



# SUSI ENERGY EFFICIENCY FUND II

## SCA SICAV-RAIV (THE "FUND")

A Luxembourg special limited partnership (société en commandite spéciale) qualifying as a reserved alternative investment fund (fonds d'investissement alternatif réservé)

Legal entity identifier: 635400FIRBCA73DFBO73

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Sustainability-related disclosures in relation to Articles 23 and 37 to 49 of SFDR Delegated Regulation (EU) 2022/1288.

## 1. SUMMARY

The sustainable investment objective(s) of the Fund are to make investments which seek to have a reducing effect on emissions of carbon dioxide (CO<sub>2</sub>) and other greenhouse gases (as set out in Article 9(3) of SFDR) and to contribute to climate change mitigation. The Fund seeks to ensure this objective in view of achieving the long-term global warming objectives of the Paris Agreement by investing in eligible Energy Efficiency Projects to the extent permitted under Luxembourg law. Energy Efficiency Projects means a specific measure or set of measures with a beginning and an end with the purpose to create CO<sub>2</sub> savings through energy-efficient equipment, technical solution and/or service. CO<sub>2</sub> savings are the difference between the CO<sub>2</sub> emission of an infrastructure system (existing or to be created) before and after the implementation of an Energy Efficiency Project.

In relation to the Fund, the Investment Manager assesses indicators that are deemed to indicate the presence of an adverse impact which would significantly harm environmental or social objectives. All investments are screened against adverse impact indicators as part of the Investment Manager's investment and due diligence process. Adverse impact indicators are part of the ESG assessment which includes site visits and detailed ESG and regulatory compliance checks. The investment process is designed to reject proposed investments if certain essential criteria are not met at the initial point of screening. All projects are screened against the Investment Manager's exclusion criteria.

Upon investment and over the life of the investment, the Investment Manager assesses and monitors indicators that are deemed material and relevant for the respective investment. The Investment Manager believes that sustainable and ESG issues impact investment value and that better long-term investment outcomes can be achieved through active engagement and ownership.

The Investment Manager's investment process is designed to reject proposed investments based on sustainable investment grounds if certain essential ESG criteria, including adverse impacts on sustainability factors, are not met at the point of initial screening. The ESG approach is systematically embedded across investment and asset management processes.

No EU Climate Transition Benchmark or EU Paris-aligned Benchmark is available for the Fund. The objective of low carbon emission exposure in view of achieving the long-term global warming objectives of the Paris Agreement is ensured by focussing on investments which support the shift of energy production away from fossil fuel-based generation, increase the energy efficiency or

productivity of existing infrastructure, or which enable the utilisation of clean energy. The Investment Manager uses Potential Avoided Emissions (PAE) to measure the attainment of the sustainable investment objective of the Fund. Quantifying Potential Avoided Emissions (PAE) provides a business case for low-carbon projects, products, and services, and demonstrates climate change mitigation benefits to investors and customers. The Fund quantifies PAE across all investments and consolidates PAE at the fund-level on an annual basis.

*Translations of the Summary into German, Dutch, Danish, French, Finnish, Norwegian, Swedish, and Spanish are provided in the Appendix of this document.*

## 2. NO SIGNIFICANT HARM TO THE SUSTAINABLE INVESTMENT OBJECTIVE

The Investment Manager assesses indicators that are deemed to indicate the presence of an adverse impact which would significantly harm environmental or social objectives. All investments are screened against adverse impact indicators as part of the Investment Manager's investment and due diligence process. Adverse impact indicators are part of the ESG assessment which includes site visits and detailed ESG and regulatory compliance checks. The investment process is designed to reject proposed investments if certain essential criteria are not met at the initial point of screening. All projects are screened against the Investment Manager's exclusion criteria.

Upon investment and over the life of the investment, the Investment Manager assesses and monitors indicators that are deemed material and relevant for the respective investment. The Investment Manager believes that sustainable and ESG issues impact investment value and that better long-term investment outcomes can be achieved through active engagement and ownership. Therefore, the Investment Manager's responsibilities include sustainability monitoring and management, including in relation to the principal adverse impact indicators described below. Monitoring of sustainability-related topics are conducted through detailed and standardised reporting, site visits/inspections and regular meetings with stakeholders. Conclusions are incorporated into investee company dialogue, investor engagement, budgeting, valuation, and asset management activities. While typically focussed on transparency and risk management, sustainability outcomes can also drive strategic decisions when opportunities exist to create value.

For more details on how ESG and sustainability factors are integrated into the investment process, including how ESG and sustainability risks are integrated into the investment decisions, please refer to the Investment Manager's [Sustainable Investing Policy](#).

### Indicators for adverse impacts from Annex I of the RTS

Mandatory (from Table 1 of Annex I of the RTS)	
<b>10.</b>	<b>Violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises</b>  <i>All potential investments are screened for any violations on the above-mentioned principles and excluded in case of positive screening as per Investment Manager's <a href="#">Sustainable Investing Policy</a></i>
Additional (from Table 3 of Annex I of the RTS)	
<b>15.</b>	<b>Lack of anti-corruption and anti-bribery policies</b>

The Investment Manager may in the future take into account additional indicators for adverse impact.

The Fund ensures that the sustainable investments are in undertakings which have implemented procedures to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

### 3. SUSTAINABLE INVESTMENT OBJECTIVE OF THE FINANCIAL PRODUCT

The sustainable investment objective(s) of the Fund are to make investments which seek to have a reducing effect on emissions of carbon dioxide (CO<sub>2</sub>) and other greenhouse gases (as set out in Article 9(3) of SFDR) and to contribute to climate change mitigation. The Fund seeks to ensure this objective in view of achieving the long-term global warming objectives of the Paris Agreement by investing in eligible Energy Efficiency Projects to the extent permitted under Luxembourg law. Energy Efficiency Projects means a specific measure or set of measures with a beginning and an end with the purpose to create CO<sub>2</sub> Savings through energy-efficient equipment, technical solution and/or service. CO<sub>2</sub> Savings are the difference between the CO<sub>2</sub> emission of an infrastructure system (existing or to be created) before and after the implementation of an Energy Efficiency Project. For further information in respect of the Fund's investment objective, please refer to the Investment Objective, Investment Strategy and Policy sections of the Memorandum.

Consequently, a portion of the Fund's investments contribute to the environmental objective of climate change mitigation as set out in Article 10 of the Taxonomy Regulation. It is expected therefore that a significant share of investments will be in environmentally sustainable economic activities.

No EU Climate Transition Benchmark or EU Paris-aligned Benchmark is available for the Fund. The objective of low carbon emission exposure in view of achieving the long-term global warming objectives of the Paris Agreement is ensured by focussing on investments which support the shift of energy production away from fossil fuel-based generation, increase the energy efficiency or productivity of existing infrastructure, or which enable the utilisation of clean energy.

### 4. INVESTMENT STRATEGY

The Fund seeks to achieve the Investment Objective by investing through equity or equity-like instruments (including without limitation shareholder loans) in special purpose vehicles (including, without limitation, companies, partnerships, corporations or other entities) ("Portfolio Companies") which provide funding for the Energy Efficiency Projects with the objective to increase the energy efficiency of real estate, infrastructure and industrial facilities, resulting in a measurable reduction of greenhouse gas emissions and being compensated in exchange for financing the Energy Efficiency Projects.

As described in more detail in the Memorandum, the Fund aims to gain exposure to a diversified portfolio of energy efficiency projects contributing to the reduction of greenhouse gas emissions and the transition to a sustainable economy. The Fund aims to do this through the implementation of energy efficiency projects with the aim of reducing energy consumption, decarbonising energy production, or otherwise enabling the use of clean energy.

The good governance practices of investee companies are assessed prior to making an investment in accordance with the good governance provisions of the Investment Manager’s sustainable investing policy which sets minimum standards against which investee companies will be assessed including sound management structures, employee relations, remuneration of staff and tax compliance.

## 5. PROPORTION OF INVESTMENTS

**#1 Sustainable:** The Investment Manager aims to invest up to 100%, and commits to invest at least a minimum of 80%, of the Fund’s portfolio in sustainable investments. All of this minimum commitment will be invested in sustainable investments with an environmental objective. The Fund does not intend to make any investments in sustainable investments with a social objective. The commitment described above reflects that the Fund has flexibility to invest in investments which are not “sustainable investments” for hedging purposes. To the extent that the Fund does not enter into hedging transactions, the minimum commitment may be exceeded.

The Investment Manager commits to invest at least a minimum of 20%, of the Fund’s portfolio in sustainable investments with an environmental objective aligned with the EU Taxonomy. This is a minimum commitment in line with the requirements of the EU Taxonomy. It is impossible to predetermine the exact percentage of the Fund’s portfolio that will be EU Taxonomy-aligned, and the actual percentage of the Fund’s portfolio invested in sustainable investments with an environmental objective may be higher than such minimum commitment.

For the purposes of the minimum commitments described above, (i) any cash or cash equivalents held by the Fund are excluded and (ii) the percentage is calculated as a ratio of the sum of the total investment costs of all investments of the Fund falling into the relevant category to the sum of the total investment costs of all investments of the Fund.

**#2 Not Sustainable:** The remaining 20% of the Fund’s portfolio will, to the extent applicable, be in investments which are used mainly for the purposes of hedging.



### Direct and indirect exposures

The Fund will make a mixture of direct investments and hold indirect exposure to investment positions. Indirect exposure may include through derivatives.

## 6. MONITORING OF THE SUSTAINABLE INVESTMENT OBJECTIVE

Upon investment and over the life of the investment, the Investment Manager assesses and monitors indicators that are deemed material and relevant for the respective investment. The Investment Manager will use the following metrics to measure the attainment of the sustainable investment objective of the Fund:

### **Reduction in CO<sub>2</sub> and other greenhouse gas emissions; climate change mitigation:**

- Potential avoided emissions (PAE) as defined by the Greenhouse Gas Protocol are calculated for each investment.

A detailed methodology on how PAE are measured and quantified was developed in collaboration with a third-party advisor. The methodology covers the approach as well as the underlying data collection processes.

### **Internal control mechanisms**

The Investment Manager believes that sustainable and ESG issues impact investment value and that better long-term investment outcomes can be achieved through active engagement and ownership. Therefore, the Investment Manager has a dedicated asset management team, whose responsibilities include sustainability monitoring and management, including in relation to the principal adverse impact indicators described below. At least one member of the investment team will also continue to take an active role in portfolio management of each investment with the aim to ensure best practices, arms-length contracts with clear scopes, oversight, and alignment mechanisms. Monitoring of sustainability-related topics are conducted through detailed and standardised reporting, site visits/inspections and regular meetings with stakeholders. The asset management team is also conducting regular in-depth reviews of sustainability performance by asset. Conclusions are incorporated into investee company dialogue, investor engagement, budgeting, valuation, and asset management activities. While typically focussed on transparency and risk management, sustainability outcomes can also drive strategic decisions when opportunities exist to create value.

### **External control mechanisms**

Not applicable

## 7. METHODOLOGIES

As set out above, the Investment Manager uses Potential Avoided Emissions (PAE) to measure the attainment of the sustainable investment objective of the Fund. Quantifying Potential Avoided Emissions (PAE) provides a business case for low-carbon projects, products, and services, and demonstrates climate change mitigation benefits to investors and customers. The Fund quantifies PAE across all investments and consolidates PAE at the fund level on an annual basis. This allows to quantify the positive impact on climate change mitigation on behalf of various stakeholders.

The current PAE calculation approach reflected in the PAE calculation accounts only for emission reductions that occur during the operational phase of the project (i.e. reductions in Scope 1 and Scope 2 emissions) associated with investments in renewable energy, including both projects with or

without battery storage, and energy efficiency where the investment theoretically displaces the use of energy from fossil fuels.

Although Scope 3 (or lifecycle emissions) are mentioned in the World Resources Institute (WRI) guidance, PCAF does not reference or mandate the inclusion of Scope 3 emissions in their PAE calculation approach. In the future, the fund may integrate Scope 3 emissions as part of their PAE calculation, once a Scope 3 emissions inventory has been developed, using the same approach outlined in this section. Thus, current mentions of “project emissions” throughout this section will refer to only Scope 1 and Scope 2 emissions generated by the project.

The World Resources Institute (WRI) notes there are two approaches to estimate PAE:

- Consequential approach, which estimates the system-wide change in emissions and removals that result from a given decision or intervention (e.g. production of one extra unit of product or the introduction of a new government policy), or
- Attributional approach, which measures emission reductions attributed to a given project, product or service when compared to an alternative.

For purposes of quantifying and reporting PAE associated with investments made by the Fund, the attributional approach is considered as fit-for-purpose.

The general formula for PAE calculation is:

*Potential Avoided Emissions (PAE)=Baseline Emissions–Project Emissions*

## 8. DATA SOURCES AND PROCESSING

Information on projects financed by the Fund and specific project-level data are collected for potential avoided emissions (PAE) calculations. Some data points are commonly required across all projects and methodologies, whereas for some projects, additional data points are required depending on the project technology and PAE estimation methodology. The general data points required for all projects are listed as follows:

- Project technology (e.g. wind, solar, energy efficiency)
- Project technology lifetime – estimated based on known technology lifetime specifications as at the time of reporting
- Project country
- Project lifetime start date/COD
- Acquisition date and disposition date
- Percentage share of equity
- Emission factor
- Annual or monthly generation

All relevant data is sourced from investee companies. Data is collected using predefined questionnaires, partly based on excel files as well as automated via an asset management software solution. Following receipt of the data, data is reviewed and processed by the internal asset management and risk management function of the Fund. Such review is used to seek to ensure data quality, with any suspicious data flagged by the review investigated and escalated to the relevant investee company as appropriate.

It is difficult to provide a percentage of data that is estimated. However, the Investment Manager anticipates that approximately 40% of data is estimated.

## 9. LIMITATIONS TO METHODOLOGIES AND DATA

As described above, all data is sourced from investee companies. The level and quality of ESG-related data may vary and getting complete and accurate data can be challenging and there may be occasions where data is incomplete, missing or contested. Checks are carried out in accordance with the Investment Manager's internal review process in order to identify incomplete, missing and/or contested data. Where data is incomplete or missing, industry assumptions in line with best practices are used for approximation. Any such limitations are not expected to affect the attainment of the sustainable investment objective.

## 10. DUE DILIGENCE

The Investment Manager's investment process is designed to reject proposed investments based on sustainable investment grounds if certain essential ESG criteria, including adverse impacts on sustainability factors, are not met at the point of initial screening. The ESG approach is systematically embedded across investment and asset management processes. The assessment and identification of adverse impacts and potential areas for improvement take place as soon as investment opportunities are identified using the criteria set out in the [Sustainable Investing Policy](#). In practice, each project is thoroughly assessed through an initial due diligence analysis prior to investment. If material sustainability topics are highlighted during this process, risk mitigation procedures are included in the project documentation and specific risk indicators are identified for the implementation of ongoing monitoring. In general, the methodology used in the ESG analysis process for investment opportunities is built around the following steps:

1. Verification of the eligibility of the project against the exclusions established by the Investment Manager;
2. Detailed analysis of ESG and sustainability issues;
3. Determination of ESG risks and key performance indicators (KPIs);
4. Identification of the ESG risk mitigation and monitoring strategy.

## 11. ENGAGEMENT POLICIES

SUSI Partners seeks to engage regarding ESG matters as follows:

SUSI Partners monitors material and relevant ESG risks and opportunities on an ongoing basis during ownership, including through implementing monitoring and engagement strategies during the portfolio management period. Monitoring of sustainability-related topics is conducted through detailed and standardised reporting, site visits/inspections and regular meetings with stakeholders. We believe that active ownership through regular monitoring of specific and relevant matters can support sustainable outcomes and value creation.

## 12. ATTAINMENT OF THE SUSTAINABLE INVESTMENT OBJECTIVE



The sustainable investment objective(s) of the Fund are to make investments which seek to have a reducing effect on emissions of carbon dioxide (CO<sub>2</sub>) and other greenhouse gases as set out in Article 9(3) of SFDR) and to contribute to climate change mitigation. As described in more detail in the Memorandum, the Fund seeks to achieve the Investment Objective by investing through equity or equity-like instruments (including without limitation shareholder loans) in special purpose vehicles (including, without limitation, companies, partnerships, corporations or other entities) (“Portfolio Companies”) which provide funding for the Energy Efficiency Projects with the objective to increase the energy efficiency of real estate, infrastructure and industrial facilities, resulting in a measurable reduction of greenhouse gas emissions and being compensated in exchange for financing the Energy Efficiency Projects. Consequently, a portion of the Fund’s investments contribute to the environmental objective of climate change mitigation as set out in Article 10 of the Taxonomy Regulation.

No EU Climate Transition Benchmark or EU Paris-aligned Benchmark is available for the Fund. The objective of low carbon emission exposure in view of achieving the long-term global warming objectives of the Paris Agreement is ensured by focussing on investments which support the shift of energy production away from fossil fuel-based generation, increase the energy efficiency or productivity of existing infrastructure, or which enable the utilization of clean energy. The Fund does not comply with the methodological requirements set out in Delegated Regulation (EU) 2020/1818.

The Investment Manager will use the following metrics to measure the attainment of the sustainable investment objectives of the Fund:

Reduction in CO<sub>2</sub> and other greenhouse gas emissions; climate change mitigation:

- Potential avoided emissions (PAE) as defined by the Greenhouse Gas Protocol are calculated for each investment.



## APPENDIX – SUMMARY TRANSLATIONS

### German

Die nachhaltigen Anlageziele des Fonds bestehen darin, Investitionen zu tätigen, die eine Verringerung der Emissionen von Kohlendioxid (CO<sub>2</sub>) und anderen Treibhausgasen (gemäß Artikel 9(3) der SFDR) anstreben und zur Abschwächung des Klimawandels beitragen. Der Fonds versucht, dieses Ziel im Hinblick auf die Erreichung der langfristigen Ziele des Pariser Abkommens zur globalen Erwärmung zu gewährleisten, indem er in förderfähige Energieeffizienzprojekte investiert, soweit dies nach luxemburgischem Recht zulässig ist. Energieeffizienzprojekte sind spezifische Maßnahmen oder Maßnahmenbündel mit einem Anfang und einem Ende, die CO<sub>2</sub>-Einsparungen durch energieeffiziente Geräte, technische Lösungen und/oder Dienstleistungen bewirken sollen. CO<sub>2</sub>-Einsparungen sind die Differenz zwischen den CO<sub>2</sub>-Emissionen eines (bestehenden oder zu schaffenden) Infrastruktursystems vor und nach der Durchführung eines Energieeffizienzprojekts.

In Bezug auf den Fonds bewertet der Investmentmanager Indikatoren, von denen angenommen wird, dass sie auf Vorhandensein negativer Auswirkungen hinweisen, die den ökologischen oder sozialen Zielen erheblich schaden würden. Alle Investitionen des Fonds werden im Rahmen der Investitions- und Due-Diligence-Prüfung des Investitions- und Due-Diligence-Prozesses des Investmentmanagers überprüft. Die Indikatoren für nachteilige Auswirkungen sind Teil der ESG-Bewertung, die Besuche vor Ort und detaillierte Überprüfungen der ESG-Ziele und der Einhaltung von Vorschriften umfasst. Der Investitionsprozess ist so konzipiert, dass vorgeschlagene Investitionen abgelehnt werden, wenn bestimmte wesentliche Kriterien nicht erfüllt sind. Alle Projekte werden anhand der Ausschlusskriterien des Investmentmanagers geprüft.

Bei der Investition und während der Laufzeit der Investition bewertet und überwacht der Investmentmanager Indikatoren, die für die jeweilige Investition als wesentlich und relevant erachtet werden. Der Investmentmanager ist der Ansicht, dass nachhaltige- und ESG-Themen den Anlagewert beeinflussen und, dass bessere langfristige Anlageergebnisse durch aktives Engagement und Eigenverantwortung erzielt werden können.

Der Anlageprozess des Investmentmanagers ist so konzipiert, dass er vorgeschlagene Anlagen aus Gründen der Nachhaltigkeit abzulehnen, wenn bestimmte wesentliche ESG-Kriterien, einschließlich negativer Auswirkungen auf Nachhaltigkeitsfaktoren, zum Zeitpunkt der ersten Prüfung nicht erfüllt sind. Der ESG-Ansatz ist systematisch in die Investitions- und Vermögensverwaltungsprozesse eingebettet.

Für den Fonds ist keine EU-Klimawandel-Benchmark oder eine an den Pariser Abkommen orientierte EU-Benchmark verfügbar. Das Ziel eines kohlenstoffarmen Engagements im Hinblick auf die Erreichung der langfristigen Ziele des Pariser Abkommens in Bezug auf die globale Erwärmung wird durch die Konzentration auf Investitionen sichergestellt, die die Verlagerung der Energieerzeugung weg von fossilen Brennstoffen unterstützen, die Energieeffizienz oder Produktivität der bestehenden Infrastruktur erhöhen oder die Nutzung sauberer Energie ermöglichen. Der Investmentmanager verwendet die «Potential Avoided Emissions» (PAE), um die Erreichung des nachhaltigen Anlageziels des Fonds zu messen. Die Quantifizierung der Potential Avoided Emissions (PAE) liefert einen Business Case für kohlenstoffarme Projekte, Produkte und Dienstleistungen und zeigt Investoren und Kunden die Vorteile des Klimaschutzes auf. Der Fonds quantifiziert die PAE für alle Investitionen und konsolidiert die PAE auf Fondsebene auf jährlicher Basis.

## Danish

Fondens bæredygtige investeringsmålsætning(er) er at foretage investeringer, der søger at have en reducerende virkning på emissioner af kuldioxid (CO<sub>2</sub>) og andre drivhusgasser (som fastsat i artikel 9, stk. 3, i SFDR) og at bidrage til at afbøde klimaændringerne. Fonden søger at sikre dette mål med henblik på at nå de langsigtede globale opvarmningsmålsætninger i Parisaftalen ved at investere i støtteberettigede energieffektivitetsprojekter i det omfang, det er tilladt i henhold til luxembourgsk lovgivning. Ved energieffektivitetsprojekter forstås en specifik foranstaltning eller et sæt af foranstaltninger med en begyndelse og en afslutning med det formål at skabe CO<sub>2</sub>-besparelser gennem energieffektivt udstyr, tekniske løsninger og/eller tjenesteydelser. CO<sub>2</sub>-besparelser er forskellen mellem CO<sub>2</sub>-emissionerne fra et infrastruktursystem (eksisterende eller på vej til at blive oprettet) før og efter gennemførelsen af et energieffektivitetsprojekt.

I forhold til fonden vurderer investeringsforvalteren indikatorer, der anses for at indikere tilstedeværelsen af en negativ indvirkning, som i væsentlig grad vil skade miljømæssige eller sociale mål. Alle fondens investeringer screenes i forhold til indikatorer for negative virkninger som led i investeringsforvaltningen, managerens investerings- og due diligence-proces. Indikatorer for negative virkninger er en del af ESG vurdering, som omfatter besøg på stedet og detaljeret kontrol af ESG og overholdelse af lovgivningen. investeringsprocessen er udformet således, at foreslåede investeringer afvises, hvis visse væsentlige kriterier ikke er opfyldt på det første tidspunkt af screeningen. Alle projekter screenes i forhold til investeringsforvalterens udelukkelseskriterier.

Ved investeringen og i løbet af investeringens levetid vurderer investeringsforvalteren og overvåger de indikatorer, der anses for væsentlige og relevante for den pågældende investering.

Investeringsforvalter mener, at bæredygtige og ESG-spørgsmål påvirker investeringsværdien, og at der kan opnås bedre langsigtede investeringsresultater gennem aktivt engagement og ejerskab.

Investeringsforvalterens investeringsproces er udformet således, at foreslåede investeringer afvises på grundlag af bæredygtige investeringsgrunde, hvis visse væsentlige ESG-kriterier, herunder negative virkninger på bæredygtighedsfaktorer, ikke er opfyldt på tidspunktet for den indledende screening. ESG-tilgangen er systematisk indlejret i alle investerings- og kapitalforvaltningsprocesser.

Der findes ikke noget benchmark for EU's klimaomstilling eller et benchmark, der er tilpasset EU's Paris-aftale, for fonden. Målet om eksponering for lave kulstofemissioner med henblik på at nå Parisaftalens langsigtede mål for den globale opvarmning sikres ved at fokusere på investeringer, der støtter et skift i energiproduktionen væk fra fossilbrændselsbaseret produktion, øger energieffektiviteten eller produktiviteten i eksisterende infrastruktur eller muliggør anvendelse af ren energi. Investeringsforvalteren anvender potentielt undgåede emissioner (PAE) til at måle opfyldelsen af de bæredygtige investeringsmålsætning for fonden. Ved at kvantificere potentielt undgåede emissioner (PAE) kan der skabes en business case for projekter, produkter og tjenesteydelser med lavt kulstofindhold og demonstreres fordele ved at afbøde klimaændringerne over for investorer og kunder. Fonden kvantificerer PAE på tværs af alle investeringer og konsoliderer PAE på fondsniveau på årsbasis.

## Finnish

Rahaston kestävien sijoitusten tavoitteena on tehdä sijoituksia, joilla pyritään vähentämään hiilidioksidi- ja muiden kasvihuonekaasupäästöjen määrää (SFDR:n 9 artiklan 3 kohdan mukaisesti) ja edistämään ilmastonmuutoksen hillitsemistä. Kuten perustamiskirjan sijoituspolitiikkaa koskevassa osassa tarkemmin kuvataan, rahaston tavoitteena on saada altistusta monipuoliseen sijoitussalkkuun, joka koostuu puhtaan energian siirtymävaiheen kannalta merkityksellisistä sijoituksista. Rahasto pyrkii yleensä saavuttamaan sijoitustavoitteensa sijoittamalla oman pääoman ehtoisten tai oman pääoman ehtoisten instrumenttien kautta (mukaan lukien rajoituksetta osakkeenomistajien ja muut olevat lainat) yrityksiin (mukaan lukien rajoituksetta erillisyyhtiöt, henkilöyhtiöt, yhtiöt tai muut yhteisöt), jotka omistavat, valvovat ja/tai käyttävät infrastruktuuriin liittyvää omaisuutta.

Sijoitusten hoitaja arvioi rahaston osalta indikaattoreita, joiden katsotaan viittaavan haitallisiin vaikutuksiin, jotka vahingoittaisivat merkittävästi ympäristö- tai sosiaalisia tavoitteita. Kaikki rahaston sijoitukset tarkastetaan haitallisten vaikutusten indikaattoreiden perusteella osana sijoitusrahaston hoitajan sijoitus- ja due diligence -prosessia. Haitallisten vaikutusten indikaattorit ovat osa ESG-arviointia, johon sisältyy vierailuja paikan päällä ja yksityiskohtaisia ESG- ja sääntelyn noudattamisen tarkastuksia. Sijoitusprosessi on suunniteltu siten, että ehdotetut sijoitukset hylätään, jos tietyt keskeiset kriteerit eivät täyty jo seulonnan alkuvaiheessa. Kaikki hankkeet seulotaan sijoitusten poissulkukriteerien perusteella.

Sijoitusten hallinnoija arvioi ja valvoo sijoituksen yhteydessä ja sijoituksen elinkaaren aikana indikaattoreita, joita pidetään olennaisina ja merkityksellisinä kyseisen sijoituksen kannalta. Sijoitusten hallinnoija uskoo, että kestävä ja ESG-kysymykset vaikuttavat sijoitusten arvoon ja että paremmat pitkän aikavälin sijoitustulokset voidaan saavuttaa aktiivisella sitoutumisella ja omistajuudella.

Sijoitusten hallinnoijan sijoitusprosessi on suunniteltu siten, että ehdotetut sijoitukset hylätään kestävään sijoitustoimintaan perustuvin perustein, jos tietyt olennaiset ESG-kriteerit, mukaan lukien kestävyystekijöihin kohdistuvat haitalliset vaikutukset, eivät täyty alkuperäisessä seulontahetkessä. ESG-lähestymistapa on systemaattisesti sisällytetty sijoitus- ja omaisuudenhoitoprosesseihin.

Rahastolle ei ole saatavilla EU:n ilmastonmuutoksen vertailuindeksiä tai EU:n Pariisin ilmastopöytäkirjan perustuvaa vertailuindeksiä. Vähähiilipäästöisyyden tavoite Pariisin sopimuksen pitkän aikavälin ilmaston lämpenemistavoitteiden saavuttamiseksi varmistetaan keskittymällä sijoituksiin, jotka tukevat energiantuotannon siirtymistä pois fossiilisiin polttoaineisiin perustuvasta tuotannosta, lisäävät olemassa olevan infrastruktuurin energiatehokkuutta tai tuottavuutta tai mahdollistavat puhtaan energian hyödyntämisen. Sijoitusten hoitaja käyttää potentiaalisesti vältettäviä päästöjä (Potential Avoided Emissions, PAE) mittaamaan rahaston kestävä sijoitustavoitteen saavuttamista. Potentiaalisesti vältettävien päästöjen (PAE) kvantifiointi tarjoaa liiketoimintamahdollisuuksia vähähiilille hankkeille, tuotteille ja palveluille ja osoittaa ilmastonmuutoksen hillitsemiseen liittyvät hyödyt sijoittajille ja asiakkaille. Rahasto määrittelee PAE:n kaikkien sijoitusten osalta ja konsolidoi PAE:n vuosittain rahastotasolla.

## French

Le ou les objectifs d'investissement durable du Fonds sont de réaliser des investissements qui visent à avoir un effet réducteur sur les émissions de dioxyde de carbone (CO<sub>2</sub>) et d'autres gaz à effet de serre (comme indiqué à l'article 9(3) de la SFDR) et à contribuer à l'atténuation du changement climatique. Le Fonds cherche à assurer cet objectif en vue d'atteindre les objectifs de réchauffement climatique à long terme de l'Accord de Paris en investissant dans des Projets d'efficacité énergétique éligibles dans la mesure permise par la loi luxembourgeoise. Les projets d'efficacité énergétique désignent une mesure spécifique ou un ensemble de mesures ayant un début et une fin et dont l'objectif est de créer des économies de CO<sub>2</sub> grâce à un équipement, une solution technique et/ou un service à haut rendement énergétique. Les économies de CO<sub>2</sub> sont la différence entre les émissions de CO<sub>2</sub> d'un système d'infrastructure (existant ou à créer) avant et après la mise en œuvre d'un projet d'efficacité énergétique.

En ce qui concerne le Fonds, le gestionnaire d'investissement évalue les indicateurs qui sont censés indiquer l'existence d'un impact négatif qui pourrait nuire de manière significative aux objectifs environnementaux ou sociaux. Tous les investissements du Fonds sont examinés au regard des indicateurs d'impact négatif dans le cadre de l'investissement et des vérifications du gestionnaire d'investissement. Les indicateurs d'impact négatif font partie de l'évaluation ESG qui comprend des visites de sites et des vérifications détaillées de la conformité ESG et réglementaire. Le processus d'investissement est conçu pour rejeter les investissements proposés si certains critères essentiels ne sont pas satisfaits au stade initial de la sélection. Tous les projets sont examinés au regard des critères d'exclusion du gestionnaire d'investissement.

Lors de l'investissement et pendant toute sa durée de vie, le gestionnaire évalue et surveille les indicateurs jugés importants et pertinents pour l'investissement concerné. Le gestionnaire d'investissement estime que les questions durables et ESG ont un impact sur la valeur de l'investissement et que de meilleurs résultats d'investissement à long terme peuvent être obtenus grâce à un engagement actif.

Le processus d'investissement du gestionnaire d'investissement est conçu pour rejeter les investissements proposés pour des raisons d'investissement durable si certains critères ESG essentiels, y compris les impacts négatifs sur les facteurs de durabilité, ne sont pas remplis au moment de l'évaluation initiale. L'approche ESG est systématiquement intégrée dans les processus d'investissement et de gestion des actifs.

Aucun indice de référence de l'UE pour la transition climatique ni aucun indice de référence de l'UE aligné sur Paris n'est disponible pour le Fonds. L'objectif d'une exposition à de faibles émissions de carbone en vue d'atteindre les objectifs de réchauffement climatique à long terme de l'Accord de Paris est assuré en se concentrant sur des investissements qui soutiennent la réorientation de la production d'énergie au détriment de la production à base de combustibles fossiles, qui augmentent l'efficacité énergétique ou la productivité des infrastructures existantes, ou qui permettent l'utilisation d'énergie propre. Le gestionnaire d'investissement utilise les émissions potentielles évitées (PAE) pour mesurer la réalisation de l'objectif d'investissement durable du fonds. La quantification des émissions potentielles évitées (PAE) permet de justifier les projets, produits et services à faible émission de carbone et de démontrer aux investisseurs et aux clients les avantages liés à l'atténuation du changement climatique. Le Fonds quantifie le PAE pour tous les investissements et le consolide au niveau du fonds sur une base annuelle.

## Dutch

De duurzame beleggingsdoelstelling(en) van het Fonds zijn het doen van investeringen die een vermindering van de uitstoot van kooldioxide (CO<sub>2</sub>) en andere broeikasgassen (zoals bepaald in artikel 9, lid 3, van de SFDR) nastreven en bijdragen aan de beperking van de klimaatverandering. Het Fonds tracht deze doelstelling te verwezenlijken met het oog op de verwezenlijking van de doelstellingen van de Overeenkomst van Parijs inzake de opwarming van de aarde op lange termijn, door te investeren in relevante energie-efficiëntieprojecten, voor zover dit volgens de Luxemburgse wet is toegestaan. Onder energie-efficiëntieprojecten wordt verstaan een specifieke maatregel of reeks van maatregelen met een begin en een einde, met als doel CO<sub>2</sub>-besparingen te creëren door middel van energie-efficiënte apparatuur, technische oplossing en/of dienst. CO<sub>2</sub>-besparingen zijn het verschil tussen de CO<sub>2</sub>-uitstoot van een (bestaand of te creëren) infrastructuursysteem vóór en na de uitvoering van een energie-efficiëntieproject.

Met betrekking tot het Fonds beoordeelt de Beleggingsbeheerder indicatoren die geacht worden te wijzen op de aanwezigheid van een negatief effect dat de milieu- of sociale doelstellingen aanzienlijk zou schaden. Alle beleggingen van het Fonds worden getoetst aan indicatoren voor negatieve effecten als onderdeel van het beleggings- en due diligence-proces van de Beleggingsbeheerder. Indicatoren van negatieve effecten maken tevens deel uit van de ESG-beoordeling, naast bezoeken ter plaatse en gedetailleerde controles van de naleving van ESG- en regelgeving. Het investeringsproces is zo opgezet dat voorgestelde investeringen worden afgewezen als bij de eerste screening niet aan bepaalde essentiële criteria wordt voldaan. Alle projecten worden getoetst aan de uitsluitingscriteria van de vermogensbeheerder.

Bij de investering en tijdens de levensduur van de investering beoordeelt en controleert de vermogensbeheerder de indicatoren die als materieel en relevant worden beschouwd. De Beleggingsbeheerder is van mening dat duurzame en ESG-kwesties een impact hebben op de beleggingswaarde en dat betere beleggingsresultaten op lange termijn kunnen worden bereikt door actieve betrokkenheid en eigen inbreng.

Het beleggingsproces van de Beleggingsbeheerder is ontworpen om voorgestelde beleggingen af te wijzen op basis van duurzame beleggingsgronden, indien aan bepaalde essentiële ESG-criteria, waaronder negatieve effecten op duurzaamheidsfactoren, bij de eerste screening niet zijn vervuld. De ESG-aanpak is systematisch verankerd in alle beleggings- en vermogensbeheerprocessen.

Voor het fonds is geen EU-benchmark voor de klimaatverandering of een EU-benchmark voor Parijs beschikbaar. De doelstelling van blootstelling aan koolstofarme emissies met het oog op het bereiken van de langetermijndoelstellingen voor de opwarming van de aarde van de Overeenkomst van Parijs wordt gewaarborgd door de nadruk te leggen op investeringen die de verschuiving van de energieproductie van op fossiele brandstoffen gebaseerde opwekking ondersteunen, de energie-efficiëntie of productiviteit van bestaande infrastructuur verhogen, of het gebruik van schone energie mogelijk maken. De Beleggingsbeheerder gebruikt Potentiële Vermeden Emissies (PAE) om de verwezenlijking van de duurzame beleggingsdoelstelling van het fonds te meten. De kwantificering van de potentiële vermeden emissies (PAE) biedt een business case voor koolstofarme projecten, producten en diensten en toont beleggers en klanten de voordelen van de beperking van de klimaatverandering. Het fonds kwantificeert PAE voor alle investeringen en consolideert de PAE jaarlijks op fonds niveau.

## Norwegian

Fondets mål for bærekraftige investeringer er å foreta investeringer som søker å redusere utslippene av karbondioksid (CO<sub>2</sub>) og andre klimagasser (som fastsatt i artikkel 9 nr. 3 i SFDR) og å bidra til å redusere klimaendringene. Fondet søker å sikre dette målet med tanke på å nå de langsiktige målene for global oppvarming i Parisavtalen ved å investere i kvalifiserte energieffektivitetsprosjekter i den grad det er tillatt i henhold til luxembourgsk lovgivning. Energieffektivitetsprosjekter betyr et spesifikt tiltak eller et sett av tiltak med en begynnelse og en slutt med det formål å skape CO<sub>2</sub>-besparelser gjennom energieffektivt utstyr, tekniske løsninger og/eller tjenester. CO<sub>2</sub>-besparelser er forskjellen mellom CO<sub>2</sub>-utslippet fra et infrastruktursystem (eksisterende eller som skal opprettes) før og etter gjennomføringen av et energieffektiviseringsprosjekt.

Når det gjelder fondet, vurderer investeringsforvalteren indikatorer som anses å indikere at det foreligger en negativ innvirkning som i betydelig grad vil skade miljømessige eller sosiale mål. Alle fondets investeringer screenes mot indikatorer for negativ innvirkning som en del av investeringsforvalterens investerings- og aktsomhetsprosess. Indikatorer for negativ innvirkning er en del av ESG-vurderingen, som omfatter stedsbesøk og detaljerte ESG- og regelverksetterlevelseskontroller. Investeringsprosessen investeringsprosessen er utformet for å avvise foreslåtte investeringer hvis visse viktige kriterier ikke er oppfylt ved den første screeningen. Alle prosjekter vurderes opp mot investeringsforvalterens eksklusjonskriterier.

Ved investering og i løpet av investeringens levetid vurderer og overvåker investeringsforvalteren indikatorer som anses som vesentlige og relevante for den respektive investeringen. Investeringsforvalteren mener at bærekraftige og ESG-spørsmål påvirker investeringsverdien, og at bedre langsiktige investeringsresultater kan oppnås gjennom aktivt engasjement og eierskap.

Investeringsforvalterens investeringsprosess er utformet slik at foreslåtte investeringer avvises på grunnlag av på grunnlag av bærekraftige investeringer dersom visse viktige ESG-kriterier, herunder negative konsekvenser for bærekraftsfaktorer, ikke er oppfylt ved den innledende screeningen. ESG-tilnærmingen er systematisk integrert på tvers av investerings- og kapitalforvaltningsprosesser.

Det finnes ingen referanseindeks for EUs klimaomstilling eller referanseindeks i tråd med Parisavtalen for fondet. Målet om lav karbonutslippseksposering med tanke på å nå de langsiktige målene for global oppvarming i Parisavtalen sikres ved å fokusere på investeringer som støtter omlegging av energiproduksjon bort fra produksjon basert på fossilt brensel, øker energieffektiviteten eller produktiviteten til eksisterende infrastruktur, eller som muliggjør bruk av ren energi. Investeringsforvalteren bruker potensielt unngåtte utslipp (PAE) for å måle oppnåelsen av fondets mål for bærekraftige investeringer. Kvantifisering av potensielt unngåtte utslipp (PAE) gir en forretningsmessig begrunnelse for lavkarbonprosjekter, -produkter og -tjenester, og viser investorene og kundene fordelene ved å redusere klimaendringene. Fondet kvantifiserer PAE på tvers av alle investeringer og konsoliderer PAE på fondsnivå på årlig basis.

## Swedish

Fondens hållbara investeringsmål är att göra investeringar som syftar till att minska utsläppen av koldioxid och andra växthusgaser (enligt artikel 9.3 i SFDR) och bidra till att mildra klimatförändringarna. Fonden försöker säkerställa detta mål med tanke på att uppnå de långsiktiga globala uppvärmningsmålen i Parisavtalet genom att investera i stödberättigade energieffektivitetsprojekt i den utsträckning som tillåts enligt luxemburgsk lag. Med energieffektivitetsprojekt avses en specifik åtgärd eller en uppsättning åtgärder med en början och ett slut i syfte att skapa koldioxidbesparingar genom energieffektiv utrustning, teknisk lösning och/eller tjänst. CO<sub>2</sub>-besparingar är skillnaden mellan koldioxidutsläppen från ett infrastruktursystem (befintligt eller kommande) före och efter genomförandet av ett energieffektivitetsprojekt.

När det gäller fonden bedömer investeringsförvaltaren indikatorer som anses indikera förekomsten av en negativ inverkan som skulle kunna skada miljömässiga eller sociala mål avsevärt. Alla fondens investeringar granskas mot indikatorer för negativ påverkan som en del av investeringsförvaltarens investerings- och due diligence-process. Indikatorer för negativa effekter är en del av ESG-bedömningen som omfattar besök på plats och detaljerade kontroller av ESG och efterlevnad av regelverk. Investeringsprocessen är utformad så att föreslagna investeringar avvisas om vissa väsentliga kriterier inte uppfylls vid den första granskningen. Alla projekt granskas mot investeringsförvaltarens uteslutningskriterier.

Vid investeringen och under investeringens livslängd bedömer och övervakar investeringsförvaltaren indikatorer som anses vara väsentliga och relevanta för respektive investering.

Investeringsförvaltaren anser att hållbara och ESG-frågor påverkar investeringsvärdet och att bättre långsiktiga investeringsresultat kan uppnås genom aktivt engagemang och ägande.

Investeringsförvaltarens investeringsprocess är utformad så att föreslagna investeringar avvisas på grundval av följande hållbara investeringar om vissa väsentliga ESG-kriterier, inklusive negativa effekter på hållbarhetsfaktorer, inte är uppfyllda vid den första granskningen. ESG-strategin är systematiskt inbäddad i alla processer för investeringar och kapitalförvaltning.

Inget EU Climate Transition Benchmark eller EU Paris-aligned Benchmark finns tillgängligt för fonden. Målet om exponering för låga koldioxidutsläpp med tanke på att uppnå Parisavtalets långsiktiga mål för den globala uppvärmningen säkerställs genom att fokusera på investeringar som stöder en övergång av energiproduktionen från fossilbränslebaserad produktion, ökar energieffektiviteten eller produktiviteten hos befintlig infrastruktur eller möjliggör användning av ren energi. Investeringsförvaltaren använder potentiellt undvikna utsläpp (PAE) för att mäta hur fondens hållbara investeringsmål uppnås. Att kvantifiera potentiellt undvikna utsläpp (PAE) ger ett affärsmässigt underlag för projekt, produkter och tjänster med låga koldioxidutsläpp och visar investerare och kunder på fördelarna med att minska klimatförändringarna. Fonden kvantifierar PAE för alla investeringar och konsoliderar PAE på fondnivå årligen.