



KEY PERFORMANCE INDICATORS UNDER THE PRINCIPAL ADVERSE IMPACTS (PAI) REGIME

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ANNEX I

Template principal adverse sustainability impacts statement

For the purposes of this Annex, the following definitions shall apply:

- (1) 'scope 1, 2 and 3 GHG emissions' means the scope of greenhouse gas emissions referred to in points (1)(e)(i) to (iii) of Annex III to Regulation (EU) 2016/1011 of the European Parliament and of the Council¹;
- (2) 'greenhouse gas (GHG) emissions' means greenhouse gas emissions as defined in Article 3, point (1), of Regulation (EU) 2018/842 of the European Parliament and of the Council²;
- (3) 'weighted average' means a ratio of the weight of the investment by the financial market participant in an investee company in relation to the enterprise value of the investee company;
- (4) 'enterprise value' means the sum, at fiscal year-end, of the market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents;
- (5) 'companies active in the fossil fuel sector' means companies that derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council³;
- (6) 'renewable energy sources' means renewable non-fossil sources, namely wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas;
- (7) 'non-renewable energy sources' means energy sources other than those referred to in point (6);
- (8) 'energy consumption intensity' means the ratio of energy consumption per unit of activity, output or any other metric of the investee company to the total energy consumption of that investee company;
- (9) 'high impact climate sectors' means the sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council⁴;
- (10) 'protected area' means designated areas in the European Environment Agency's Common Database on Designated Areas (CDDA);
- (11) 'area of high biodiversity value outside protected areas' means land with high biodiversity value as referred to in Article 7b(3) of Directive 98/70/EC of the European Parliament and of the Council⁵;

1 [Regulation \(EU\) 2016/1011 of the European Parliament and of the Council of 8 June 2016](#) on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

2 [Regulation \(EU\) 2018/842 of the European Parliament and of the Council of 30 May 2018](#) on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).

3 [Regulation \(EU\) 2018/1999 of the European Parliament and of the Council of 11 December 2018](#) on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

4 [Regulation \(EC\) No 1893/2006 of the European Parliament and of the Council of 20 December 2006](#) establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains Text with EEA relevance (OJ L 393, 30.12.2006, p. 1–39).

5 [Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998](#) relating to the quality of petrol and diesel fuels and amending Council Directive 93/12/EEC (OJ L 350, 28.12.1998, p. 58).

- (12) 'emissions to water' means direct emissions of priority substances as defined in Article 2(30) of Directive 2000/60/EC of the European Parliament and of the Council⁶ and direct emissions of nitrates, phosphates and pesticides ;
- (13) 'areas of high water stress' means regions where the percentage of total water withdrawn is high (40-80%) or extremely high (greater than 80%) in the World Resources Institute's (WRI) Water Risk Atlas tool "Aqueduct";
- (14) 'hazardous waste and radioactive waste' means hazardous waste and radioactive waste;
- (15) 'hazardous waste' means hazardous waste as defined in Article 3(2) of Directive 2008/98/EC of the European Parliament and of the Council⁷ ;
- (16) 'radioactive waste' means radioactive waste as defined in Article 3(7) of Council Directive 2011/70/Euratom⁸;
- (17) 'non-recycled waste' means any waste not recycled within the meaning of 'recycling' in Article 3(17) of Directive 2008/98/EC;
- (18) 'activities negatively affecting biodiversity-sensitive areas' means activities that are characterised by all of the following:
 - (a) those activities lead to the deterioration of natural habitats and the habitats of species and disturb the species for which a protected area has been designated;
 - (b) for those activities, none of the conclusions, mitigation measures or impact assessments adopted pursuant to any of the following Directives or national provisions or international standards that are equivalent to those Directives have been implemented:
 - (i) Directive 2009/147/EC of the European Parliament and of the Council⁹;
 - (ii) Council Directive 92/43/EEC¹⁰;
 - (iii) an Environmental Impact Assessment (EIA) as defined in Article 1(2), point (g), of Directive 2011/92/EU of the European Parliament and of the Council¹¹;
 - (iv) for activities located in third countries, conclusions, mitigation measures or impact assessments adopted in accordance with national provisions or international standards that are equivalent to the Directives and impact assessments listed in points (i), (ii) and (iii);
- (19) 'biodiversity-sensitive areas' means Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas ('KBAs'), as well as other protected areas, as referred to in Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139¹²;

6 Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1).

7 [Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008](#) on waste and repealing certain Directives (OJ L 312, 22.11.2008, p. 3).

8 Council Directive 2011/70/Euratom of 19 July 2011 establishing a Community framework for the responsible and safe management of spent fuel and radioactive waste (OJ L 199, 2.8.2011, p. 48).

9 Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7).

10 Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.7.1992, p. 7).

11 Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (OJ L 026, 28.1.2012, p. 1).

12 Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (OJ L 442, 9.12.2021, p. 1).

- (20) 'threatened species' means endangered species, including flora and fauna, listed in the European Red List or the IUCN Red List, as referred to in Section 7 of Annex II to Delegated Regulation (EU) 2021/2139;
- (21) 'deforestation' means the temporary or permanent human-induced conversion of forested land to non-forested land;
- (22) 'UN Global Compact principles' means the ten Principles of the United Nations Global Compact;
- (23) 'unadjusted gender pay gap' means the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees;
- (24) 'board' means the administrative, management or supervisory body of a company;
- (25) 'human rights policy' means a policy commitment approved at board level on human rights that the economic activities of the investee company shall be in line with the UN Guiding Principles on Business and Human Rights;
- (26) 'whistleblower' means 'reporting person' as defined in Article 5(7) of Directive (EU) 2019/1937 of the European Parliament and of the Council¹³;
- (27) 'inorganic pollutants' means emissions within or lower than the emission levels associated with the best available techniques (BAT-AEL) as defined in Article 3, point (13) of Directive 2010/75/EU of the European Parliament and of the Council¹⁴, for the Large Volume Inorganic Chemicals- Solids and Others industry;
- (28) 'air pollutants' means direct emissions of sulphur dioxides (SO₂), nitrogen oxides (NO_x), non-methane volatile organic compounds (NMVOC), and fine particulate matter (PM_{2.5}) as defined in Article 3, points (5) to (8), of Directive (EU) 2016/2284 of the European Parliament and of the Council¹⁵, ammonia (NH₃) as referred to in that Directive and heavy metals (HM) as referred to in Annex I to that Directive;
- (29) 'ozone depletion substances' mean substances listed in the Montreal Protocol on Substances that Deplete the Ozone Layer.

For the purposes of this Annex, the following formulas shall apply:

- (1) 'GHG emissions' shall be calculated in accordance with the following formula:

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \times \text{investee company's Scope}(x) \text{ GHG emissions}_i \right)$$

- (2) 'carbon footprint' shall be calculated in accordance with the following formula:

$$\frac{\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \times \text{investee company's Scope 1, 2 and 3 GHG emissions}_i \right)}{\text{current value of all investments (€M)}}$$

¹³ Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law (OJ L305, 26.11.2019, p. 17).

¹⁴ Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) (OJ L 334, 17.12.2010, p. 17).

¹⁵ Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC (Text with EEA relevance), OJ L 344, 17.12.2016, p. 1–31

- (3) 'GHG intensity of investee companies' shall be calculated in accordance with the following formula:

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{current value of all investments (€M)}} \times \frac{\text{investee company's Scope 1, 2 and 3 GHG emissions}_i}{\text{investee company's €M revenue}_i} \right)$$

- (4) 'GHG intensity of sovereigns' shall be calculated in accordance with the following formula:

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{current value of all investments (€M)}} \times \frac{\text{The country's Scope 1, 2 and 3 GHG emissions}_i}{\text{Gross Domestic Product}_i(\text{€M})} \right)$$

- (5) 'inefficient real estate assets' shall be calculated in accordance with the following formula:

$$\frac{((\text{Value of real estate assets built before 31/12/2020 with EPC of C or below}) + (\text{Value of real estate assets built after 31/12/2020 with PED below NZEB in Directive 2010/31/EU}))}{\text{Value of real estate assets required to abide by EPC and NZEB rules}}$$

For the purposes of the formulas, the following definitions shall apply:

- (1) 'current value of investment' means the value in EUR of the investment by the financial market participant in the investee company;
- (2) 'enterprise value' means the sum, at fiscal year-end, of the market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents;
- (3) 'current value of all investments' means the value in EUR of all investments by the financial market participant;
- (4) 'nearly zero-energy building (NZEB)', 'primary energy demand (PED)' and 'energy performance certificate (EPC)' shall have the meanings given to them in paragraphs 2, 5 and 12 of Article 2 of Directive 2010/31/EU of the European Parliament and of the Council¹⁶.

¹⁶ Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (recast) (OJ L 153, 18.6.2010, p. 13)

Financial market participant: Alcazar Energy Partners II SLP (SCSp)

Summary

Alcazar Energy Partners II SLP (SCSp) fund ('the Fund') considers principal adverse impacts (PAI) of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Alcazar Energy Partners II SLP (SCSp) Fund.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1st January 2024 to 31st December 2024.

The Fund only makes investments in pursuit of sustainable investment objectives that realise positive environmental impacts. The Fund considers the principal adverse impacts of investment decisions on sustainability factors as defined in Annex I of the Commission Delegated Regulation (EU) 2022/1288 with regards to the Regulatory Technical Standards (RTS). As such, the Fund considers the principal adverse impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters through a proprietary ESG analysis as defined and guided by the Fund's Environmental & Social Management System (ESMS). The Fund systematically integrates ESG considerations into investment analysis, decisions making and active ownership and management of renewable energy assets, from deal origination and due diligence of potential investment opportunities through to the development, construction, and operation of renewable energy assets as well as in its exit strategy. The Fund also monitors and reports performance related to the indicators, describes actions taken during the reference period and establishes actions planned for the next reference period based on the adverse impacts caused.

The Fund applied the above-described measures during the reference period (1st January 2024 to 31st December 2024) in its asset under development (being a 118MW Greenfield Wind Farm in Montenegro in early development stage), in the process of acquisition of rights of another asset under development (being an up to 396MW Greenfield Wind Farm in North Macedonia in early development stage), and across all potential investment opportunities under consideration.

Description of the principal adverse impacts on sustainability factors

The mandatory PAI indicators, as set in Table 1 of Annex I of the Regulatory Technical Standards (RTS), are presented out in Table 1 below, as well as relevant optional indicators in Tables 2 and 3. As mentioned, the Fund had two (2) assets at development stage under management during the reference period (1st January 2024 to 31st December 2024). These assets underwent such process of monitoring of indicators of adverse impacts on sustainability factors and specific ESG performance indicators considering the projects are at development stage.

TABLE 1 - STATEMENT ON PRINCIPAL ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	0 tons CO ₂ eq	0 tons CO ₂ eq	As per the GHG Protocol, Scope 1 emissions would be those caused directly by the Fund 's investee companies. During the reference period, the Fund had two (2) investee companies being two (2) greenfield wind farms in development stage. As such, no direct emissions released into the atmosphere from company-owned and controlled resources and as a direct result of activities at an investee company level (i.e. stationary combustion, mobile combustion, fugitive emissions (refrigerants) and process emissions)	No actions taken Estimating and monitoring of emissions by investee companies in future
		Scope 2 GHG emissions	0 tons CO ₂ eq	0 tons CO ₂ eq	As per the GHG Protocol, Scope 2 emissions would be indirect emissions released into the atmosphere from the consumption of purchased electricity, steam, heat and/or cooling by the Fund 's investee companies. During the reference period, the Fund had two (2) investee companies being two (2) greenfield wind farms in development stage. As such, no indirect emissions released into the atmosphere from the consumption of purchased electricity, steam, heat and/or cooling by the Fund 's investee company	No actions taken Estimating and monitoring of emissions by investee companies in future

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
		Scope 3 GHG emissions	105.76 tons CO ₂ eq	0.389 tons CO ₂ eq	As per the GHG Protocol, Scope 3 emissions would be indirect emissions released into the atmosphere from the value chain (upstream and downstream) of the Fund 's investee companies. During the reference period, the Fund had two (2) investee companies being two (2) greenfield wind farms in development stage. As such, upstream indirect emissions into the atmosphere were negligible and limited to those resulting from technical studies prior construction phase (such as wind measurement campaigns, topographical and geotechnical studies, and environmental & social studies). The Fund gathered relevant data from its value chain during the reference period to estimate such emissions.	Estimating and monitoring of emissions within the value chain during reference period and in future
		Total GHG emissions	105.76 tons CO ₂ eq	0.389 tons CO ₂ eq	As per the above, minor total GHG emissions limited to Scope 3 emissions	Estimating and monitoring of emissions within the value chain during reference period and in future
	2. Carbon footprint	Carbon footprint	5.58 tons	0 tons CO ₂ eq / €M	During the reference period, the Fund gathered relevant data from its value chain to estimate GHG emissions as well as relevant data from financial statements for accounting purposes:	Estimating and monitoring of emissions

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES					
Adverse sustainability indicator	Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
		CO ₂ eq / €M		$\frac{\sum_i \left(\frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \times \text{investee company's Scope 1, 2 and 3 GHG emissions}_i \right)}{\text{current value of all investments (€M)}}$ <p>[(EUR 5,446,160 / EUR 18,995,140) x 61.54 tons CO₂eq] + [(EUR 5,640,080 / EUR 5,640,080) x 44.22 tons CO₂eq] / EUR 11.086240 million = 5.580281 tons CO₂eq / €M</p>	within the value chain and financial statements during reference period and in future
3. GHG intensity of investee companies	GHG intensity of investee companies	0 tons CO ₂ eq / €M	0 tons CO ₂ eq / €M	<p>During the reference period, the Fund gathered relevant data from its value chain to estimate GHG emissions as well as relevant data from financial statements for accounting purposes:</p> $\sum_i \left(\frac{\text{current value of investment}_i}{\text{current value of all investments (€M)}} \times \frac{\text{investee company's Scope 1, 2 and 3 GHG emissions}_i}{\text{investee company's €M revenue}_i} \right)$ <p>[(EUR 5,446,160 / EUR 11.086240 million) x (61.54 tons CO₂eq / EUR 0)] + [(EUR 5,640,080 / EUR 11.086240 million) x (44.22 tons CO₂eq / EUR 0)] = Nil</p>	Estimating and monitoring of emissions within the value chain and financial statements during reference period and in future
4. Exposure to companies active in the	Share of investments in companies	0.00%	0.00%	No investments in companies active in the fossil fuel sector, meaning companies that derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels	Application of E&S exclusions and E&S screening

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
	fossil fuel sector	active in fossil fuel sector			This indicator is not considered to be relevant since the Fund has a sustainable objective being 'climate change mitigation', hence the investment mandate is limited to sustainable investments specifically in clean energy infrastructure. Investments in fossil fuel are an excluded activity as per the Fund's E&S exclusion policy and the E&S exclusion's policies of our investors	for potential investments during reference period and in future
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a	0.00%	0.00%	<p>No non-renewable energy consumption during reference period by the Fund's investment companies since the assets were in development stage.</p> <p>No non-renewable energy production of the investee companies since the assets were in development stage.</p> <p>The Fund has a sustainable objective being 'climate change mitigation' and the investment mandate is limited to sustainable investments specifically in clean energy infrastructure. Once operational, the Fund's assets will produce (and marginally consume) clean and renewable energy.</p>	<p>No actions taken</p> <p>Monitoring and recording of non-renewable energy consumption in future</p>

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
		percentage of total energy sources				
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	0 GWh / €M	0 GWh / €M	No energy consumption during reference period by the Fund's investment companies.	No actions taken Monitoring and recording of energy consumption and financial statements in future
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those	0.00%	0.00%	No activities by the Fund's investee companies during the reporting period that (i) led to the deterioration of natural habitats or disturbed species for which a protected area has been designated (ii) did not implement mitigation measures or impact assessments of EU Directives or International Standards or (iii) no negative effect on 'Biodiversity-sensitive areas' (i.e. Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas (KBAs)). During the reference period, the Fund had two (2) investee companies being two (2) greenfield wind farm in development stage. No nationally	Application of E&S exclusions, conducting E&S screening and E&S due diligence for potential investments, and site selection and

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
		investee companies negatively affect those areas			protected areas, Ramsar sites or Natura2000 or Key Biodiversity Areas (KBAs) or World heritage Sites located within the proposed wind farm sites or in proximity. For one (1) of the wind farms under development, the associated infrastructure overlaps with two Important Bird and Biodiversity Areas (IBAs) and is in proximity of another IBA as per BirdLife International online datazone. The process of environmental permitting as per national requirements as well as Environmental & Social Impact Assessments (ESIA) as per international best practice were ongoing during the reference period for both assets. The associated management and mitigation measures are to be duly implemented in future.	project design with due consideration of biodiversity conservation Environmental studies in line with best international practice and application of mitigation measures
Water	8. Emission to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a	0 tons / €M	0 tons / €M	No emissions to water (as in direct emissions of priority substances as defined in Article 2(30) of Directive 2000/60/EC and direct emissions of nitrates, phosphates and pesticides which may pose significant risk to or via the aquatic environment) by the Fund's investee companies during the reference period	No actions taken Contractual requirements to be imposed on contractors and monitoring of construction and operational

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
		weighted average				activities in future
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0 tons / €M	0 tons / €M	No hazardous waste generated (as in waste with one or more of the hazardous properties listed in Annex III of the EU's Waste Framework Directive, Directive 2008/98/EC on waste with hazardous properties being explosive, flammable, oxidizing, toxic, corrosive, etc) by the Fund's investee companies during the reference period	No actions taken Contractual requirements to be imposed on contractors and monitoring of construction and operational activities in future
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Social and employee matters	10. Violations of UN Global Compact principles and Organization	Share of investments in investee companies that have been involved in	0.00%	0.00%	No investments in investee companies that have been involved in violations of the UNGC principles on human rights, labour, environment and anti-corruption or OECD Guidelines for Multinational Enterprises, including principles and standards for responsible business conduct	Application of E&S exclusions, conducting compliance due diligence

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
	for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	violations of the UNGC principles or OECD Guidelines for Multinational Enterprises				and E&S due diligence with comprehensive KYC processes for potential investments during reference period and in future
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or	0.00%	0.00%	<p>The Fund is the sole shareholder of the investee companies. Upon acquisition of the asset/s, the Fund's ESG policies and practices were applied and enforced at the project company level and will be applied throughout each subsequent phase in the development, execution and operation of the project.</p> <p>The Fund's ESG policies include consideration to monitor compliance with the UNGC or OECD Guidelines for Multinational Enterprises and grievance / complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises</p>	Application of E&S exclusions, conducting compliance due diligence and E&S due diligence with comprehensive KYC processes for potential investments,

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
	for Multinational Enterprises	grievance / complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises				actively monitoring current investments and actively monitoring business partners during reference period and in future
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	N/A	N/A	No direct employees (neither male nor female) at investee company level during the reference period. Hence, the 'unadjusted gender pay gap' of the Fund's investee company is not presented	No actions taken Monitoring and recording gender pay gaps at investee companies' level

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as percentage of all board members	25%	25%	<p>The Fund is the sole shareholder of the investee companies and as such the investee companies do not have a Board of Directors but a number of appointed Executive Director/s.</p> <p>The share of women in senior management of the Fund (considering the GP Adviser) is 25%</p>	<p>No actions taken</p> <p>Implementation of the Fund's Gender Action Strategy in future</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	0.00%	<p>No investments in companies active in / involved in the manufacturing or selling of controversial weapons. This indicator is not considered to be relevant since the Fund has a sustainable objective being 'climate change mitigation', hence the investment mandate is limited to sustainable investments specifically in clean energy infrastructure. Investments in weapons are an excluded activity as per the Fund's E&S exclusion policy and the E&S exclusion's policies of our investors</p>	<p>Application of E&S exclusions and E&S screening for potential investments during reference period and in future</p>

TABLE 2 - ADDITIONAL CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2024 [year n]	Impact 2023 [year n-1]	Explanation	Actions taken and planned
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Water, waste and material emissions	7. Investments in companies without water management policies	Share of investments in investee companies without water management policies	0.00%	0.00%	<p>The Fund is the sole shareholder of the investee companies. Upon acquisition of the asset/s, the Fund's ESG policies and practices were applied and enforced at the project company level and will be applied throughout each subsequent phase in the development, execution and operation of the project.</p> <p>The Fund's ESG policies include considerations for environmental protection and compliance with international standards, throughout the development, construction, and operation of assets, which are also cascaded to contractors</p>	<p>No actions taken</p> <p>Review of ESG Policies in line with international best practice and contractual requirements and monitoring of construction and operational activities in future</p>

TABLE 3 - ADDITIONAL INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
Adverse sustainability indicator		Metric	Impact 2023 [year n]	Impact 2022 [year n-1]	Explanation	Actions taken and planned
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Social and employee matters	2. Rate of recordable work-related injuries	Rate of recordable work-related injuries in investee companies	0.00	0.00	<p>Direct employees at Fund level during the reference period was 12 employees.</p> <p>Additionally, there was contracted workforce who conducted site related activities for the investee companies (totalling 8,481 person-hours and 34.83 FTEs). The Incidence rate is calculated as follows:</p> <p>Total Recordable Incident Rate (TRIR) = n. accidents or incidents x 200,000 / n. man hours worked per year = 0 x 200,000 / 8,481 = 0.00</p>	Monitoring and recording health & safety statistics during the reference period and in future

We consider the additional indicators in Table 2 and Table 3 above using an internally developed monitoring system; those are subject to data availability and quality. We do not use other indicators to identify and assess additional principal adverse impacts on sustainability factors than the indicators set out in Table 2 and Table 3.

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

Alcazar Energy Partners II SLP (SCSp) fund ('the Fund') considers the principal adverse impacts of investment decisions on sustainability factors as defined in Annex I of the Commission Delegated Regulation (EU) 2022/1288 with regards to the Regulatory Technical Standards (RTS). As such, the Fund considers the principal adverse impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters.

The Fund has developed and implemented a Responsible Investment Policy, which among other aspects, defines how the Fund identifies, prioritises, and addresses principal adverse impacts and ultimately integrates PAI considerations in its investment decision, where applicable. The Policy also describes how the Fund systematically integrates ESG considerations into investment analysis, decisions making and active ownership and management of assets, from deal origination and due diligence of potential investment opportunities through to the development, construction, and operation of renewable energy assets as well as in its exit strategy. The Policy document also includes more information on the Responsible Investment governance within Alcazar Energy, the role of different bodies on the implementation of the policy and how responsibilities are allocated to put the policy into practice as well as the data sources used. A brief summary of this policy is provided in sections below. The latest version of this policy was approved in November 2023.

As mentioned, the Fund considered the principal adverse impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters through a proprietary ESG analysis as defined and guided by the Fund's Environmental & Social Management System (ESMS). The ESMS provides the framework to analyse the non-financial attractiveness (or sustainability) of potential investment opportunities but also the framework to identify, assess and manage environmental and social, as well as governance, aspects across the portfolio of assets and throughout the life of the investments (including development, construction and operation stages). The ESMS is also an essential tool for the Fund to enable compliance against the applicable ESG framework, including best practice international standards and the requirements of investors.

As per the investment strategy, the evaluation and selection process of investment opportunities is based on a fundamental and disciplined analysis of financial attractiveness and strategic relevance but also non-financial attractiveness (or sustainability) of such investment opportunities. The Fund applied the above-described measures as applicable during the reference period. All potential investments under consideration (i.e. deal origination) underwent a process of internal ESG screening. Those opportunities that were approved by the Investment Committee to pass to the next stage of diligence underwent a process of internal and external ESG due diligence.

As mentioned, the Fund had two (2) assets at development stage under management during the reference period (1st January 2024 to 31st December 2024). These assets underwent such process of internal and external ESG due diligence prior to acquisition.

Engagement policies

Our Responsible Investment Policy presents our active ownership and engagement approach with Portfolio Companies. Assessing and promoting effective stewardship among the Portfolio Companies is a key part of the investment process in line with our responsible investment approach. We continually evaluate the Portfolio Companies operational strategies, management practices, environmental and social impact, and contractors and subcontractors' performance as well as overall effect and engagement with workers, communities, and wider stakeholders.

These engagements are driven and conducted by our Investments team, Technical Services team and E&S team. Given our Fund structure, control over Portfolio Companies and business model, particular focus is given to engagement on ESG matters in line with our ESG priorities (including climate related issues) with developers, contractors, subcontractors, and suppliers. Our ESG priorities are aligned and include principal adverse impacts on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters as described in detail in our Responsible Investment Policy. The purpose of

engaging on ESG topics is to gather information that can inform our investment and partnership decisions as well as to assess performance and accountability and encourage change through the adoption of best practices.

References to international standards

Our ambition is that our investments comply with the international conventions, standards, and norms that we are committed to adhere to. Our Responsible Investment Policy presents our ESG compliance framework. Please refer also to the Fund's Periodic Disclosure for further details.

Historical comparison

The Fund had one (1) investment in the previous reference period (1st January 2023 to 31st December 2023). During the reference period (1st January 2024 to 31st December 2024), the Fund applied the above-described measures in its asset under development (being a 118MW Greenfield Wind Farm in Montenegro in early development stage), in the process of acquisition of rights of another asset under development (being an up to 396MW Greenfield Wind Farm in North Macedonia in early development stage), and across all potential investment opportunities under consideration. A comparison therefore will be drawn in 2025.