Luxcara

Sustainability Report 2025
Funding Energy Transition Infrastructure

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A Letter from our Managing Partners

Marc Brehm,
Dr. Alexandra Bernstorff &
Dr. Philip Sander,
Managing Partners

The year 2025 made one thing unmistakably clear: Resilience is no longer a technical feature of infrastructure; it is its defining quality. Across Europe and beyond, energy systems are being asked to do more than ever: to power digital economies, enable electrification, secure industrial competitiveness and absorb growing climate and geopolitical volatility. In this environment, the question is no longer whether infrastructure will be tested, but how well it is prepared to stay resilient.

This reality became tangible last year, as major power outages in Southern and Western Europe temporarily disrupted transport, communications and public services. While none of Luxcara's assets were affected, these events reinforced a fundamental truth: reliable, well-managed energy infrastructure is the backbone of economic stability and social resilience.

> Energy security and operational resilience are becoming increasingly important for the energy transition.

Cybersecurity has become a central pillar of this resilience. As the energy sector ranks among the most frequently targeted industries worldwide, Europe has introduced new frameworks such as the NIS2 Directive and the EU Preparedness Union Strategy to strengthen protection against cyber, climate and geopolitical risks. In line with these developments, Luxcara further enhanced its security posture in 2025, upgrading industrial firewalls, incident-response protocols and certification processes. As a result, we recorded zero outages, safety incidents or security breaches across our portfolio throughout the year.

At the same time, the investment case for clean infrastructure remains strong. Global capital continues to flow into renewables, grids and storage, reflecting the growing recognition that energy security, affordability and decarbonization are inseparable. Despite a volatile macroeconomic environment, Luxcara's diversified portfolio and disciplined financial structuring allow us to invest with confidence while protecting long-term value. On the ground, the energy transition continued to make tangible progress. Nearly half of the EU's electricity was generated from renewable sources in 2025, and our solar and wind assets performed in line with expectations, supported by ongoing investments in battery storage to strengthen system stability and reliability.

Looking ahead, our focus remains clear. We will continue to strengthen the resilience of our assets through enhanced cybersecurity, operational preparedness and system integration, while expanding our renewable and clean-energy footprint in line with long-term demand. At the same time, we will uphold strict financial discipline and the highest standards of environmental, social and governance performance, ensuring that our assets deliver sustainable value over decades, not just market cycles. We are grateful for the trust placed in Luxcara by our investors and partners. The challenges of 2025 have shown that resilience is not optional; it is fundamental. We enter 2026 with confidence in our strategy and a clear purpose: to deliver long-term value through robust, sustainable and future-proof energy infrastructure.

Yours sincerely,
The Managing Directors of Luxcara

About Luxcara

Our Contribution to the Energy Transition

Luxcara is an independent asset manager providing institutional investors with long-term equity and debt investment opportunities across clean energy and energy transition infrastructure. We invest in assets that support a resilient, renewable energy system while delivering stable, long-term financial performance and a positive environmental impact through contributing to climate change mitigation.

Our investment philosophy is based on the conviction that sustainability and value creation go hand in hand. We focus on renewable power, energy storage, green hydrogen and enabling infrastructure, primarily across Europe, and apply a disciplined, lifecycle-oriented investment approach.

What differentiates Luxcara is our active ownership model and deep industrial expertise. We work closely with partners across development, construction and operations to manage risk, enhance asset value and ensure that sustainability is embedded in how projects are built and run, enabling our investors to achieve both resilient returns and real-world impact.

This report demonstrates how Luxcara translates its sustainability conviction into measurable investment outcomes, creating durable value for our investors while supporting the build-out of a resilient, low-carbon energy system.

> 7.8bn AuM

> 15 years market experience

> 7.0GW installed capacity

> 100 Projects

> 12 countries invested

Portfolio Overview
Our Impact

Our approach to the energy transition is grounded in practical steps that lead to measurable results. We integrate climate considerations across investment processes, stewardship activities, and our own operations to support real-economy progress. This means evaluating transition readiness, operational efficiency, and exposure to physical and transition risks alongside traditional financial metrics. We focus on credible pathways and near-term actions, not headlines.

Within investments, we apply consistent methods to assess issuers' exposure to material climate risks and the feasibility of their transition plans. We look for alignment between strategy, capital allocation, and execution, such as targets that are backed by interim milestones, governance that links incentives to delivery, and capital plans that prioritize efficiency and resilience. Where plans are early or incomplete, we weigh the potential for improvement through engagement and the prospects for risk-adjusted returns over our investment horizon. We consider how management sets priorities, allocates resources, and measures progress, and we examine whether disclosures provide enough detail to judge execution quality over time.

2025 Portfolio Performance

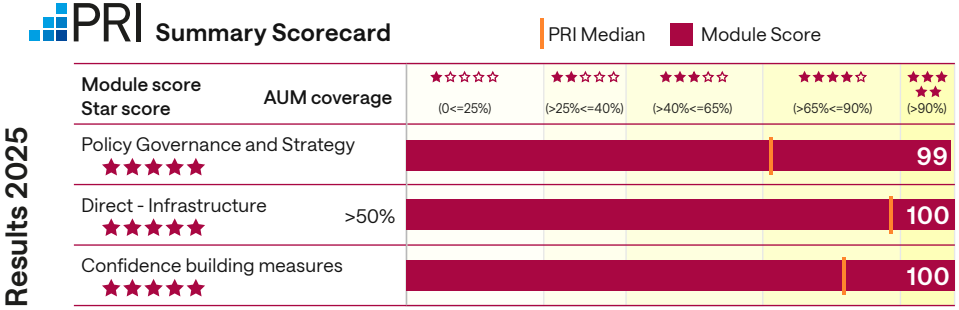
3,815 GWh

Production

266,763 t

Avoided CO_2e Emissions

Memberships & Commitments



At Luxcara, we believe that shaping a sustainable future is based on a commitment with globally recognized sustainability standards. By collaborating with forward-looking partners across the clean energy ecosystem and beyond, we increase our capacity to deliver meaningful results. By adhering to global standards, we ensure our operations consistently reflect high principles of environmental stewardship, social responsibility, and governance excellence.

Since 2012, Luxcara has been a proud signatory to the UN Principles for Responsible Investment (PRI), underscoring our dedication to integrating ESG factors into investment decisions and ownership practices.

> Again, compared to the previous years, we are proud to improve our rating results.

Our participation in the UN Global Compact (UNGC) since 2018 reinforces our commitment to human rights, labor protections, environmental sustainability, and anti-corruption. Luxcara has also been a member of the Renewable Energy Network Hamburg since 2013, collaborating with policymakers and industry leaders to accelerate Germany's energy transition and advance innovation in onshore and offshore wind, solar power, and green hydrogen.

Luxcara complies with the Sustainable Finance Disclosure Regulation (SFDR) and the EU Taxonomy, promoting transparent, accountable reporting of environmental impacts. As a result, our investment funds can be classified within the Article 9 framework. We ground our practices in widely recognized ESG standards and frameworks, guiding our asset management approach from initial selection through to final divestment. In line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, we strengthen climate-related risk and opportunity reporting to support informed decision-making for stakeholders.

In addition, the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Guidelines for Multinational Enterprises underpin our efforts to uphold human rights and responsible business conduct across all activities. Our commitment to the UN Global Compact's Ten Principles covering human rights, labour, environment, and anti-corruption is embedded in our corporate values, driving integrity and meaningful impact.

Looking ahead, we will continue to participate in forums that advance practical solutions, encourage better data, and support effective stewardship. Our goal is steady improvement: use collaboration to inform our approach, enhance accountability through transparent reporting, and keep our commitments aligned with client outcomes. We will prioritize initiatives that add clarity, minimize duplication, and deliver clear benefits for clients and other stakeholders.

Through these memberships and commitments, Luxcara reaffirms its dedication to sustainability and responsible investment. We aim to deliver positive environmental and social outcomes while maintaining long-term value creation for our stakeholders.

The Current Landscape

Moving in a Market in Motion Shaping the Energy Transition

Global energy investment continues to accelerate. In 2025, total energy-sector spending is projected to reach a record USD 3.3 trillion, with clean energy technologies attracting around two-thirds of total capital. Solar PV remains the largest beneficiary, while investment in battery storage is scaling rapidly as power systems adapt to higher shares of variable renewables. Over the past five years, clean power investment has roughly doubled, materially outpacing fossil fuel supply spending. In Europe, the transition is well advanced: According to the European Electricity Review, wind and solar generated more EU electricity than fossil fuels in 2025, driven by energy security considerations and binding climate targets. Despite macroeconomic headwinds, investment momentum remains strong, supported by long-term policy frameworks and continued capital inflows into renewables and grid infrastructure.

Falling Costs and Technology Trends

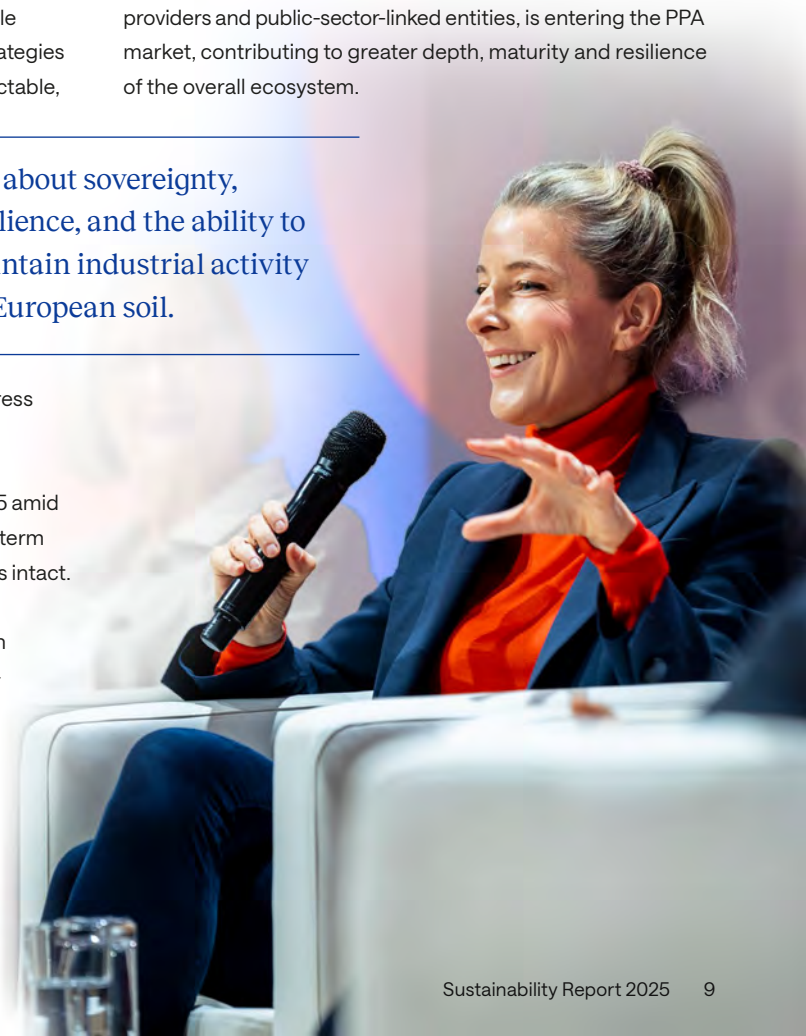
Cost reductions across key technologies remain a structural driver. Levelized costs for wind, solar, and batteries are expected to decline further in 2025, reflecting technological improvements and supply chain efficiencies. Solar PV costs have fallen sharply due to component oversupply, while battery prices dropped materially in 2024, reinforcing the competitiveness of storage as a system-balancing solution. Over the long term, continued cost declines are expected across renewables and storage, strengthening the economic case for large-scale deployment.

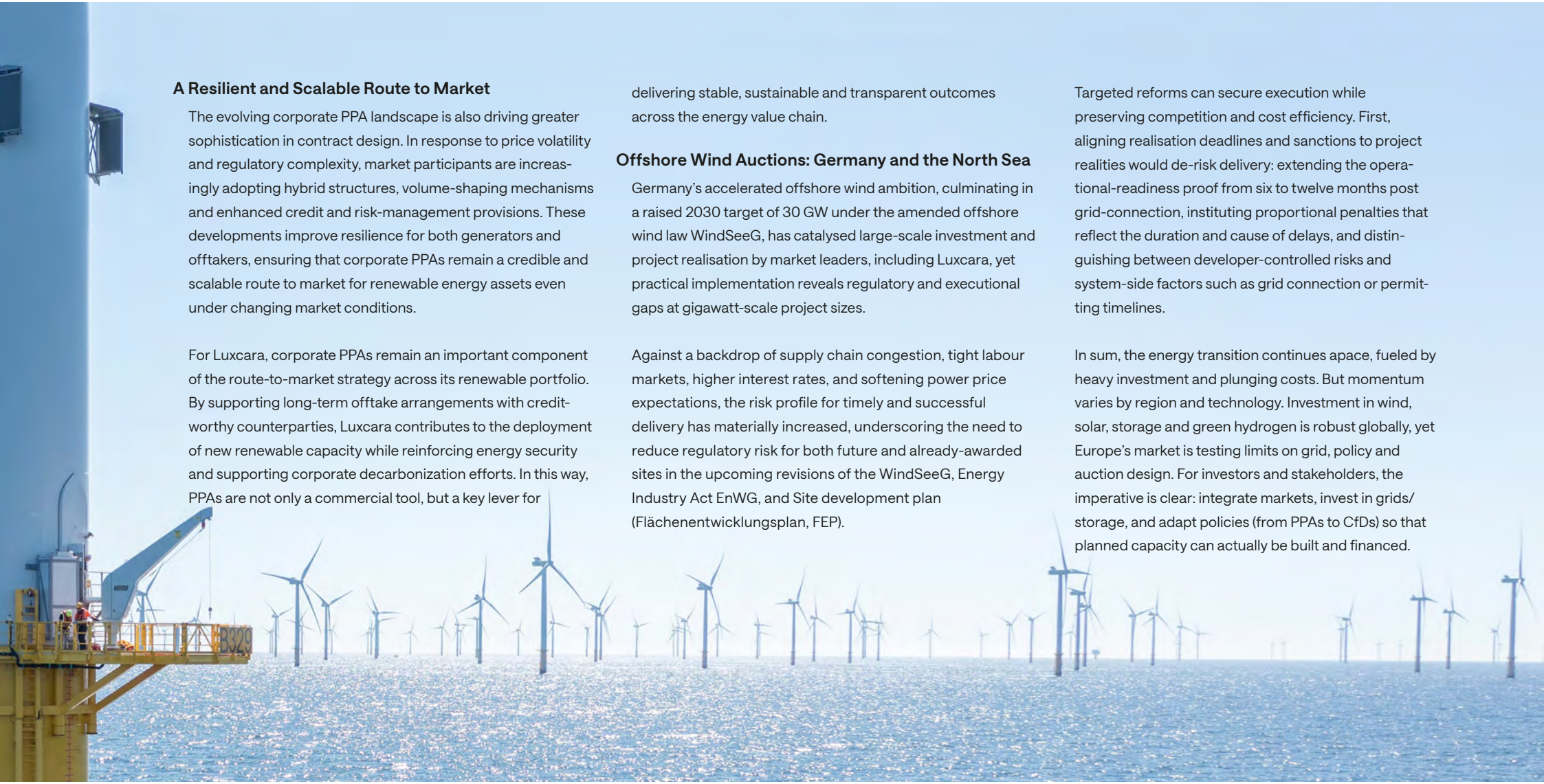
Corporate PPAs and Market Dynamics

Corporate power purchase agreements (PPAs) continue to play a central role in enabling the expansion of renewable energy while supporting corporate decarbonization strategies and long-term energy price stability. By providing predictable, long-term revenue streams for renewable energy projects, corporate PPAs improve bankability and facilitate investment in new generation capacity, thereby contributing directly to energy security and the acceleration of the energy transition. For corporate offtakers, PPAs offer a mechanism to hedge electricity price volatility, reduce exposure to fossil fuel markets and make credible progress towards climate targets.

Although corporate PPA volumes softened in early 2025 amid macroeconomic and interest-rate headwinds, the long-term trajectory of corporate renewable procurement remains intact. Recent moderation mainly reflects a reassessment of procurement models and commercial terms rather than reduced strategic interest, contract structures and risk-sharing mechanisms. Large technology companies, transport operators and infrastructure providers continue to account for a significant share of demand, driven by high electricity consumption, clear decarbonization commitments and the need for long-term cost visibility. At the same time, an increasingly diverse group of corporates, including industrials, service providers and public-sector-linked entities, is entering the PPA market, contributing to greater depth, maturity and resilience of the overall ecosystem.

> It is about sovereignty, resilience, and the ability to maintain industrial activity on European soil.





A Resilient and Scalable Route to Market

The evolving corporate PPA landscape is also driving greater sophistication in contract design. In response to price volatility and regulatory complexity, market participants are increasingly adopting hybrid structures, volume-shaping mechanisms and enhanced credit and risk-management provisions. These developments improve resilience for both generators and offtakers, ensuring that corporate PPAs remain a credible and scalable route to market for renewable energy assets even under changing market conditions.

For Luxcara, corporate PPAs remain an important component of the route-to-market strategy across its renewable portfolio. By supporting long-term offtake arrangements with creditworthy counterparties, Luxcara contributes to the deployment of new renewable capacity while reinforcing energy security and supporting corporate decarbonization efforts. In this way, PPAs are not only a commercial tool, but a key lever for delivering stable, sustainable and transparent outcomes across the energy value chain.

Offshore Wind Auctions: Germany and the North Sea

Germany's accelerated offshore wind ambition, culminating in a raised 2030 target of 30 GW under the amended offshore wind law WindSeeG, has catalysed large-scale investment and project realisation by market leaders, including Luxcara, yet practical implementation reveals regulatory and executional gaps at gigawatt-scale project sizes.

Against a backdrop of supply chain congestion, tight labour markets, higher interest rates, and softening power price expectations, the risk profile for timely and successful delivery has materially increased, underscoring the need to reduce regulatory risk for both future and already-awarded sites in the upcoming revisions of the WindSeeG, Energy Industry Act EnWG, and Site development plan (Flächenentwicklungsplan, FEP).

Targeted reforms can secure execution while preserving competition and cost efficiency. First, aligning realisation deadlines and sanctions to project realities would de-risk delivery: extending the operational-readiness proof from six to twelve months post grid-connection, instituting proportional penalties that reflect the duration and cause of delays, and distinguishing between developer-controlled risks and system-side factors such as grid connection or permitting timelines.

In sum, the energy transition continues apace, fueled by heavy investment and plunging costs. But momentum varies by region and technology. Investment in wind, solar, storage and green hydrogen is robust globally, yet Europe's market is testing limits on grid, policy and auction design. For investors and stakeholders, the imperative is clear: integrate markets, invest in grids/storage, and adapt policies (from PPAs to CfDs) so that planned capacity can actually be built and financed.

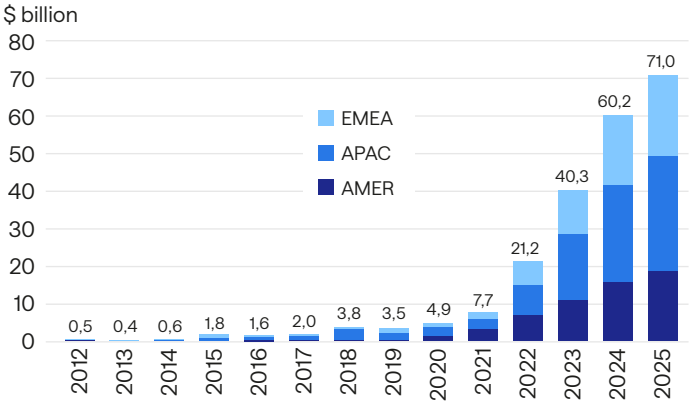
Storage, Grids and Hydrogen

As the renewable energy market continues to accelerate, investment in grid infrastructure and storage is becoming increasingly critical to system resilience. Transmission and distribution spending is reaching record levels, reflecting the need to integrate growing volumes of renewable generation and to address congestion and curtailment risks that have emerged in several European markets. In this context, energy storage plays a vital role in ensuring that renewable electricity supported through long-term PPAs can be delivered reliably and efficiently to end users.

Battery Energy Storage Systems are scaling rapidly alongside renewables as a flexible response to these system challenges. By storing surplus electricity during periods of high generation and releasing it when grid constraints or demand peaks occur, battery storage reduces curtailment, mitigates price volatility and enhances the overall value of renewable assets. Co-located storage solutions, installed alongside wind or solar projects, further strengthen this role by enabling on-site balancing and reducing reliance on constrained grid infrastructure.

Hydrogen remains strategically important for hard-to-abate sectors, despite uneven progress in the industry. Luxcara has been able to continue in the development of its two hydrogen projects due to strategic partnerships and leveraging the transferable experiences from the other asset classes in our portfolio.

Global energy storage investment, by region



Source: BloombergNEF. Note: Includes stationary energy storage projects only; excludes pumped hydro and hydrogen projects. Hydrogen projects are accounted for elsewhere in the report. EMEA stands for Europe, Middle East and Africa; APAC is Asia Pacific; AMER is Americas.

> Energy storage investment hit another all-time high of $71 billion

Reflecting strong market demand for flexible, grid-supporting assets, Luxcara expanded its battery storage portfolio in 2025 through the acquisition of two BESS projects. These investments align with the Company's strategy of supporting renewable growth with system-critical infrastructure, reinforcing energy security and enabling a more resilient and efficient power system.

Spotlight: GreenH Bodø
Building a Green Hydrogen Hub for Northern Norway

At the heart of Northern Norway's green transition, the GreenH Bodø project is the first step in creating a new industrial backbone for the Nordland region. Located in the Bodø Harbour, a logistics hub with over 12,000 port calls per year, the facility is strategically positioned to decarbonise, especially the shipping and maritime sector, and also has the potential to serve road transportation and local regional industries.

With an installed hydrogen production capacity of 8.5 tonnes per day, GreenH Bodø will replace fossil marine fuels with locally produced green hydrogen, delivering tangible climate benefits for both customers and society.

Project Bodø

Once fully operational, the project will contribute to replacing approximately 8,000 tonnes of marine gas oil (MGO) per year, resulting in a reduction of around 26,000 tonnes of CO_2 and 1,000 tonnes of NOx annually. These reductions will significantly improve local air quality and support Norway's national and regional climate targets.

Beyond its environmental impact, GreenH Bodø is deeply embedded in the regional economy. During construction, the project is creating more than 400 full-time equivalent jobs, followed by 10–12 permanent positions during operations, with a strong focus on recruiting locally. Through close collaboration with UiT - The Arctic University of Norway and county authorities, the project supports knowledge transfer, innovation, and workforce development. Guest lectures, supervision of master's students, and research collaboration ensure that expertise in green hydrogen and energy systems remains anchored in the region.

The project also aims to embrace the principles of the circular economy and industrial symbiosis. By-products such as oxygen and waste heat are planned to be monetised in a later phase for commercial use. Letters of Intent are in place for oxygen deliveries to the aquaculture sector, and discussions with the local district heating network operator are ongoing. GreenH Bodø is designed for growth. Its strategic location and potential to increase the hydrogen production capacity as demand across maritime, mobility, and industrial customers increases. By combining emissions reduction, regional value creation, and innovation, GreenH Bodø exemplifies how environmental and social impact can reinforce each other, turning climate ambition into concrete economic and community benefits.

Holger Matthiesen, Director Offshore Wind and Green Hydrogen with Odd Emil Ingebrigtsen, Mayor of Bodø

Construction work at project Bodø

Regulatory Engagement in Practice
Impact Investing formally recognized

The Sustainable Finance Disclosure Regulation (SFDR) was introduced by the European Union as part of its Sustainable Finance Action Plan with the objective of enhancing transparency on sustainability risks, impacts and characteristics in financial markets. Its overarching aim is to enable investors to make informed investment decisions, improve the comparability of financial products and reduce the risk of greenwashing.

The SFDR was adopted in 2019 and is applicable since March 2021, establishing sustainability-related disclosure requirements at both the entity and product level for financial market participants and financial advisers.

Implementation Challenges

Since its implementation, the practical application of SFDR has revealed structural limitations. These include legal uncertainty around key concepts, divergent market interpretations of Article 8 and Article 9 products, a high degree of operational complexity and limited comparability for investors. In addition, the SFDR has increasingly been used as a de facto product labelling regime, despite not having been designed for this purpose.

SFDR 2.0 – Regulatory Evolution

Against this backdrop, the European Commission initiated a comprehensive review of the regulation, commonly referred to as SFDR 2.0. The objective of this revision is to simplify and clarify the framework, improve the quality and usability of sustainability disclosures, strengthen investor protection and reduce the risk of greenwashing, while ensuring better alignment with other elements of the EU sustainable finance framework, in particular the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy Regulation.

Key elements of the proposed SFDR 2.0 framework

The Commission's proposal includes several fundamental changes which can be summarized as follows:

Replacement of the Article 6/8/9 classification

The existing product classification system is expected to be replaced by a limited number of clearly defined product categories, each linked to minimum sustainability criteria. This approach is intended to improve comparability and reduce inconsistent market practices.

Simplification of disclosure requirements

Product-level disclosures are expected to become shorter, more standardized and focused on material sustainability information, reducing compliance complexity while improving decision-usefulness for investors.

Recalibration of Principal Adverse Impact disclosures

The role of PAIs is expected to be streamlined and more closely aligned with corporate sustainability reporting under the CSRD, reducing duplication and improving data consistency.

Clear minimum requirements at the product level

Each product category would be subject to qualitative criteria and minimum asset allocation thresholds, reinforcing the credibility of sustainability claims and limiting discretionary interpretation.

Stricter rules on naming and marketing

The use of ESG- or sustainability-related terms in product names and marketing materials is expected to be more tightly regulated and explicitly linked to compliance with the new product categories.

Introduction of Impact Investing

Impact Investing is recognized for the first time as a separate investment strategy and integrated as an add-on in the transition and sustainability categories. According to this, 'impact' in the name of a financial product is only permitted if the provider of the financial product has a measurable social or environmental impact target and complies with specific reporting requirements in this regard.

Not a Standalone Category — an Add-On to Existing Product Types

Impact investing under SFDR 2.0 is not a separate product category like "Transition" (new Article 7), "Sustainable" (new Article 9) or "ESG Basics" (new Article 8). Instead, it is an "impact add-on" or "sustainability-related financial product with impact" that can be applied to products classified as Transition or Sustainable products. Only those products can legitimately describe themselves as having an impact orientation.

Core Criteria for Being Recognized as Impact Investing

1. **Intentionality of Impact:** The product must have a clear objective to generate a pre-defined, positive and measurable social or environmental impact.

2. **Theory of Change:** There must be an explicit theory of change or impact logic that explains how the investment strategy will achieve the intended outcomes.

3. **Measurable Impact and KPIs:** The product is required to disclose measurable indicators (impact KPIs) to demonstrate progress toward the stated impact goals.

4. **Management and Reporting:** Regulatory disclosures must include impact measurement, management and reporting, covering both product-level outcomes and the contribution of investors to achieving those outcomes.

Luxcara actively engages with peers and industry associations, including the Bundesverband Alternative Investments e.V. (BAI), through expert working groups to develop a shared understanding and practical solutions to common market challenges.

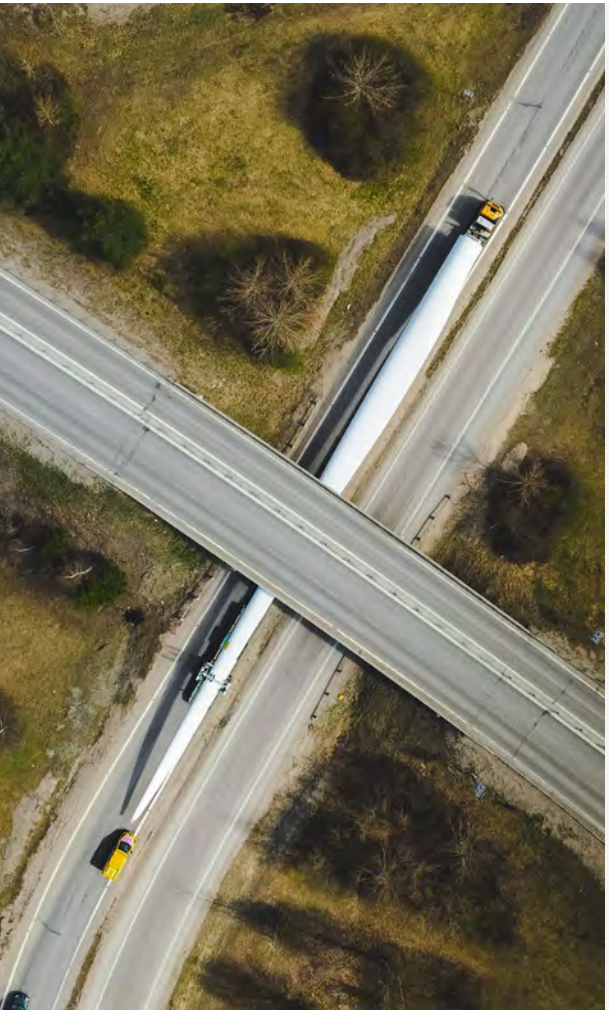
One key challenge is the mobilization of private capital to accelerate the energy transition in an environment characterized by complex regulations and non-harmonized concepts for impact investing.

In our previous Sustainability Report, we contributed to position papers aiming to achieve this goal. We are proud that we are part of establishing conceptual clarity and providing practical guidance for investors – helping to unlock the full potential of impact investing for the benefit of both the environment and society.

Timeline and implementation

The SFDR 2.0 proposal develops from a disclosure-focused regime to a clearer product categorization system, with clear naming and marketing rules for categorized and non-categorized products. Since this is currently still a proposal of the commission, it could change significantly during the legislative process.

Measuring the Positive Impact
Lifetime Avoided Emissions



The energy sector is a major contributor to global greenhouse gas (GHG) emissions, currently accounting for approximately three-quarters of total emissions worldwide.

Consequently, it plays a central role in the global effort to mitigate climate change. Achieving net zero GHG emissions in line with the objectives of the Paris Agreement necessitates a fundamental transformation of energy systems encompassing how energy is produced, transported, and consumed. A core element of this transformation is the large-scale deployment of low-carbon energy technologies. In this context, a robust understanding of the emissions reduction potential of various technologies is essential for guiding effective climate action and investment decisions.

Principal Approach

One concept for quantifying the positive impacts of clean energy-producing investments is that of avoided emissions. These represent the emissions that do not occur due to the substitution of high-emission technologies with more climate-friendly alternatives, such as the replacement of fossil fuel-based electricity generation with renewable energy.

The underlying logic for determining avoided emissions builds on the approach of the Greenhouse Gas Protocol, according to which electricity from a renewable energy asset displaces electricity from the grid. At any given moment, the electricity grid comprises a specific mix of generation sources, including nuclear, coal, gas, oil, biomass and waste, hydro, wind, and photovoltaics (PV). The composition of these generation technologies determines the emission intensity of grid electricity. The higher the amount of fossil fuel-based generation technologies, the higher the grid emissions and vice versa.

Future Energy-Grid Mix

Projected avoided emissions are forward-looking estimates derived from forecasts of clean energy generation and assumed grid emissions intensities, based on climate scenarios. Regional grid developments are modelled using scenario-based assumptions, reflecting the inherent uncertainty in long-term energy system trajectories. Over an asset's operating lifetime, these projections are progressively replaced by measured, actual avoided emissions as operational data becomes available.

Accumulating the positive impact over the lifetime

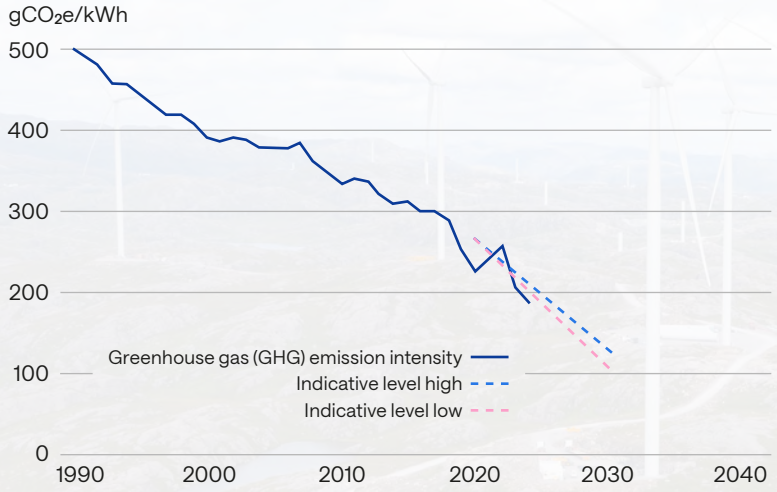
Lifetime Avoided Emissions (LAE) represent an extension of this concept by accounting for the cumulative emission avoidance achieved over the entire operational lifespan of a renewable energy asset. This includes both the emissions avoided to date and projections of future avoided emissions, while considering the full life cycle (LC) of the asset, incorporating construction, transport, installation, operation, and decommissioning. LAE are expressed in terms of carbon dioxide equivalents (CO_2e), incorporating all relevant GHGs.

Due to the fact that the energy transition is progressing, the grid becomes greener over time. This means the amount of displaced CO_2e emissions reduces over time.

Obviously, the projection of the future grid depends on a variety of external factors that cannot be predicted with confidence. As a result, climate models are used to illustrate different assumptions and use cases, leading to a range of possible scenarios and transition pathways.

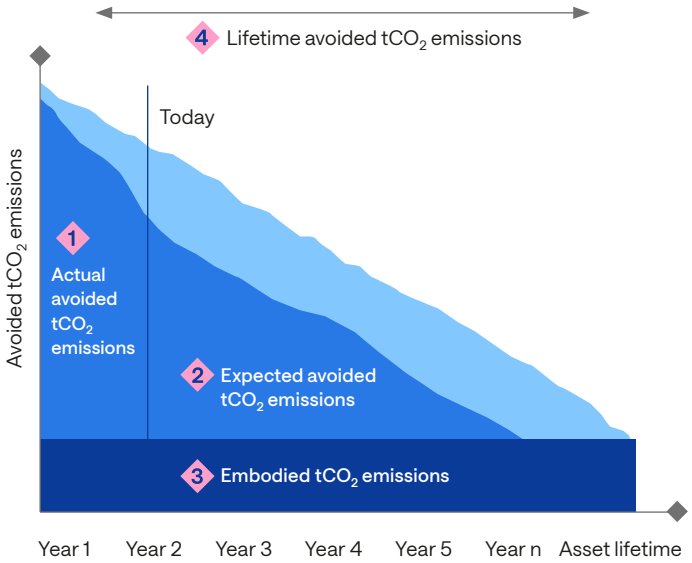
At Luxcara, we're applying two different scenarios from the Network for Greening the Financial System (NGFS) to account for this uncertainty. The NGFS, a well-established and highly reputable coalition of central banks and financial supervisors, developed its climate scenarios as a common baseline for forward-looking pathways to assess climate-related risks and opportunities for the financial sector. They combine assumptions on climate policies, technological developments and economic transitions to model different outcomes for emissions, global warming and macroeconomic impacts.

Greenhouse gas emission intensity of electricity generation, EU level



Source: https://www.eea.europa.eu/en/analysis/indicators/greenhouse-gas-emission-intensity-of-1

Illustration of Lifetime Avoided Emissions



Lifetime avoided CO_2 emissions represent an important indicator for measuring the asset impact.

- Green electricity displaces brown electricity from the grid.
- 1 Actual avoided emissions represent past observed impacts.
- 2 Expected avoided emissions represent forecasted impacts.
- Use of two different grid scenarios:
  - NGFS current policies scenario
  - NGFS below 2° scenario
- 3 Embodied CO_2 emissions are subtracted.
- 4 Lifetime avoided emissions represent the aggregated positive net impact of an asset.

Current Policies Scenario

The Current Policies Scenario reflects a trajectory in which only climate and energy policies that have already been implemented are taken into account, without assuming additional future policy tightening. As a result, emissions decline only slowly or continue to rise in some regions, leading to a global warming outcome well above the goals of the Paris Agreement.

Below 2°C Scenario

The Below 2°C Scenario assumes the timely and effective implementation of ambitious climate policies sufficient to limit global warming to well below 2°C compared to pre-industrial levels. It requires rapid decarbonisation of the energy system, accelerated deployment of low-carbon technologies, and substantial reductions in greenhouse gas emissions across all sectors.

Why does it matter?

Calculating avoided emissions represents an important instrument in impact investing, as it translates the contribution of clean energy assets into measurable, climate-relevant outcomes and impacts. It enables investors to assess how capital deployment supports decarbonization pathways and climate targets in a comparable and decision-useful manner.

However, the future is uncertrain. That's the reason why we apply different scenarios, conservative assumptions for the embodied emissions, realistic commercial operationing dates and asset lifetimes according to the technology suppliers specification. As a company, we apply a transparent, comprehensive, practicable and consistent methodology to quantify avoided emissions, ensuring that our investors receive robust, credible and decision-relevant information on the real-world impact of their investments.

ESG Integration

Creating Value for our Investors
Asset-Centric focus

Institutional capital is essential to scale energy transition. Luxcara enables institutional investors to deploy this capital efficiently by reducing complexity and providing tailored investment solutions. Our value chain is intentionally streamlined, reflecting more than 15 years of experience across the full lifecycle of clean energy infrastructure assets.

Value creation begins at an early stage with rigorous feasibility assessments and the careful selection of project sites. During development and construction, we appoint experienced engineering, procurement, and construction partners and actively oversee project execution through our internal teams. Stable and predictable cash flows are supported through the structuring and negotiation of long-term power purchase agreements (PPAs), thereby reducing exposure to merchant market risks. In parallel, Luxcara draws on over a decade of experience in structuring asset-level debt to optimize project financing.

Once operational, assets are managed by established EPC and O&M contractors under close supervision. Our long-term investment perspective extends through to the end of a project's lifecycle, enabling active stewardship and continuous value enhancement. ESG considerations are integrated throughout all stages of the value chain and form a fundamental component of our approach to sustainable value creation for investors.

Deal Sourcing	Financial Structuring	Construction	Operation	Decomissioning
Creating value by carefully assessing feasibility and selecting suitable projects through our network of developers.	**Structuring** of debt and PPAs for steady cash flows and competitive returns.	**Construction of** Wind (on- and off-shore) and solar parks, hydrogen, EV charging stations, and battery storage.	**Operation of projects** (management, maintenance and optimization) are performed by experienced EPC contractors and monitored by our internal project team.	**Lifetime extention** enables resource efficient use of techologies and market exits are considered as a business case.

ESG Integration
Our Commitment in Practice

Since its inception, Luxcara has embedded ESG principles at the heart of its business. In the clean energy infrastructure sector, sustainability is inherent: stringent environmental regulations and the imperative to avoid harm to society and the environment are core to our license to operate. Beyond this, clean energy infrastructure catalyzes tangible positive impact.

Our focus is on delivering long-term, sustainable returns to institutional investors while creating value for a low-carbon society. Our strategy is designed to generate meaningful social and environmental outcomes alongside financial performance. It is risk-conscious, fully integrates ESG considerations, and promotes alignment among all stakeholders. This approach is guided by leading sustainability initiatives, including the Principles for Responsible Investment (PRI) and the fundamental principles of impact investing.

Investment Strategy and Value Creation

Luxcara's sustainability commitment rests on four pillars: asset-centric deal sourcing, a Buy-Build-Operate investment strategy, the private sale of green power, and active management. Our asset-centric approach targets high-quality renewable energy projects across Europe. The Buy-Build-Operate model seeks measurable positive outcomes by generating clean energy, reducing CO_2 emissions, and minimizing adverse impacts on the environment and society.

Leveraging over 15 years of experience in green power, we provide specialized expertise across technology, construction, operations, power markets, and financing. Guided by our fiduciary duty and active management philosophy, investments are overseen to mitigate ESG risks from an outside-in perspective using our proprietary ESG risk management methodology.

Governance and Lifecycle Oversight

This commitment is embedded throughout due diligence and monitoring over each project's lifecycle. Majority ownership ensures that our robust governance framework is applied consistently and that counterparties adhere to Luxcara's sustainability standards.

Asset-centric

We focus on real assets and infrastructure - not corporates

Buy-Build-Operate

Adding fundamental value in the structuring, procurement and construction processes to ensure top-tier asset quality for long-term success

Green Power

Leveraging our expertise in green power trading; focus on investments whose returns are driven by green power prices

Active Management

Enhancing value through proactive oversight of operations and optimization of asset performance over their lifecycle

Spotlight: Önusberget Wind Park Inspiring the Next Generation Through Education

At our Önusberget (Aura) wind parks, sustainability goes beyond energy production; it includes engaging with communities, schools, and future generations. In 2025, we welcomed hundreds of students and teachers to our sites, turning wind farms into living classrooms.

In April 2025, 15 teachers and 55 eighth-grade students visited the Aura wind park. A further 50 students and teachers attended a study visit to the Önusberget wind park in September. All visits followed strict HSE procedures, including safety briefings, helmets, and high-visibility vests, reflecting our commitment to safe and responsible operations.

Student field trip at Önusberget Wind Park

During the visits, participants experienced the wind park up close, walking beneath turbines, observing maintenance operations such as drone inspections and winching, and learning how electricity is generated, monitored, and delivered to the grid. Technicians and site coordinators demonstrated harnesses, elevators, and safety systems, providing practical insight into wind turbine operations and maintenance.

Feedback from both teachers and students was overwhelmingly positive. Teachers praised the clarity and professionalism of the guides, while students highlighted the excitement of being so close to the turbines and seeing real-life technology in action. The visits even inspired new school lessons, including “Mathematics and Wind Power Mechanics,” linking geometry, physics, and energy systems to what students experienced on site.

These initiatives strengthen trust, transparency, and local acceptance of renewable energy. By opening our wind parks to schools, we help demystify the technology, inspire interest in engineering and sustainability careers, and ensure that the communities hosting our assets are part of the energy transition. Furthermore, Luxcara continues to support and sponsor the annual Pitea summer game as a social and stakeholder engagement approach to the project host community.

Sustainability Risk Management Monitoring along the Life-Cycle

Luxcara integrates ESG factors throughout its investment process via a robust, data-driven framework. Our ESG due diligence is guided by a sector-specific materiality assessment, evaluating environmental, social, and governance factors across the geographies and regulatory contexts relevant to each project. We draw on globally recognized frameworks to shape our materiality analysis, while the EU Taxonomy and SFDR establish the regulatory basis for sustainability disclosure.

This process spans the full investment lifecycle from initial pre-acquisition assessments and project construction to ongoing operational monitoring, ensuring consistent measurement of Luxcara's predefined ESG indicators across all three pillars. Where required, we supplement our internal assessments with third-party expertise to strengthen evaluation and risk management.

Pre-acquisition

- Background checks on key business partners and suppliers
- Contract management and alignment with ESG standards
- ESG risk and opportunities assessment
- Impact assessment

Construction

- Fair working condition assessments
- Health and safety measures
- Site visits
- Stakeholder engagement measures

Operations

- Continued stakeholder engagement measures
- Evaluation of operational improvement measures
- Assessment of ESG opportunities
- Data gathering and implementation into operations

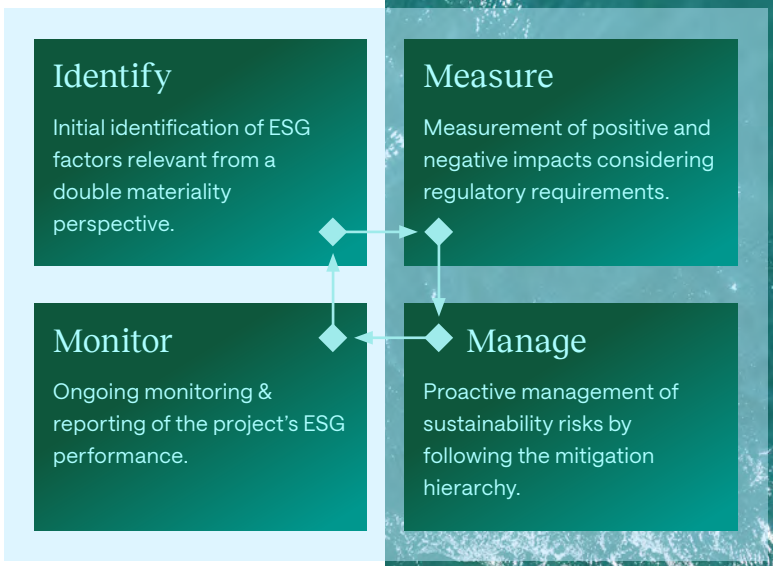
Acting in the best interests of our investors is our fiduciary duty

As a fiduciary, our primary obligation is to act in the best interests of our investors. Delivering sustainable, long-term returns to institutional clients requires careful consideration of how external ESG factors may affect the value of each investment. Luxcara's Sustainability Risks Policy establishes a clear framework to ensure alignment with both regulatory requirements and our internal sustainability standards. It defines the processes for identifying, assessing, managing, and monitoring sustainability risks. Across all three dimensions environmental, social, and governance, Luxcara has conducted a thorough evaluation and prioritization of potential ESG risks that could materially influence investor outcomes.

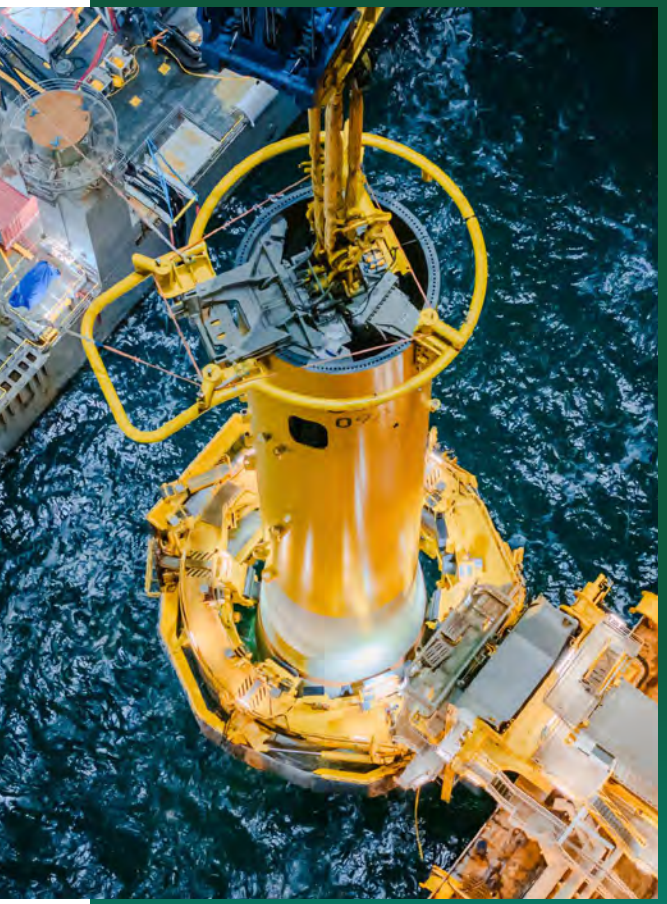
Analytical and asset-centric

Luxcara employs a data-driven approach to evaluate ESG risk exposure across its portfolio, integrating these insights into broader investment decision-making. To support this, we have developed a structured ESG data collection and risk assessment framework, providing our project managers with reliable and comparable ESG metrics for each investment. Risk indicators are selected based on asset class, sector-specific activities, material ESG risks, and the scale of the investment.

The identification of material ESG factors follow established industry standards and incorporates the Principal Adverse Impact (PAI) indicators under SFDR. Our ESG framework combines qualitative and quantitative measures to create a consistent and comprehensive dataset, which forms the foundation of our risk assessments. This dataset informs mitigation strategies and supports continuous monitoring of portfolio holdings. By leveraging this methodology, we ensure that all investments remain within defined sustainability risk thresholds and that corrective actions are implemented promptly when required.



Spotlight: Low-Noise Foundation Installation Thought Leadership in Practice



Ørsted's innovative Osonic technology

Reducing environmental impacts while maintaining construction certainty is a core element of Luxcara's sustainability strategy for offshore wind. In 2025, Luxcara advanced the deployment of low-noise foundation installation technology across its German offshore wind portfolio by preparing the application of Ørsted's Osonic monopile installation method, a jetting-based alternative to conventional impact pile-driving.

Minimising underwater noise and protecting marine biodiversity

Conventional impact pile-driving generates underwater noise that may disturb marine mammals and fish, affecting communication, foraging, and migration.

Osonic significantly mitigates this impact by using a high-pressure jetting system at the monopile toe, reducing soil resistance and allowing the pile to penetrate under its own weight. This results in underwater noise levels up to 99% lower than traditional impact piling and results in noise only marginally above the ambient noise levels.

The technology has been successfully demonstrated offshore at Ørsted's Gode Wind 3 project in Germany, where XXXL monopiles were installed under similar North Sea ground conditions. Operational monitoring has confirmed that foundation behaviour, including natural frequencies and inclination, remains within expected performance ranges. In recognition of its contribution to biodiversity protection alongside renewable energy expansion, Osonic received the German Sustainability Award in 2025.

Translating innovation into a project-ready application

Building on Luxcara's multi-year research, development and funding of low-noise foundation alternatives, as well as its established collaboration on low-noise offshore installation solutions, Luxcara entered into a preferred supplier agreement with Ørsted in 2025. Through its direct participation in research projects and its financial and technical support for the development of alternative foundation and installation concepts, Luxcara has actively contributed to the maturation of low-noise offshore installation technologies.

This long-term R&D engagement provided the technical, environmental and operational foundation for Luxcara's 2025 preferred supplier agreement with Ørsted, under which Ørsted licenses the Osonic technology and supports its deployment through an engineering, procurement and construction management (EPCM) framework. This enables Luxcara to translate R&D outcomes into permitting-ready and executable solutions and to apply the technology at scale for the first time.

The decision was underpinned by Osonic's proven performance under comparable conditions in the German North Sea, using foundation sizes similar to those planned across Luxcara's portfolio, as well as its ability to align environmental stewardship with delivery certainty and cost efficiency.

Site-specific feasibility and risk governance

In 2025, Luxcara commissioned independent expert reviews of Ørsted's geotechnical feasibility assessments for deploying Osonic at the Waterkant (N-6.7) and Waterekke (N-9.3) offshore wind sites. These assessments benchmarked site-specific cone penetration test (CPT) data against conditions observed at Gode Wind 3, focusing on soil resistance, clay layer characteristics, and gravel occurrence. The reviews confirmed that the soil conditions of the turbine locations at both sites are well-suited for the Osonic technology, subject to targeted risk controls.

Path to sustainable implementation

Luxcara is progressing Osonic through a risk-managed implementation pathway that integrates technical design, environmental protection, and regulatory compliance. The approach includes application of the observational method, with early-life monitoring of foundation stiffness, natural frequency, and tilt to verify in-situ performance. These measures mirror proven monitoring regimes and ensure long-term asset integrity while realising substantial environmental benefits during construction.

Through applying Osonic at scale for the first time, Luxcara is establishing a credible route to low-noise monopile installation and sets a new benchmark for the offshore wind industry. This initiative exemplifies Luxcara's commitment to scaling renewable energy while materially reducing environmental impact, demonstrating that biodiversity protection and infrastructure delivery can progress hand in hand.

"By reaching an agreement with Luxcara, we're taking Osonic from concept to commercial offering, which demonstrates Ørsted's strong track record of innovation as well as Osonic's potential. We're seeing increased interest from offshore wind developers across European key markets, and with this first landmark agreement, we're laying the groundwork for broader adoption."

Patrick Harnett, Executive Vice President and Chief Construction Officer at Ørsted

Supply Chain Transparency Counterparty Evaluation

Sustainability across the supply chain is a core pillar of Luxcara's ESG strategy. Procurement choices materially influence environmental performance, human rights outcomes and governance across the value chain; embedding robust ESG requirements into our supplier and procurement processes is therefore essential to delivering resilient, investable renewable projects.

Building on our processes from 2024 to 2025, 100% of new suppliers and counterparties were subject to Luxcara's comprehensive supply chain screening framework. That screening served both to mitigate compliance and reputational risk and to drive continuous improvements across labor standards, environmental management and business integrity within our supplier base.

Initial Counterparty Screening

Every counterparty, such as prospective suppliers, EPC contractors and O&M providers undergoe Luxcara's structured three-stage screening framework:

1.

Exclusion List and Ethical Sourcing

Luxcara maintains an explicit exclusion list, updated quarterly, designed to align commercial activity with stakeholder expectations and international norms. This list filters out engagements with activities or sectors inconsistent with our sustainability mandate, such as certain fossil-fuel operations, tobacco, Arctic drilling, and entities materially involved in the manufacture or trade of conventional or unconventional weapons. The exclusion framework operates alongside our broader procurement principles to ensure that projects remain fully consistent with Luxcara's fiduciary and sustainability commitments.

2.

Know-Your-Counterparty (KYC) and Adverse-Media Screening

Luxcara applies a comprehensive integrity and financial-crime screening framework to all counterparties before engagement. KYC checks are conducted in line with applicable German and EU anti-money laundering and counter-terrorist financing requirements. These checks include verification of legal identity, ownership and control structures, beneficial ownership, corporate registration, and the presence of any material litigation or regulatory enforcement history. In parallel, Luxcara performs multi-language adverse-media screening, covering English and relevant local languages, to identify potential risks related to corruption, human rights, environmental violations, financial misconduct or other integrity concerns. Any adverse findings trigger enhanced due diligence, including deeper document reviews and escalation to senior management for approval.

3.

Sanctions, Watchlists and PEP Analysis

All counterparties and their beneficial owners are systematically screened against international sanctions regimes, watchlists, enforcement databases, and Politically Exposed Persons (PEP) registers. This ensures Luxcara does not engage with parties that could expose the company or its investors to legal, financial, or reputational risk.

All KYC, sanctions, and integrity checks are supported by specialised external service providers and recorded in Luxcara's compliance systems, ensuring that screening results are consistent, auditable, and traceable across the lifecycle of each commercial relationship.

Minimum Safeguards Check and ESG Due Diligence

Following initial screening, Luxcara conducts partner-specific ESG due diligence aligned with the Minimum Safeguards under the EU Taxonomy. All counterparties are required to sign Luxcara's Code of Conduct, reflecting the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the fundamental rights of the ILO Declaration. Counterparties must demonstrate material compliance with these standards, with enhanced documentation requested where the risk profile warrants deeper review. Oversight of ESG due diligence sits with Luxcara's dedicated ESG team, and findings are integrated into project approval processes, ensuring that supplier and contractor selection contributes directly to operational integrity, regulatory alignment, and long-term value preservation.

Traceability, Product Transparency, and Certifications

For major equipment categories including photovoltaic modules, wind turbines, batteries, and electrolysers, Luxcara requests Life-Cycle Assessments (LCA), Product Carbon Footprints (PCF), and/or Environmental Product Declarations (EPD) to assess carbon intensity, circularity, and broader environmental performance.

To ensure full supply-chain transparency, Luxcara may also request Bills-of-Materials (BOMs), supplier whitelists, raw-material origin statements, or detailed supply-chain maps, supporting both conflict-materials screening and verification of responsible sourcing. Suppliers are additionally required to disclose internationally recognised management system certifications (e.g., ISO 14001, ISO 45001, ISO 50001) and demonstrate alignment with ISO 20400 on sustainable procurement, assuring that ESG principles are embedded across operational and governance processes.

Supplier Risk Management and Corrective Action Plans

Luxcara's ESG risk framework categorizes suppliers by commodity, sector, and geography to prioritize risks such as labor rights, health & safety, environmental management, and business ethics. Where due diligence or audit identifies gaps or risks, Luxcara deploys Corrective Action Plans (CAPs). CAPs combine capacity-building support, time-bound remediation steps, and follow-up audits to ensure sustained improvement.

Where remediation is insufficient, Luxcara enforces contractual remedies including audit rights, escalation obligations, and, where necessary, contract termination to protect project integrity and investor value. Indemnification and warranty provisions are applied where appropriate, aligning contractual accountability with ESG commitments. All supplier performance is monitored over time, with CAP progress reported to senior management and integrated into periodic reviews of investment and project portfolios, ensuring continuous improvement and alignment with Luxcara's ESG objectives.

Progress and Future Goals

In 2025, Luxcara achieved full coverage of its supply chain sustainability framework, with 100% of new suppliers and counterparties undergoing the described screening before engagement. This included exclusion list checks, KYC and sanctions screening, Minimum Safeguards assessments under the EU Taxonomy, and product-level documentation reviews for key equipment categories.

> By integrating these requirements into procurement and counterparty selection, Luxcara strengthened the resilience, transparency and regulatory alignment of its renewable energy portfolio, while reducing exposure to human rights, environmental and governance risks within the value chain.

Looking ahead in 2026, Luxcara is expanding its focus from onboarding controls to life-cycle supply-chain oversight. This includes increasing traceability for critical equipment and materials, strengthening documentation requirements for existing suppliers, and applying its risk-based due-diligence framework more systematically across long-term EPC, O&M as well as multi-contracting relationships. By continuously enhancing supplier transparency, corrective-action follow-up and contractual enforcement, Luxcara aims to further improve its ability to identify, prevent and mitigate adverse impacts in the value chain. This approach supports not only regulatory compliance, but also long-term asset value, operational reliability and investor confidence in the sustainability of Luxcara's renewable energy investments.

Our Portfolio

Cybersecurity & Operational Resilience
Strengthening Cyber Controls & Operational Safeguards

As renewable energy systems become more digital, distributed and interconnected, cybersecurity and operational resilience have emerged as central pillars of sustainable asset management. For Luxcara, digital security is not an isolated technical concern but a key contributor to the ESG objectives of energy security, infrastructure resilience and responsible governance.

Modern clean energy infrastructure, whether solar PV parks, onshore and offshore wind farms, battery energy storage systems, grid-connected substations or hydrogen production facilities, relies on digital networks, control systems and data flows that must operate safely and reliably. A single cyber incident in these environments can disrupt energy production, destabilise grid operations, impact community well-being, and undermine confidence in the broader energy transition. Protecting these assets is therefore fundamental not only to maintaining operational continuity, but also to ensuring that renewable energy continues to deliver long-term environmental and social benefits.

Digitalisation Across Renewable Asset Classes

Across all of Luxcara's renewable energy classes, the shift towards automation and remote operation has heightened the importance of cybersecurity. Solar PV parks increasingly depend on smart inverters, weather-responsive tracking systems and digital performance monitoring. Onshore and offshore wind farms use SCADA systems, turbine controllers, real-time pitch and yaw sensors, and remote maintenance interfaces that must remain secure to prevent unauthorised manipulation. Battery energy storage systems are highly digital assets reliant on software-driven energy management systems that balance, dispatch and protect stored energy in real time. Hydrogen production facilities, particularly those involving electrolysers, rely on tightly integrated control systems to manage pressure, purity, temperature and electrical input, making their cybersecurity essential for both operational safety and regulatory compliance.

Standards, Governance and Risk Management

Luxcara therefore aligns its cybersecurity approach with widely recognised industry frameworks, including ISO/IEC 27001 for information security management and ISO/IEC 27019, which adapts these principles specifically to the energy sector's operational technology (OT) environments. These standards support secure operations across all asset classes by establishing defined governance processes, clear accountability structures and systematic risk assessments. They also guide the implementation of practical measures such as controlled access to operational systems, secure network architecture, appropriate segregation between IT and OT networks, and strong authentication procedures for remote access. While these measures vary in complexity depending on the asset type, for example, offshore wind requiring high-assurance communication links between marine substations and land-based control centres, they consistently reinforce the reliability and safety of renewable generation. Cybersecurity and information security are treated as core investment and fiduciary risks at Luxcara, with responsibility for their oversight sitting at senior management level and embedded into investment decision-making, asset oversight and long-term value protection.

Operational Resilience and Regulatory Frameworks

Operational resilience is equally critical. Renewable assets must remain functional during unexpected disruptions, whether caused by cyberattacks, supply-chain failures, equipment faults or environmental events. Luxcara therefore relies on trusted and vetted technology and service partners to ensure that security controls and resilience measures can be implemented and maintained effectively across the asset lifecycle. European regulatory frameworks have significantly raised expectations in this regard. The EU's NIS2 Directive and the upcoming Critical Entities Resilience (CER) Directive require energy companies to implement business continuity planning, disaster recovery capabilities, systematic risk reviews and scenario-based emergency exercises. Germany's evolving NIS2/KRITIS legislation further formalises these expectations by mandating rapid incident reporting to the Federal Office for Information Security (BSI) and by expanding the scope of what is considered critical energy infrastructure. In line with NIS2 requirements, Luxcara also ensures that reportable incidents are notified to the relevant competent authorities in all jurisdictions in which it operates. These regulations are directly relevant to Luxcara's portfolio, particularly for large solar and wind projects connected to the transmission grid, offshore wind assets located in marine protected zones, BESS sites with high energy density and hydrogen facilities.

Lifecycle Resilience Planning

Within this regulatory landscape, Luxcara embeds operational resilience planning into each site's lifecycle. Solar PV and wind assets maintain documented response procedures to ensure continuity of power generation during unexpected events. Offshore wind operations include vessel-based contingency plans, redundancy in communication systems and backup control capabilities. Battery storage assets maintain fail-safe operational modes and isolation procedures that prevent cascading failures. Hydrogen plants integrate emergency venting, backup power, and control-system redundancies to reduce operational risks. Across all assets, Luxcara promotes unified incident-response protocols that ensure early detection, rapid escalation, transparent communication and thorough post-event analysis. This approach not only supports regulatory compliance but also reinforces investor confidence by demonstrating responsible asset stewardship. By proactively managing cyber and operational resilience risks, Luxcara seeks to protect asset availability, stabilise cash flows and reduce the risk of value erosion resulting from operational disruption or regulatory intervention.

Cybersecurity as an ESG Enabler

Ultimately, cybersecurity and resilience are enablers of the broader sustainability mission. Reliable, secure and resilient renewable energy infrastructure is essential for decarbonisation, grid stability and long-term community trust. By integrating international standards, regulatory requirements and best-practice governance into every asset class, Luxcara ensures that its solar, wind, BESS and hydrogen assets contribute to a secure, sustainable and future-proof energy system. In doing so, cybersecurity becomes more than a protective measure; it becomes a foundational ESG element that supports clean energy availability, protects communities and ecosystems, and strengthens the integrity of Europe's sustainable energy transition.

Strengthening Energy Security and Grid Resilience
The Role of Battery Energy Storage Systems

Battery Energy Storage Systems (BESS) are integral to the energy transition as grids shift toward higher shares of intermittent renewable generation. For Luxcara, BESS represent a core infrastructure asset class supporting key ESG objectives, particularly energy security, grid stability, and efficient renewable integration.

Beyond ancillary services, BESS stores excess electricity during high renewable output and returns it to the grid at peak demand. These assets reduce curtailment, smooth price volatility, and strengthen the reliability of clean energy supply across interconnected systems.

System Value and Market Function

The value of BESS is reinforced by a commercial framework reflecting their flexibility and importance for grid operations. Unlike conventional power plants that aim to maximise output, BESS generate revenues across multiple markets, including capacity mechanisms, wholesale trading, and ancillary services. Services such as frequency regulation, reserve capacity, and congestion management are essential for grid stability, especially in systems with high shares of variable renewables. Battery systems are well-suited to provide these services due to rapid response times and operational precision, directly supporting reliable grid operation.

Visualization of Project Waltrop

Revenue Structuring and Governance

Multi-market optimization requires specialized expertise and, given the regulated nature of energy markets, is often outsourced. As most European markets lack long-term secured revenue mechanisms, BESS projects are structured with long-term offtake arrangements that provide predictable cash flows, similar to power purchase agreements in renewables.

> BESS sits at the intersection of the energy transition and critical infrastructure. It enables greater renewable penetration while strengthening grid stability and energy security.

Tolling or flexibility purchase agreements allow a third-party counterparty, typically a utility or experienced energy trader, to assume dispatch rights in exchange for a fixed payment. The offtaker optimizes the battery across electricity and ancillary service markets, while the asset owner benefits from enhanced revenue certainty. From an ESG perspective, these structures support strong governance, transparent risk allocation, and long-term financial resilience for critical energy infrastructure.

Aligning Investment with Energy Security

Tolling and offtake agreements balance financial stability with exposure to market-driven value while ensuring batteries remain available to support grid stability during system stress. As flexibility needs grow alongside electrification and renewable expansion, these frameworks help align private investment with public energy security and decarbonisation objectives.

Luxcara's battery investment strategy reflects this balanced approach, combining system relevance with disciplined revenue structuring and robust governance. By prioritising long-term, risk-managed offtake arrangements, Luxcara ensures its BESS assets contribute to grid stability and renewable integration while meeting investor and regulatory expectations. The following project spotlight highlights one installation and illustrates how these principles are applied in practice.

Spotlight: Project Waltrop
Grid stability through large-scale battery storage

With Project Waltrop, Luxcara is helping to redefine how Europe manages a renewable-based power system. The project delivers a 520 MW / 1,040 MWh battery energy storage system (BESS) in one of Germany's most industrialised and grid-constrained regions, North Rhine-Westphalia, near Dortmund, providing critical flexibility to support the energy transition.

To be built on a repurposed brownfield site originally intended for a coal-fired power plant, the project transforms legacy fossil infrastructure into a pillar of clean energy resilience. With direct access to the 380 kV transmission grid, Waltrop is ideally positioned to stabilise power flows, manage congestion, and enable higher penetration of wind and solar across Germany and Central Europe.

In recognition of its innovative structure and sustainability profile, Project Waltrop was awarded "Equity Deal of the Year – Highly Commended" at the Energy Storage Investment Awards by Tamarindo. The jury highlighted the project's hybrid revenue model, EU Taxonomy alignment, and brownfield redevelopment as setting a new benchmark for utility-scale battery investments.

Luxcara's investment covers the development, construction, and operation of the BESS, with construction scheduled to begin in 2026. The project is part of the wider Waltrop Battery Park, developed in partnership with BKW AG and Trianel GmbH, which targets up to 900 MW / 1.8 GWh, making it one of the most ambitious battery storage initiatives in Europe.

Beyond its technical role, Project Waltrop delivers strong ESG value: it supports energy security, enables renewable integration, and revitalizes underutilized industrial land. By providing fast-responding storage at scale, the project will help reduce curtailment of renewables, stabilise electricity prices, and strengthen Europe's clean-energy infrastructure.

Project Waltrop was awarded

"Equity Deal of the Year – Highly Commended"

at the Energy Storage Investment Awards by Tamarindo

Robinder Singh at the Tamarindo Energy Storage Investment Awards

Green Hydrogen
The Big Opportunity

”Green hydrogen requires more than technology. Long-term investment viability depends on aligning renewable generation, certification standards and contractual structures from day one. That alignment is what turns hydrogen from ambition into bankable infrastructure.“

Green hydrogen is increasingly discussed alongside battery storage as a key flexibility and energy-storage solution for a decarbonised energy system. Its ability to store renewable electricity over longer periods and support hard-to-abate sectors positions it as an important contributor to long-term energy security. At the same time, Europe's regulatory and certification framework for green hydrogen remains complex and evolving, creating practical challenges for project development, procurement and investment.

The Requirements

Under EU law, only hydrogen meeting the definition of a Renewable Fuel of Non-Biological Origin (RFNBO) qualifies as “renewable” and can contribute to climate and energy targets. The revised Renewable Energy Directive (RED II/III) sets strict criteria to safeguard the environmental integrity of green hydrogen. Electricity used for production must come from newly built renewable generation (“additionality”) and demonstrate close temporal and geographical correlation between power generation and hydrogen production. In practice, this requires projects to secure PPAs with new wind or solar assets and align hydrogen production with renewable output. In addition, lifecycle greenhouse-gas emissions must achieve at least a 70% reduction compared to fossil-based hydrogen, as defined in the EU Delegated Act.

The Process

Compliance depends on robust certification schemes. As the framework has developed, European Commission has recognised that voluntary systems have become essential for market access and eligibility for support mechanisms. Schemes such as CertifHy's EU RFNBO certification verify that hydrogen production meets the Renewable Energy Directive's sustainability and GHG criteria, while emerging Guarantees of Origin (GOOs) for hydrogen ensure transparency, traceability and avoidance of double counting across European markets. Only certificates issued under approved schemes are recognized under EU law, making proper certification a prerequisite for hydrogen to be marketed and counted as “green”.

For investors and asset managers, this evolving landscape presents both opportunity and complexity. While certification safeguards environmental credibility and public trust, it also increases project structuring, contracting and reporting requirements. Compliance requires alignment between renewable generation, hydrogen production facilities and certification processes, alongside ongoing monitoring as regulations evolve. By proactively engaging with standards and regulatory developments, Luxcara supports the responsible scale-up of green hydrogen as a credible component of a secure, resilient and decarbonised energy system.

Spotlight: Hamburg Green Hydrogen Hub (HGHH) Transformation in Action

In December 2025, the Hamburg Green Hydrogen Hub (HGHH) reached a defining milestone when Hamburg's First Mayor Dr Peter Tschentscher, together with Environment Senator Katharina Fegebank and Economics Senator Dr Melanie Leonhard during the groundbreaking ceremony at the former Moorburg coal-fired power plant. The ceremony marked Hamburg's political and institutional commitment to turning a legacy fossil asset into one of Europe's most important green hydrogen hubs.

Laying of the foundation stone for the 100 MW electrolyser. From left to right: Christoph Cosler (Managing Director HGHH), Kirsten Fust (Management Board Hamburger Energiewerke), Katharina Fegebank (Senator of the Hamburg Ministry for Environment, Climate, Energy and Agriculture), Dr. Peter Tschentscher (First Mayor of Freie und Hansestadt Hamburg), Holger Matthiesen (Managing Director HGHH), Dr. Melanie Leonhard (Senator of the Hamburg Ministry of Economics and Innovation), Dr. Alexandra Bernstorff (Managing Partner Luxcara).

About the Project

HGHH is a pioneering 100 MW hydrogen project, transforming the Moorburg site into a large-scale electrolyzer that will produce around 10,000 tonnes of green hydrogen per year for Hamburg's port, industry and transport sectors. By enabling the replacement of fossil fuels across one of Europe's most energy-intensive industrial regions, the project will deliver system-level decarbonization while supporting the long-term competitiveness of Hamburg as a logistics and industrial hub.

The project also sets new standards in resource efficiency and circularity. Existing infrastructure from the former coal power plant, including transformers, water treatment systems and office buildings, is being re-used, significantly reducing construction waste, embedded emissions and delivery time. In addition, excess heat from hydrogen production will be supplied to Hamburg's district heating network, with the potential to provide low-carbon heat to up to 6,000 households.

The Partners

Developed by Hamburg Green Hydrogen GmbH & Co. KG, a joint venture between Luxcara and Hamburger Energiewerke, and supported as an IPCEI flagship project by the German Federal Government and the Free and Hanseatic City of Hamburg, HGHH reflects strong public-private cooperation in delivering strategic clean-energy infrastructure. The green hydrogen produced at Moorburg will be distributed via the HH-WIN hydrogen network and a dedicated trailer loading station, enabling flexible supply to industrial and mobility customers across the region. By turning a former coal power station into a cornerstone of the hydrogen economy, HGHH represents a powerful example of just transition, combining climate action, industrial transformation, and long-term economic resilience for the city of Hamburg.

Holger Matthiesen & Christoph Cosler (Managing Directors HGHH)

People & Culture

People Driven Success
Our Workforce

Founded in 2009 by two women in a traditionally male-dominated industry, Luxcara has embedded diversity and inclusion at the highest level of the organization from the outset. With more than 80 clean energy professionals representing a wide range of backgrounds and nationalities, team diversity is a core strength.

The multilingual nature of the workforce enhances collaboration and enables close, effective engagement with local partners and communities in the regions where Luxcara invests.

1. Total Workforce

Total Headcount	81

2. Gender Diversity

Female Employees	30 (37%)
Male Employees	51 (63%)

3. Cultural and Linguistic Diversity

Number of Nationalities Represented	17
Languages Spoken within the Team	20
International Colleagues	36%

4. Staff Turnover and Retention

Joiners in 2025	18
Leavers in 2025	7

Employee Development, Well-Being and Corporate Benefits

Luxcara is committed to creating a high-performance, inclusive, and resilient workplace that enables employees to grow professionally while maintaining strong physical, mental, and social well-being. Our people strategy combines structured learning, health and safety, diversity and inclusion, and corporate benefits that support both individual performance and long-term retention.

The physical and mental well-being of employees is a core pillar of Luxcara's social responsibility strategy. To support this, Luxcara provides a comprehensive package of corporate benefits that promote healthy lifestyles, work-life balance, and long-term occupational health.

These benefits include:

- EGYM Pass provides employees with access to a wide network of fitness, wellness, and sports facilities
- A monthly "Healthy Box" is provided for employees to take home, complemented by fresh fruit made available in the office twice per week through local purchasing to ensure quality and freshness
- External individual health coaching, offering confidential support for physical and mental resilience

In addition, Luxcara's sports committee organises regular team activities such as the HASPA Marathon Relay, alternating weekly Thursday football, and beach volleyball. These initiatives contribute to employee engagement, stress reduction, and a positive workplace culture, while also reinforcing social cohesion across teams.

Continuous Learning & Professional Development

Luxcara provides a broad range of learning and development opportunities designed to enhance technical expertise, leadership skills, and cross-functional collaboration. Employees have access to curated online learning platforms, external training courses, and tailored professional education programs depending on needs.

Throughout 2025, Luxcara continued to host its series of internal Lunch & Learn sessions covering topics such as ESG and impact investing, IT and cyber security, management practices, and occupational health and ergonomics (in cooperation with Asklepios). In addition, Luxcara held its annual off-site training programme, which in 2025 focused on effective team communication, a core competency in a multidisciplinary investment and asset management environment.

For project-based teams, including construction and asset management staff, Luxcara continued to deliver site-specific health and safety training supported by qualified external consultants. These sessions covered operational hazards, risk mitigation measures, and emergency preparedness to ensure a high standard of safety across all project environments.

Language and Communication

With employees representing more than 25 nationalities, Luxcara actively promotes language proficiency and intercultural communication. German language courses are provided for employees with limited proficiency, especially those newly arrived in Germany. In 2024, the Deutsches Mittagessen program was introduced to help all the participants of the German class to speak and practice more German among themselves. These programmes support effective workplace communication, professional integration, and equal access to career development opportunities, reinforcing Luxcara's commitment to diversity, inclusion, and talent retention.

Team Culture, Engagement and Retention

Luxcara actively fosters a collaborative and inclusive corporate culture. Monthly themed after-work events, to create informal spaces for colleagues to connect beyond their daily responsibilities.

A key highlight of the year is Luxcara's annual workation, which combines strategic alignment with team building in an international setting. In October 2025, part of the team met in Vilanova, near Barcelona. This initiative strengthens cross-departmental collaboration, supports knowledge exchange, and reinforces shared values.

Corporate Social Responsibility and Community Engagement

Luxcara's commitment to social responsibility extends beyond the workplace into the communities in which we operate.

Sustainable Mobility – Stadtradeln

In 2025, Luxcara participated in Stadtradeln Hamburg, an international initiative organised by Climate Alliance Services to promote sustainable mobility, climate protection, and quality of life. Fourteen Luxcara employees actively participated, cycling a total of 2,237 kilometres and saving approximately 366.9 kg of CO_2 equivalent.

To reinforce this engagement, Luxcara donated to Westwind Hamburg e.V., a local cycling club selected by the top participant in the internal Stadtradeln ranking, further supporting community-based sustainable transport initiatives.

Social Support and Local Engagement – Hanseatic Help

Ahead of the winter season, Luxcara supported a clothing donation campaign in cooperation with Hanseatic Help e.V., a Hamburg-based organisation dedicated to sustainable social assistance, civic engagement, and inclusion. Employees donated high-quality used clothing to support people in need, particularly the homeless and socially vulnerable, during the cold months.

In addition, several Luxcara employees volunteered for three hours at Hanseatic Help's warehouse to sort and prepare donated items for distribution, directly contributing to the organisation's operational capacity.

Charitable and Environmental Volunteering

Luxcara continues to support a range of charitable and environmental initiatives. These include the annual "Christmas in a Shoebox" campaign, where employees prepare and donate gift boxes for children in need, helping bring joy and dignity during the holiday season.

Environmental stewardship is also promoted through initiatives such as the Alster Clean-up with Green Kayak, which mobilizes volunteers to remove waste from Hamburg's waterways, contributing to biodiversity protection and the preservation of the local ecosystem.

Results Luxcara

14	2,237	256	366.9	396
Active Bikers	Driven km	Trips	K CO_2-Avoidance	Rank

What is Luxcara's approach to talent acquisition in a competitive market?

At Luxcara, we are proud of our exceptionally high leadership stability, translating into zero senior departures in the past five years. This stability enables the systematic transfer of expertise and the internal development of the next generation of clean energy infrastructure specialists. To sustain this model in a highly competitive labour market, Luxcara pursues a proactive and long-term approach to talent attraction and development.

> Partnerships with leading universities help us attract analytically strong talent with a sustainability mindset.

High-potential candidates are typically found at leading universities with strong academic standards and a clear focus on disciplines relevant to clean energy infrastructure, such as finance, management, economics, engineering and sustainability. Based on a structured assessment of graduate profiles aligned with Luxcara's needs, the firm has established long-term relationships with selected universities across Europe. These partnerships provide access to well-trained graduates with strong analytical capabilities, a holistic mindset and high professional standards.

The collaboration with the University of St. Gallen serves as one example of this broader approach. Its recognised strengths in management and finance, as well as its consistent performance in international rankings, make it a valuable academic partner. Building on positive experiences with HSG alumni already within the organisation, Luxcara maintains an active dialogue with academic stakeholders and regularly invites students to apply for entry-level roles, such as Investment Analyst positions.

Beyond recruitment, Luxcara actively contributes to academic education through guest lectures, case studies and presentations. This includes regular engagement with students at selected European universities, aligned with the specific skill profiles required across different teams. These activities strengthen the exchange between academic education and practical investment expertise and help ensure that Luxcara's recruitment efforts remain targeted and forward-looking.

This close interaction between academia and practice helps bring theoretical knowledge to life, illustrating how institutional investors can combine long-term financial performance with tangible climate impact. At the same time, it offers students early insight into relevant career paths within clean energy infrastructure. These long-term academic partnerships have already translated into a growing number of high-quality applications and successful hires through Luxcara's structured and selective recruitment process, supporting the firm's objective to advance the clean energy transition with highly qualified professionals.

Lorenz Hahn delivering a guest lecture on Sustainable Finance at the University of St. Gallen

Lorenz Hahn, Theresia Langosz-Römbell, and Luc Verhage during an alumni visit to the University of St. Gallen

Looking ahead

Energy security and operational resilience remain fundamental to the long-term performance and stability of our investors' portfolios. In an increasingly volatile geopolitical and macroeconomic environment, real assets in the renewable energy sector continue to demonstrate their structural relevance. Reliable infrastructure, disciplined asset management and proactive risk mitigation are not only safeguards against disruption — they are value drivers. Accordingly, we continue to prioritize operational excellence, technical availability and robust risk governance across our portfolio.

While the ESG regulatory landscape is currently experiencing political and procedural headwinds, we view this phase as a period of consolidation rather than reversal. Clear, consistent and decision-useful regulation is essential for efficient capital markets. We welcome the current efforts by regulators to streamline and refine existing frameworks and look forward to increased clarity and comparability in sustainability-related requirements. Greater regulatory precision will ultimately strengthen market confidence and enhance transparency for investors.

At the same time, our commitment does not depend on regulatory momentum alone. We remain firmly on our strategic path to execute and continuously refine our ESG and sustainability strategy. This includes further enhancing our ESG framework, improving data quality and impact measurement, and embedding sustainability considerations even more deeply into investment, asset management and governance processes. We are convinced that disciplined ESG integration supports resilience, protects value and contributes to long-term outperformance.

We thank our investors for their continued trust and partnership as we advance this journey together.

Luxcara

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