



# IMPACT INFRASTRUCTURE

HOW INVESTORS CAN RIDE THE  
ENERGY, CIRCULAR ECONOMY AND  
DIGITISATION REVOLUTION.

The opportunity to achieve strong returns in Next Generation Infrastructure is being fuelled by global demand for a **greener, cleaner and more equitable** future. But which sectors offer the most attractive opportunities and how can investors stay ahead of the curve?

**When investors think of Infrastructure, traditionally, they think of assets that have provided essential services for the past 50 years.**



## **Traditional Infrastructure**

- Water, electricity, and gas utilities
- Airports, railways, and toll roads
- Processing facilities and pipelines
- Public facilities and hospitals

These distinct assets have been around in largely the same format for multiple generations and will likely continue to be for decades to come.

But as societal preferences shift in areas such as climate change and the exponential growth in technological advancement continues, we're seeing a shift in demand for more sustainable and connected infrastructure – or **Next Generation Infrastructure**.

## **Infrastructure to meet the changing needs of society**

### **Energy Era**

The energy transition is perhaps the largest and most notable area of change.

The 'greening' of our energy sector requires significant investment and a change in production from our traditional energy-generating assets (fossil fuel-sourced) to renewable energy sources (wind, solar, and hydro).

On the other end of the spectrum, upgrading our outdated and energy-inefficient downstream assets that consume this energy will be a never-ending process as technology improves.

Palisade Impact sees real opportunities in distributed energy or behind the metre energy which enables localised users to generate and use their own energy.

An extension of this, is energy as a service which seeks to decarbonise the built environment through implementing a range of green and energy saving measures and then manage them on long term contracts.



## Digital Inclusion

People spend on average 7 hours a day on the internet – so it's not surprising the need for high-quality, high-speed, and reliable data is critical.

Traditional telecommunication assets are struggling to keep up with demand, having reached their maximum bandwidth capacity.

To meet demand for better data transmission, new and improved technologies such as G Fast are being deployed globally.

These technologies have the added benefit of reaching new markets and consumers who were previously unable to access them due to cost or distance.

These technologies are promoting digital inclusion.

Palisade Impact is the largest shareholder in a business called **GigaComm**\*.

GigaComm is an innovative digital infrastructure company giving Australian consumers and businesses access to affordable ultra-fast internet.

It's independent, bypassing the NBN and giving GigaComm complete transparency and control over all elements of its network and enabling lowest cost connection outcomes.

## Circular Economy

Recent advancements in technology have improved our ability to **reuse, repair, and recycle** existing products and materials.

This has made the circular economy model of production and consumption more sustainable and reliable and created infrastructure-like qualities.

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\* as at Dec 31, 2023



## Repurpose It's four primary treatment processes.



### Sorting

Waste is grouped into like materials so downstream processes are targeted and efficient.



### Washing

Contaminants are removed and the products are thoroughly cleaned to ensure they meet specification.



### Shredding

Shredding and/or crushing reduces the size of bulky materials so they become useful for a new purpose.



### Composting

Organics are grouped and decomposed before being converted into rich additives for healthy gardens.

These assets help eliminate waste and lower pollution by reducing our reliance on virgin materials.

Important examples are areas such as organic recycling and the reuse of building materials, an extremely energy-intensive sector.

Palisade Impact is the largest shareholder in **Repurpose It**, which it acquired in December 2023.

**Repurpose It** is a leader in the circular economy – transforming industry waste such as contaminated soil, timber, concrete and food, into products that can be re-used in diverse industries such as major infrastructure works, construction and building and landscaping.

## Inclusion Infrastructure

It is important to consider new inclusion infrastructure, in relation to healthy and inclusive living, when discussing next-generation infrastructure.

Although technology has played a slightly less prevalent role in this type of asset, recent government policies have made social and affordable housing more accessible to private investors.

Transforming the business models in sectors like retirement living, presents a significant opportunity to enable older Australians to remain independent and healthier for longer.

While Palisade Impact has not deployed into these sectors, we have a number of pipeline opportunities in the Social and affordable housing and retirement living sectors.



# PALISADE IMPACT

## Our approach



Palisade Impact specialises in impact investments in next-generation infrastructure.

Developing Next Generation assets requires significant capital investment and effort to be effective - the opportunity across the sector is more than \$620 billion.



We carefully choose where to invest and provide patient capital to exceptional companies to facilitate transformational change and solutions to improve our planet or society.

Our strongly held belief is investing with impact enhances returns – *we drive values with values.*



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