

Sustainability-related disclosures

Patrimonium Climate Infrastructure Opportunity Fund with respect to Compartment I

- a. **Summary:** The Patrimonium Climate Infrastructure Opportunity Fund with respect to Compartment I (the “**Compartment**”) aims to build a diverse portfolio of sustainable and low-carbon climate investments in accordance with Article 9 of the Sustainable Finance Disclosure Regulation (“SFDR”). The Compartment promotes partnerships with prime infrastructure managers that share its ethos for incorporating sustainability matters throughout their investment activities, giving the fund exposure to different sectors, geographies and meaningful sustainable contributions. A proprietary ESG and Sustainability framework was developed to filter out investments that are not in line with the Compartment’s sustainable investment objective. The Compartment does not and cannot make investments that would do significant harm to these Sustainable Investment Objectives, such as in traditional fossil fuels or investments in other sectors/companies that would impede the sustainable investment goals. It covers a wide range of sustainability criteria including adverse impact indicators that are taken into account in both the due diligence as well as the monitoring process. These are, amongst others:
1. Climate and other environment-related indicators
 - i. Scope 1 and 2 emissions
 - ii. No exposure to investments active in the fossil fuel sector
 2. Social and employee matters, respect for human rights
 - i. Unadjusted gender pay gap
 - ii. No exposure to controversial weapons
 3. Governance and accountability
 - i. No major ESG incidents, incl. violations of UNGC Principles
 - ii. Code of Ethics in place
- b. **No significant harm to the sustainable investment objective:** The Compartment’s investments do not significantly harm any of the sustainable investment goals. By complying with the binding elements (defined in "Methodologies" below), the Compartment only makes investments that are in line with its sustainable investment objectives. The Compartment does not and cannot undertake any investments that would materially harm any of the sustainable investment objectives such as investments in traditional fossil fuels or investments in other sectors/companies.
- c. **Environmental Characteristics of the financial product:** The Compartment pursues a sustainable investment objective by contributing positively to climate change adaptation and mitigation efforts in line with the Paris Agreement which envisions a low-carbon pathway. The AIFM/Investment Manager targets key segments of climate infrastructure, including renewable energy, energy infrastructure and storage, energy efficiency, sustainable transportation as well as social infrastructure, where there is a strong global demand. Climate infrastructure not only enables sound economic development, job creation and the purchase of local goods and services, but also improves the quality of life for citizens, increases positive impacts, helps protect our vital natural resources and environment, and promotes a more effective and efficient use of financial resources.

- d. **Investment Strategy:** The Compartment aims to build a broad portfolio of low-carbon and sustainable climate and social infrastructure investments in partnership with premier infrastructure managers, with a focus on equity or equity-like investments. The Compartment invests in funds, acquire secondary stakes in such vehicles, depending on the market) as well as pursue direct investments alongside managers and industrial partners. The AIFM/Investment Manager seeks to build a diversified portfolio of core, core+ and value-add infrastructure assets across the renewable energy, resource & energy efficiency, EV infrastructure, smart grids & transmission, decentralised grids & storage and in the social infrastructure sector. Structured as a defensive strategy and aimed towards the needs of institutional investors, the Compartment will provide a broadly diversified asset base in terms of sector diversification, geographies and investment vintages, a strong yield component and access to interesting opportunities in the climate infrastructure universe. Details on how the sustainable investment approach is implemented is described in the section “Methodologies” below. Good governance is assessed by analyzing: board and management structure, diversity, skills and independence; executive pay and remuneration of staff; shareholder rights; stakeholder interaction; disclosure of information; business ethics; bribery and corruption; internal controls and risk management; and, in general, issues dealing with the relationship between a company’s management, its board, its shareholders and its other stakeholders, and tax compliance. This may also include matters of business strategy, encompassing both the implications of business strategy for environmental and social issues and how the strategy is to be implemented.
- e. **Proportion of investments:** The Compartment only makes investments in pursuit of the Sustainable Investment Objectives. It does not and cannot make investments that would do significant harm to the Sustainable Investment Objectives, such as in traditional fossil fuels or investments in other sectors/companies that would impede the sustainable investment goals. 90% of the investment allocation have an environmental objective. The non-sustainable allocation is made up of reasonable reserves for current or anticipated expenses, liabilities or obligations of the Compartment
- f. **Monitoring of sustainable investment:** The AIFM/Investment Manager pursues an active monitoring methodology and the sustainability framework includes activity based KPIs and SFDR Principal Adverse Impact Indicators (PAI). These indicators are matched to sustainability metrics based on the IRIS+ framework. This enables a more accurate breakdown of the portfolios impact and its exposure to the UN SDGS. Activity-based KPIs are based on impact indicators collected from our invested partners. We communicate at least on a quarterly basis with our partners and actively engage on enhancing data robustness and tracking capabilities for assets and platforms that are not equipped to report on their GHG footprints as well as developing and implementing company-specific measures. The Compartment’s quarterly- and annual sustainability report includes an assessment of these indicators along with a breakdown of the portfolios’ impact.
- g. **Methodologies for environmental characteristics:** The proprietary developed ESG and Sustainability framework is designed to only consider investments that prove robust to environmental, social and other changes while delivering the highest risk-adjusted returns. To that end, the AIFM/Investment Manager follows a 3-step approach:
1. ESG Negative Screening

2. Sustainability Inclusion
3. UN Sustainable Development Goals Impact

For each potential investment, the AIFM/Investment Manager screens for ESG risks to help objectively identify material issues. This means that all prospective investments will be screened against a wide range of ESG criteria. Moreover, a sustainability scorecard is applied to every investment. In this assessment, investments are scored among key areas of sustainability and ESG practices. Finally, one of the key transformative drivers of sustainability has been the widely accepted introduction of the United Nations Sustainable Development Goals (SDGs) from 2015, which provides a framework for infrastructure investors to demonstrate the impact of infrastructure investments on the real economy. The Compartment links its sustainable investing strategy to these UN SDGs.

Please consult the Proprietary ESG and Sustainability Framework on our [website](#) for a full description of the ESG and Sustainability framework and how it is implemented.

- h. **Data sources and processing:** The AIFM/Investment Manager uses several data sources that most particularly are aggregated during the due diligence process. This includes an ESG questionnaire, direct interviews and requests along with other provided documentation. In addition, Sustainability, Quarterly and Annual Reports are collected and analyzed on a continuous basis. Approximately 10% of all the data collected are estimates. The Compartment is in the process of implementing Reporting 21, a best in class ESG database, that supports the due diligence and monitoring process.
- i. **Limitations to methodologies and data:** Accurately reflecting and quantifying a portfolio's impact and contribution can be challenging, as there is no one size fits all approach to sustainability assessment. We acknowledge that our methodologies and data collection can be subject to a number of identified limitations. The first one is that dealing with different entities (fund managers and / or direct investees) can result in retrieving incomplete sets of data, risking the desired level of accuracy and time opportunity. The second limitation concerns the still existing level of inconsistency and non-harmonised reporting metrics. This can become particularly relevant when we are dealing with diversified geographies, hence different metric accepted frameworks. In addition, the ESG related reporting frequency can also differ from investment to investment, whereas some of these entities will have quarterly updates while others will report on an annual basis, which allows not to affect the environmental characteristics of the financial products.
- j. **Due diligence:** As described in more detail in the section "Investment Strategy" and "Methodologies", the Compartment integrates a wide range of sustainability criteria in the investment decision-making process to identify potential material risks related to the investment's environmental stewardship, social impact, and corporate governance. The Compartment's investment team may conclude not to pursue an investment should ESG risks or other issues deemed to be too intractable.
- k. **Engagement policies:** In the pursuit of building a diverse portfolio of sustainable and low-carbon climate investments, the firm engages in the following policies:
 - The AIFM/Investment Manager conducts sustainability and ESG analysis of its counterparties to ensure that they have sound practices related to sustainability

- The AIFM/Investment Manager requests to fill out an extensive questionnaire that addresses inclusion of sustainability on GP level about the principles, on the organisation, the investment process, and on asset level, as well as on reporting
 - An engagement roadmap is established to identify engagements with the assets the Compartment is invested in, where the AIFM/Investment Manager has identified a specific theme, or where a specific impact or investigation of a controversy is required
- I. **Attainment of the sustainable investment and designated reference Benchmark:** While the achievement of the sustainable investment objective is currently not measured against any EU Climate Transition Benchmark or EU Paris-aligned Benchmark, the Patrimonium Climate Infrastructure Opportunity Fund team is actively seeking to partner with multiple ESG and sustainability-focused groups and networks in order to incorporate best practices across reporting, monitoring, benchmarking, disclosing and integration activities. This endeavor has included becoming a signatory to the UNPRI, a member of GRESB and a close follower of the SFDR disclosure guidelines, the TCFD as well as the IRIS+ framework. In line with our intention to promote transparency, the Compartment reporting draws close attention to these partnerships and guidelines.