Product name/legal identifier: EIP Flagship Fund III (Lux) SCSp

Financial Product - Sustainable Finance Disclosure Regulation ("SFDR") - Website Disclosure

Last updated April 2025

Energy Impact Partners LP ("**EIP**" or the "**Manager**") has launched EIP Flagship Fund III (Lux) SCSp (the "**Fund**"), an Article 9 fund under the Sustainable Finance Disclosure Regulation ((EU) 2019/2088) ("**SFDR**"), represented by its general partner EIP Flagship Fund III GP (Lux) SARL (the "**General Partner**") and managed by its alternative investment fund manager, Ocorian Fund Management S.à r.l. (the "**AIFM**").

This document sets out the website disclosures required for such funds, for the purposes of Article 10 of SFDR and as outlined in Article 37 of the Regulatory Technical Standards under the SFDR. Reference is made to EIP's sustainability and impact measurement policies and practices, which are described in more detail at www.energyimpactpartners.com/impact.

This document is divided into 2 parts: (i) a summary of the disclosures; and (ii) a detailed description for each of the elements disclosed, both being published as website disclosures.

At the end of this SFDR website disclosure, please find translations of the "Summary" section, as required, which have been prepared where the Fund has been marketed into a European Union Member State where there is an official language other than English.

This disclosure is intended only as a summary and investors should refer to the Fund's Confidential Private Placement Memorandum (the "**Memorandum**") for the Fund's full terms. In case of any discrepancy between this disclosure and the Memorandum, the Memorandum prevails. Any investment decision in the Fund should be based on the full terms of the Fund and not on this summary. Unless otherwise defined herein, capitalized terms shall have the meaning assigned to them in the Memorandum.

(a) Summary

No Significant Harm to the Sustainable Investment Objective

The Manager will evaluate all proposed investments at the time of consideration and periodically thereafter to ensure that each portfolio company does not do significant harm to the Fund's Sustainable Investment Objective(s) ("**DNSH**"), with two key stages. The first stage consists of a screening process that eliminates any potential portfolio companies violate the excluded activities in accordance with its policy. The second stage of the Manager's DNSH evaluation consists of gathering information on the principal adverse impact ("**PAI**") indicators. The Manager also considers alignment with the minimum safeguards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights whether through its exclusions, United Nations Principles for Responsible Investment status, good governance assessment and on a case-by-case basis as relevant to each portfolio company.

Sustainable Investment Objectives

All investments made by the Fund will be sustainable investments through pursuing the following environmental and/or social objective(s) (the "**Sustainable Investment Objective"**, together the "**Sustainable Investment Objectives**"):

- Investing in portfolio companies with economic activities that support a cleaner and more sustainable global energy system, in connection with the generation, consumption or infrastructure of the energy industry (environmental objective); and/or
- Investing in portfolio companies with economic activities that contribute to the resilience and reliability of energy supplies, with consideration to the safety, security, efficiency, reliability and/or resilience of energy services (social objective); and/or

- Investing in portfolio companies with economic activities that accelerate the energy transition by enabling affordability, connectivity, safety, or upskilling in communities and the broader workforce (social objective).

The Manager expects all investments to contribute to the Manager's proprietary impact themes (the "Impact Themes") with at least one relevant metric and at least one United Nations Sustainable Development Goal ("**UN SDG**"), as disclosed below.

Investment Strategy

The Fund seeks to deliver attractive risk-adjusted returns while meeting its Sustainable Investment Objective(s) through an investment strategy that includes the following elements:

1. evaluate investment opportunities using the expertise of the Manager's strategic coalition as well as in-house and network experts;
2. leverage the Manager's strategic coalition to make investments that are likely to be adopted and scaled rapidly within and beyond the Manager's coalition members;
3. negotiate and implement sound financial terms and structures; and
4. work closely with the Fund's portfolio companies to improve their financial perfomance value, and environmental and social attributes.

The Manager evaluates corporate governance of each of the potential portfolio companies in which it invests. The Manager will review each potential portfolio company's good governance prior to making an investment and periodically thereafter over the lifecycle of each investment. Issues that the Manager considers in assessing good governance, include sound management structures, employee relations, remuneration of staff and tax compliance.

Proportion of Investments

The Manager expects that many Fund investments will contribute to both Sustainable Investment Objectives. With respect to minimum levels of alignment to one or both of the Sustainable Investment Objectives::

- A minimum of 50% of the Fund's portfolio company investments will be invested in sustainable investments with an environmental objective, as described above.
- A minimum of 10% of the Fund's portfolio company investments will be invested in sustainable investments with a social objective, as described above.
- 100% of the Fund's portfolio company investments will be sustainable investments with either an environmental and/or social objective, as described above.
- A small proportion of the Fund's assets at any given time may be in uninvested cash.

The Fund will primarily make direct investments in investee companies. Please see below for further information on how this proportion of investments will be considered over the lifespan of the Fund.

Monitoring of Sustainable Investment Objective

The progress of a portfolio company's economic activity(ies) towards the achievement of a Sustainable Investment Objective is measured against selected impact key performance indicators (the "Impact KPIs"), consisting of at least one of a "GHG Avoided Impact KPI" or a "Foundational Impact KPI", as established as part of the Manager's Impact Themes (unless the Manager identifies the need for a bespoke sustainability indicator). The Manager also assesses and identifies alignment with at least one UN SDG. The sustainability indicators are monitored at least annually, with the Manager's aim being to improve on any relevant Impact KPI where it is possible to do so, although this cannot be committed to in every case. The approach to alignment and monitoring of the contribution to the Sustainable Investment Objective(s) via sustainability indicators is therefore multi-layered.

Methodologies

GHG emissions savings, which form the GHG Avoided Impact KPIs, are measured using several metrics, including actual savings enabled in a year, lifetime savings enabled, and/or projected enabled savings. The Manager's calculations are aligned with the methodology of "Project Frame". Where the Manager applies a Foundational Impact KPI, they are measured using key metrics that reflect the contribution of a portfolio company's economic activity(ies) to the energy transition. The internationally recognized Impact Management Platform's ("**IMP**") methodology is applied by the Manager.

Data Sources and Processing

Once the Manager receives sustainability data from its portfolio companies, it performs its own internal process in an attempt to ensure accuracy and completeness and proactively follows up with portfolio companies if significant discrepancies are identified or if more information to improve the quality or completeness of the data is needed. Furthermore, the Manager engages third party experts for analysis of GHG Avoided Impact Assessments and on the PAIs of Scope 1, 2 and 3 greenhouse gas emissions.

Limitations to Methodology and Data

Generally, the main limitation to the methodology for calculating Impact KPIs is the availability and quality of data and that it is subject to the best, or commercially reasonable, efforts of portfolio companies to provide the data. In some cases, the impact assessment methodology may be limited by uncertainty in the mechanisms of impact causation that underlie all impact calculations. However, the Manager believes that the majority of limitations will come from data availability and quality.

Due Diligence

The Manager conducts impact and sustainability due diligence with the lead of the impact and sustainability team. The impact and sustainability due diligence begins pre-investment with an all-encompassing questionnaire and independent research, which may also be complemented by external consultants, and it is then passed to the investment committee in the form of a report that assesses the investment's ability to meet the Fund's Sustainable Investment Objective(s).

Engagement Policies

The Manager, typically via the deal lead as well as the impact and sustainability team, maintains an ongoing dialogue with each portfolio company that includes with regards to its sustainability objectives and its overall sustainability-related attributes and performance. In addition, the impact and sustainability team expects to have periodic interactions with companies related to information, questions and assistance on sustainability matters.

Attainment of the Sustainable Investment Objective.

There is no reference benchmark to measure the attainment of the Sustainable Investment Objective(s).

The following section provides a detailed description of the various topics summarized in the first part of these disclosures.

(b) No Significant Harm to the Sustainable Investment Objective

The Manager will evaluate all potential portfolio companies, at the time of consideration for investment and portfolio companies periodically thereafter, including an annual assessment, to ensure that each portfolio company does not do significant harm ("**DNSH**"). The Manager expects each portfolio company to use its reasonable efforts to report and not engage in significantly harmful environmental or social activities.

The Manager's approach to this evaluation has two key stages. The first stage consists of a screening process that eliminates any potential portfolio companies which:

(i) Engage in production or other activities that involve forced labor, child labor, modern slavery, human trafficking, or other labor practices, in each case that are prohibited under applicable US and EU laws.

(ii) Engage in production, distribution, or sales of any illegal products or activities, or engage in any illegal or prohibited activities under applicable laws, regulations, or international conventions and agreements (including but not limited to use, sale or production of certain pesticides, chemicals, wastes or ozone depleting substances; displacement or resettlement of local or indigenous people; trade in hazardous materials; destruction of protected habitats, and certain activities involving endangered or protected wildlife or wildlife products).

(iii) Manufacture, distribute or sell arms, ammunition or their component parts principally intended for such purpose.

(iv) Manufacture or sell pornography or engage in the business of prostitution.

(v) Principally engage in the manufacturing of, or trading in, tobacco or alcohol.

(vi) Principally engage in 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 increasing production of these materials using technology intended to reduce net greenhouse gas emissions.

(vii) Are involved in the supply or purchase of sanctioned products or goods to or from countries or regions subject to United Nations sanctions.

(viii) Develop, provide or distribute 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.

(ix) Use live animals for scientific and experimental purposes, including the breeding of these animals for such purpose.

(x) Engage in production or other activities that expose populations to toxic substances that are prohibited under applicable US and EU laws.

The above excluded activities are referred to in the remainder of this disclosure as the "Excluded Economic Activities".

Potential portfolio companies with material business operations in any of these Excluded Economic Activities are eliminated from further consideration.

The second stage of the Manager's DNSH evaluation consists of gathering information on each of the following principal adverse impact ("PAI") indicators:

1. GHG emissions, Scopes 1-3;
2. Carbon footprint;
3. GHG intensity;
4. Exposure to companies in the fossil fuel sector;
5. Share of non-renewable energy used;
6. Energy consumption in high-intensity sectors;
7. Activities negatively affecting biodiversity-sensitive areas;
8. Emissions to water;
9. Hazardous and radioactive waste ratio;
10. Violations of the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises;
11. Lack of compliance processes for the above principles and guidelines;
12. Unadjusted gender pay gap;
13. Board gender diversity; and
14. Exposure to controversial weapons.

Please note that the Manager evaluates the 14th mandatory PAI (exposure to controversial weapons) in line with the Manager's exclusion criteria in Step 1.

The Manager will gather and evaluate information on the current levels of each PAI and the potential portfolio company's plans for maintaining or reducing each adverse impact through changes in operations or policies. The Manager will continue to gather on each of these PAIs annually.

Fossil fuels

The Manager will not invest in potential portfolio companies with material business activities that expand the production or use of fossil fuels that are not fully and physically decarbonized. The Manager may invest in potential portfolio companies whose technologies and business processes produce or use fossil fuels provided that these technologies and processes have the net effect of reducing the amount of fossil fuel-based Scope 1 and 2 GHG emissions. For example, processes that remove GHG emissions from fossil fuel combustion products or processes that use fossil fuels more efficiently are eligible for investment so long as they are expected to lower the trajectory of carbon emissions.

How have the indicators for adverse impacts on sustainability factors been taken into account?

This is as described in the second stage of the Manager's DNSH process above. If adverse impacts are identified in a potential portfolio company during ESG due diligence (but which the Manager has determined do not amount to significant harm) these will be addressed during ownership, e.g., through the portfolio company board and the post-investment plan or ESG action plan. This ensures that potential adverse impacts are mitigated through the ownership period.

Data on relevant PAIs are assessed during due diligence and collected throughout the ownership phase. The data is monitored and subject to internal performance reviews, with a view to making sure that potential adverse impacts on sustainability factors are considered, and that mitigating actions are implemented, to the extent possible.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

As already noted, the Fund's investments will not include any portfolio companies engaged in the Excluded Economic Activities. These exclusions are fully consistent with and implement many of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

In addition, EIP is a signatory to the United Nations Principles for Responsible Investment ("**PRI**"). As such, the Manager has committed to the extent consistent with its fiduciary responsibilities to:

- incorporate ESG issues in investment analyses and decision-making processes;
- be an active owner and incorporate ESG issues into our ownership policies and practices;
- seek appropriate disclosure on ESG issues from the portfolio companies which EIP has invested in;
- promote acceptance and implementation of these principles within the investment industry;
- work with other signatories of the PRI to enhance Energy Impact Partner's effectiveness in implementing these principles; and
- report on our activities and progress towards implementation of these principles.

In addition to the preceding, and of relevance to the OECD Guidelines and UN Guiding Principles, the Manager will seek not invest in portfolio companies that pay wages that are below industry or national minima or are incorporated in EU non-cooperative jurisdictions for tax purposes (blacklist) at the time of investment. This is subject to data availability and the Manager relies on information from portfolio companies to support this analysis of wages and pay-related information.

To create a systematic way of screening against minimum safeguards, key areas of human/labour rights risks are identified which draw upon the frameworks above, and that are most applicable to investments in the clean energy and reliability/resilience sectors, are included in the Manager's information-gathering process during the due diligence process. The Manager recognizes that due diligence is at the core of minimum safeguards and is an integral instrument to ensure alignment with minimum safeguards during ownership.

During the Fund's ownership period, the Manager's ongoing engagement with each of the Fund's portfolio companies will monitor company activities for any adverse changes to minimum safeguards. In addition, the Manager will collect and evaluate the same information gathered during diligence concerning minimum safeguards on at least an annual basis. If this information reveals minimum safeguards inconsistent with the OECD Guidelines or the UN Guiding Principles the Manager will take prompt action to engage with the portfolio company to address these inconsistencies.

(c) Sustainable Investment Objective of the Financial Product

The purpose of the Fund is to make equity investments in companies that offer attractive financial returns to investors and help advance the transition to clean, decarbonized, sustainable energy systems, from an environmental and/or social perspective.

All investments made by the Fund will be sustainable investments through pursuing the following environmental and/or social objective(s) (the "**Sustainable Investment Objective**", together the "**Sustainable Investment Objectives**"):

- Investing in portfolio companies with economic activities that support a cleaner and more sustainable global energy system, in connection with the generation, consumption or infrastructure of the energy industry (environmental objective); and/or

- Investing in portfolio companies with economic activities that contribute to the resilience and reliability of energy supplies, with consideration to the safety, security, efficiency, reliability and/or resilience of energy services (social objective); and/or

- Investing in portfolio companies with economic activities that accelerate the energy transition by enabling affordability, connectivity, safety, or upskilling in communities and the broader workforce (social objective).

The Manager expects all investments to contribute to the Manager's proprietary impact themes (the "Impact Themes") with at least one relevant metric and at least one United Nations Sustainable Development Goal ("UN SDG"), as disclosed below.

(d) Investment Strategy

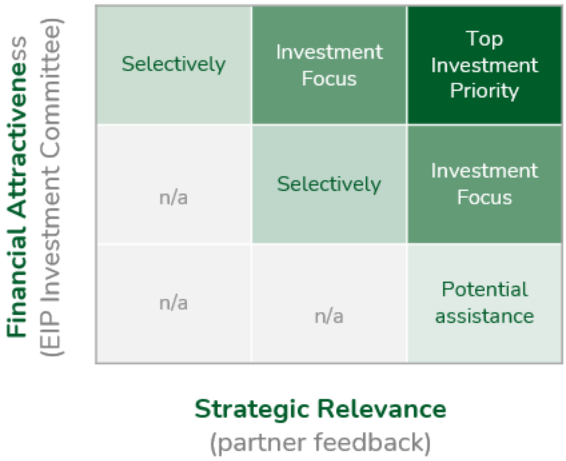
The Fund seeks to deliver attractive risk-adjusted returns while meeting its Sustainable Investment Objective(s) through an investment strategy that includes the following elements:

1. evaluate investment opportunities using the expertise of the Manager's strategic coalition as well as in-house and network experts;
2. leverage the Manager's strategic coalition to make investments that are likely to be adopted and scaled rapidly within and beyond the Manager's coalition members;
3. negotiate and implement sound financial terms and structures; and
4. work closely with the Fund's portfolio companies to improve their financial perfomance value, and environmental and social attributes.

With respect to evaluating and choosing investments, the Manager seeks investments in portfolio companies that contribute to the Fund's Sustainable Investment Objective(s) and share the following features:

- a potential to become a leader in their segment;
- proven technologies with customers validating the solution;
- defensible market or intellectual property position;
- capital efficient businesses with a strong recurring customer component;
- fair market valuations that can be validated with industry multiples;
- clear path for the Manager to add value directly or through the Manager's partner network; and/or
- competent and cohesive management teams with strong leadership.

Figure 1 further illustrates the Fund's investment strategy. On this figure, strategic relevance refers to the relevance of the portfolio company's business mission to directly or indirectly accelerate the clean energy transition and thus the fulfilment of the environmental and social objectives of the Fund.



As set out above, in relation to the Sustainable Investment Objectives and corresponding Impact KPIs, the Manager has developed a set of Impact Themes that support illustrating the way in which a portfolio company is contributing to a Sustainable Investment Objective. At least one GHG Avoided Emissions KPI or Foundational KPI will apply to each portfolio company and be monitored in accordance with each Impact Theme.

The Manager also monitors and aligns the Sustainable Investment Objectives with UN SDGs, which the Manager has a track record of alignment with.

Please see the publicly available Impact Reports of the Manager at https://www.energyimpactpartners.com/impact/ for further information on the Manager's sustainability strategies.

The Manager evaluates corporate governance of each of the potential portfolio companies in which it invests. The Manager will review each potential portfolio company's good governance prior to making an investment and periodically thereafter over the lifecycle of each investment. Issues that the Manager considers in assessing good governance, include sound management structures, employee relations, remuneration of staff and tax compliance.

During the ownership period, the Manager will seek to engage with portfolio companies on ESG issues, including good governance, through representation on their boards (where applicable) or through other available methods of engagement.

Further details on the Manager's approach to good governance are provided in its ESG policy, posted at www.energyimpactpartners/impact.

(e) Proportion of Investments

Asset Allocation

The Manager expects that many Fund investments will contribute to both Sustainable Investment Objectives. With respect to minimum levels of alignment to one or both of the Sustainable Investment Objectives:

- A minimum of 50% of the Fund's portfolio companies will be invested in sustainable investments with an environmental objective, as described above.
- A minimum of 10% of the Fund's portfolio companies will be invested in sustainable investments with a social objective, as described above.
- 100% of the Fund's portfolio companies will be sustainable investments with either an environmental and/or social objective, as described above.

- A small proportion of the Fund's assets at any given time may be in uninvested cash.

Direct and indirect exposures

The Fund will primarily make direct investments in investee companies. In connection with certain investments, though, the Fund and/or its portfolio companies 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.

Lifespan of the Fund

The Fund is a closed-ended investment vehicle with a fixed lifespan, and as the Fund will seek to invest opportunistically in illiquid assets, the Manager considers that it is appropriate to measure the attainment of the Sustainable Investment Objective(s) over the life of the Fund. As such, there may be periods during the lifecycle of the Fund (including initial investment periods, and divestment periods) where the proportion of the Fund's portfolio companies contributing to a particular Sustainable Investment Objective is less than the respective commitments to environmental and/or social sustainable investments set out above. Notwithstanding, at all times over the life of the Fund 100% of the Fund's portfolio companies will be sustainable investments with either an environmental and/or social objective.

Any reference in this report to the Sustainable Investment Objective(s) and/or to the percentage amount of the assets contributing to either or both of the Sustainable Investment Objectives must be read subject to the exception above.

(f) Monitoring of Sustainable Investment Objective

The progress of a portfolio company's economic activity(ies) towards the achievement of a Sustainable Investment Objective is measured against selected impact key performance indicators (the "Impact KPIs"), consisting of at least one of a "GHG Avoided Impact KPI" or a "Foundational Impact KPI", as established as part of the Manager's Impact Themes (unless the Manager identifies the need for a bespoke sustainability indicator). The Manager also assesses and identifies alignment with at least one UN SDG.

The sustainability indicators are monitored at least annually, with the Manager's aim being to improve on any relevant Impact KPI where it is possible to do so, although this cannot be committed to in every case.

The approach to alignment and monitoring of the contribution to the Sustainable Investment Objective(s) via sustainability indicators is therefore multi-layered with the overall approach summarized in the following table, with further detail on the Impact KPIs provided below:

		Mandatory Indicator One: *At least one GHG Avoided Impact KPI or Foundational Impact KPI*		***Mandatory Indicator Two:*** *At least one UN SDG*
Sustainable Investment Objective	**Impact Theme**	**GHG Avoided Impact KPIs**	**Foundational Impact KPIs**	**UN SDG**
Environmental objective	**Generation and Storage** *Portfolio companies that support development of clean energy sources, energy storage, electrification, carbon capture and sequestration, and decreased reliance on fossil fuels.*	▪ Metric tons of CO2e avoided (annual realized) ▪ Metric tons of CO2e avoided (lifetime) ▪ Metric tons of CO2e avoided (five-year plan)	▪ As identified on a case-by-case basis by the Manager	UN SDGs 8, 9, 11, 12, 13
Environmental objective	**Materials and Circularity** *Portfolio companies that reduce embodied environmental impacts in hard goods and implement business models that allow for easier reuse, recycling, repurposing, life extension, and circularity of goods.*	▪ Metric tons of CO2e avoided (annual realized) ▪ Metric tons of CO2e avoided (lifetime) ▪ Metric tons of CO2e avoided (five-year plan)	▪ As identified on a case-by-case basis by the Manager	UN SDGs 9, 11, 12
Environmental or Social objective	**Efficiency and Demand** *Portfolio companies that focus on increasing resource-use efficiency and work towards more efficiency management of demand side resources.*	▪ Metric tons of CO2e avoided (annual realized) ▪ Metric tons of CO2e avoided (lifetime) ▪ Metric tons of CO2e avoided (five-year plan)	▪ Number of EVs serviced	UN SDGs 6, 9, 11, 13
Environmental or Social objective	**Delivery and Optimization** *Portfolio companies that focus on the development of transmission & distribution infrastructure, resilience & reliability, and optimization of grid operations.*	▪ Metric tons of CO2e avoided (annual realized) ▪ Metric tons of CO2e avoided (lifetime) ▪ Metric tons of CO2e avoided (five-year plan)	▪ Number of energy transition projects conducted ▪ Number of energy-related assets serviced	UN SDG 9, 11, 13, 17
Environmental or Social objective	**Asset Resiliency and Security** *Portfolio companies that develop physical and digital solutions critical to the reliability and safety of electric power systems.*	▪ Metric tons of CO2e avoided (annual realized) ▪ Metric tons of CO2e avoided (lifetime) ▪ Metric tons of CO2e avoided (five-year plan)	▪ Number of critical assets protected ▪ Number of miles of transmission and distribution lines served	UN SDGs 9, 11, 12
Environmental or Social objective	**Measurement and Planning** *Portfolio companies that develop physical and digital solutions critical to the reliability and safety of electric power systems.*	▪ Metric tons of CO2e avoided (annual realized) ▪ Metric tons of CO2e avoided (lifetime) ▪ Metric tons of CO2e avoided (five-year plan)	▪ Number of assets under management ▪ Number of tons of CO2e under management	UN SDGs 7, 9, 11, 12, 13
, Social objective	**Just transition** *Portfolio companies that accelerate the energy transition by enabling affordability, connectivity, safety, or upskilling in communities and the broader workforce*	▪ Bespoke metric to be identified	▪ Number of cities covered with micromobility solutions ▪ Number of rides completed	UN SDG 10

The Manager may adapt or add new KPIs as the Manager's internal methodology, including with regards to the Impact Themes, and the portfolio evolves.

(g) Methodologies

Further background on the Manger's Impact KPIs and their methodologies are as follows:

GHG Avoided Impact KPIs

GHG emissions savings, which form the GHG Avoided Impact KPIs, are measured using several metrics, including actual savings enabled in a year, lifetime savings enabled, and/or projected enabled savings. The table below provides further detail on each of these metrics, based on the Manager's current utilized methodology. The Manager's calculations are aligned with the methodology of "Project Frame". Project Frame is a non-profit program built to organize investors around forward-looking emissions impact methodology and reporting best practices.

The summary of each of the current GHG Avoided Impact KPIs is as follows:

GHG Avoided Impact KPIs	Definition
Metric tons of CO2e avoided (annual realized)	Actual avoided emissions in a year by a portfolio company's commercial products and services that were sold throughout that year
Metric tons of CO2e avoided (lifetime)	Estimated portfolio company's cumulative life-of-product avoided emissions based on the installed base in a year and the subsequent cumulative impact across a product's lifetime
Metric tons of CO2e avoided (five-year plan)	Early-stage portfolio companies pre-commercialization planned enabled avoided emissions based on product forecasts starting the first year of commercialization

The details of the Manager's calculations are disclosed publicly in its Annual Impact Report and technical appendix available at www.energyimpactpartners.com/impact, which can be reviewed in conjunction with the SFDR periodic reporting on any disclosed GHG Avoided Impact KPIs.

Foundational Impact KPIs

Where the Manager applies a Foundational Impact KPI, they are measured using key metrics that reflect the contribution of a portfolio company's economic activity(ies) to the energy transition. The internationally recognized Impact Management Platform's ("**IMP**") methodology is applied by the Manager. For more information about the IMP methodology, please refer to https://impactmanagementplatform.org/impact/.

In summary, an Impact Theme describes the link between organizations' inputs, activities and outputs with their effects on people and the natural environment, notably outcomes and impact. The Manager chooses and reports a Foundational Impact KPI that reflects a portfolio company's output.

However, the Manager also implements best efforts to infer outcomes and impacts further in the value chain, where possible. The approach to Foundational KPIs is summarized, as below:

Input	Activity	Outputs	Outcomes	Impacts
Potential portfolio company size or capital invested by EIP	Activities that portfolio companies do and that are core to their business model	Planned and direct results of the product, service or operating model of portfolio companies	Change experienced by stakeholders that is plausibly associated with the operations of or product or service provided by portfolio companies, achieved with less direct control by the portfolio companies	Ultimate improvements that tie to major goals of the stakeholders marked by portfolio companies as well as multiple other external drivers and actors
Manager's input	*Direct influence*	*Direct influence*	*Direct and indirect influence*	*Indirect influence*
		Foundational Impact KPIs measured and reported		

(h) Data Sources and Processing

Once the Manager receives sustainability data from its portfolio companies, it performs its own internal process in an attempt to ensure accuracy and completeness and proactively follows up with portfolio companies if significant discrepancies are identified or if more information to improve the quality or completeness of the data is needed. Every portfolio company has an associated Impact KPI associated to support contributing to a Sustainable Investment Objective, as set out above. Furthermore, the Manager engages third party experts for analysis of GHG Avoided Impact Assessments and on the PAIs of Scope 1, 2 and 3 greenhouse gas emissions.

The Manager'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). The sources of external data include but are not limited to:

- The International Energy Agency
- The U.S. Energy Information Administration
- Statistical agencies of the European Union
- The U.S. Department of Commerce
- Major trade associations
- Academic journals; and
- Reports from leading consulting firms.

Identified data gaps are made transparent in a dedicated technical appendix to the Manager's reporting.

(i) Limitations to Methodologies and Data

Generally, the main limitation to the methodology for calculating Impact KPIs is the availability and quality of data. In some cases, the impact assessment methodology may be limited by uncertainty in the mechanisms of impact causation that underlie all impact calculations. However, the Manager believes that the majority of limitations will come from data availability and quality.

The data collected on activity levels that are inputs to computing the Impact KPI are subject to a variety of sources of error in collection within the portfolio company, mischaracterization in transmittal, occasional missing values and/or other sources of error. The computation from which portfolio company activity data is converted into a particular Impact KPI is also subject to a variety of sources of error, including:

- Available data may not apply to the particular product or service offered by the portfolio company, particularly when the company is offering a product or service that has not yet been seen in the marketplace;

- Available data may apply to a broad category or products or services, rather than applying to the particular investment made by the Fund;

- Available data may be subject to time lags that cause the data to be less than current;

- Available data may not be accurate for the particular geographic region in which the portfolio company operates, or may apply to a very broad geographic area that includes the portfolio company's operations but also many other dissimilar companies.

While these limitations can be significant in certain cases, we believe the data we are able to access and the calculations we make with them are sufficiently accurate to attain the contribution to the Fund's Sustainable Investment Objective(s).

(j) Due Diligence

Impact and sustainability diligence is conducted by the Manager's impact and sustainability team working closely with other persons within EIP who are working on other aspects of diligence. The process for conducting sustainability diligence is:

1. The potential portfolio company is asked to fill out an extensive questionnaire that includes providing data on all aspects of company operations necessary to evaluate the suitability of the investment for the Fund, including the potential portfolio company's objective, whether the investment maintains good governance practices and minimum safeguards, and whether the company does not create significant harm.

2. The impact and sustainability team conducts independent research on publicly available information that contributes to the team's understanding of the sustainability attributes of the company.

3. All this information is analyzed by the impact and sustainability team. It is typical during this analysis to have discussions with the company and other EIP personnel to discuss and clarify sustainability data relevant to the diligence process.

4. If any deficiencies are found, either the Manager and the company agree on a post-close plan to remediate the deficiency, or the investment does not proceed.

5. In parallel, the impact and sustainability team works with an independent outside consultant to determine (a) whether the company's carbon impacts are quantifiable in tons of carbon saved as its GHG Avoided Impact KPI and (b) if so, prepares an estimate of this GHG Avoided Impact KPI over the next five years for use during the further evaluation of the investment by the Fund.

6. The independent outside consultant may also participate in the ongoing activities of the impact and sustainability team, including weekly meetings during which all sustainability diligence activities are reviewed.

7. The impact and sustainability team prepares a report for the investment committee in the form of several PowerPoint slides that summarizes the team's conclusions regarding the potential investment's ability to meet the Fund's Sustainable Investment Objective(s), the Impact KPI(s) for the investment, and the DNSH, the good governance, and minimum safeguards qualification of the company, with an impact score also provided.

8. All sustainability diligence materials are archived and/or stored in a dedicated, auditable data base.

(k) Engagement Policies

The Manager, typically via the deal lead as well as the impact and sustainability team, maintains an ongoing dialogue with each portfolio company that includes with regards to its sustainability objectives and its overall sustainability-related attributes and performance. In addition, the impact and sustainability team expects to have periodic interactions with companies related to information, questions and assistance on sustainability matters.

In addition, the impact and sustainability team expects to have periodic interactions with portfolio companies when the team has information to share with portfolio companies or the portfolio companies reach out the team with questions or requests for assistance on sustainability matters. Furthermore, the team has developed materials that are provided to all portfolio companies, which are designed to educate and improve the portfolio company's sustainability in specific areas.

Finally, once a year the impact and sustainability team will offer to meet with portfolio companies in a dedicated meeting during which the portfolio company and the team will comprehensively review the sustainability performance of the portfolio company and how this has changed since the last annual reporting period. This process is intended to engage the portfolio company and assist it in improving its sustainability attributes.

(l) Attainment of the Sustainable Investment Objective

There is no reference benchmark to measure the attainment of the Sustainable Investment Objective(s), as the Manager considers the sustainability indicators set out above to be more appropriate and bespoke measures of such attainment.