qualifiés de durables (produits dérivés et fonds du marché monétaire).

Les indicateurs de durabilité suivants sont utilisés pour mesurer la réalisation des objectifs d'investissement durable de MSWWF:

- Nombre de personnes approvisionnées en eau potable (ODD 6)
- Nombre de personnes bénéficiant de services d'assainissement (ODD 6)
- Tonnage de déchets traités par an (SDG 9 et 11)
- Part des GES évités par la production d'énergie par rapport aux GES émis par la consommation d'énergie (ODD 7)
- Emissions de GES scopes 1 & 2 (SDG 13)
- Part des sites prioritaires et vulnérables disposant d'un plan d'action quantifié d'adaptation au changement climatique (ODD 9 et 11)
- Pourcentage de femmes au sein de la direction (ODD 8)

Afin de contrôler la réalisation de l'objectif d'investissement durable de la MSWWF, Meridiam s'appuie sur son propre outil de contrôle et de gestion : La Plateforme de Mesure de l'Impact de la Durabilité ; Simpl.®. La plateforme combine une étude approfondie de plus de 200 indicateurs par classe d'actifs avec un outil de visualisation des données qui permet à Meridiam de comprendre la contribution de ses actifs aux UN-SDGs et de suivre les progrès dans le temps.

L'enquête Simpl.® est menée chaque année sur le groupe Suez, ce qui permet à Meridiam de suivre les progrès réalisés sur chaque indicateur des ODD. L'objectif d'investissement durable de MSWWF est contrôlé par le biais d'indicateurs agrégés par le groupe Suez sur la base des informations obtenues à partir des questionnaires remplis par ses filiales.

	MSWWF s'engage à prendre en compte les Principaux Impacts Adverses, 14 indicateurs environnementaux et sociaux obligatoires et 2 indicateurs facultatifs étant suivis comme indiqué dans l'Annexe 1 des RTS (Niveau II) de la SFDR (EU) 2019/2088.
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