



SUSI ENERGY EFFICIENCY FUND II SCA SICAV-RAIF (THE “FUND”)

A Luxembourg corporate partnership limited by shares (société en commandite par actions) organised as an investment company with variable capital (société d’investissement à capital variable) qualifying as a reserved alternative investment fund (fonds d’investissement alternatif réservé)

10 March 2021

Sustainability-related disclosures in relation to Article 10 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector known as the Sustainable Finance Disclosure Regulation or “SFDR”.

1. SUSTAINABLE INVESTMENT OBJECTIVE AND ARTICLE 9 DISCLOSURES

Status under the SFDR

The Fund has been categorised as meeting the provisions set out in Article 9 of SFDR for products that have a sustainable investment objective, and, more specifically, as having a reduction of carbon emissions as its objective as set out in Article 9(3) of SFDR, as further described below. SFDR defines “sustainable investment” as an investment in an economic activity which: (1) contributes either to an environmental objective or a social objective; (2) does not significantly harm any environmental or social objectives; and (3) the investee company follows good governance practices.

Sustainable investment objective

As further described in the Investment Objective, Investment Strategy and Policy sections of the Fund’s Confidential Private Placement Memorandum dated 4 November 2020, as supplemented (the “Memorandum”), the sustainable investment objective of the Fund is to make investments which seek to have a reducing effect on emissions of carbon dioxide (CO₂).

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 CO₂ savings through energy-efficient equipment, technical solution and/or service. CO₂ savings are the difference between the CO₂ emission of an infrastructure system (existing or to be created) before and after the implementation of an Energy Efficiency Project.

Carne Global Fund Managers (Luxembourg) S.A. (the “AIFM”) is not involved in day-to-day investment management decisions for the Fund but has delegated investment management to SUSI Partners AG (the “Investment Manager”), subject to the AIFM’s ongoing oversight.

Do no significant harm

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 (other

than those not qualifying as a “sustainable investment” for the purposes of the SFDR, if any) 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. Please see Investment Manager’s sustainability policy which is available [here](#) for more details and indicators.

The Fund may but does not generally expect to invest in assets which may not be “sustainable investments” however their proportion and use does not affect the delivery of the sustainable investment objective on a continuous basis (e.g. hedging instruments, money market instruments or are instruments for which there is insufficient data).

Good governance practices of investee companies

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

2. PERIODIC REPORTS

A description of the extent to which the overall sustainability-related impact of the Fund by reference to relevant sustainability indicators will be available as part of the annual report for the period ended 31 December 2021. Such information will also be published on this website once available.

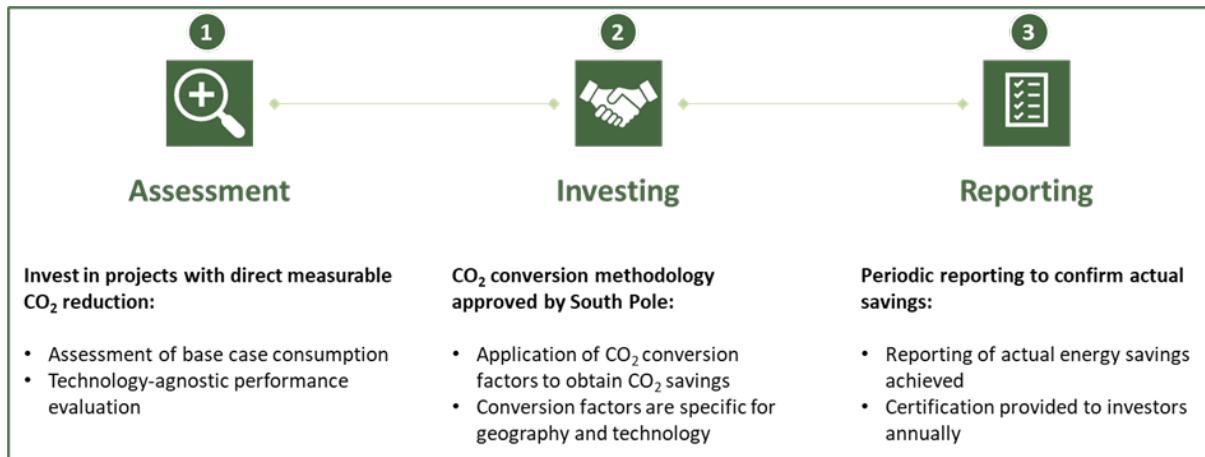
3. INFORMATION ON THE METHODOLOGIES USED TO ASSESS, MEASURE AND MONITOR THE IMPACT OF THE SUSTAINABLE INVESTMENTS SELECTED FOR THE FUND

The Fund’s investments enable the deployment and operation of technologies that provide alternatives to conventional energy sources through clean energy generation, energy efficiency enhancements and clean energy utilisation.

The sustainability indicator used to assess, measure and monitor the impact of the sustainable investments is the emissions avoided at asset and Fund level.

The Investment Manager works together with South Pole Group to quantify CO₂ savings in accordance with the World Resources Institute’s Greenhouse Gas (GHG) Protocol, as well as the recommendations by the Partnership for Carbon Accounting Financials (PCAF). For these purposes, data is generally sourced from investee companies.

The general process is as follows:



Screening criteria for the underlying assets

Prior to making any investment decision, the Investment Manager conducts investment due diligence on the proposed underlying asset. The investment due diligence will evaluate a variety of factors including an assessment of the underlying asset against the sustainability indicators, as set out in the Investment Manager’s sustainability policy available [here](#) under ESG Analysis Framework.

Having completed the diligence assessment, the Investment Manager will evaluate the merits of a proposed investment, to determine the extent to which the results of the diligence exercise should weigh on its investment decision, taking into account the sustainable investment objective of the Fund.