

Legal identifier of the fund: **AGIRE I SCSp SICAV-RAIF** (the “Fund”)

## ***Pre-contractual disclosure for financial products referred to in Article 8(1) of Regulation (EU) 2019/2088***

*This document provides you with information about this fund in relation to Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (the “SFDR”). The information is required by law to help you understand the sustainability characteristics and/or objectives and risks of this Fund. You are advised to read it in conjunction with other relevant documentation on this Fund so you can make an informed decision before investing in it. Information related to environmental or social characteristics is available in this document.*

*Capitalized terms used herein without definition shall have the meaning ascribed to them in the limited partnership agreement of the Fund, as may be amended and restated from time to time (the “LPA”), and the private placement memorandum of the Fund, as further amended, restated or supplemented from time to time (the “Memorandum”).*

## Foreword

The SFDR aims to create a more transparent level playing field, partly to combat so-called “greenwashing” – where some financial firms claim that their products are sustainable when they are not. The SFDR governs the transparency requirements of final market participants with regard to the integration of sustainability-risks, the consideration of adverse sustainability impacts and the provision of sustainability-related information with respect to financial products which they manage.

One of its main objectives is to harmonize these disclosure requirements, ensure alignment between commercial documents and real practices, in order to ensure comparability between financial products and to steer private investments towards more responsible investments.

Under the new classifications, a strategy will be labeled under either Article 6, 8 or 9 of the SFDR:

- **Article 6** covers funds which do not refer to any sustainable or ESG element or strategy into their investment process and where financial market participants deem sustainability risks not to be relevant;
- **Article 8** applies “*where a financial product promotes, among other characteristics, **environmental** or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow **good governance practices** (...)*”;
- **Article 9** applies “*where a financial product has sustainable investment as its objective and an index has been designated as a reference benchmark (...)*”.

## Introduction

### *Positioning of the Fund*

The Investment Advisor is very sensitive to the global environmental issues facing our planet today and to our obligation to take all possible measures to address them.

As a real renewable energy asset Fund exclusively focused on solutions promoting the energy transition, (i.e. production and storage infrastructures of clean energy) we believe we can actively contribute through the investment decisions that the AIFM will make during the development of the Fund.

### *SFDR Classification*

The Fund has sustainable investment as its objective. Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices. **The Fund will be classified as "article 8"** under the SFDR.

The “do not significant harm” principle applies only to those investments underlying the financial products that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of such financial products do not take into account the EU criteria for environmentally sustainable economic activities.

*Has a reference benchmark been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product?*

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the Fund.

*How environmental, social and governance (“ESG”) characteristics are met?*

In order for the Fund to meet ESG characteristics, the Investment Advisor implements the following steps before transmitting its investment proposals to the AIFM:

- ✓ In the pre-investment stage: a systematic ESG due diligence is carried out from the feasibility stage of each potential project to support the investment decision.

- ✓ In the post-investment stage: the Investment Advisor follows the relevant investment's ESG performance and commits to identify potential ESG issues which may arise and to act promptly to resolve them.

## **1. WHAT ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS ARE PROMOTED BY THIS FINANCIAL PRODUCT?**

### *Environmental*

The Fund has a core impact goal to accelerate the transition to net zero through our investments into building and operating a diversified portfolio of real renewable energy assets. By channelling capital towards sustainable projects with a view to mitigate climate change, the Fund aims to contribute to the international efforts to limit the global temperature increase in this century to below the target of 2 degrees, as per the Paris climate agreement adopted on 12 December 2015 (the “**Paris Agreement**”).

The above objective is laid out in the Fund's investment strategy (see notably section 5 “*Investment Strategy and Process*” of the Memorandum). Through its assets, the Fund seeks to generate renewable energy which, in turn, will generate targeted yields. The generated renewable energy aims to support the transition to net zero by substituting unsustainable energy sources with clean power.

### *Governance*

One of the reasons of our Fund's existence is to enable sustainable value creation for our communities globally. Therefore, our purpose is not solely restricted to the pursuit of performance. It also aims to ensure that we meet our clients' ESG goals and drive sustainable and long-term growth.

We are dedicated to act in our clients' best interest, including strictly rejecting corruption and corruption-related business practices, removing any conflicts of interest, and providing an integrated investment solution in a responsible manner.

***What sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product?***

We measure progress against our core impact objective through ESG Key Performance Indicators (the “KPI(s)).

These KPIs include:

- amount of funding committed to renewables.
- gigawatt hours (GWh) of generated renewable electricity; and
- quantity of non-consumed carbon (in tons).

### *Reporting*

We choose to report our impact through KPIs and in line with the UN Sustainable Development Goals (the “SDGs”). The SDGs are targets for global development with a view to a better future, aiming at several objectives such as: eradicating extreme poverty, fighting inequalities and injustice, and increasing the level of sustainability of our planet by 2030. These SDGs have become part of the universal reporting language with respect to the impacts of investment decisions.

Our core impact objective directly contributes to targets 7, 11 and 13 of the SDGs.



Reducing reliance on fossil fuels by investing into renewable energy generation assets to ensure access to affordable, reliable, sustainable and modern energy for all.



Reducing the adverse environmental impacts of cities and communities through renewable energy generation, leading to safer, more inclusive, resilient and sustainable cities and communities.



Demonstrating commitment to the Paris Agreement and contributing to reducing the greenhouse emissions in our economies through low-carbon, renewable energy assets.

## **2. WHAT INVESTMENT STRATEGY DOES THIS FINANCIAL PRODUCT FOLLOW?**

We have been committed to achieving our clients’ financial goals while making a positive contribution to the environment and society.

The investment objective is to provide investors with an attractive and sustainable level of income returns, with an element of capital growth, by investing in a diversified portfolio of renewable energy assets in Europe.

***Sustainability strategy***

Our sustainability strategy is based on two overarching goals:

- a) Ensuring Europe reaches its Energy Transition targets by 2030 through:
  - Increasing installed capacity from 4 GW to 30 by 2030.
  - Increasing renewable energy efficiency and mitigating intermittency issues through improving consistency of clean energy supply through stored hydro and battery storage.
  - Improving electricity usage by strengthening productivity and reducing the cost of electricity.
  
- b) Improving the framework for creating a sustainable future through:
  - Ensuring a responsible management of forests to ensure optimum tree growth and the protection of endangered plants and animal species.
  - Support WWF in its mission to halt the destruction of nature and the environment.

***How is that strategy implemented in the investment process on a continuous basis?***

We are committed to embedding our ESG principles into our company culture, our investment process, our partners, and the wider community.

On a continuous basis, the Investment Advisor:

- works in partnership with the AIFM and the management team of the portfolio companies to ensure that strategic ESG focus aligned with annual portfolio-wide ESG objectives;
- provides hands-on support to the AIFM and portfolio companies on a continuous basis, in order to improve their ESG-related performance.

Updates on ESG matters are subject to the Investment Advisory Committee reviews.

*Where can I find further details on the investment strategy?*

Please refer to the Memorandum and the website of the Fund at [please insert link to the website once available]

### **3. WHAT IS THE ASSET ALLOCATION PLANNED FOR THIS FINANCIAL PRODUCT?**

The focus of our investment strategy is to create a 100% sustainable and long-term stable portfolio for our investors.

#### *Investment policy and restrictions*

The Fund intends to invest both in a geographically and technologically diversified spread of renewable energy assets. Unless otherwise approved by the Advisory Committee, the Fund's investment activities are subject to the following restrictions: :

- No more than 30% of the Capital Commitments will be invested in any single Renewable Energy Production Unit.
- No more than 15% of the Capital Commitments will be invested in projects other than the following:
  - (i) land lease agreement controlled development projects (e.g. projects with land lease agreement secured for 5 years and deliberation of the municipal council in favour of the project);
  - (ii) late-stage development projects (e.g. projects that have already filed for their environmental permits);
  - (iii) permitted projects (projects that are approved and still need to be updated and need to get a feed-in tariff);
  - (iv) projects ready for construction or close to major investments/optimization (such as “repowering” of existing Renewable Energy Production Units) and companies offering a combination of (i), (ii), (iii) and/or (iv);
- no more than 10% of the Capital Commitments will be invested in countries other than Europe with a focus on France, Spain, Portugal, Switzerland.

- No more than 25% of the Capital Commitments in technologies other than onshore wind and solar PV.

The Fund is prohibited from investing in:

- a) real estate and / or real estate companies;
- b) commodities;
- c) commodity contracts;
- d) forward currency contracts (except for currency contracts entered into in connection with hedging Investments);
- e) investment funds;
- f) publicly traded companies with aim at engaging hostile transactions;
- g) companies that do not respect human rights or that produce, distribute or are involved in: (i) tobacco; (ii) pornographic material; (iii) armaments (including parts exclusively intended for them); (iv) electronic solutions or programs that are specifically designed to illegal purposes; (v) gambling;
- h) investing in corporations established in a member state of the European Union which is a high-risk and non-cooperative jurisdiction identified by the financial task force.

The Fund will use 100% of its investments to attain the promoted ESG characteristics.

The Fund does not use derivative instruments to meet or contribute towards the environmental or social characteristics promoted. Financial derivative instruments may only be used for hedging purposes.

#### **4. DOES THIS PRODUCT TAKE INTO ACCOUNT PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS?**

The Investment Advisor, when selecting potential investments to be considered by the AIFM and the AIFM when considering those potential investments, take into consideration the principal adverse impacts on sustainability factors in the course of assessing sustainability risks and their impacts on the value of investments.

The Fund is exclusively dedicated to the deployment of renewable energy infrastructures in Europe. Approval for the construction of such infrastructures is dependent on the results of several very rigorous and restrictive environmental studies. If the results of these studies turn out to be negative



in terms of sustainability and environmental impacts, the development of the contemplated asset is abandoned and removed from the portfolio.

## 5. CAN I FIND MORE PRODUCT SPECIFIC INFORMATION ONLINE?

More product-specific information can be found on the Fund's website [*please insert link to the website once available*] and the AIFM's website ([*please insert IQEQ website link, including an additional link to IQEQ's specific section entitled "Adverse sustainability impacts statement" as required by article 10 of SFDR*]).

[*EHP Note to AGIRE: this will have to be discussed/confirmed with IQ EQ*].