



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

Macquarie Infrastructure Corporation (MIC)

APRIL 2021

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MIC’s actual results, performance, prospects or opportunities could differ materially from those expressed in or implied by the forward-looking statements. A description of known risks that could cause MIC’s actual results to differ appears under the caption “Risk Factors” in the Company’s Form 10-K filed with the SEC on February 17, 2021. Additional risks of which MIC is not currently aware could also cause its actual results to differ. In light of these risks, uncertainties and assumptions, you should not place undue reliance on any forward-looking statements. The forward-looking events discussed in this report may not occur. These forward-looking statements are made as of the date of this report. MIC undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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MIC's approach to

ESG

MIC is committed to ensuring environmental, social and governance risks are identified, assessed and managed responsibly.

Our approach

Macquarie Infrastructure Corporation (MIC) owns and operates infrastructure and infrastructure-like businesses that place us at the nexus of everyday life for our customers, employees and the communities in which the businesses operate. Inherent in our role as a responsible corporate citizen are a host of Environmental, Social and Governance (ESG) risks, responsibilities and opportunities with the potential to impact this diverse group of stakeholders.

Accordingly, the identification, assessment and responsible management of ESG risks is fundamental to our day-to-day business activities and an essential part of ensuring our long-term success, at both the MIC corporate level and at our two operating businesses.

We organize our policies and operations into six focus areas that address both material ESG issues and the generation of attractive shareholder returns. We believe that the choice between these two objectives is not mutually exclusive. By addressing both, we are delivering on our commitment of ensuring long-term sustainable growth.

Our key risk focus areas:



01 Safety

The safety of our staff, customers and communities is vital to our businesses' continued success.



02 Leadership and governance

Strong leadership and governance are paramount in order to deliver positive outcomes for our stakeholders.



03 Minimizing our impact on the environment

Actively minimizing our impact on the environment through policies and initiatives that reduce our environmental footprint.



04 Human Capital, Diversity, Inclusion and Equity

Our employees are our most important resource, and it is vitally important that we support their professional growth while providing a safe, inclusive and equitable work environment.



05 Data Privacy and Cybersecurity

Leveraging technology across our operating businesses to provide better outcomes for customers, improve employee productivity and lower costs, while reducing risks.



06 Community

Recognizing the important role and long-term impact of infrastructure assets on the communities in which they operate, by supporting and responding to their needs.

Our ESG framework

Our Manager's approach to environmental, social and governance risks

The day-to-day management of MIC is overseen by its Manager, Macquarie Infrastructure Management (USA), Inc., subject to the oversight and supervision of MIC's Board of Directors (the Board). Our Manager, a subsidiary of Macquarie Group, is committed to maintaining and enhancing its strong corporate governance and effective environmental and social responsibility policies. One of the many benefits of being overseen by the Manager is that its policies are governed by Macquarie Group's ESG Framework and related policies and reflect a broad responsibility to clients, shareholders and the communities in which we operate. Macquarie Group structures its ESG approach by focusing on matters considered to be material to the business.

Macquarie Group adopts a rigorous risk management framework which incorporates active management and monitoring of a broad range of risks, including ESG risks.

Key elements of the ESG framework include:

- Macquarie Asset Management (MAM), the Macquarie Group division within which our Manager sits, is a signatory to the United Nations-supported Principles of Responsible Investment (PRI) and submitted its first transparency report in 2017. In December 2020 MAM announced its commitment to investing and managing its portfolio to line with global net zero emissions by 2040, ten years ahead of the deadline in the Paris Agreement on climate change.
- MAM and its subsidiaries have been an active member of GRESB Infrastructure since it was launched in 2016. GRESB's mission is to enhance and protect shareholder value by assessing and empowering sustainability practices in the real asset sector. MAM supports the work of the Task Force on Climate-related Financial Disclosures and has committed to continue to evolve its disclosures in response to the Task Force recommendations.
- Since 2010, Macquarie Group has maintained its carbon neutral commitment by working to reduce and offset emissions and has committed to a 100% renewable energy target for direct operations by 2025. Emissions per capita have been reduced by 45% from a 2010 baseline, including an 18% reduction during its 2020 financial year.
- Macquarie Group manages or operates over 12,800MW of renewable energy assets globally and has invested nearly \$A40 billion in green energy since 2010.
- Macquarie Group's headquarters at 50 Martin Place in Sydney has been awarded a 6 Star Green Star Rating, while MIC's New York City headquarters at 125 West 55th Street, was awarded LEED Gold Certification.
- As part of its procurement strategy, Macquarie Group includes ESG clauses within tender documents. These clauses include consideration of human rights, safe, fair and ethical working conditions, environmental performance and supplier diversity.

For further information regarding Macquarie Group's commitment to ESG, including policies that apply to MIC's Manager and its employees, refer to the Sustainability page on MIC's website.

Macquarie Group staff working on behalf of MIC also volunteer and contribute their time, expertise and financial resources to community organizations through the Macquarie Group Foundation. The Foundation has raised over \$A410 million since its inception through staff payroll giving, fundraising and Foundation matching. Over 46,000 hours of staff-time was volunteered in the 2020 financial year by Macquarie Group employees in support of over 1,600 community organizations.

Operating businesses

We understand that our investors want to know how their interests are being represented in the governance and management of the Company. This begins with establishing an effective structure that includes clearly articulated roles, policies, and responsibilities for the members of MIC's Board and management team.

On matters related to environmental stewardship, health and safety and social contributions, MIC and the management teams of our operating businesses work together to accomplish our objectives. Each operating business has developed its own approach to managing these matters as dictated by their operations. At the same time, MIC oversees each of the operating businesses and their policies and coordinates efforts and protocols to achieve a common standard.

Regular reporting from each operating business to MIC, particularly in relation to environmental stewardship and health and safety, also assists in maintaining compliance with ESG policies across MIC's portfolio. The ESG performance of each operating business is reported to MIC's Audit Committee and Board regularly, with major incidents reportable within 48 hours of occurrence.

Growth capital investments

ESG risks and opportunities are central considerations in MIC's evaluation of opportunities to deploy growth capital presented by its operating businesses. MIC aims to invest in a manner that places a high priority on ESG issues and we are committed to complying with all regulations and engaging responsibly with the community.

Accordingly, all potential projects are screened for ESG risks. ESG risks are included as part of the independent due diligence performed and included in any investment proposal presented to the MIC Board for consideration.

In addition to our own processes and policies, new investments in infrastructure are often subject to extensive social and environmental impact reviews by local, state and federal regulators and government departments prior to being given approval to proceed.

Our ESG policies

Stakeholder engagement

Our ESG policies

ESG-related risks and expectations are managed under several of MIC's policies that apply to our Directors, officers and employees. Our policies also apply to our Manager and the employees of Macquarie Group that perform services for us pursuant to the Management Services Agreement. Copies of our policies are made available and easily accessible to MIC's officers and employees:

- **Code of Business Conduct:** sets forth our commitment to safe, ethical and legally compliant business practices and outlines the values by which employees are expected to be guided.
- **Corporate Governance Guidelines:** reflects our Board's commitment to strong corporate governance and compliance with listing and other legal requirements.
- **Disclosure Policy:** provides guidance on communications with the investment community and analysts.
- **Insider Trading Policy:** provides guidance on trading in the securities of any company.
- **Related Party Transaction Policy:** provides guidance on and approval procedures in relation to related party transactions.
- **Anti-Corruption Policy:** sets forth prohibitions on the payment or acceptance of bribes, and our commitment to comply with all applicable local, state and federal laws.
- **Anti-Money Laundering Policy:** describes applicable legal obligations to conduct background checks on transaction counterparties and to report suspected criminal acts and suspicious activities to regulatory and law enforcement agencies.

Stakeholder engagement

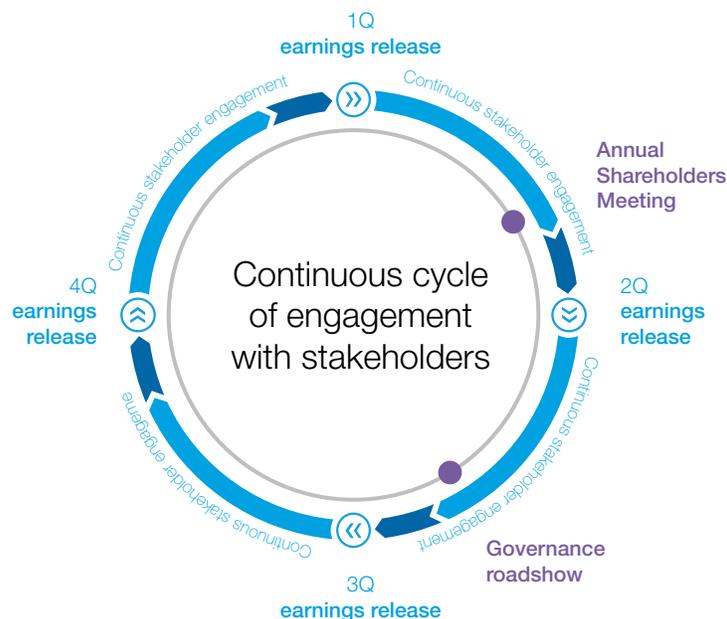
Continuously through the year, MIC regularly engages with a broad range of stakeholders who are involved in, or impacted by, our business. Key stakeholders include our shareholders, operating company employees, governments and regulators, suppliers and the wider communities in which our businesses operate.

We recognize that active dialogue with these stakeholders is important to building strong relationships, maintaining trust and enhancing our business performance for the long term.

Our efforts in support of shareholder engagement include an active investor outreach program that we believe facilitates an important exchange between MIC, its management, and the investors of whose capital we are stewards.

MIC's current shareholder engagement program includes quarterly earnings conference calls, investor meetings with management and board representation, non-deal roadshows, attendance at investor conferences and an Annual Meeting of Shareholders.

Stakeholder engagement can be illustrated as a continuous cycle:



01 Safety

“Operating safely is fundamentally a good business practice.”



‘Zero harm’

culture promoted across MIC’s operating businesses with a significant improvement seen in 2020



Enhanced

safety training programs and initiatives



Using technology

to be more responsive to issues and identify, manage or eliminate risks.

Our approach

MIC’s operating businesses employ more than 2,200¹ individuals and interact with countless additional customers, contractors, and members of the communities in which they operate. We understand the importance of conducting operations in a safe manner. MIC management believes that operating safely is fundamentally a good business practice – employees are safer, our businesses and their customers suffer from fewer business interruptions, and our businesses enjoy the trust of the communities in which they operate. MIC and our operating businesses put health and safety first and are committed to promoting a ‘zero harm’ culture across the employment of staff, use of contractors, interaction with the public, control of premises, provision of services and in compliance with all relevant regulatory and legal obligations.

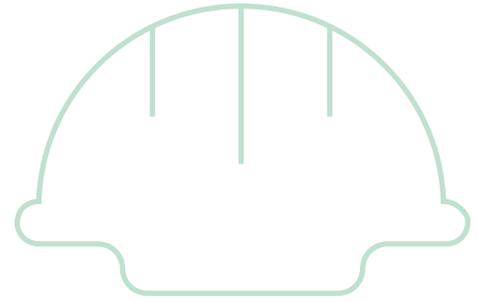
The workplace health and safety performance for each of MIC’s operating businesses is reported to MIC’s Board on a quarterly basis. Any major incidents are reported to the MIC Board within 48 hours of notification of such an occurrence.

Lost Time Injuries Frequency Rates (LTIFR)² – Macquarie Infrastructure Corporation



1. As at December 31, 2020.

2. Consistent with international standards, LTIFR calculated per 1 million hours. If calculated using the U.S. standard calculated per 200,000 hours, MIC recorded LTIFR of 0.13 in 2020, 0.31 in 2019 and 0.24 in 2018.



Operational Health & Safety

- MIC exercises operational health & safety (OH&S) responsibility by managing safety and health impacts related to employees and contractors who work in our facilities or who are delivering our products and services to our customers, and customers or other individuals who are visiting our facilities.
- Atlantic Aviation and MIC Hawaii have individually tailored OH&S policies that apply to all of their facilities and operations
- MIC conducts due diligence before making new investments, and manages environmental, social and OH&S risks during construction and facilities operation. Additionally, MIC considers environmental, social and OH&S risk management in the divestment of any operating businesses.
- Since 2019, MIC has applied a Safety and Compliance Modifier to its Short Term Incentive Compensation Plans. The incentive compensation of the executives of MIC and operating businesses (excluding salary) can be modified to between 0% and 110% of calculated outcomes depending on safety and compliance outcomes. The modifier has to both reduced and increased executive compensation since being implemented in 2019.
- Atlantic Aviation, MIC Hawaii and MGS all have individually tailored OH&S risk management and incident response plans and provide monthly reports to MIC about the implementation and effectiveness of these plans. Quarterly reports are provided to the Board.
- MIC's LTIFR improved to 0.66 in 2020 from 1.57 in 2019 and 1.20 in 2018. MIC's operating businesses showed significant progress in managing health and safety during the year, resulting in superb safety outcomes:
 - Atlantic Aviation's LTIFR improved to 0.51 in 2020 from 1.13 in 2019 and 0.69 in 2018, with two LTIs recorded during 2020. This level equals its previous record low rate achieved in 2017.
 - MIC Hawaii's LTIFR improved to 1.47 in 2020 from 4.49 in 2019 and 4.47 in 2018. MIC Hawaii recorded one LTI during the year, an achievement last met in 2016.
- There were no fatalities across any of MIC's operating businesses or MGS.

OH&S Training

- OH&S training completion and safety observations/audits are carried out regularly across MIC's operating businesses.
 - Safety training occurs monthly for operational staff at the operating businesses.

COVID-19 Response Plan

- MIC's response to COVID-19 has focused on protecting the health and safety of employees and customers, as well as ensuring safe and efficient operations given the essential nature of the services provided by MIC's operating businesses. MIC formed a Business Resilience Committee, which included senior management of MIC and its operating businesses, to oversee MIC's response.
- MIC proactively responded to the COVID-19 outbreak by implementing a Pandemic Response Plan across each operating business and MGS, and by providing continuous employee communication and education to protect employees and customers.
- MIC and its operating businesses implemented remote working protocols for employees whose jobs can be conducted offsite. For employees involved in field operations, MIC implemented operational changes to enable employees to perform their duties while maintaining appropriate social distancing and increased the frequency of cleaning, disinfecting and the use of personal protective equipment.
- While emphasizing that being vaccinated is a matter of personal choice, MIC, Atlantic Aviation, MIC Hawaii and MGS are providing educational materials employees to encourage vaccination. To date, MIC Hawaii has approximately two-thirds of its workforce vaccinated and a small number of Atlantic employees in Alaska and New York have also been vaccinated through the CDC Vaccine Administration System as Phase 1b essential workers. Atlantic Aviation employees have generally not been eligible to access Phase 1b vaccinations.
- Operational management teams have been provided guidance on the management of employee and customer related COVID-19 issues.
- COVID-19 metrics are reported to MIC on a bi-weekly basis by each operating business and MGS, and reported to the Board at each Board meeting. Metrics reported included the number of current confirmed infections, precautionary quarantines, employees returned from infection, employees returned from quarantine, and deaths (zero).

02

Leadership and governance

“Strong governance is paramount in the delivery of positive outcomes for our stakeholders.”



6 of 8

Directors independent under NYSE rules at December 31, 2020



Diversity

with 37.5% of board made up of women



All committees

wholly composed of Independent Directors



23

Board meetings held in 2020

Our approach

MIC's Board is responsible for the oversight of the business and affairs of the Company. Our Board establishes and evaluates the strategic direction of the Company, sets its policies and assesses the effectiveness of management in implementing those policies, and acts in good faith and with due care in the best interests of MIC and its stakeholders.

Board leadership



Martin Stanley
Chairman



Norman H. Brown, Jr.
Lead Independent Director



Board Leadership Structure

We believe that strong governance is paramount in the delivery of positive outcomes for our stakeholders. Our Board is structured to ensure there is independent oversight and continued active management of MIC and our operating businesses. Our Board is led by a Chairman who is not a member of management but is elected by our Manager and a Lead Independent Director in accordance with our corporate governance guidelines. Martin Stanley, the Executive Chairman of Macquarie Asset Management, currently serves as our Chairman and Norman H. Brown Jr. currently serves as our Lead Independent Director. Each of our Board Committees is Chaired by and is wholly comprised of Independent Directors. We believe that this leadership structure is appropriate given our externally-managed corporate structure and the benefits that this structure provides to our stakeholders by combining our Manager's knowledge of infrastructure businesses with oversight by the independent members of the Board.

Board independence

At December 31, 2020, our Board was comprised of eight members, six of whom were independent as defined by the rules of the New York Stock Exchange. Our Lead Independent Director presides at executive sessions of our Independent Directors, which occur at least quarterly and more often as our Independent Directors deem appropriate.

Other corporate governance best practices

Our Board employs corporate governance best practices including:

- Conducting regular executive sessions among non-management Directors without management present
- Conducting regular sessions among the non-management Directors and the Company's financial auditors and internal auditors without management present
- Adhering to share ownership requirements for Directors and management
- Maintaining a majority voting standard for uncontested Director elections
- Submitting all independent directors to annual re-election
- Maintaining an active shareholder engagement program.

The Board has also adopted Corporate Governance Guidelines covering items including Director responsibilities, Board and Committee composition, evaluation of our Manager, senior management succession policies, Director continuing education, and expectations for annual self-evaluations. The Board also reviews and monitors the Company's Code of Business Conduct which guards against conflicts of interest and unethical, dishonest or illegal activities.

Board's role in risk oversight

Our Board is responsible for overseeing our risk management policies and effectiveness. It discharges this responsibility directly and through its Committees, particularly through its Audit Committee.

Our Board and its Committees regularly review material enterprise, strategic, operational, cyber security, legal and compliance risks with management of the Company and our Manager. Our Board is responsible for endorsing the Company's risk management framework, including key policies and procedures and approval of any changes to the framework or any key risk policies and procedures; monitoring compliance with the risk management framework and delegating authority to Board Committees or management, where appropriate. On a regular basis, the Board and its Committees receives risk and compliance reports from management and compliance personnel directly responsible for the identification, evaluation and monitoring of risks within the business.

Committee structure

The Board has three standing Committees to help execute its responsibilities:

- Audit
- Compensation
- Nominating and Governance.

Only Independent Directors serve on the Committees. Independent Directors attended approximately 95% of the combined Board and Committee meetings on which they served in 2020.

Each Committee has a charter that describes its responsibilities, with each charter updated annually. These documents are available for review and can be downloaded from the Governance section of MIC's website.

Key governance policies, guidelines and other documents

MIC makes available other Board governance documents for shareholder review. These include:

- By laws
- Management Services Agreement
- Corporate Governance Guidelines
- Code of Business Conduct
- Policy for Shareholder Nomination of Director Candidates.

These documents are available for review and can be downloaded from the Governance section of MIC's website.

MIC's Code of Business Conduct

The continued success of MIC and its businesses relies on the preservation of the Company's good reputation. As a firm, we seek to earn and maintain the trust of our customers, vendors, regulators, shareholders, employees, and members of the communities in which we operate. To that end, it is MIC's policy to maintain high standards of ethical and legally compliant behavior in all of its business activities.

MIC created a Code of Business Conduct that outlines the commitment of MIC, and each of its Directors, officers, and employees to act with integrity, comply with applicable laws, and raise concerns when things do not seem right. MIC's Code of Business Conduct also applies to those at its operating divisions and subsidiaries, and the Macquarie Group employees that provide services to MIC on behalf of its Manager.

The Code of Business Conduct covers areas including, but not limited to:

- Compliance with laws and regulations
- Operational health and safety
- Environmental and social responsibility
- Employment practices
- Financial stewardship
- Disclosure
- Insider trading
- Conflicts of interest
- Related party transactions
- Protection of Company assets
- Information security and data protection
- Social media
- Confidential information and intellectual property
- Ethics in negotiations and fair dealing
- Competition laws
- Government business
- Government relations and political activity
- Corruption and bribery
- Money laundering
- Trade sanctions.

The full Code of Business Conduct is available for review and can be downloaded from the Governance section of MIC's website.

A right and a responsibility to speak up

MIC's Code of Business Conduct obligates covered individuals to report possible violations of policy or law. The Company strives to have an open-door policy that facilitates reporting to senior managers, the General Counsel's office, or professionals in the Compliance, Human Resources or Finance departments of any perceived improprieties. MIC prohibits retaliation against anyone who reports a concern, asks a question in good faith, or assists in an investigation of an ethics or compliance matter.

Reporting can also be done anonymously through the MIC Hotline. Calls to the MIC Hotline are directed to a third-party company where questions or concerns are recorded.

Contact details for the MIC Hotline are made available and easily accessible for all staff at MIC and its operating businesses.

Audit Committee

Individuals may also contact the Audit Committee of MIC's Board regarding accounting matters, internal controls, or audit concerns through the MIC Hotline or by writing to:

Macquarie Infrastructure Corporation

Attn: Chairman, Audit Committee
c/o General Counsel and Corporate Secretary
125 West 55th Street
New York, NY 10019

MIC Ethics and Compliance resources

MIC Corporate and each of the operating businesses have ethics and compliance resources that work together to provide policy guidance and education, assist MIC personnel in identifying and complying with relevant laws and regulations, and respond to ethics and compliance concerns.

Contact details for MIC's Ethics and Compliance Manager are made available and easily accessible to all staff at MIC and its operating businesses.



03

Minimizing our impact on the environment

“Transitioning our businesses to reduce their environmental footprint and accelerate to a sustainable low carbon future.”



Commitment

to develop plans by the end of 2022 to reduce emissions in line with a net zero economy by 2040



Operating

Hawaii's award winning first-in-the-state renewable natural gas facility



Transitioning

businesses towards a low carbon economy



Implementing

policies and initiatives that reduce MIC's environmental footprint

Our approach

MIC is committed to actively minimizing its impact on the environment, Key risks we have identified include the environmental impact of new projects, as well as those of existing operations to avoid or contain events, such as spills or leaks.

Each of MIC's operating businesses promotes policies and initiatives that reduce their environmental footprint. This includes maintaining operations consistent with regulatory and legal requirements as well as making investments in technologies which reduce their impact on the environment.



Environmental Policies

- MIC recognizes its responsibilities to protect natural resources, as noted in its Code of Business Conduct.
- The senior management of MIC and its operating businesses have ESG-related and D&I-related KPIs as part of their compensation plans.
- MIC Hawaii:
 - Has individual environmental and waste policies applicable to employees to minimize its impact on the environment;
 - Has in place an environmental management system that consists of environmental standards and permits implemented by its EHS department;
 - Formed a Sustainability Committee comprising cross-departmental employees. The Sustainability Committee's focus is to advance sustainability initiatives within MIC Hawaii's operations, assisting in the development of company-wide ESG policy and metric reporting, and providing a forum to educate employees on sustainability and actions to support the company's sustainability goals. One key initiative will be to lead Hawaii Gas' second year of participation in its 2021 GRESB Infrastructure Assessment; and
 - Addresses the impact of some supplier products and services through our purchase order terms and conditions and contracts.
- Atlantic Aviation is currently in the process of developing a tailored enterprise-level environmental policy, environmental management system and an annual sustainability report. The business is aiming to implement these by the end of 2021.

Carbon, Climate, Natural Resources and Waste Reduction

- In December 2020, MAM announced its commitment to investing and managing its portfolio companies in line with global net zero emissions by 2040, ten years ahead of the deadline in the Paris Agreement on climate change. In the announcement, MAM noted:
 - As long-term investors in companies that underpin economies and communities, MAM takes its responsibility to address climate change risks seriously. As stewards of these vital businesses, it has a duty to ensure they play their part in global efforts to address our warming planet.
 - It made a range of commitments that will reduce emissions across its portfolio and build sustainable long-term value for the benefit of its portfolio companies, clients and the communities in which they operate.

- It is developing Paris-aligned/net zero business plans across infrastructure and real asset portfolio companies where MAM exercises control or significant influence, a process it expects to be completed by the end of 2022. These plans include measuring the greenhouse gas (GHG) emissions of all portfolio companies (including MIC's operating businesses) and identifying pathways to reduce emissions in line with a net zero economy by 2040. New investments will have a Paris-aligned business plan within two years of acquisition. We will continue to report on our progress across our portfolio on an annual basis.
- MIC has committed to completing Carbon Disclosure Project (CDP) questionnaires on climate change and water security for the first time in 2021.
- Atlantic Aviation is keeping sustainability at the forefront in its operations via a range of short-term and long-term objectives and is currently in the process of developing a climate change policy to address the business' climate change risks, performance and opportunities. The policy will address climate change risks, strategy, performance, targets (including analysis against targets) and opportunities. Additionally, Atlantic Aviation is:
 - Engaging in sustainability actions including conversion to LED lighting, the implementation of environmental programs aimed at water conservation, waste reduction, recycling and ground equipment electrification;
 - Implemented LEED sustainable construction and maintenance practices, with 100% of Atlantic Aviation buildings complying with the LEED certification scheme;
 - Developing a plan to align with the Paris Agreement and MAM's goal of net zero emissions by 2040, following the Science Based Target initiative (SBTi) methodology;
 - Calculating its GHG emissions for its operations across its portfolio of FBOs from 2019 onwards, the percentage of energy used that is derived from renewable and non-renewable sources, the amount of energy conserved through energy conservation programs and its total electrical power and water use;
 - Reviewing opportunities for sustainability initiatives, including the sourcing and use of Sustainable Aviation Fuels (SAF) and carbon offset programs. Atlantic Aviation has started delivering SAF at one of its locations and is committed to making SAF available in other markets as the product becomes more available;
 - Determining its approach to presenting a scenario analysis that references 2-degree Celsius limits.

- MIC Hawaii has continuously focused on bringing Hawaii safe, reliable, affordable, clean energy. The business is developing policies that address climate change risks and strategy. As part of its approach to climate change, carbon, natural resources and waste, MIC Hawaii is:
 - A participant in the UN Global Compact, a voluntary initiative committing to implement universal sustainability principles and to take steps to support UN goals;
 - Conducting annual operational risk assessments for the risks and opportunities presented by climate change and natural disasters;
 - Operating Hawaii’s first-in-the-state Renewable Natural Gas (RNG) facility in partnership with the City & County of Honolulu. The facility processes the naturally occurring gas generated by sewage from a wastewater treatment plant and injects the RNG into the Hawaii Gas utility pipeline on Oahu. This project reduces GHG emissions by an amount equivalent to that produced by 400 cars annually. The project has enhanced the reliability of Hawaii Gas’ supply with a local source while using existing infrastructure and increased the amount of renewable energy for its customers on Oahu;
 - Actively working on the development of additional RNG and hydrogen projects;
 - In the process of baselining and tracking GHG emissions from 2019 onwards and identifying opportunities to reduce GHG emissions including energy efficiency measures at the facility level. MIC Hawaii has engaged an external advisor to assist with the business-wide GHG inventory and have included SBTi targets in the engagement agreement statement of work;
 - Reporting metrics with GRESB and is committed to continue participating in GRESB’s Infrastructure survey;
 - Aligning with ISO 50001 to measure results and continual improvement of energy management;
 - Targeting a 10% reduction of energy consumption from non-renewable sources and also reviewing plans to convert its vehicle fleet to lower emissions fuels;
 - Using reclaimed and recycled water and tracking its water usage and hazardous waste across its full operational cycle at its Synthetic Natural Gas (SNG) plant; and
 - Disposing of hazardous waste using specialist hazardous waste disposal contractors who are subject to services agreements described in the ‘Environmental Policies’ section of this report. Note that MIC Hawaii is a small quantity hazardous waste generator.





MIC is committed to actively minimizing its impact on the environment.”

04

Human Capital, Diversity, Inclusion and Equity

“Our employees are our most important resource, and it is vitally important that we support their professional growth while providing a safe and inclusive work environment.”



Ensure

equal employment opportunities



Attract

and retain superior talent



Foster

a diverse, inclusive and empowered workforce

Our approach

MIC's operating businesses employ more than 2,200 people and these employees drive our businesses' success. Supporting our employees is a foundational value for MIC. Our businesses are equal opportunity employers, and are committed to fostering a diverse, inclusive and empowered workplace.

We aim to create a work environment based on safe, ethical and legally compliant business practices that offer opportunities for career development and provide competitive compensation programs to attract and retain superior talent.

25%

of MIC's workforce are female

30%

of MIC's management¹ are female

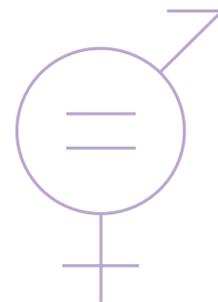
50%

of MIC's workforce are underrepresented ethnic groups

29%

of MIC's management¹ are underrepresented ethnic groups

1. Definition of managers based on U.S. Equal Employment Opportunity Commission's (EEOC) classification.



Employment Policies

- MIC, Atlantic Aviation, MIC Hawaii and MGS each have an Equal Employment Opportunity Policy that expressly forbids the violation of labor laws and state that only merit and job criteria are to be used in employment, promotion and compensation decisions.
- The Company and its operating businesses prohibit employment discrimination, and do not make employment decisions based on race, ethnicity, ancestry, color, religion, national origin, gender, pregnancy, age, disability, genetic disorder, predisposition or carrier status, marital or partnership states, prior military service, sexual orientation, gender identity or expression, political affiliation, or any other classification in violation of applicable laws. Additionally, MIC and its operating businesses take affirmative action to increase employment opportunities for disadvantaged groups.

Compensation and Benefits

- MIC and its operating businesses offer competitive compensation programs to attract and retain superior talent. These programs include incentive compensation (with vesting provisions applied to more senior employees), health and welfare benefits, wellness initiatives, paid time off, employee assistance programs, and opportunities to give back to communities through donations of time and money.

Professional Development

- MIC and its operating businesses provide professional development and support programs in place to foster a culture of continuous learning and progression.

Labor Relations

- Approximately 17% of MIC's employees are subject to collective bargaining agreements. MIC considers its relationship with unionized employees to be good.

Diversity, Inclusion and Equity

- MIC's operating businesses are equal opportunity employers, and are committed to fostering a diverse, inclusive and empowered workforce.
- MIC established Diversity and Inclusion (D&I) Principles against which MIC's operating businesses align their company and D&I strategies:
 - Commit to continuous and proactive learning and reflection on diversity, inclusion and equity;
 - Foster a diverse, inclusive and equitable workplace by identifying, developing and empowering a workforce representative of the communities in which MIC operates; and
 - Invest in the communities we serve through commercial partnerships and philanthropic support of a broad range of organizations.
- The senior management of MIC and its operating businesses have ESG-related and D&I-related KPIs as part of their compensation plans.



- In 2020, MIC's operating businesses:
 - Each established a D&I Committee comprising cross-departmental employees. The committees' focus is to partner with leadership to advance D&I initiatives, assist in the development of D&I strategy and reporting, and raise awareness and provide D&I educational opportunities for employees;
 - Conducted a D&I engagement survey to understand employee views on company culture, leadership, resources and support, and the feedback from employees has informed MIC and its operating businesses' D&I priorities for 2021; and
 - Launched company-wide D&I training for all employees.
- Each of MIC's operating businesses are currently in the process of developing an enterprise-level D&I strategy, to be implemented in 2021.

Data Privacy and Cybersecurity

“ Understanding and managing the technology-related risks and opportunities facing our business.”



Investing

in tools and platforms to leverage technological enhancements and de-risk businesses



MIC Global Services

shared services platform generating technological efficiencies



Cyber security

awareness and training for staff to enhance data protection

Our approach

MIC understands the benefits of leveraging technology across its operating businesses to provide better outcomes for customers, improve employee productivity and reduce costs. However, MIC is also aware that these benefits include risks related to cyber security and privacy and data protection. Failure to guard against these risk scan have reputational, regulatory and economic impacts on our businesses and our customers.

Accordingly, MIC is committed to ensuring its operating businesses adequately understand the technology-related risks and opportunities facing their operations and have in place appropriate protocols and innovation planning to prepare for changes in technology.



Data Privacy and Security

- MIC respects the privacy of its stakeholders and upholds high standards of privacy practice and security. MIC has a privacy policy in place that describes how it handles personal information and the steps it takes to ensure that appropriate standards of privacy practice and security are applied. Third parties are required to comply with MIC's policy when sharing data and its clear terms on obtaining data through lawful and transparent means and with the explicit consent of data subjects where required. Additionally, MIC is committed to notifying data subjects of policy changes or data breaches in a timely manner.
- As part of its oversight of risk management, MIC's Board and Audit Committee receives updates on MIC's data privacy and security program and details of any incidents at each of its meetings.
- MIC requires annual training for employees on data privacy management.
- MIC, through MGS, performs regular privacy risk assessments and audits on the company's technologies and practices affecting user data. MGS' Vice President of Regulatory Compliance serves as the Data Protection Officer and is responsible for managing these programs alongside other Heads of Departments.

Cybersecurity Programs

- As part of its oversight of risk management, MIC's Board and Audit Committee receives updates on MIC's cybersecurity program and any incidents at its meetings.
- MIC's Manager incorporates cybersecurity due diligence across its portfolio companies, with considerations including cybersecurity programs, policy and risk assessments, resourcing and training, security monitoring, incident response plans and cybersecurity insurance.
- MIC's cybersecurity program, overseen in MGS, include an outsourced Security Operations Center. MGS's Computer Security Incident Response Plan (CSIRP) and CSIR Team maintain documentation on incident responses and overall approach.
- The cybersecurity programs regularly perform internal and external security audits, vulnerability assessments and conduct penetration testing of systems.
- MIC requires annual training for employees on cybersecurity issues.



06

Community

“ Giving back to the communities in which we operate.”



Actively involved

in the communities in which we operate



Supporting

numerous local and non-profit organizations



Providing

time, skills and resources to those in need

Our approach

MIC recognizes the important role and long-term impact of infrastructure assets on the communities in which they operate and encourages and supports all staff in giving back to these communities.

Our operating businesses regularly partner with their local communities, with a focus on developing and maintaining constructive and enduring relationships and enhancing our understanding of how we can add broader value to those communities.



Atlantic Aviation

- Atlantic Aviation employees care deeply about making a positive impact in the communities in which its FBOs are located and lend their time and financial support to many causes. The business has developed many programs of patronage in local communities, including:
 - Working with non-profits such as the United Way, the American Cancer Society, Children's Flight of Hope, Toys for Tots, and many more. Atlantic Aviation donates resources and time to food banks, shelters, children's hospitals, and the broader aviation community;
 - Atlantic Aviation has continued a long-standing partnership with Captain Barrington Irving and his non-profit organization;
 - Atlantic Aviation has partnered with the Heartillery Group, a non-profit organization whose mission is to show support and gratitude to our troops overseas by sending cards to troops during the holiday season; and
 - Atlantic Aviation's Reno, NV FBO partners with the Reno-Tahoe International Airport every year to help plan and host Operation Santa Claus where many local organizations work together to supply struggling families a fully decorated tree and many presents from their wish list.

MIC Hawaii

- Hawaii Gas is proud to be a steadfast supporting partner of the local community. In addition to its Charitable Giving (HG Kokua) program, employees enthusiastically support and volunteer at local organizations including Aloha United Way, Special Olympics, the Nature Conservancy, American Red Cross and the Susan G. Komen Race for the Cure, to name a few.
- Hawaii Gas is a key partner in the expansion of the innovative Kahauiki Village on Oahu. Addressing the growing concern in the islands, Kahauiki Village allows homeless families with children to rent affordable housing units, regain stability and break the cycle of poverty and homelessness.



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