Website Disclosures in accordance with Article 10 SFDR –
Sections based on Articles 23 to 36 SFDR Delegated Regulation (EU) 2022/1288

Full name of the Article 8 (sub-) fund:
Energy Impact Fund SCSp

Legal entity identifier:
N/A

Date of review:
October 2024

Disclaimer: The present working document may be subject to further regulatory changes.

ENERGY IMPACT PARTNERS

Sustainability-related disclosures
Last updated October 2024

Energy Impact Fund SCSp (the "Fund") has been categorised as meeting the provisions set out in Article 8 under the Sustainable Finance Disclosure Regulation ((EU) 2019/2088), "SFDR") for products which promote environmental and social characteristics, as further described below. The purpose of this disclosure is to satisfy the requirements per Article 10 of SFDR and as outlined in Article 37 of the Regulatory Technical Standards under the SFDR ("SFDR RTS") which apply to Ocorian Fund Management S.àr.l. (the "AIFM") as a "financial market participant". References to Investment Advisor within this disclosure relate to Energy Impact Partners LP (the "Investment Advisor", also referred to as the "Portfolio Manager"). Reference is made to the Investment Advisor's environmental, social and governance ("ESG") and impact measurement policies and practices, which are described in more detail at www.energyimpactpartners.com/impact.

Summary

The Fund brings the Investment Advisor's proven investment approach to key European innovation markets and seeks to capitalize on disruptive technologies transforming asset- and carbon-intensive industries. The purpose of this financial product is to build, hold and manage (including to divest) a portfolio of equity/equity-related and primarily direct investments in portfolio companies. It promotes environmental or social characteristics, but it does not have as its objective sustainable investment.

Among other characteristics, the Fund promotes environmental and social characteristics, by (1) primarily investing in companies developing technologies that may contribute to reducing greenhouse gas emissions, improving access to clean and affordable electricity, and electrifying fossil-fuel intensive industries, while (2) excluding companies with principal engagement (evaluated by way of an activity-based assessment considering key factors such as the relevant company's revenue streams and growth projections) in activities such as the manufacturing of arms, tobacco, or the extraction, manufacturing of, or trading in, coal, oil or natural gas or whose primary purpose is to increase the production of these materials, unless using technology intended to reduce net greenhouse gas emissions generated by these activities (for a complete list of exclusions, please refer to website section "Environmental or social characteristics of the financial product"). As a signatory to the UNPRI, the Investment Advisor furthermore evaluates and monitors the portfolio companies in which investments are made to promote compliance with good governance practices against the UN's six principles.

As the Fund's delegated Portfolio Manager, the Investment Advisor intends to invest a minimum of 80% of the Fund's investments in investments which attain and are aligned with the environmental and social characteristics promoted by the Fund (set out in more detail in website section "Proportion of Investments"), measured by reference to final closing commitments and in line with other exceptions to quantitative investment limits as per the Fund's legal documentation. The remaining other investments will seek to achieve the broader economic objectives and investment strategy of the Fund.

The Investment Advisor assesses the environmental and social characteristics promoted by the Fund through sustainability indicators related to each promoted characteristic as part of its pre-investment (qualitative screening and assessments by way of in house-scoring rules, review of ESG risks & opportunities, exclusion criteria) and post-investment impact and ESG processes (portfolio engagement and monitoring of ESG metrics) as illustrated in the website sections on monitoring and on methodologies for environmental or social characteristics. The Investment Advisor regularly consults with a dedicated governance body, its Limited Partner ESG Advisory Committee; it does not involve external audit firms in reviewing these ESG processes.

Using a variety of metrics (such as reductions in carbon emissions, fuel savings, water savings, and other metrics tied to the expansion of clean technologies and markets) as well as a broader set of data on the ESG attributes of portfolio companies (such as diversity indicators), the Investment Advisor periodically reports on the impacts enabled by its portfolio companies. In terms of data sources and processing, once the Investment Advisor receives ESG data from its investee companies, it performs its own internal process in an attempt to ensure accuracy and completeness and proactively follows up with companies if significant discrepancies are identified or if more information to improve the quality or completeness of the data is needed. The Investment Advisor's impact measurement philosophy follows a conservative approach focused on providing meaningful analysis: Estimated data are generally not used (except for industry averages and other proxy data elements in internal carbon footprint calculations); furthermore, identified data gaps are made transparent in a dedicated technical appendix to the Investment Advisor's reporting. The Investment Advisor has not implemented specific management procedures applicable to sustainability-related controversies in investee companies. No reference benchmark has been designated for the purposes of attaining the social or environmental characteristics promoted by the Fund.

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No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

The Fund does not commit to make any “sustainable investments”, for the purposes of SFDR.

In practice, the Fund may choose to make “sustainable investments” on an opportunistic basis, although it does not commit to do so to any minimum amount. If the Fund makes sustainable investments, this will be reported in the Fund’s periodic report, as required by SFDR.

Environmental or social characteristics of the financial product

The environmental and social characteristics promoted by the Fund consist of:

(1) Characteristic (1): primarily investing in companies developing technologies that may contribute to reducing greenhouse gas emissions, improving access to clean and affordable electricity, and electrifying fossil-fuel intensive industries,

(2) Characteristic (2): excluding companies with principal engagement (evaluated by way of an activity-based assessment considering key factors such as the relevant company's revenue streams and growth projections) in the following activities ("Excluded Activities"):

(i) manufacturing, distribution or sale of ammunition, arms or their component parts principally intended for such purpose;
(ii) manufacturing or sale of pornography or engagement in the business of prostitution;
(iii) manufacturing of or trading in tobacco or alcohol;
(iv) extraction, manufacturing of or trading in coal, oil or natural gas or whose primary purpose is to increase the production of these materials, unless using technology intended to reduce net greenhouse gas emissions;
(v) developing, providing or distributing AI or UAV technologies that involve applications of facial recognition for use by policing entities for the detention, arrest, apprehension, or investigation of an individual; and
(vi) the use of live animals for scientific and experimental purposes, including the breeding of these animals for such purposes.

Investment strategy

Summary of investment strategy:

The Fund brings the Investment Advisor's proven investment approach to key European innovation markets and seeks to capitalize on disruptive technologies transforming asset- and carbon-intensive industries. The Fund invests in multi-stage (Series A to growth stage) venture and growth companies in sectors such as intelligent operations, customer engagement, mobility, smart buildings and cities, and distributed energy resources – targeting companies with direct emissions reduction impact as well as technologies that lay the foundation for a faster transformation to net zero emissions. The targeted geographical scope is Europe, with the potential to invest in a certain portion of assets outside of Europe.

Summary of policy to assess good governance practices of investee companies:

The Investment Advisor assesses the governance practices of portfolio companies as part of its due diligence prior to making an investment, and periodically thereafter, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. In addition, the Investment Advisor is a signatory to the UN Principles for Responsible Investment ("UNPRI"). As a signatory to the UNPRI, the Investment Advisor evaluates and monitors the companies in which investments are made to promote compliance with good governance practices against the UN's six principles.

Proportion of investments

Asset allocation for the Fund

The Investment Advisor intends to invest a minimum of 80% of the Fund's investments (excluding temporary investments, investments made for currency hedging or the management of cash and liquid assets)(as measured as a percentage, the numerator of which is the costs basis of investments of the Fund aligned with E/S characteristics (over the life of the Fund) and the denominator of which is the final closing commitments) in investments which attain the environmental and social characteristics promoted by the Fund (the "**E/S Alignment Commitment**").

The E/S Alignment Commitment is subject to the following:

- As the Fund is a closed-ended investment vehicle with a fixed lifespan, and which will seek to invest opportunistically in climate equity assets, the Investment Advisor considers that it is appropriate to measure the minimum commitment by reference to final closing commitments. Consequently, there may be periods during the lifecycle of the Fund (including its initial investment period, and divestment period) where the proportion of the Fund's portfolio invested in E/S aligned positions is less than 80%.

- The Fund's PPM and Partnership Agreement specify certain other exceptions to quantitative investment limits – see in particular section 6.5 of the Partnership Agreement. These exceptions shall also apply to the E/S Alignment Commitment.

- Any reference in this disclosure to the E/S Alignment Commitment and/or to the percentage amount of that commitment must be read subject to the exceptions in the above bullet points.

The Fund might acquire assets or companies qualifying as sustainable investments as defined under SFDR. However, given the likelihood of variation in scale and valuation of various potential investments, the Investment Advisor cannot estimate the Fund's minimum proportion of sustainable investments or the degree to which the Fund's assets will be allocated to specific categories of investments. Consequently, the Fund does not commit to making "sustainable investments", as defined under SFDR. As such, 80% of the Fund's investments will be aligned with the environmental and social characteristics promoted by the Fund, but for which the Fund does not commit to making sustainable investments.

The remaining investments will seek to achieve the broader economic objectives and investment strategy of the Fund, including instruments which are used for the purposes of hedging, unscreened investments for diversification purposes, investments for which data are lacking and cash held as ancillary liquidity.

The Fund will primarily make direct investments in investee companies. In connection with certain investments, though, the Fund may employ hedging strategies (whether by means of derivatives or otherwise and whether in support of financing techniques or otherwise) that are designed to reduce the risks to the Fund and/or such portfolio companies of fluctuations in interest rates, securities, commodities and other asset prices and currency exchange rates, as well as other identifiable risks. The Fund may at times also have exposure to cash and cash equivalent positions for purposes of cash, liquidity and risk management.

Monitoring of environmental or social characteristics

The Investment Advisor measures the environmental and social characteristics promoted by the Fund through sustainability indicators which are related to each promoted characteristic:

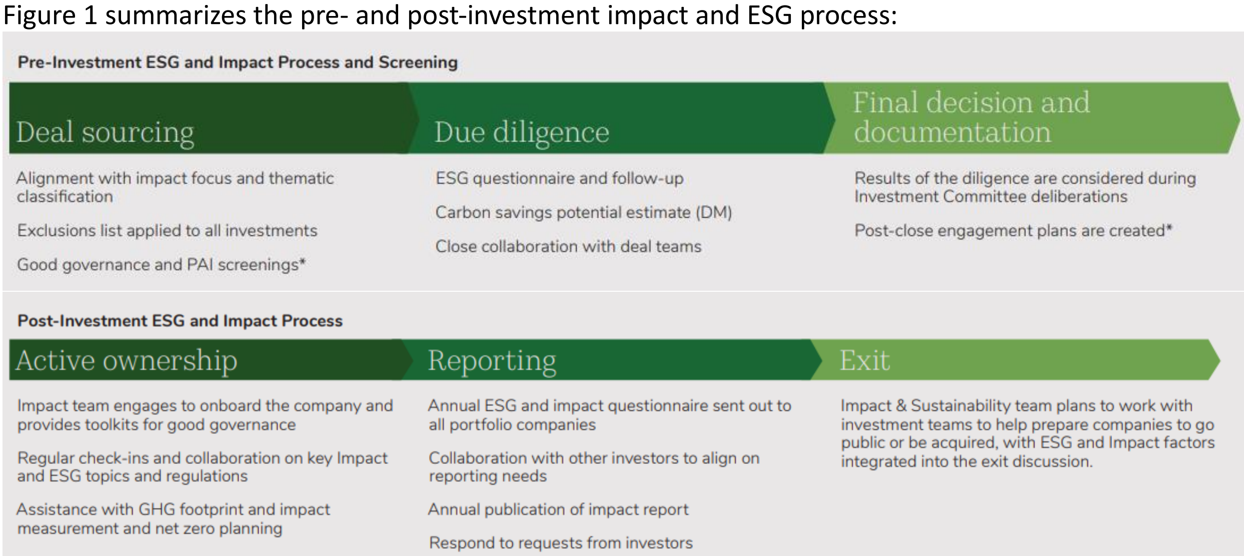
Pre-investment screening

The Investment Advisor's ESG team performs qualitative screens prior to the "Preliminary Approval" milestones to ensure that new investments do not violate the Investment Advisor's ESG policy. In order to meet Characteristic (1), the Investment Advisor ensures through the evaluation and selection of its investments that its portfolio is primarily composed of companies developing technologies that may contribute to reducing greenhouse gas emissions, improving access to clean and affordable electricity, and electrifying fossil-fuel intensive industries. In order to meet Characteristic (2), the Investment Advisor generally applies its binding exclusion criteria to potential investments in underlying assets, ensuring that no investment is made in Excluded Activities.

Post-investment processes

Following investment, and as part of ongoing monitoring, the Investment Advisor engages with portfolio companies regularly via an annual ESG and impact data collection. The purpose of this annual survey is to support the Investment Advisor's ESG and investment teams in their continual monitoring of ESG performance across the Fund's portfolio. Questions in the Investment Advisor's annual survey are used for the purpose of assessing how portfolio companies are progressing in relation to the Investment Advisor's organizational ESG commitments and principles. Collecting quantitative and qualitative ESG data allows the Investment Advisor to monitor risks, improvement opportunities, and best practices that can be shared across the portfolio, and is regarded as a tool that allows the Investment Advisor to facilitate productive dialogue with its portfolio companies and to identify and monitor ongoing ESG concerns.

Figure 1 summarizes the pre- and post-investment impact and ESG process:



Source: EIP 2024 IMPACT & ESG PERFORMANCE REPORT

Internal control mechanisms
The Investment Advisor has created a Limited Partners ESG Advisory Committee and through it seeks to consult regularly with a small, well-respected group of investors from within its investor base familiar with ESG and sustainability issues. This dedicated ESG governance body serves to improve the quality of methods and metrics the Investment Advisor applies towards organizational commitments to ESG programs.

External control mechanisms
The Investment Advisor does not involve external audit firms in reviewing its ESG reporting processes.

Methodologies for environmental or social characteristics

Pre-investment, the Investment Advisor performs a carbon impact assessment and reviews ESG-related risks and opportunities of each potential investment. It has implemented a rubric-based approach contributing to a decision-making process with more objective and transparent ESG and impact scores. The scoring process reviews ESG and Impact Factors of the potential investment, including its estimated carbon savings, use of clean energy, other environmental impacts and its contribution to advancing diversity, equity and inclusion ("DE&I") in order to assess its overall ESG performance.

The Investment Advisor periodically reports on the impacts enabled by portfolio companies using a variety of metrics such as reductions in carbon emissions, fuel savings, water savings, and other metrics tied to the expansion of clean technologies and markets. The Investment Advisor's periodic ESG reporting hence incorporates such impact metrics, but also a broader set of data on the ESG attributes of portfolio companies. For example, it includes data on the composition of the workforce in the portfolio companies, a review of policies affecting DE&I, and other governance metric with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

Data sources and processing

The data sources used by the Investment Advisor to measure the attainment of the environmental or social characteristics promoted by the Fund include direct data from investee companies, via the Investment Advisor's carbon savings and footprint measurement methods and in an annual data collection exercise.

The Investment Advisor's carbon savings and footprint measurement methods are designed to be consistent with the WRI/BCSD Greenhouse Gas Protocol, the Partnership for Carbon Accounting Financials, and the recently-released PRI/iCI greenhouse gas guidance for private equity firms. The Investment Advisor utilizes data provided by its portfolio companies and references peer reviewed scientific studies to conduct its calculations. The Investment Advisor's carbon savings calculations are prepared and verified by ESG Capital Group LLC, a longstanding source of independent expertise in impact investment measurement.

The Investment Advisor's annual data collection exercise requires portfolio companies to report on various environmental, social and governance metrics. While the Investment Advisor has long enjoyed a high level of collaboration with its portfolio companies, in 2021 it begun seeking a formal commitment from new investees to share data and collaborate with it on ESG and impact measurement by including reporting obligations in transaction documents. 52 portfolio companies, representing over 90% of the Investment Advisor's active portfolio companies in 2021, participated in its last data collection, reporting on approximately 30 key metrics.

In respect of data processing, once the Investment Advisor receives ESG data, it performs its own internal process in an attempt to ensure accuracy and completeness, and the Investment Advisor proactively follows up with companies if the Investment Advisor identifies significant discrepancies or needs more information to improve the quality or completeness of the data.

The data reported to EIP by portfolio companies is requested to be actual in all cases but may be estimated by reporting companies in some cases; the Investment Advisor does not know how much of the data reported to it is estimated versus actual. As to gaps in data that investees are asked to report, the Investment Advisor, with one exception, does not include or report estimated data in place of missing data. Instead, the missing data is noted transparently in its records and reporting. The one exception to the use of estimated data occurs in the calculation of carbon footprints: In its internal calculations as well as those produced by the carbon emissions software that the Investment Advisor uses, industry averages and other proxy data elements are used in place of actual reported data for several of the portfolio companies. With respect to making this use of estimated data transparent, the Investment Advisor publishes a publicly available technical appendix to its impact report that shows all of its carbon footprint and savings data sources and calculations. This technical appendix documents the Investment Advisor's use of proxies in footprint calculations.

Limitations to methodologies and data

The Investment Advisor's impact measurement philosophy is conservative and focused on providing meaningful analysis for investors with impact objectives rather than trying to report the largest impacts possible. The Investment Advisor's pre-investment and periodic ESG reporting, such as its carbon savings and footprint measurement methods, are designed to achieve this. However, while carbon emissions and savings have been measured at least since the early 1900s, measuring savings for the purpose of guiding fund investors with impact objectives is a very new undertaking. The Investment Advisor will continue to search for improvements in its measurement methods and seek initiatives to improve and standardize impact reporting.

In addition, companies join the Investment Advisor's ESG reporting program at various stages of sophistication in their ability to report on ESG-related data, and accordingly, getting complete and accurate data can sometimes be challenging.

Due diligence

As part of its investment decision-making process and in line with its ESG policy, the Investment Advisor screens companies on their carbon impact, other environmental metrics and social metrics using in-house scoring rules to assess both ESG opportunities as well as any substantial risks. Post-investment, the Investment Advisor monitors ESG factors and evaluates investments on an annual basis. In order to meet Characteristic (1), the Investment Advisor ensures through the selection and evaluation of its investments that its portfolio is primarily composed of companies developing technologies that may contribute to reducing greenhouse gas emissions, improving access to clean and affordable electricity, and electrifying fossil-fuel intensive industries. In order to meet Characteristic (2), the Investment Advisor generally applies its binding exclusion criteria to potential investments in underlying assets, ensuring that no investment is made in Excluded Activities.

Internal control mechanisms

Please refer to “Internal control mechanisms”, in the section ‘Monitoring of environmental or social characteristics’.

External control mechanisms

The Investment Advisor does not involve external audit firms in reviewing its ESG due diligence processes.

Engagement policies

The Investment Advisor has not implemented specific management procedures applicable to sustainability-related controversies in investee companies.

Designated reference benchmark

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