RGREEN INVEST

ESG & IMPACT REPORT

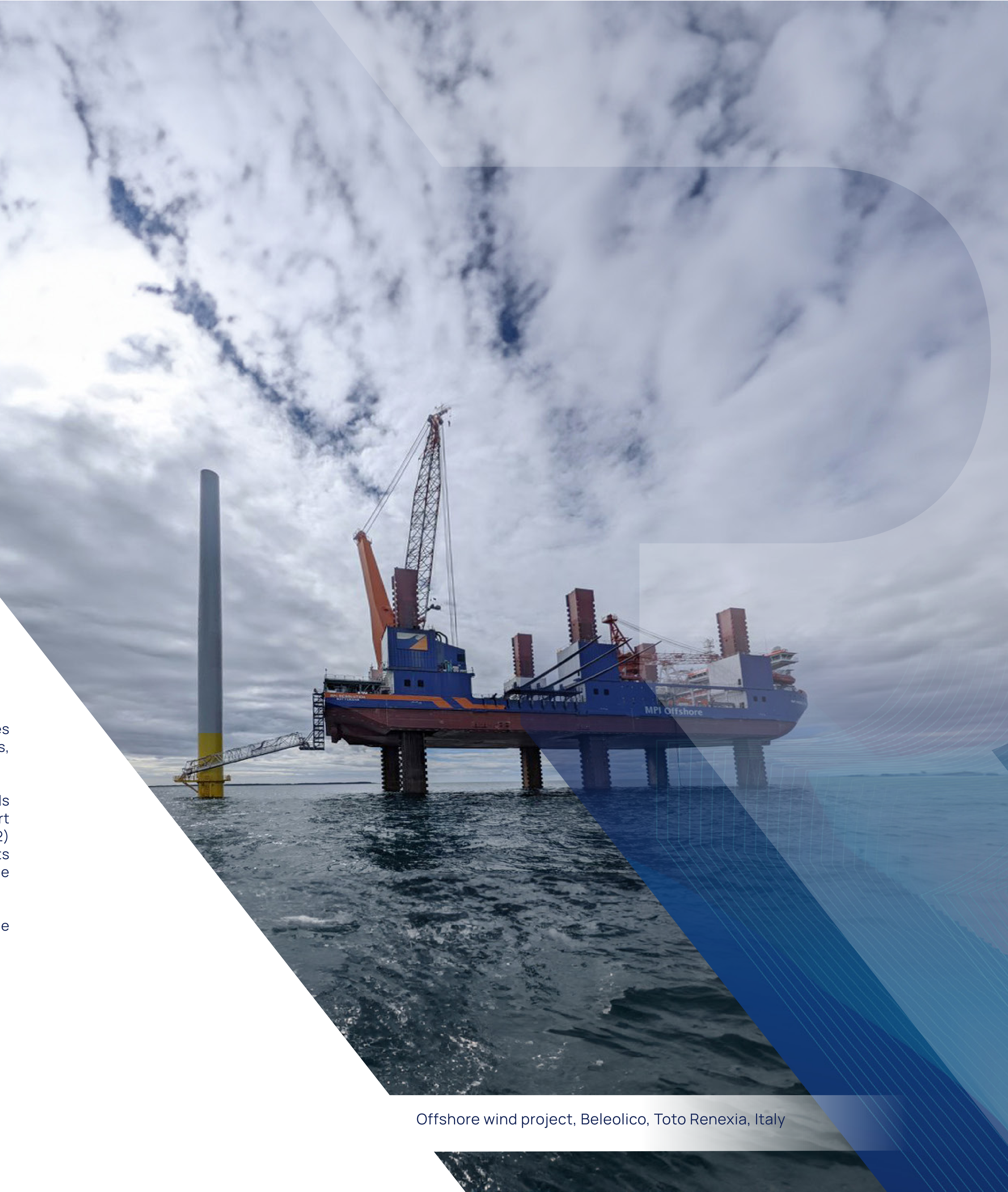
2022 in Review and 2023 Outlook

WARNING

RGREEN INVEST is a French investment management company, regulated in France by the Autorité des Marchés Financiers (AMF) under the number GP-15000021. RGREEN INVEST is located at 47-51 rue de Chaillot, 75016 Paris, France. The website is accessible at https://www.rgreeninvest.com/en/.

RGREEN INVEST has built an ESG framework that is presented in this report. The company adheres to several labels and certifications related to sustainable investment, which it implements for all the funds it manages. This report intends (1) to give information related to reporting requirements set by EU and French laws and regulations, (2) to inform clients, and (3) to answer to public information purposes. It is not a marketing document, rather its objective is to lay out the ESG work carried out by the management company in 2022, as well as present the company's outlook for the coming years.

All funds managed by RGREEN INVEST are reserved for professional and qualified investors only. Investing in the funds managed by RGREEN INVEST entails significant risks of capital loss.



Offshore wind project, Beleolico, Toto Renexia, Italy

ABOUT THIS REPORT

This is the second ESG & Impact report published by RGREEN INVEST. This report provides an overview of our ESG and CSR strategies and describes how we are progressing on our environmental, social and governance (ESG) commitments and objectives as a fund manager and on our Corporate Social Responsibility (CSR) as an organisation. This report covers the activities of the management company RGREEN INVEST and of all the funds managed by the company. It aims to provide transparent and balanced information on the impact of our own activities and the impact of our investments on people and the planet.

This report refers to the period 2022 and provides an outlook to early 2023. The data presented in the report is drawn from a twelve-month period beginning 1 January 2022 and ending 31 December 2022, unless otherwise stated for specific data points.

In 2023, we also published our first Mission Report outlining our key impact commitments and our progress against these commitments. The Mission Report is in response to our annual follow-up on our commitment as a mission-driven company (Entreprise à mission). We have also published our Sustainable Investment Report to comply with our statutory reporting obligation under Article 29 of the French Energy-Climate Law. Both reports are available on our website.

TRANSPARENCY

RGREEN INVEST is subject to the Sustainable Finance Disclosure Regulation (SFDR) (EU) 2019/2088. Disclosures under Article 11 of the SFDR are made as part of regular reporting in the quarterly and annual investor reports. The quarterly reports include information on Principal Adverse Impact (PAI) indicators and EU Taxonomy eligibility and alignment at fund level. The quarterly investor reports are distributed to all investors and are available upon request at info@rgreeninvest.com. Regulatory website disclosures under Article 10 of the SFDR can be found in the ESG & Impact section of our website. In addition, RGREEN INVEST voluntarily discloses PAIs of our investments on entity-level in accordance with Article 4 of the SFDR. An overview of PAIs at the management company level can be found in this report and the full information on Article 4 is included in our Sustainable Investment Report.

In order to increase transparency in relation to the promotion of ESG issues, RGREEN INVEST voluntarily discloses information in relation to the SFDR in form of the entity-level Principal Adverse Impact (PAI) indicators under Article 4 of Disclosure Regulation (EU) 2019/2088 and EU Taxonomy reporting requirements in accordance with Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088. It is to be noted that the voluntary disclosure does not fulfil all the requirements of the regulations.

This is the first year that RGREEN INVEST has included disclosure of our climate risks and opportunities in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Overviews of our reports are available here:

- Mission Report – Entreprise à mission
- Sustainable investment report – Taxonomy & SFDR
- SFDR Article 10 website disclosure

FOREWORD BY THE ESG TEAM

Julien Commarieu
Head of ESG, Risk, & Compliance

Emmy Simons
ESG Manager

Briac Le Mestre
ESG Analyst

Hugo Favretto
ESG Analyst

The geopolitical and macroeconomic events of 2022, sparked primarily by Russia's invasion of Ukraine, caused uncertainty for many. The year was marked by a global energy crisis and the increasingly urgent climate crisis. In addition, inflation was driven to historically high levels, leaving a mark on the financial market. **In the renewable energy sector, the global energy crisis triggered an unprecedented momentum, driving a strong acceleration in renewable energy installations.** The disruption of fossil fuel supplies prompted many countries to strengthen their renewable energy policies in order to reap the energy security benefits of domestically produced renewables. At the same time, higher fossil fuel prices have improved the competitiveness of renewables.

In November 2022, climate finance took centre stage at COP27 in Egypt. Serious concerns were raised about the lack of progress in reducing emissions. Meanwhile, for the first time ever, the COP cover decision included a call to accelerate renewable energy deployment. The importance of the role of the financial sector in the financing of renewable energy growth was highlighted.

For RGREEN INVEST, global events and the increased focus on channelling funds towards sustainable activities underscore the existing momentum to accelerate our mission of advancing the energy transition, mitigating, and adapting to climate change. Our role in the energy transition is to bridge the gap between the capital markets and the renewable energy sector. The technologies we invest in are all recognised by the IPCC as contributing to climate change mitigation or adaptation. In addition, all our funds are classified as sustainable investments under the SFDR, and we have chosen to invest in activities that align with the EU Taxonomy and are thus classified as "green" economic activities.

Over the past year, we have focused on further developing our ESG and CSR resources and tools. We hired a new ESG manager and two new ESG analysts to expand our ESG, Risk and Compliance team, which now accounts for almost 10% of our entire RGREEN INVEST team. We implemented the responsible investing process outlined in our proprietary Environmental and Social Management System (ESMS) and conducted our first ESG due diligence processes using our internal ESG scoring tool. We also calculated new baselines for our carbon footprint and avoided emissions related to our investments. **Our focus lies in collaborating with our investees to generate positive impact and mitigate potential adverse effects of our activities**. In the coming years, we will support our investee companies to measure their climate impact, strengthen climate action, assess physical climate risks, stay ahead of the biodiversity agenda and increase focus on sustainable supply chain practices in line with RGREEN INVEST policies. For the management company, we will continue to work on reducing our own environmental footprint and our ongoing mission to improve equality by focusing on diversity, equity and inclusion.

Through this ESG & Impact Report, we strive to be transparent with all our stakeholders by presenting our ESG and CSR strategies, progress towards our goals, actions taken and our future ambitions.

We hope you enjoy reading this report and continue to follow our progress.

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MESSAGE FROM RGREEN INVEST FOUNDER AND CEO

Nicolas Rochon
Founder and CEO

More than ever, we have been reminded of the urgency of global efforts to mitigate climate change and achieve our shared goals for sustainable development. At RGREEN INVEST, we are determined to continue our focus on ESG"

Since its inception over a decade ago, RGREEN INVEST has closely followed the pioneers driving the development of the renewable energy sector. This has given us an early glimpse of a vision for the future that is now becoming a reality: clean power generation at moderate cost. The bold vision of the early pioneers, guided by the values of sustainability, accessibility and responsibility, has led us to incorporate identical principles into all our investment practices and help translate their ambitious agenda into profitable, even competitive solutions.

A decade later, we are more committed than ever to the values that underpin our original goal of accelerating the energy transition through sustainable investment practices, mobilising the necessary funds to promote innovative solutions that reduce CO2e emissions, and having a positive real-economy impact. Since February 2021, we have been an Entreprise à mission and have enshrined in our Articles of Association the commitment we have made from the beginning: «to combat climate change by accelerating the energy transition and society's adaptation through the financing of infrastructure with a positive and sustainable impact on the environment, local populations and territories».

Today, despite a strained market environment characterised by persistent inflationary pressures and high interest rates, the resilience of our partnerships and the secured projects in our portfolio provide us with the necessary visibility over the life cycles of our investments. The year 2022 meant a year of growth for RGREEN INVEST. Specifically, our contribution to the growth of renewable energy generation was remarkable. Funds managed by RGREEN INVEST (together with other funding sources) enabled the development of 4.7 GW of capacity at various stages of development at the end of 2022, with an annual footprint of 241 882 tCO2e emissions, however estimated to avoid up to 1.7 MtCO2e emissions annually. Our assets under management grew from €1.4 billion in 2021 to almost €2 billion at the end of 2022. We also grew from a team of 30 employees at the beginning of 2022 to over 40 employees in the first half of 2023. One of the key elements in our growth being diversity, equity, and inclusion.

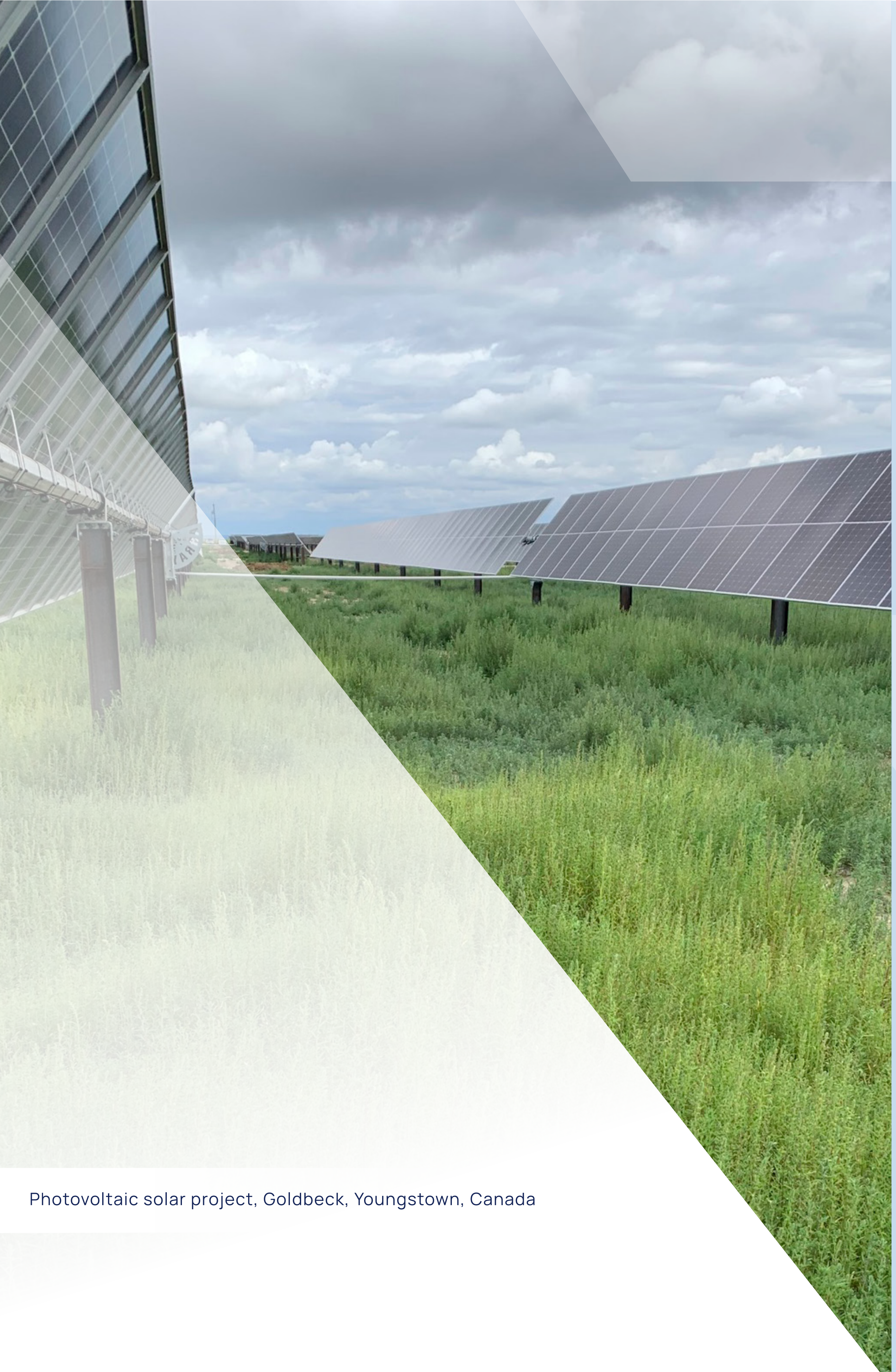
In 2022, we launched two new funds, INFRAGREEN V and RSOLUTIONS, and we offered our first co-investment transactions to our investors. Moreover, in the beginning of 2023, we launched AFRIGREEN DEBT IMPACT FUND, our first impact fund dedicated to Central and West Africa. The launch of our new funds has led us to develop and implement a stronger approach to ESG.

As well as being an "Entreprise à mission, we have joined the global B Corp community, spurring us to strengthen our resources and expertise to monitor and improve investment performance through even more robust ESG and CSR criteria.

In May 2023, RGREEN INVEST welcomed a new minority shareholder, Armen GP Stakes Fund I SLP, managed by Armen Management Company. As another mission-driven company, Armen is committed to promoting the values upheld by RGREEN INVEST.

ESG integrated in our investment process

More than ever, we have been reminded of the urgency of global efforts to mitigate climate change and achieve our shared goals for sustainable development. At RGREEN INVEST, we are determined to continue our focus on ESG. Over the past few years, we have concentrated on establishing an effective process for integrating ESG into all stages of the investment process and asset management, training our ESG and investment team, and ensuring that we have adequate tools and resources to help us succeed. We are committed to continuously advancing our ESG efforts, focusing on issues that matter to our key stakeholders - investors, investee companies and employees.



Photovoltaic solar project, Goldbeck, Youngstown, Canada

OUR VISION

OUR APPROACH TO ESG

From the very beginning, RGREEN INVEST's goal has been to finance the fight against climate change. This mandate stems from our conviction that we can effectively accelerate the energy transition by transforming the traditional financial investment model.

The ESG challenges we face are multidimensional and changing. As a financier of the energy transition, climate change mitigation and adaptation, we have the opportunity to make a significant positive impact on people and on the planet.
However, we are aware that the projects we facilitate also have an environmental and social footprint that we need to manage. These include the direct environmental risks associated with the carbon footprint, the impact on biodiversity and local communities.

Activities such as renewable energy generation, energy storage or electric vehicle charging require significant resources in the form of energy, space, water, metals and sometimes rare-earth elements.
At the same time, we are becoming increasingly aware of numerous complex social issues. For our business, this means paying attention to the risks of non-compliance with human and labour rights along the entire supply chain, gender inequality and social acceptability.

OUR MISSION

Hydroelectricity plant, Akuo, Prokopanik, Bulgaria

Strategic ESG and CSR focus

At RGREEN INVEST we work on six strategic ESG and CSR focus areas that we consider material. For each strategic focus area, we have identified a number of material ESG and CSR issues.

These strategic focus areas and material issues have been defined through our internal double materiality assessment to understand what is most important to our internal and external stakeholders.

In our high-level assessment, we considered both impact materiality, i.e., the impact of our own activities and the activities of our investments on society and the planet, as well as financial materiality, i.e., the business opportunities and risks arising from sustainability-related factors. This also includes macroeconomic events and trends related to ESG as well as investor and market preferences. The assessment is forward-looking until 2025.

Material ESG and CSR issues

The identified and prioritised material ESG and CSR focus areas are summarised below. The assessment has been divided into material issues relevant to ESG (investments) and CSR (management company). The six strategic areas are at the core of our ESG and CSR strategy. Our ESG and CSR metrics and targets are based on the identified material issues.

Defining CSR and ESG

When it comes to sustainability, RGREEN INVEST uses two concepts: ESG and CSR. RGREEN INVEST defines ESG as environmental, social and governance issues that relate to investments. When it comes to the ethical and sustainability issues of the management company and its employees, the term CSR is used. The material issues for both concepts were assessed separately.

	ENVIRONMENT		SOCIAL			GOVERNANCE
STRATEGIC AREA	CLIMATE IMPACT	NATURE & RESSOURCES	FAIR & SAFE EMPLOYER	HUMAN RIGHTS IN SUPPLY CHAIN	SOCIETY AND LOCAL COMMUNITY	ETHICAL BUSINESS
CSR ON MANAGEMENT COMPANY LEVEL	Climate change mitigation, Energy consumption	Recycling of waste	Health, safety & wellbeing Diversity, equity & inclusion	Labour & human rights in supply chain	Financing education & associations	Compliance, anti-money laundering, anti-corruption & anti-tax evasion Conflict of interest Personal data protection
ESG ON INVESTMENT LEVEL	Climate change mitigation Climate change adaptation Energy transition	Circular economy Responsible use of raw materials Biodiversity impact Pollution (air, soil & water)	Labor & human rights Health & safety Diversity, equity & inclusion	Labor & human rights in supply chain (especially related to forced labor)	Impact on local communities Job creation Contribution to zero hunger	Compliance, anti-money laundering, anti-corruption & anti-tax evasion Personal data protection

Our methodology for conducting the double materiality assessment

The double materiality assessment was conducted internally, and the results were validated by the Board of Directors and the Executive Board of RGREEN INVEST. In 2024, we will conduct an updated assessment which will be validated by the ESG & CSR Committee. The purpose of the assessment is to improve our strategic direction, reporting, and communication. The focus areas identified are by no means static but depend on the development and maturity of RGREEN INVEST as well as the evolution of stakeholder priorities, macroeconomic trends, and impacts.

OUR COMMITMENTS AS A MISSION-DRIVEN COMPANY

RGREEN INVEST became a mission-driven company (Entreprise à mission) in early 2021. Through our mission, RGREEN INVEST is committed to financing infrastructures based on criteria that contribute to the achievement of the Sustainable Development Goals (SDGs) set by the United Nations for 2030.

Please read more about our impact objectives in our Mission Report.

	Statutory objectives	SDG	Operational targets	Key Performance Indicator	2022 Outcome	2025 Targets
1	Enable the large-scale development of efficient, low-carbon alternatives to the carbon-based solutions widely used today	13 CLIMATE ACTION **SDG 13 - Take urgent action to combat climate change and its impacts**	Providing financing for climate change mitigation and adaptation	Share of fundclassified as Article 9 under the SFDR (in number of funds) Share of portfolio eligible to EU Taxonomy Share of portfolio aligned to EU Taxonomy Carbon trajectory validated by SBTi	100% 95% 0% To be submitted 2024	90% 50% 20% yes
2	Invest in sustainable infrastructure that creates local value and jobs, particularly in developing regions	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE **SDG 9 - Build resilient infrastructure, promote inclusive sustainable industrialization and foster innovation**	Involve stakeholders in project development to promote local job creation Diversify our portfolio's geographic footprint, particularly in Africa	Jobs supported. Number of developers supported since the creation of RGREEN INVEST. Investment in areas requiring significant investment according to the IPCC: Amount invested and committed in Eastern Europe. Investment in areas requiring significant investment according to the IPCC: Amount invested and committed in Africa	56 €462M €87.5M	70 Additional €150M Additional €40M
3	Support technologies adapted to the specific energy issues and challenges of the territories and populations where they are located	7 AFFORDABLE AND CLEAN ENERGY **SDG 7 - Guarantee access for all to reliable, sustainable and modern energy services at an affordable cost**	Explore new technologies to diversify the portfolio Supporting small businesses with local roots	Portfolio technologies. Direct exposure to the fossil fuel sector GW installed capacity financed in operation (with other sources of financing) Number of VSE-SME-ETI supported related to renewable energy production in Europe Number of VSE-SME-ETI supported related to renewable energy production in Africa	0 2.7 GW 56 0	0 4 GW 70 60
4	Contribute to the deployment of infrastructures with reduced environmental impact	12 RESPONSIBLE CONSUMPTION AND PRODUCTION **SDG 12 - Establish sustainable consumption and production patterns**	Financing resource-efficient infrastructure Supporting our partners in managing their environmental and social impact	Amount invested and committed to infrastructure projects Number of participations supported by the ESG team via systematic follow-up meetings on ESG issues	€2Bn 6	€2.5Bn 20
5	Support farmers in implementing sustainable production methods	2 ZERO HUNGER **SDG 2 - Eradicate hunger, ensure food security, improve nutrition and promote sustainable agriculture**	Financing one or more agrivoltaic projects	Amount committed to agrivoltaic and agriculture-related projects	€52M	Additional €20M

*(except in exceptional cases when the target project is in line with the Paris Agreement as a whole)

Photovoltaic solar project, Econergy, Parau, Romania

OUR ESG AND CSR FRAMEWORKS

RGREEN INVEST is responsible to a wide range of stakeholders. This responsibility is taken seriously and the company is committed to actively promoting sustainability issues. **Sustainability is fully integrated into RGREEN INVEST's key processes to improve operations and minimise risks while ensuring competitiveness and long-term results.**

Over the years, we have developed an ESG and CSR approach that we apply on a daily basis. We have integrated ESG issues throughout our investment process and key CSR concerns determine how we run our business. **We continuously improve our tools and processes to incorporate the latest industry best practices and better identify and manage our risks.**

Building on these initiatives, we have set ambitious ESG targets for 2025 and 2030. The anticipation of the launch of our first impact fund AFRIGREEN DEBT IMPACT FUND has led us to redouble our efforts by overhauling our entire ESG system. For example, we strengthened our internal capacity by adding a new ESG manager and two new ESG analysts to our team and developed an ESG-related training programme for the entire company.

Deploying our proprietary ESG Scoring Tool

We have strengthened our processes and developed new tools to help us integrate ESG into our investment and asset management processes. In 2022, we began using our internal ESG scoring tool to assess the performance of all potential new investment opportunities and determine the remedial actions that need to be taken when required. All new ESG due diligence will be conducted using this tool from January 2023. In addition, we have started to assess existing deals using the ESG scoring tool. This initiative aims to improve our understanding of potential ESG-related risks or gaps in ESG management so that we can more effectively support investee companies on their ESG journey.

In 2022, our Environmental and Social Management System (ESMS) was updated to enable the use of the ESG scoring tool at every stage of the investment process, from sourcing to exit. Another important update was to strengthen our definition of sustainable investment in our Responsible Investment Policy, which is embedded in the ESMS. We now refer to the definition in the SFDR regulation as well as to the specific requirements of RGREEN INVEST.

Formalizing our CSR procedure

At the beginning of 2022, we launched a project to formalise our procedures related to CSR. Our CSR Charter was published at the end of the year to strengthen the consideration of social responsibility principles at the level of our management company. To ensure that our CSR Charter is applied appropriately and to track progress, we have established a CSR Steering Committee. This committee, composed of voluntary representatives from three different teams (Business Development, Office Management and our ESG team), meets every two months to decide on the annual programme and ongoing actions.

Future outlook

In the coming years, we will continue to implement our ESG and CSR frameworks using the tools we have created. Our main focus will be on working with our investee companies to address key ESG risks and achieve a positive impact. We will continue to build our internal capabilities through training to ensure a comprehensive understanding of the ESG risks, impacts and opportunities associated with both known and emerging technologies, including those less common in our current portfolio.

A PIVOTAL PERIOD FOR ESG

In response to the Paris Agreement and the UN 2030 Agenda for Sustainable Development, the EU Commission has set up a solid action plan for financing sustainable growth. RGREEN INVEST has ensured compliance with the new regulation deriving from the action plan.

Since the adoption of the action plan on financing sustainable growth in 2018, we have seen an exponential increase in regulation around the concept of sustainable investment, all with the aim of directing capital flows towards a more sustainable economy. Regulation to date aims to better define the boundaries of sustainable investments, provide adequate information for decision-making and promote transparency in the sector so that investment products can be compared in the market. This is the very purpose of the European Green Taxonomy (EU Taxonomy), the Sustainable Finance Disclosure Regulation (SFDR) and the Corporate Sustainability Reporting Directive (CSRD).

Sustainable Finance Disclosure Regulation (SFDR)

The SFDR requires management companies to include information on the sustainability of their products in both contractual documents and periodic reporting. The final form of the SFDR was published in spring 2022. During the year, the first stage of the regulation was implemented for the first time. As the second stage of the regulatory technical standards will apply from January 2023, this is our first year of full implementation of the regulatory requirements. **All funds of RGREEN INVEST are classified as Article 9 funds under the SFDR (pre-SFDR funds are considered equivalent to Article 9), i.e., sustainable investments.**

EU Taxonomy for sustainable economic activities

The EU Taxonomy defines which activities can be qualified as «sustainable". It is currently one of the strictest classifications. **The EU Taxonomy is to be understood as a legal translation of the IPCC recommendations, providing investors with information on economic activities that can be considered sustainable.** At this stage, it only includes environmentally sustainable activities, which can thus be considered "green".

To date, the EU Taxonomy disclosure requirement does not affect RGREEN INVEST. RGREEN INVEST is subject to the EU Taxonomy eligibility and alignment disclosure through the SFDR. RGREEN INVEST has chosen to view the EU Taxonomy as a roadmap for its investments and has largely limited itself to investing in activities that are eligible for and aligned with the EU Taxonomy. 2022 is the first year for which eligibility and alignment with the EU Taxonomy have been measured.

Even for an activity generally considered "green", such as renewable energy generation, alignment with the EU Taxonomy is not a given. In order to align with the EU Taxonomy, several assessments need to be carried out to ensure that all technical criteria are met, and that the activity has no adverse impact on the environment or people. All assessments must be supported by solid documentation. Therefore, we expect only a low level of alignment with the EU Taxonomy in the first years until the necessary assessments, policies and potential mitigation or improvement measures are in place.

Corporate Sustainability Reporting Directive

A comprehensive programme to increase the transparency, comparability and measurability of sustainability information has been taking shape since 2020. A more significant leap will occur when the CSRD replaces the former NFRD (Non-Financial Reporting Directive) in 2024. It intends to clarify the market for sustainable investments by requiring companies to disclose a standardised set of sustainability disclosures in line with a new set of European Sustainability Reporting Standards (ESRS). This means that at least 85 sustainability disclosures with more than 1 100 data points must be reported annually. This regulation will affect an estimated 50 00 companies once it is fully in force. The first draft of the ESRS standards was published in 2022 and adopted in July 2023. Many of our institutional investors and portfolio companies will be affected by this new regulation.

Article 29 of the French Energy-Climate Law

French regulations were also tightened in 2022. The decree implementing Article 29 of the French Energy-Climate Law adds a disclosure requirement to the European legal framework for the consideration of ESG criteria for internal processes, climate and biodiversity. Last year, disclosure for 2021 had to comply with reporting on alignment with the Paris Agreement and biodiversity conservation. This year, all items in the article must be addressed, including information related to the SFDR Regulation and EU Taxonomy.

Onshore wind project, Renalfa, Kazanlak, Bulgaria

Voluntary ESG frameworks

The ESG reporting universe is characterised by a variety of international voluntary reporting mechanisms. These have both strengthened and complicated progress on ESG. The new ESG disclosure regulation in Europe and internationally builds on existing sustainability disclosure standards such as TCFD, EU Taxonomy regulation, GHG Protocol, GRI Standards and others. This is an important step towards simplifying reporting for companies and standardising information for investors. At this stage, however, these frameworks are still largely used on a voluntary basis.

RGREEN has adhered to the following voluntary ESG frameworks:

PRI Principles for Responsible Investment

UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI)
RGREEN INVEST has been a signatory since 2017

CDP

CARBON DISCLOSURE PROJECT (CDP)
RGREEN INVEST has been a member since 2022

TCFD

TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURE (TCFD)
RGREEN INVEST is voluntarily disclosing information on climate related risks and opportunities in line with recommendations of TCFD

Collaborative energy transition: addressing the energy crisis together

As we witness the global warming situation, as we observe the energy crisis, there is a risk of becoming paralysed in the face of this incredible challenge. The best way to act is to join a community of people who are aware of this problem, which is the case with RGREEN INVEST. Since its inception, the company has been involved in financing 4.7 GW of renewable energies, the equivalent of more than 4 nuclear reactors, which, while not fully controllable, do not have the drawbacks of nuclear power and can be deployed in a short period of time. In addition to traditional solar and wind technologies, we are now moving towards innovative green activities covered by the EU Taxonomy.

At RGREEN INVEST we share a common project that offers us a motivating perspective.

The 2022-2023 year has allowed us to significantly increase our focus on environmental and social issues. Our ESG team has been strengthened and now represents almost 10% of the management company's staff. We introduced a new ESG investment process based on an internally developed ESG scoring tool that we worked on for two years. We also officially launched our first impact fund, investing in Central and West Africa. We made very strong commitments by classifying all our funds Article 9 under the SFDR and linking INFRAGREEN V's carried interest to the alignment with the EU Taxonomy.

We stand on the brink of a revolution that is not only industrial but also political, pivoting on the axis of energy, with RGREEN INVEST positioned at its heart. What happens now will shape the decades ahead."

Julien Commarieu
Head of ESG, Risk & Compliance

Photovoltaic solar project, Econergy, Parau, Romania

2

OUR IDENTITY

WHO ARE WE

RGREEN INVEST is an independent, mission-driven and B Corp certified investment management company founded in Paris in 2013. The company has a proven track record of investing in and financing infrastructure projects that power our energy transition, climate change mitigation and adaptation.

We believe we can drive change by aligning the interests of the financial sector with the challenges of the climate crisis. RGREEN INVEST has paved the way for the deployment of green infrastructure internationally by enabling institutional investors to channel their capital into financing projects that accelerate the energy transition, climate mitigation and adaptation.

With a team of more than 40 people whose multidisciplinary skills span finance, infrastructure and renewable energy, RGREEN INVEST supports key players in the energy sector and green infrastructure both in Europe and internationally, providing them with tailored financing solutions for every stage of project development.

+10

years of existence

Company founded in 2013

+40

experienced professionals

with complementary profiles coming from renewable energy, fund management and investment banking backgrounds, making it one of the largest renewable energy teams.

RGREEN INVEST is in a class of its own in France and Europe. Since its creation, the company has been dedicated to financing projects that enable the energy transition, climate change mitigation and, today, adaptation. RGREEN INVEST was founded on the idea of combining sustainability and profitability. Our investment methodology has proven itself over the last ten years and is based on the principles of fiduciary duty to our investors, exemplary behaviour towards our partner developers and a solid understanding of the ESG risks and opportunities associated with investing in the renewable energy sector.

We analyse all our investments over a long period of time to ensure we understand the environmental and social impacts of each project. We know what impact they have on the climate, how they affect the environment and the local landscape, and how they impact territories and populations. For us, a sustainable investment is not just a low-carbon investment, but one that takes into account the impact on biodiversity, local populations, and employees throughout the value chain."

Cédric Lacaze
Managing Director

FUNDS & HOLDINGS

€2Bn
in assets under management / fund commitments

10
funds
(active) dedicated to infrastructure projects related to the energy transition and adaptation to climate change

+10
technologies deployed[2]:
photovoltaic and concentrated photovoltaic
solar power (CPV), wind power, biogas, hydroelectricity, biomass, geothermal energy, hydrogen, battery storage, industrial and commercial energy efficiency, etc.

Nearly 60
funded
-developers
-IPPs
-industrial companies

+3000
projects
across Europe

€800M
investments in 2022

CLIMATE

+2,7 GW
green projects in operation financed in the portfolio[1]
financed jointly with other sources of financing, banks or investors. Including +869 MW financed solely by RGREEN INVEST.
By way of comparison, this maximum installed capacity corresponds to the theoretical capacity of the Flamanville EPR (1.6 GW), but with a lower load factor and increased intermittency.

+4,7 GW
green projects in operation, under construction or ready to build financed in the portfolio[1]
financed jointly with other sources of financing, banks or investors. Including +1,6 GW financed solely by RGREEN INVEST

5,8 TWh
of renewable electricity generated
by projects financed in the portfolio.
Including 1,6+ Twh financed by RGREEN INVEST

1,8 MtCO2e
estimated CO2e avoided
from projects funded in the portfolio ("Scope 4").
Including +509 ktCO2e financed solely by RGREEN INVEST

To be compared with RGREEN INVEST's carbon footprint for 2022 (calculated by RGREEN INVEST and counter-validated by Carbometrix).
Scope 1 = 16 tCO2e
Scope 2 = 2 tCO2e
Scope 3 (ex. 3.15) = 614 tCO2e
Scope 3.15 = 242 KtCO2e
Ratio avoided emissions to carbon footprint Scopes 1, 2 & 3 = x7.3
The avoided emissions are more than seven times larger than the carbon footprint of the projects invested in

ESG & IMPACT

10
funds Article 9 SFDR
i.e., all funds managed by the company

1
impact fund
(AFRIGREEN)
Launched in February 2023

(1) Green projects generate electricity or heat from renewable sources or contribute to climate change adaptation efforts. In terms of emissions, these projects are not zero carbon, they aim to be low carbon. We sometimes use the term "green" to refer to the concepts of renewable energy and climate change adaptation; however, it is important to note that any project or action can pose a potential risk to biodiversity, even when it is presented as green.
(2) It should be noted that RGREEN INVEST only invests in infrastructure projects using proven and validated technologies. The figures show the current level of investment by type of technology, all funds combined. A new equity fund (non-infrastructure) has been launched in 2022, focusing on other technologies.

TECHNOLOGY BREAKDOWN BY PORTFOLIO

AS OF 30/06/2023

Estimated amounts invested in million euros M€. This table excludes, as of 30 June 2023, (1) liquidated funds, (2) equity and bonds reimbursed or repaid.
INFRAGREEN II and Co-investments funds are in reality divided into several sub funds. This synthesis is only provided for explanatory purpose.

	INFRABRIDGE II	INFRABRIDGE III	INFRAMEZZ	INFRAGREEN II	INFRAGREEN III	INFRAGREEN IV	INFRAGREEN V	CO-INVESTMENT FUNDS	RSOLUTIONS	AFRIGREEN	TOTAL	%
Solar	9	106	14	32	101	309	85	6	-	-	660M	46%
Wind	-	-	-	21	144	94	5	13	-	-	277M	19%
Hydro	-	-	-	-	4	22	-	-	-	-	26M	2%
Geothermal	-	-	-	-	6	-	-	-	-	-	6M	0%
Biogas	-	7	-	3	10	-	-	-	-	-	19M	1%
Biomass	-	-	-	-	12	-	-	-	-	-	12M	1%
Storage	-	-	-	-	-	144	60	96	-	-	300M	21%
Energy efficiency	-	-	-	-	-	55	-	-	-	-	55M	4%
EV Chargers	-	-	-	-	-	22	10	-	-	-	32M	2%
Hydrogen	42	-	-	-	-	-	-	-	-	-	42M	3%
Other	-	-	-	-	-	-	-	-	10	-	10M	1%
TOTAL	51M	113M	14M	55M	277M	644M	160M	115M	10M	-	1 440M	100%

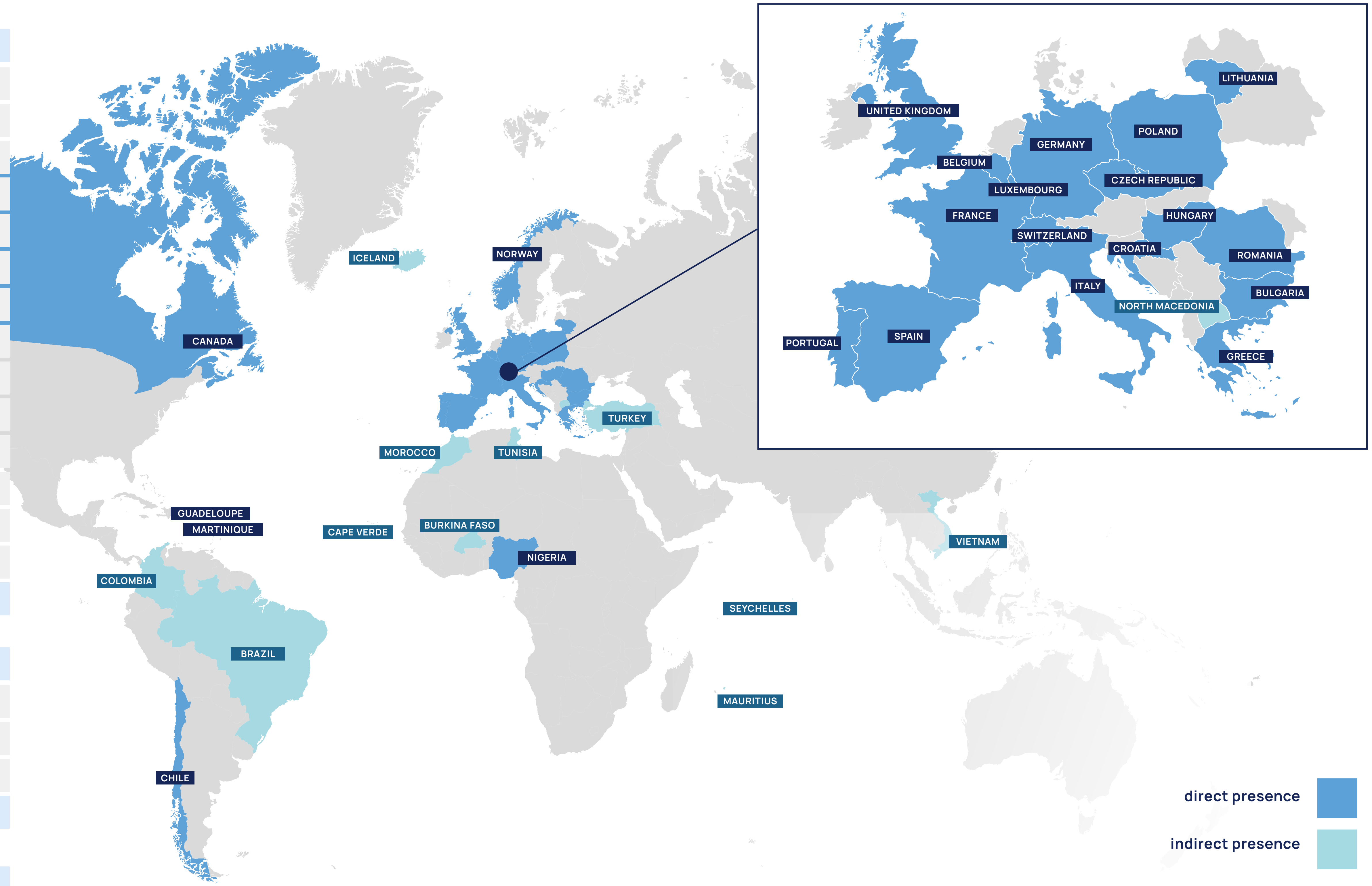
Please note the amounts have been rounded for the sake of readability, which may lead to non-material approximations in the figures.

GEOGRAPHIC SCOPE OF ACTION

AS OF 30/06/2023

Estimated amounts invested in million euros M€. This table excludes, as of 30 June 2023, (1) liquidated funds, (2) equity and bonds reimbursed or repaid. INFRAGREEN II and Co-investments funds are in reality divided into several sub funds. This synthesis is only provided for explanatory purpose.

Europe EEA	1 233	86%
France	635	44%
Belgium	11	1%
Germany	4	0%
Italy	168	12%
Spain	35	2%
Portugal	8	1%
Croatia	12	1%
Poland	92	6%
Greece	13	1%
Bulgaria	84	6%
Hungary	80	6%
Romania	70	5%
Czech Republic	5	0%
Lithuania	8	1%
Other countries EEA	8	1%
Other outside EEA	207	14%
UK	74	5%
North Macedonia	17	1%
Brazil	54	4%
Other countries	62	4%
TOTAL	1 440M	100%



All funds managed by RGREEN INVEST are reserved for professional and qualified investors only. Investing in funds managed by RGREEN INVEST entails significant risks of capital loss.

OUR FUNDS

RGREEN INVEST has deployed a portfolio of investment strategies composed of funds that are all classified as Article 9 under the SFDR and are expected to achieve a high level of minimum alignment with the EU Taxonomy by the end of the funds life. The portfolio is diversified in terms of instruments, technologies, regions and investor types. Three funds were launched last year: (1) INFRAGREEN V, the 5th vintage of the range, focused on green infrastructure investments in Europe, (2) AFRIGREEN DEBT IMPACT FUND, a new strategy focused on financing photovoltaic and storage projects in West and Central Africa, (3) RSOLUTIONS, the company's first VC growth equity fund (excluding infrastructure).

	Investment objectives	Instruments	Area	ESG Analysis	Impact Fund	Certification	SFDR	Minimum level of sustainable assets*	EU Taxonomy minimum level of eligibility**	ESG criteria linked to remuneration
INFRABRIDGE II (previously NOUV. ENERGIES II)	Renewable energy infrastructure and adaptation to climate change	Short term senior debt (bridge financing)	Europe	Yes	-	-	Article 9 (launched before SFDR)	100%	Minimum level of eligibility under revision	Yes
INFRABRIDGE III	Renewable energy infrastructure and adaptation to climate change	Short term senior debt (bridge financing)	Europe	Yes	-	-	Article 9	100%	Minimum level of eligibility under revision	Yes
INFRAMEZZ	Renewable energy infrastructure and adaptation to climate change	Junior debt (mezzanine)	France, Germany	Yes	-	-	Article 9 (launched before SFDR)	100%	Minimum level of eligibility under revision	Yes
INFRAGREEN II 2015	Renewable energy infrastructure	Junior debt	Europe	Yes	-	Greenfin	Article 9 (launched before SFDR)	100%	Minimum level of eligibility under revision	Yes
INFRAGREEN II 2016	Renewable energy infrastructure	Junior debt	Europe	Yes	-	-	Article 9 (launched before SFDR)	100%	Minimum level of eligibility under revision	Yes
INFRAGREEN III	Renewable energy infrastructure and adaptation to climate change	Equity and junior debt	Europe	Yes	-	Greenfin	Article 9 (launched before SFDR)	100%	Minimum level of eligibility under revision	Yes
INFRAGREEN IV	Renewable energy infrastructure and adaptation to climate change	Equity and junior debt	Europe	Yes	-	Greenfin	Article 9	100%	80%	Yes
INFRAGREEN V launched 2022	Renewable energy infrastructure and adaptation to climate change	Equity	Europe & international	Yes	-	Greenfin	Article 9	100%	80%	Yes
AFRIGREEN DEBT IMPACT FUND launched in February 2023	Renewable infrastructure projects for commercial and industrial customers	Senior debt & Direct lending	Africa	Yes	Yes	-	Article 9	100%	80%	Yes
RSOLUTIONS launched 2022	Companies involved in climate change mitigation and adaptation or linked to the protection of human life	Equity	Europe	Yes	-	-	Article 9	100%	0%	Yes

*Minimim level of sustainable investment included in fund as defined in the pre-contractual disclosures of fund. Definition of sustainable investment follows SFDR and RGREEN INVEST Responsible investment Policy. except during the liquidation period where the percentage of sustainable investments will decrease as the Partnership divests until its complete liquidation and liquidity assets qualified as 'not sustainable' will increase.

**Minimum level of Taxonomy alignment required at end of life for fund. With exception of AFRIGREEN DEBT IMPACT FUND for which Taxonomy alignment is required at all times. INFRAGREEN V is the only fund with an official alignment target. The fund targets 80% of full alignment with the EU Taxonomy technologies. The Carried Interest will be equal to 20%, including 5% in the ESG Carried Reserve, payable to the Carried Interest Holders if a minimum of 80% of the Partnership's investments is aligned with the EU Taxonomy.

SUMMARY OF THE MAIN OPERATIONS CARRIED OUT IN 2022-2023

RGREEN INVEST has completed numerous transactions through its funds since the beginning of 2022, which represents a significant acceleration in its investments. Some important transactions are listed in the table below.

NW STORM
€300M
INFRAGREEN IV & V
Equity & Debt
France
Battery storage and EV charging stations

SMART ENERGIES TRANSITION
€20M
INFRAGREEN IV
Equity
France
Solar

TSE
€30M
INFRABRIDGE III
Debt
France
Solar and agri-voltaism

GOLDBECK
€44M
INFRABRIDGE III
Debt
Canada / Chile
Solar

KISS THE GROUND
€3M
RSOLUTIONS
Equity & Debt
Switzerland
Organic and local grocery

RENALFA
€140M
INFRAGREEN IV & V
Equity & Debt
Austria, Eastern Europe
Solar, wind and battery storage

ELECTRA
€22M
INFRAGREEN IV
Equity
France
EV charging stations

ENERCOOP
€7M
INFRABRIDGE III
Debt
France
Solar

GREEN GENIUS
€42M
INFRABRIDGE III
Debt
Lithuania
Solar

SUNOLOGY
€3M
RSOLUTIONS
Equity
France
Plug and play solar

ECONERGY
€250M
INFRAGREEN IV & V
Equity & Debt
UK, Europe
Solar, wind and battery storage

INFINITY SOLAR
€42M
INFRAGREEN IV
Equity
Spain
Solar

PAD RES
€38M
INFRABRIDGE III
Debt
Poland
Solar

CVE
€6M
INFRAMEZZ
Debt
France
Solar

RENSOURCE
€15M
AFRIGREEN
Debt
Nigeria
Solar and battery storage

FOCUS ON OUR MAIN INVESTMENT STRATEGIES

From the outset, we were determined to unlock the entrepreneurial potential in the area of green energy infrastructure by meeting the renewable energy market's demand for more tailored and flexible financial structuring. Since then, we have grown with the support of more than 50 financial investors alongside nearly 60 project developers. In doing so, we have always been guided by the challenges they face, the increasing environmental demands and the evolving requirements of the market, which has gone from a «niche-to-mainstream» market within ten years.

We support our historical partners, the pioneers of the energy transition, throughout their development. Thanks to our solutions that keep pace with a fast-growing market, we are able to build new partnerships every year. However, business models have changed. With the expansion of developers into international markets, the diversification of technologies within the portfolio and the increase in corporate PPA type contracts, the demand for equity is on the rise and so is the level of our investment.

In 2022, we saw record investments, with the size of our investments increasing from €620 million in 2020 and 2021 combined to €800 million in 2022 alone.

€800M
investments
in 2022

nearly 60
developers
supported

INFRABRIDGE

INFRAGREEN

AFRIGREEN

RSOLUTIONS

Focus on our INFRAGREEN strategy

Our **INFRAGREEN** strategies provide tailored equity solutions for independent power producer partners (IPPs) to develop and build their infrastructure projects related to energy transition, climate change mitigation and adaptation.
Due to their scale and rapid deployment, **INFRAGREEN** solutions are designed to follow market developments and closely adapt to sector-specific needs. Thanks to their asymmetric financial structure, INFRAGREEN funds secure investors' initial cash flows, while project owners benefit from most of the value creation.
We have a pipeline of projects financed through **INFRAGREEN III & IV** which gives us a very high level of visibility on our investments. 2 GW of projects are ready-to-build and in construction within three years and represent between €500 million and €1 billion in financial investments.
Strengthened by the high-performing track record of the previous vintage, **INFRAGREEN V** was launched in Q4 2022. The fund aims to reach a target size of €1.2 billion. With this fifth fund, our ESG approach goes beyond what we have done in the past. Like its predecessors, the fund has received the French Greenfin label and is classified as Article 9 under the SFDR. In addition, however, we have tied a quarter of the carried interest to a minimum 80% alignment of all investments with the EU Taxonomy.

How is the **INFRAGREEN** strategy driving energy transition?

In today's dynamic energy landscape, it is no longer enough to focus only on energy production. The paradigm has shifted, and our partners must now also take on the role of grid managers and energy optimisers. This holistic view enables them not only to generate power, but also to stabilise the grid, optimise peak shaving and explore opportunities for selling surplus energy.

Our approach is to look at energy management from a comprehensive perspective, working closely with our partners who experiment with a mix of technologies to achieve optimal results. We know that the future lies in how we use and trade energy.

A key aspect of our strategy is to incorporate energy storage solutions into the design of our partners' facilities. This forward-looking approach ensures that the plants are able to efficiently manage fluctuations in energy demand and supply. While we remain a major player in power generation, accounting for 70% of our investment lines, we are actively seeking alternative approaches to meet the changing demands of the energy landscape.

In this new era, selling energy is not just about quantity, but about smart, adaptable and sustainable solutions. We are navigating this changing landscape with the intention of staying at the forefront of the industry, where energy production and management seamlessly merge."

Olivier Guillaume
Chief Investment Officer

Key investments in 2022 - 2023

RENALFA IPP
Austria, Eastern Europe

Technology: Photovoltaic, Electricity Storage, Wind
Type of deal: Equity
Commitment: €140M
Sustainable investment objective: Climate change mitigation

Renalfa is a Vienna-based project developer operating in Eastern Europe, specialising in renewable energy and dedicated to the acquisition, development and construction of photovoltaic plants and energy storage systems in connection with power generation facilities. The company owns and develops photovoltaic projects with a total capacity of more than 882 MW in Bulgaria, Hungary, Northern Macedonia and Romania. In these countries, electricity generation relies more heavily on carbon-intensive sources. Therefore, increasing the production of renewable energy has a relatively large impact on efforts to reduce greenhouse gas emissions in the country.

ECONERGY INTERNATIONAL LTD
UK, Europe

Technology: Photovoltaic, Electricity Storage, Wind
Type of deal: Equity
Commitment: €250M
Sustainable investment objective: Climate change mitigation

Econergy is a pan-European developer of multi-technology renewable energy projects, mainly focused on utility-scale solar photovoltaic, including photovoltaics with battery energy storage systems (BESS), autonomous storage and onshore wind power. The Group currently has 224 projects under development with a total capacity of 7.2 GW and has a significant local presence in six European countries (Italy, UK, Romania, Poland, Spain and Greece).

INFRAGREEN

Key investments in 2022 - 2023

NW STORM

France

Technology: Electricity storage, Electric vehicle charging stations
Type of deal: Equity
Commitment: €300M
Sustainable investment objective: Climate change mitigation and adaptation

Since 2007, NW has been developing innovative solutions making the energy transition accessible to all. NW, the first French unicorn in the energy transition, is now the leader in electricity storage in France, with the JBox® distributed storage unit. NW is also a pioneer in the field of high-power charging, thanks to its IECharge® technology. As a key player in the energy transition, NW relies on a patented technology that combines distributed storage with high-power charging stations. The Group is thus contributing to the development of renewable energies, particularly in rural and suburban areas. Through these innovative solutions, NW aims to increase the share of low-carbon energy in the electricity mix, support the stability of the grid and contribute to the development of electric mobility in France and internationally. NW is part of the French Tech Next40 program. It has also been awarded the «Solar Impulse» label.

> *Energy Transition is facing two major challenges: network flexibility, for which storage is becoming an essential tool, and high-power EV charging points spread across the entire national territory, both rural as well as urban that do not destabilize the electricity network. The future lies in this combination of both storage and high-power charging."*

Jean-Christophe Kerdelhue
President & Founder, NW Groupe

Electric Vehicle fast charger, NW Storm, France

Focus on our INFRABRIDGE strategy

Launched 4 years ago, our **INFRABRIDGE** fund range has been structured to provide industry players with the right financing solutions with the speed and agility they need. The closing of **INFRABRIDGE III,** the third vintage of our **INFRABRIDGE** strategy and latest addition to our range of short-term senior debt financing solutions, took place in July 2022. With a closing of €225 million in investor commitments, the fund more than met its target size of €200 million.

How does **INFRABRIDGE** help our partners grow?

INFRABRIDGE's primary objective is to facilitate rapid access to capital for our partners. In the current environment, where the race to access equity and debt has intensified, it is imperative to help our partners grow quickly and efficiently to achieve their goals. This bridging of the gap between financing and project development is critical to ensure they can efficiently build and raise decarbonised megawatts.

Our expertise in the energy transition allows us to adapt to the changing energy landscape and support different asset classes, including innovative technologies such as battery storage. We believe that financing infrastructure solutions for grid stability is an essential component for decarbonising the energy mix. Diversifying technology choices is also critical for a balanced and sustainable energy market. Last year, we helped Belenergia, a leading pan-European green energy developer, finance the construction of a diversified portfolio that includes nine solar and biomethane projects with assets in Italy and France.

Supporting regional project developers who are experts in their home markets is a strategic choice. These players often bring unique expertise and solutions to the table, contributing to the diversification of the energy sector. By supporting them, we not only strengthen the overall resilience of the industry, but also have a stronger local impact by promoting innovative solutions tailored to specific regional needs.

Over the past year, we have seen a remarkable shift in our partners' attitude towards ESG. They are becoming more structured and motivated in implementing these principles. The industry as a whole is taking the sustainability challenge more seriously, which is encouraging for the future of our sector."

Mathilde Ketoff
Head of Debt Investment

Key investments in 2022 - 2023

ENERCOOP
France

Technology: Photovoltaic
Type of deal: Debt
Commitment: €7M
Sustainable investment objective: Climate change mitigation and adaptation

Our new financing of Enercoop is pivotal in our commitment to sustainable investments. Enercoop is a network of 11 cooperatives working to promote a local, socially responsible energy transition. As the only French energy distributor to source its energy exclusively from renewable sources, Enercoop is pioneer in contributing to local green energy generation in France, reinforcing our commitment to clean energy. RGREEN INVEST financed part of the construction costs of a 3,5 MWp solar power company jointly owned by Enercoop and PV Eole.

GOLDBECK SOLAR
Canada, Chile

Technology: Photovoltaic
Type of deal: Debt
Commitment: €44M
Sustainable investment objective: Climate change mitigation

In 2001, Goldbeck Group, an international construction group owned by the Goldbeck family, created Goldbeck Solar dedicated to the installation of PV projects in Germany and internationally. For RGREEN INVEST, our international expansion into Canada and Chile with Golbeck represents a significant milestone. We have leveraged our expertise and skills developed in Europe to enter these markets. This expansion is in line with our goal to support sustainable energy development globally.

INFRABRIDGE

Focus on the AFRIGREEN strategy

The **AFRIGREEN** Debt Impact Fund is exclusively dedicated to financing renewable energy projects in Africa. The fund's main mission is to provide long-term debt solutions for various renewable energy projects, including solar energy, electricity storage, wind energy, biomass and hybrids. Its purpose is twofold: first, to reduce energy costs and diesel dependency for African SMEs and SMIs, and second, to promote the adoption of solar photovoltaics in Africa for a greener energy transition.

This launch marks a significant step for RGREEN INVEST, as it combines environmental and social impact in its fund structure. RGREEN INVEST and investment advisor ECHOSYS INVEST announced the first closing of the new fund, **AFRIGREEN** Debt Impact Fund, on 24 February 2023. This saw a gross commitment of €87.5 million, which will be used to finance on-grid and off-grid solar power plants for small and medium commercial and industrial consumers in Africa. In June, the management company announced the opening of its new office in Abidjan.

How is **AFRIGREEN** supporting the acceleration of green energy transition in Africa?

Our main goal with AFRIGREEN is to make a positive impact on the environment and society through our investments, in addition to financial returns. By supporting rooftop solar projects, we play an important role in reducing dependence on conventional energy sources and lowering energy costs for businesses and communities.

Looking ahead, we have a robust pipeline of impactful projects across the continent, particularly in West and Central Africa, and we will continue to actively seek partnerships with developers and local SMEs that meet or exceed the fund's ESG requirements.

To this end, we apply a rigorous two-step process: First, we look for projects whose stakeholders are committed or willing to commit to best-in-class ESG policies; second, we quantify the expected environmental and social impacts of each transaction before we invest. This process includes a strong focus on the offtaker level, where we assess the sustainability and commitment of the end users of the energy generated by our projects. Ongoing monitoring and reporting allow us to track the actual impact of our investments and make the necessary adjustments to achieve our ESG and impact objectives."

Alexandre Gilles
Managing Partner of ECHOSYS INVEST

Key investments in 2022 - 2023

RENSOURCE
Nigeria

Technology: Rooftop photovoltaic
Type of deal: Equity
Commitment: €15M
Sustainable investment objective: Climate change mitigation

The first investment for AFRIGREEN DEBT IMPACT FUND took place in July 2023. A facility of up to $15 million for Rensource Energy, Africa's fastest growing renewable energy services provider. The debt financing provided by AFRIGREEN will fund the construction of more than 30 MW of RENSOURCE's commercial and industrial portfolio over the next 3 years. Our initial financing of Rensource's first 3 projects will provide rooftop solar energy access to a university, a pharmaceutical company and a virology centre. By providing these institutions with access to solar energy, we directly contribute to the reliability and sustainability of vital services in these sectors, ultimately improving the quality of healthcare and education in the regions we serve.

The Rensource operation was the first to go through the updated ESG due diligence process and the new ESG scoring tool. The projects received a positive ESG analysis and a good score. Rensource has strong internal ESG capabilities and has formalized an Environmental and Social Management System (ESMS) with a set of policies, requirements, processes and tools that help integrate environmental and social risk management into the company's core business processes.

AFRIGREEN

Focus on our RSOLUTIONS strategy

Our late stage VC and early stage growth equity fund **RSOLUTIONS** aims to scale up impactful businesses outside the realm of infrastructure projects and invest in companies involved in climate change mitigation and adaptation or in companies with a mission connected to the protection of human life.

How is **RSOLUTIONS** helping new businesses build ESG initiatives from the ground up?

RSOLUTIONS is the area where RGREEN INVEST's ESG philosophy has the greatest impact. Our approach to this late venture capital (industrial) but early-stage investment fund is directed towards nurturing new business models. Companies at this stage of development have the advantage of not being burdened by outdated processes and administrative procedures, allowing them to build their ESG initiatives from the ground up. ESG is an integral part of our analysis, but its true essence is revealed in the holding phase, where we help target companies shape their ESG profiles. Our dedicated ESG team plays a central role in supporting these companies in their ESG efforts. We work closely with our portfolio companies, making recommendations, setting targets and establishing detailed metrics.

Although RSOLUTIONS' deals often revolve around asset-based sectors that resemble infrastructure investments, the fund is not purely infrastructure-focused. Instead, the fund concentrates on four to five core sectors. We have made a conscious decision to reject deals that are financially sound but not in line with our ESG perspective. We strongly believe that ESG considerations must be paramount, even if this means foregoing potentially lucrative opportunities.

The past year has presented its share of challenges. We got off to a good start with an initial raise of €13 million and intentionally attracted visionary entrepreneurs from different sectors. However, securing funding became increasingly difficult due to market challenges, rigid recognition of strategies and risks, and a desire for the status quo. In the early-stage business landscape, an entrepreneurial mindset is crucial. RSOLUTIONS is designed for those who want to support projects that go beyond simply ticking boxes.

A look into the future shows promising opportunities in the market. Many companies are re-evaluating their management practices. Fundraising has become more difficult, and cycles have lengthened. However, this period of change will ultimately distinguish the truly robust companies from those that are just riding the boom. RSOLUTIONS is committed to supporting and nurturing the businesses that embody our core values to ensure a future where only the strongest and most responsible businesses thrive."

Olivier Pinard
Investment Director & Fund Manager

Key investments in 2022 - 2023

KISS THE GROUND
Switzerland

Technology: Food industry
Type of deal: Equity
Commitment: €3M
Sustainable investment objective: Short food supply chains

Kiss the Ground (KTG) has been a leading organic specialist since 2016, operating a chain of local food markets in Switzerland. In addition to the requirements and goals of RGREEN INVEST, the company shows a strong commitment to the environment, including local sourcing, with the aim of producing no food waste and less packaging.

SUNOLOGY
France

Technology: Photovoltaic
Type of deal: Equity
Commitment: €3.4M
Sustainable investment objective: Climate change mitigation

SUNOLOGY was founded in 2019 in Brittany, France. The company has entered the home solar energy market with a unique ready-to-use unit. It aims to expand rapidly and become Europe's leading provider of home solar energy systems. The range of solutions includes both plug-and-play and rooftop installations, the latter with a franchise approach to consolidate the highly fragmented installer market.

RSOLUTIONS

OUR TEAM

With a decade of experience, RGREEN INVEST brings together over 40 professionals specialised in sustainable infrastructure and green technology financing and dedicated to making finance a vehicle for climate change mitigation and adaptation. Proficient across the entire value chain in this sector, covering development, operations, management, industry and banking, our team is one of the most well-rounded in Europe .

Diversity is key to driving innovation and productivity. In recent years, our teams have been restructured, strengthened and diversified, and even more women have been recruited and promoted to management positions. In 2022, we hired 13 new employees, 31% of whom are women. At the end of 2022, 43% of our employees were women and 50% of business unit managers were women. However, we want to ensure gender parity not only at the management company level, but also within our larger teams. Our investment team is our largest team with 17 employees, of which only 26% are women. We are currently aiming to increase the proportion of women in our investment team to at least 40% by 2030.

+40
people

43%
of women
among employees

13
people hired
in 2022

CSR AND ESG JOURNEY

Since 2020, RGREEN INVEST has made significant efforts to improve its CSR and ESG system. This work has included structuring of policies and processes in 2021 and 2022 and maturing and implementing procedures in 2023. The following illustration tracks their evolution over the past two years.

CSR | ESG

2022

- JANUARY — AFRIGREEN: Creation of an ESG & Impact scoring tool for AFRIGREEN
- JANUARY — STEERING COMMITEE: Creation of a CSR Project Steering Committee which meets monthly
- JANUARY — CSR: Launch of the CSR project: drafting of the CSR Charter, drafting of a responsible purchasing procedure, drafting of a travel plan for the company employees
- MARCH — MASTER ESG: Creation of the "Master ESG", a holistic file for monitoring biodiversity risk and environmental, social and governance risks on all holdings
- APRIL — SCORING TOOL: Creation and validation of the ESG & Impact scoring tool for the AFRIGREEN fund, later in the year a similar tool was prepared for all funds
- JUNE — TAXONOMY: 1st Evaluation of the eligibility of the entire portfolio (integrated into the ESG master)
- JUNE — CARBON FOOTPRINT: Validation of the 2021 carbon footprint, the first for RGREENINVEST as well as the emissions reduction plan for 2030
- JUNE — REPORTING 21: Selection of the Reporting 21 SIRSA tool and launch of the first reporting campaign to our developers and funded partners
- JULY — AUDIT REVIEW: External audit of ESG and CSR systems by KPMG
- JULY — RESPONSIBLE PURCHASING: Published our new Responsible Purchasing Charter
- SEPTEMBER — PROCEDURE: Development of a procedure on forced labour on PV supplies
- SEPTEMBER — PRI: PRI rating 5 stars, 100% in the Investment & Stewardship Policy category, 95% in the Direct infrastructure category
- OCTOBER — GREENFIN: Annual Greenfin audit on IG2-3-4-5
- OCTOBER — MISSION-DRIVEN COMPANY: 1st Mission committee
- NOVEMBER — CONFERENCE AND FORUM: Principles of Responsible Investment (PRI) participation in an event in Barcelona
- NOVEMBER — CSR CHARTER: Bi-annual ESG & CSR committee
- NOVEMBER — CSR CHARTER: Publication of RGREEN INVEST CSR Charter
- DECEMBER — DIVERSITY CHARTER: Updating our non-discrimination and anti-harassment policy

2023

- JANUARY — AFRIGREEN: Updating and validation of the RGREEN INVEST ESMS
- JANUARY — AMF: Presentation of the sustainable finance strategy to AMF
- SFDR: Creation of an SFDR pre-contractual annex to comply with SFDR RTS Level 2
- FEBRUARY — RECRUITMENT: New ESG Manager starts
- MARCH — RECRUITMENT: Two new ESG Analysts start
- APRIL — AFRIGREEN: E&S committee for first AFRIGREEN deal
- APRIL — ESG & CSR COMMITTEE: Bi-annual ESG & CSR committee
- MAY — CARBON FOOTPRINT: Calculation of carbon footprint and avoided emissions for management company and investments for 2022
- JUNE — CARBON FOOTPRINT: Carbon footprint counter assessment by Carbometrix
- JUNE — MISSION BASED COMPANY: Publication of the first mission report
- JUNE — PRINCIPLE ADVERSE IMPACT: Publication of fund level and RGREEN INVEST Principal Adverse Impacts
- JUNE — SITE VISIT: Visit to Romanian and Bulgarian sites by ESG Manager

Photovoltaic solar project, Goldbeck, Santa Julia, Chile

3

OUR COMPANY

CSR STRATEGY & CARBON FOOTPRINT CALCULATION

OUR CSR APPROACH

For RGREEN INVEST, it is important that we not only require our investee companies to adhere to sustainability best practices, but also demand the same, if not higher, standards from ourselves. This is why we launched our new CSR framework in early 2022.

Our CSR approach is based on our four levels of responsibility, for each of which we have defined a specific commitment.

Reducing the direct environmental impact of our activities	Supporting the professional development of our employees
Participating in the creation of a society based on solidarity principles	Creating an open, exemplary and agile governance

Our objectives structure our CSR roadmap for the coming years. This roadmap is accompanied by an action plan, CSR indicators to be monitored and disclosed, and targets for key indicators.

Our semi-annual ESG & CSR Committee, established in 2019 and composed of members of our management team, approves the annual CSR plan and tracks progress. To ensure continuous progress on many ongoing projects, we have also established a CSR Steering Committee composed of volunteer representatives from three complementary teams (Business Development, Office Management, ESG & Compliance). This committee meets more frequently to decide on the annual programme and ongoing actions. This committee is responsible for monitoring the proper application of our CSR Charter. Progress made by the Steering Committee is then presented to the ESG & CSR Committee.

Key milestones in 2022

1. **CSR CHARTER**
Publication of our CSR Charter which defines our governance structure, commitments and objectives: These have been summarised in an action plan with a list of indicators that will be used to monitor progress. The CSR Charter was published in November 2022.

2. **TRAVEL POLICY**
The development of a travel policy for employees in relation to business travel and commuting between home and work.

3. **RESPONSIBLE PURCHASING**
The implementation of a responsible purchasing scheme and publishing of a Responsible Purchasing Charter.

4. **CARBON FOOTPRINT**
The preparation of a carbon footprint calculation and decarbonisation plan for the management company. The CSR system and corporate governance were also reviewed.

5. **ETHICAL BUSINESS PRACTICES AND TRAINING**
Investing in our internal competencies so that we can best support our partners. Annual staff training on sustainability risks and compliance as well as regular participation in professional groups to exchange views with peers.

6. **CSR GOVERNANCE**
CSR and ESG issues are systematically included in the agendas of the management committees.

Actions for 2023 and 2024

1. **SCIENCE BASED TARGET**
Applying for science-based targets and establishing a formalised carbon reduction plan.

2. **NEW ESG ORGANISATION**
Establishing a new ESG organisation at group level with our subsidiary Echosys Invest for AFRIGREEN.

3. **SUSTAINABLE MOBILITY**
Introducing a sustainable mobility package with an individual annual budget.

4. **SUSTAINABLE TRAVEL**
Deploying a travel plan for more sustainable business trips.

5. **CSR TRAINING**
Training in good management practices, diversity, equality and inclusion, sustainable workplace policies.

6. **STRATEGIC CSR PARTNERSHIP**
Establishing a strategic partnership with an external organisation to increase opportunities for employees to learn about CSR issues, volunteer and influence the company's donation recipients.

Our main commitments

RGREEN INVEST has been a mission-driven company (Entreprise à mission) since the beginning of 2021. Our raison d'être is to act in favour of the fight against climate change by accelerating the energy transition and the adaptation of society through the financing of infrastructure with a positive and sustainable impact on the environment, local populations and territories.

In September 2022, we launched our first Mission Committee, whose role is to oversee the implementation of the mission, but also to enrich it over time. It is made up of members of our Executive Board and ESG teams. Plenary meetings are held every six months. As a mission-driven company, we will publish an annual Mission Report that clearly outlines our progress towards our five mission objectives.

We published our first Mission Report in July 2023. This report describes our impact objectives for 2025 and the results of the current year. Our impact objectives are presented earlier in the report and the full Mission Report can be found on our website. Our Mission Report is audited annually by an independent third party to verify compliance with the commitments outlined. The first report was audited by KPMG in spring 2023.

In 2022, we signed the France Invest Charter for Parity and Value Sharing. This sets out goals and commitments to promote diversity and equality and value sharing in our own organisation and in the companies we fund.

In addition, RGREEN INVEST was certified as a B Corporation in early 2023, making it one of the companies leading a global movement for an inclusive, equitable and regenerative economy.

As a mission-driven company, RGREEN INVEST is also committed to contributing to the achievement of several Sustainable Development Goals (SDGs) defined by UN by financing innovative and sustainable businesses and projects. In 2021, we identified five SDGs that are central to our investment strategies.

Agrivoltaic project, Sun'Agri, Llupia, France

OUR CSR IMPACT

We assess the environmental, social and governance performance of our management company against our CSR performance indicators.

This is the first year that our CSR indicators are presented in a CSR dashboard. In the coming years, we aim to demonstrate positive development towards our targets by providing comparable data over the past years. Some of our material CSR issues are not covered by the indicators today and we will work to introduce more performance indicators in the future. For example, we plan to disclose the gender pay gap at RGREEN INVEST when we have reached over 50 employees.

The table below shows our CSR performance indicators and the targets set for 2025 and 2030. The actions we have taken in relation to the performance of certain key indicators are explained on the following pages.

CSR dashboard – Performance of RGREEN INVEST management company in 2022

	Performance indicator	Unit	2022	Target 2025	Target 2030	Origin of target
ENVIRONMENT	Total GHG emissions (excluding investments)*	tCO2e	632	-	Target to be set during 2023	Science Based Target
	Carbon intensity	tCO2e/M€ revenue	39	-	Target to be set during 2023	Science Based Target
	Energy usage	MWh	80	-	Target to be set during 2023	Science Based Target
	Waste produced	kg	209	-	-	-
	Proportion of suppliers that have performed a carbon footprint calculation	%	15	-	100	Internal
SOCIAL	Gender diversity among all employees** (31/12/2023)	%	43	50	50	Internal
	Gender diversity within business unit manager (31/12/2023)	%	50	50	50	Internal
	Gender diversity in Board of Directors (31/12/2023)	%	33	40	40	Internal
	Gender diversity in investment team (31/12/2023)	%	26	-	40	France Invest
	Proportion of female with responsibility in investment committee	%	14	-	25	France Invest
	Turnover rate	%	18	-	-	Internal
	Proportion of employees participating in annual HR discussions	%	100	100 annual target	100 annual target	Regulatory
	Absenteeism rate	%	0.6	-	0 annual target	Internal
	Number of lost time accidents	No.	1	0 annual target	0 annual target	Internal
	Total remuneration ratio (excluding dividends)	Rate	3.8	No target	40	-
	Payments to non-profit organisations	€	110 000	-	-	Internal
GOVERNANCE	Proportion of employees trained in ethical business, anti-corruption and bribery.	%	100	100 annual target	100 annual target	Internal
	Proportion of suppliers having signed the responsible purchasing charter	%	0	-	100	Internal
	Proportion of key suppliers with a CSR policy	%	25	-	100	Internal

* Including Scopes 1, 2 and 3 emissions of RGREEN INVEST management company. Excluding emissions from our investments.
Please see page 33 and 34 for more details on our carbon footprint and the carbon footprint of our investments in this report.
**All indicators on gender split are calculated as proportion of females compared to males.

OUR CARBON FOOTPRINT

As a contributor to approximately 75% of global greenhouse gas emissions, the energy sector is instrumental in addressing the global climate challenge, and decarbonising our global energy system is critical.

RGREEN INVEST has been working for over a decade to promote energy transition, climate change adaptation and mitigation. As an investor, we primarily finance projects that help to reduce greenhouse gas emissions in the atmosphere. However, we are aware that both RGREEN INVEST as a management company and our investments need to reduce emissions in order to clear the path to a low-carbon economy.

Overview of our carbon footprint

The climate impact associated with RGREEN INVEST as a management company is small, while almost all of our greenhouse gas emissions, approximately 99%, come from the activities of our investee companies.

The carbon footprint of our investments is mainly related to the manufacturing and transportation of renewable energy generation equipment. While the carbon footprint of our investments is significant, the emissions avoided by replacing fossil fuels with energy from renewable sources are even greater. The estimated emissions avoided by our investments are more than seven times the emissions generated by the same projects. Nevertheless, it is important that the renewable energy sector seeks reduce the emissions associated with its value chain.

Even though the carbon footprint of our management company is relatively small, we are aware that our actions also have an impact. We contribute to greenhouse gas emissions through business travel, the commute of our employees, energy consumption in our offices and indirectly through the services we purchase. We want to set a good example and work toward reducing our emissions. To achieve this, we carry out an annual comprehensive assessment of our carbon footprint, covering scopes 1, 2 and 3 emissions from RGREEN INVEST. This assessment was conducted for the second year in a row covering 2022. In 2022, our ESG team attended Carbone 4 and Bilan Carbone Association training sessions to have the most up-to-date tools and skills to conduct the assessment. The assessment was carried out internally by our ESG team, with a counter assessment conducted by Carbometrix.

Since the start of 2022, we have calculated the greenhouse gas emissions related to the companies and projects we finance on a quarterly basis. The assessment represents a rolling twelve months of emissions for the portfolio at the end of each quarter. It includes the Scopes 1, 2 and 3 emissions and Scope 4 avoided emissions of the investments.

Carbon footprint of our management company

Our carbon footprint covers both the direct and indirect emissions of RGREEN INVEST.

Carbon footprint of our management company for 2022

Greenhouse gas emissions (tCO2e)	2022	2021
Scope 1	**16**	**8**
Scope 2 (location based)	**2**	**2**
Scope 3	**242 497**	**159 595**
category 1. Purchased goods and services	546**	202
category 2. Capital Goods	11	16
category 5. Waste Generated in Operations	~0	~0
category 6. Business Travels	52	36
category 7. Employee Commuting	6	3
category 15. Financed Emissions*	241 882	159 337
Total Carbon Footprint of Management company (Excluding investments)	**632**	**268**
Total Carbon Footprint (Including investments)	**242 514**	**159 606**
Total avoided emissions Financed by RGREEN INVEST and other sources of financing (for instances banks, investors, etc.)	**1 765 331**	**ND**

*Financed emissions include emissions financed by RGREEN INVEST and other finance sources.
**Including emissions deriving from services purchased through the different funds.

DEVELOPMENT

The methodology for calculating the carbon footprint was further developed in 2022. Therefore, the 2022 figures are not fully comparable to those of 2021. As the 2022 data is used as the new baseline for our future target, we have not recalculated the 2021 results using our updated methodology. The 2021 figures are still included in the data table for consistency and comparability is demonstrated by explaining the differences.

Scope 1 emissions have increased by approximately 100% compared to the previous year. The main reason for this sharp hike is the increased consumption of fuel. The year 2021 was still dominated by Covid-19 and so it was expected that the use of our company cars would increase in 2022. To a small extent, the difference is also explained by the fact that refrigerants were included in the calculation for 2022.

Scope 2 emissions have decreased by about 30%. Scope 2 emissions are small, so an insignificant reduction makes a larger percentage difference. RGREEN INVEST changed offices during 2021, which together with a lower emission factor for electricity in 2022 led to the decrease.

Scope 3 purchased goods and services almost tripled compared to 2021. The main reason for this is that emissions from services purchased through the various funds rather than directly from the management company were not included in 2021 but are included in 2022. These emissions account for about 86% of the emissions from purchased goods and services. Emissions from business travel increased by 44% and those from employee commuting by 100%. A large increase in emissions from travel was expected due to the growth in the number of employees and the increase in travel following the Covid 19 pandemic.

Carbon footprint and avoided emissions of our investments for 2022

1- Financed by RGREEN INVEST and other sources of financing (for instances banks, investors, etc.)

Greenhouse gas emissions (tCO2e)	2022	2021
Scope 3.15. Financed Emissions	**241 882**	**159 337**
Total avoided emissions	**1 765 331**	**ND**

2- Only financed by RGREEN INVEST Funds

Greenhouse gas emissions (tCO2e)	2022	2021
Scope 1	**2 322**	**1 504**
Scope 2 (location based)	**1 548**	**1 003**
Scope 3	**73 533**	**47 643**
Total GHG emissions	**77 403**	**50 151**
Scope 4 avoided emissions	**509 339**	**109 439**

It is important to note that the carbon footprint and avoided emissions disclosed in the table above are based on emissions funded only by RGREEN INVEST, with no other sources of financing i.e., only the share of emissions directly attributable to RGREEN INVEST. The carbon footprint for all projects financed by RGREEN INVEST and other sources of financing is 242ktCO2e. Similarly, the estimated avoided emissions based on all sources of financing are 1.8 MtCO2e.

DEVELOPMENT

In 2022, data quality was further improved to ensure full coverage of our projects. In addition, the methodology for calculating the avoided greenhouse gas emissions of our investments in 2022 was more extensively developed. For this reason, the 2022 figures are not fully comparable with those of 2021. As the 2022 data is used as the new baseline for our future target, we have not recalculated the 2021 results using our updated methodology. The 2021 figures are still included in the data table for consistency and comparability is demonstrated by explaining the differences.

The increase in Scopes 1, 2 and 3 emissions of our funds is mainly due to the increased number of investments and the higher proportion of projects under construction or in operation. The carbon footprint per million euros invested increased from 41 tCO2e/€1 million in 2021 to 47 tCO2e/€1 million in 2022.

The Scope 4 avoided emissions increased approximately fivefold from 2021 to 2022 and the carbon impact ratio of financed avoided emissions (Scope 4) to financed emissions (Scopes 1, 2 and 3) tripled. This sharp increase can be explained by three factors. First and foremost, by the increase in our investments. Secondly, because many projects moved from the development phase to the construction phase or into operation between 2021 and 2022. Only projects that are under construction or in operation are included in the calculation of avoided emissions. The third and final point relates to the fact that in 2021 only projects in operation were included in the calculation of avoided emissions. In 2022, it was decided that projects under construction should also be included. The reason for this change was that in many cases RGREEN INVEST only finances the entire construction phase and exits when the projects are put into operation. It was therefore considered fair to include the emissions avoided by these projects under construction as the carbon footprint of these projects is included as well.

METHODOLOGY

The calculation of the carbon footprint follows the methodology set out in the GHG Protocol Corporate Guidance. For emissions related to investments, the calculation follows the GHG Protocol methodology applied to financial investments, called Partnership for Carbon Accounting Financials (PCAF). The only exception to the method is the annualization of emissions for offices and IT equipment (Scope 3 category 3.2.) and for investments (Scope 3 category 3.15). Annualization is a component of the ADEME's Bilan Carbone methodology and not of the GHG Protocol methodology. In the case of annualization, RGREEN INVEST has decided to follow the Bilan Carbone methodology as it allows for more comparable and consistent data for demonstrating the carbon emissions of our infrastructure investments. The difference between the Bilan Carbone and the GHG Protocol method is negligible for the carbon footprint of the management company.

In terms of the management company's Scopes 1-2-3 (excluding the carbon footprint of investments), it should be noted that Scope 3 is relatively high due to the emissions generated by purchased services. We have used an ADEME methodology with a carbon cost for each euro spent, which we consider conservative. This assumption will be adjusted in the future by encouraging our service providers to produce their own carbon footprint.

To date, few of our holdings calculate and publish data on their emissions, although we ensure that all our key partners undertake this work. We have therefore made estimates of their carbon footprint for 2022 and encouraged our key partners to publish this data in the future. The data received from our partners was used to cross-check the results of our own estimate, which is based on internal modelling of capacity, estimated kWh production and technology of projects under construction and in operation. We expect more of our partners to publish their own carbon footprints in the coming years. For those accounts where the data quality is reliable, we will move to using company-specific calculations.

Our approach to assessing avoided emissions is conservative. First, our avoided emissions calculation methodology only measures avoided emissions associated with renewable energy production and does not include energy efficiency. Secondly, a large part of our portfolio consists of projects under development or construction where emissions are not yet avoided. In this context, we expect a strong acceleration in avoided emissions over the next five years due to projects that are under development and will soon be built and operating.

Please find a more detailed methodology description in the accounting practice in Appendix 3.

Roadmap for decarbonization

We are committed to setting a short and long-term, science-based target for reducing our management company's emissions, covering scopes 1, 2 and specific scope 3 categories, including emissions from our investments. Our aim is to define a trajectory that is consistent with the Science Based Targets Initiative (SBTi) target-setting criteria as described in the Net-Zero Standard for Financial Institutions and the 1.5-degree tradjectory. This Standard has not yet been launched but is planned to be launched within 2023 or early 2024. In relation to this timeline, we aim to submit our science-based target to SBTi in 2024.

To achieve our carbon footprint reduction targets, we have established an ambitious action plan. This action plan will be further revised in the context of our submission to SBTi.

At the level of our management company, we are committed to:

1. Implementing and applying a travel plan based on the promotion of soft mobility and rail.
2. Following our Responsible Purchasing Charter to better manage the impact of our service providers.
3. Raising awareness of green measures among our teams.

At the fund level, we are committed to:

1. Encouraging our holdings to establish their own carbon footprint and define a decarbonisation and reduction plan through active shareholder engagement.
2. Encouraging our holdings to favour local suppliers and service providers, for example in the manufacturing of solar panels or batteries.

SOCIAL

Our Social Impact

Our employees represent the primary resource of the company. We recognise the value of all our employees and prioritize their professional development. RGREEN INVEST strives to be a fair, safe and attractive employer that offers its employees a workplace where they can thrive.

We work to achieve the following goals:

1. recruiting, onboarding and retaining talent,
2. creating optimal working conditions and promoting physical and mental well-being in the workplace,
3. promoting diversity and equality in our teams.

RGREEN INVEST is aware of the social issues that can arise from the rapid growth of a company. We aspire to promote a corporate culture that combines cohesion and inclusion in a solid structure where every member works towards a shared objective while having the individual opportunities to excel. To support this agenda, in 2022 we have strengthened the division of roles between the HR Officer, the Happiness Officer and the Executive Assistant & Administrative Officer. The role of our Happiness Officer is to promote wellbeing, collaboration and productivity within the organisation. By providing individual attention to each employee and organising internal sporting events, the Happiness Officer facilitates interactions outside the professional environment of each team member. In 2022 and early 2023, over 400 sports sessions were organised for RGREEN INVEST employees to participate in.

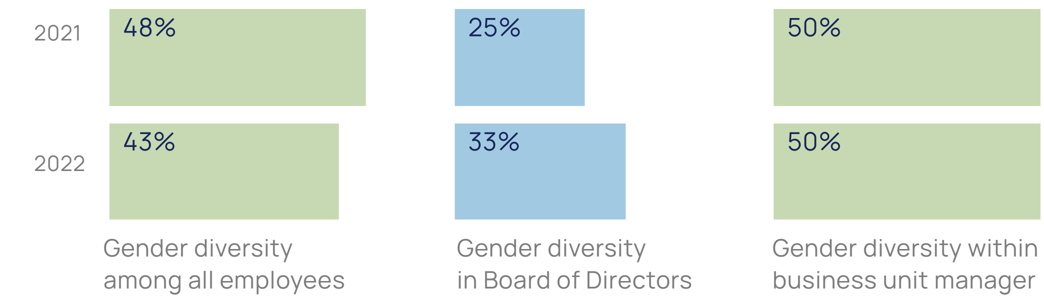
Diversity, equity and inclusion

We believe that a diverse team promotes innovation and productivity. In 2022, we signed France Invest's Parity Charter, which sets out goals and commitments to promote diversity and equality both in our own organisation and in the companies we fund. At the end of 2022, we also updated our internal policies on non-discrimination and anti-harassment to take a clearer stance on these issues.

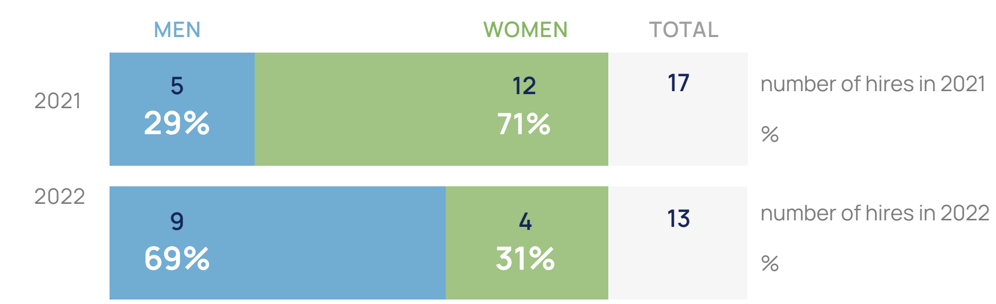
At the end of 2021, we achieved gender parity. In 2022 and early 2023, RGREEN INVEST hired 13 new talents - including 31% female talents. For us, gender parity is a 40/60 split. However, we want to ensure gender parity not only among all our employees, but also at different management levels and within our larger teams.

A comparative study of the gender pay gap was conducted in 2022 to ensure that the differences are not due to gender. We plan to disclose RGREEN INVEST's gender pay gap once we have grown to over 50 employees.

Gender split diversity (proportion of women)



No. of hires from January 2022 to July 2023



GOVERNANCE

We are committed to high ethical business practices and operate in compliance with applicable laws, regulations and generally accepted practices of good corporate governance.

Ethical business practices

Governance is the essential framework to ensure coherence between expectations, commitments and actions. RGREEN INVEST is a collective project based on open, transparent and dynamic governance. With a fast-growing team, we pay particular attention to the way we must fulfil our mission, promote the circularity of information and guarantee the freedom of our associates.

Over the past decade, we have worked to build strong governance and develop a clear, inclusive and accessible decision-making system. We have opened up our management committee to the directors of strategic divisions. We have established an independent team responsible for compliance and internal control, leading the ongoing training of our staff, partners and directors.

Responsible purchasing

In July 2022 we published our new Responsible Purchasing Charter. Since 2019 RGREEN INVEST has had a procedure in place for selecting service providers, covering the process of tendering, contracting as well as monitoring and evaluating the relationship with our supplier. The Responsible Purchasing Charter completes this process by formalizing the key principles of environmental and social responsibility on our supply chain.

As part of our policy, we give preference to suppliers who are committed to environmental protection, especially in terms of emissions management, recycling and circular economy. In addition, we prefer to anchor purchases locally to improve our direct locak impact, and we improve the social impact of our purchases by using companies from the specially adapted and protected labour sectors.

Our policy sets out a procedure to be followed for purchases of different sizes. This includes compliance with the Responsible Purchasing Charter for all purchases, as well as reputational checks and potential controversies related to the service provider. For large purchases, we additionally request CSR-related information from the supplier and require the inclusion of specific ESG clauses in the contract.

In 2022 and 2023, we have not yet required any suppliers to sign the Responsible Sourcing Charter. In 2024, we will work on implementing the process to include the Charter in new supplier contracts. In 2024, an audit will be conducted to assess compliance with the process.

Photovoltaic solar project, Enercoop, Parsac, France

OUR INVESTMENTS

ESG FRAMEWORK

ESG, risk and compliance team of RGREEN INVEST

OUR ESG APPROACH

As a financier of the energy transition, as well as mitigation and adaptation to climate change, we possess the capacity to make a significant and positive impact on people and the planet. However, we recognise that the projects we support also have an environmental and social footprint that we need to manage, such as the direct environmental risks related to carbon emissions, pressures on biodiversity and local communities. RGREEN INVEST defines ESG as environmental, social and governance issues related to our investments.

RGREEN INVEST has integrated ESG issues into all stages of the investment process to improve operations and minimise risks **while ensuring competitiveness, long-term value protection** and value creation. We want to ensure that the companies we invest in are working strategically with ESG. Incorporating ESG best practices can give them first-mover advantages, improve access to sustainable financing, facilitate cost reductions and enable efficiency gains through proficient business management.

ESG Governance

RGREEN INVEST has a dedicated ESG team. Today it includes our Head of ESG, Risk and Compliance, an ESG Manager and two ESG Analysts, totalling 3.5 full-time equivalents, representing almost 10% of the entire management company. By the end of 2023, the team will be expanded to include an additional full-time ESG intern, focusing on our Impact Fund in Africa. The Director of the ESG team reports directly to the CEO and is a member of the company's Board of Directors, enabling better consideration of ESG issues in internal governance.

Since 2019, an ESG and CSR Committee, consisting of the ESG team and the Board of RGREEN INVEST, has been meeting semi-annually to validate the ESG strategy, roadmap and budget. RGREEN INVEST has also committed to have its ESG and CSR systems externally audited annually and to provide a critical opinion on the CSR policy and ESG mechanism at the fund management level. In 2022, KPMG conducted this assessment and rated our ESG system as satisfactory. Fifteen recommendations were made, none of which were rated as high priority. In 2023, the audit will be conducted by Finegan.

Our approach to responsible investment is described in our Responsible Investment Policy, which is embedded in our Environmental and Social Management System (ESMS). The purpose of the Responsible Investment Policy is to govern RGREEN INVEST's approach to responsible investment and ESG, while ensuring compliance with applicable laws and regulations such as the Sustainable Finance Disclosure Regulation (SFDR). The ESMS sets out concrete procedures for assessing, evaluating, and monitoring investment related ESG issues, as well as setting action plans.

Sustainability commitments in our investments

All funds managed by RGREEN INVEST are classified as Article 9 under the SFDR Sustainable Finance Disclosure Regulation. They all have the objective of enabling mitigation and adaptation to climate change. This ambition implies a high level of transparency. In 2021, RGREEN INVEST initiated a project to implement the requirements of the SFDR Regulation by updating legal documentation and reporting. This project continued in 2022 and early 2023 to ensure compliance with the second wave of the regulation.

In 2023, we updated our Environmental and Social Management System (ESMS), our remuneration and voting policies, our quarterly and annual reporting templates and our website disclosure. We also integrated new information into the contractual documents of existing and newly launched funds.

RGREEN INVEST aims to align as far as possible with the technologies defined in the EU Taxonomy regulation. Within this framework, we have set a minimum EU Taxonomy eligibility and alignment requirement for each fund. For our new INFRAGREEN fund, we have set a target of 80% alignment at fund closing, linked to the fund's carried interest.

ESG integration in the investment process

To achieve the most positive impact, ESG issues are integrated and considered throughout our investment process. We have implemented an Environmental and Social Management System (ESMS) that sets out each step of the process, the frameworks and tools used, and responsibilities. Every potential new investment is subject to rigorous ESG due diligence. In addition, existing investee companies are regularly analysed throughout the life of the investment..

We have further developed our legal documentation for bonds and especially for equities to strengthen our ESG requirements for our investee companies. The requirements are tailored to each investment company and are based on a specific environmental and social action plan created as part of the ESG due diligence process. Requirements typically include conducting a carbon footprint, implementing decarbonisation plans, establishing a recycling and/or decommissioning plan, forced labour requirements, ESG reporting, establishing ESG processes, and company-specific requirements.

Responsible investment

In line with our raison d'être and original mandate, RGREEN INVEST only wishes to invest in companies involved in energy transition, climate change mitigation and/or adaptation. Furthermore, RGREEN INVEST only wishes to invest in sustainable investments as defined below.
Any investment must therefore focus on technologies that:

SDG	Aim to meet at least one of the UN Sustainable Development Goals identified as central for RGREEN INVEST	**SFDR**	Fulfil requirements of definition for sustainable investment as set by the Sustainable Finance Disclosure Regulation (SFDR)		Contribute to environmental objectives (notably for the RSOLUTIONS fund, which can make social investments)
IPCC	Are referenced as favorable by the most recent IPCC reports	**TAXO**	Contribute to one of the environmental objectives outlined by the EU Taxonomy and is as far as possible, aligned with the European Taxonomy		Focus on geographic areas or sectors of activity where significant impact can be made

Exclusion Policy

RGREEN INVEST has established a company-wide exclusion list of activities that it does not wish to fund, either directly or indirectly. This list is historically aligned with the European Investment Bank's Exclusion Policy and a number of recognised standards and rules (local regulations, social standards included in the EU Taxonomy, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, the ILO's eight core conventions and the Universal Declaration of Human Rights, and the IFC Performance Standards). Among other things, the exclusion policy of RGREEN INVEST prohibits the financing of fossil fuel-related projects by excluding energy production projects that emit more than 250 gCO_2e/kWh.

In the face of challenges posed by emerging technologies and increasing regulatory scrutiny, the ESG team stands shoulder to shoulder with the investment team during discussions with our partners. Successful investment within the energy transition requires not only a deep understanding of the key sectors but also an agility to adapt to ongoing disruption and new emerging infrastructure sectors.

Furthermore, we have wholeheartedly embraced the consideration of environmental impacts within our decision-making process. With stringent criteria in place, we are unwavering in excluding opportunities for ESG reasons, reaffirming our commitment to shaping a sustainable future through our investments."

Jacques Cikurel
Investment Director

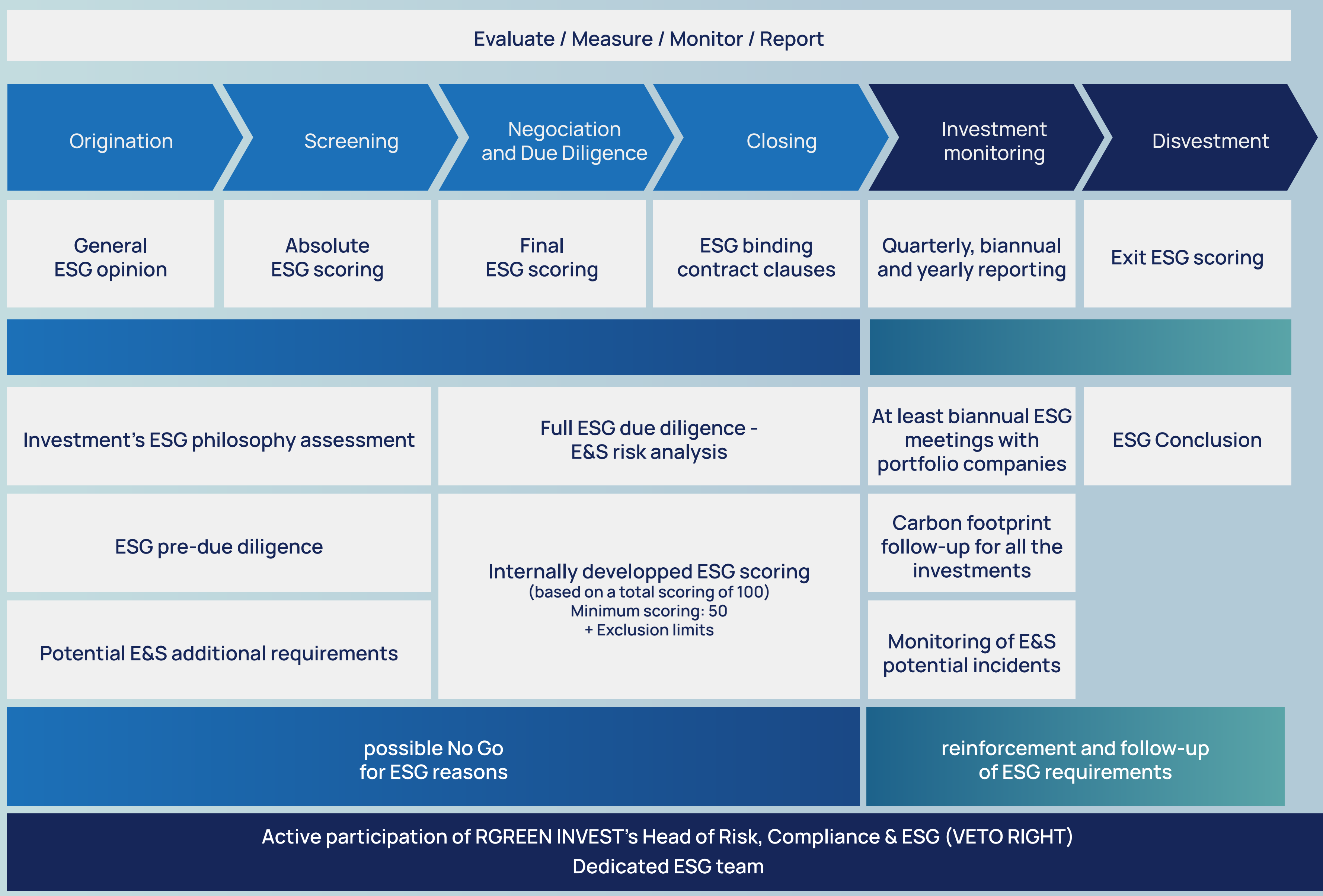
ESG due diligence

As part of the investment process, due diligence has been reinforced for the launch of AFRIGREEN DEBT IMPACT FUND, RSOLUTIONS and INFRAGREEN V. To this end, RGREEN INVEST has developed an internal ESG scoring tool that defines a score for a company or project and its value chain according to environmental, social and governance criteria.

All new ESG due diligence procedures from January 2023 onwards have been conducted using the ESG scoring tool. In addition, we have committed to scoring existing deals through the same process. The ESG score, which is reviewed annually, allows us to exclude the riskiest or unacceptable projects and systematically request additional applications to reduce risk during the investment period. It also allows us to identify gaps in the current management of ESG issues and develop a roadmap for improvement.

Scores are awarded based on reliable and substantiated information provided by the potential partner or submitted as part of our annual reporting campaigns.

ESG issues are monitored for all investee companies. For significant transactions, monitoring is reinforced through systematic follow-up meetings on ESG issues together with our investees. These meetings allow us to monitor the development of our investments, exchange views and organise feedback. In 2022, RGREEN INVEST arranged quarterly monitoring meetings with key investment companies. In the coming years, we intend to include all investee companies in this practice.



OUR ESG IMPACT

We assess the environmental, social and governance performance of our funds against our ESG performance indicators.

This is the first year that our ESG core indicators are presented in a dashboard. The list of ESG core indicators is based on ESG issues that are material to our business. The purpose of our ESG dashboard is to demonstrate the positive impact of our investments as well as being transparent about their environmental and social footprint. In the coming years, we aim to demonstrate positive development towards achieving our targets by providing comparable data over the past years.

As this is the first year of reporting, we have prioritised the disclosure of the most material topics. We will work on standardising more indicators in the coming years to be able to report on issues such as biodiversity, impact on local communities and job creation.

RGREEN INVEST is required by the SFDR regulation to provide investors with information on our portfolio's principal adverse impact (PAI) indicators. These metrics have been included in our ESG Dashboard in addition to metrics representing the positive impacts of our investments. This is the first year that data has been collected to disclose PAIs. We are working on an action plan to set specific thresholds and targets to manage the principal adverse impacts of our funds.

ESG Dashboard at the level of investment

Performance of positive and negative impacts of RGREEN INVEST investment portfolio during 2022

	SFDR PAI**	Performance indicator*	Unit	2022	Coverage of portfolio
ENVIRONMENT	Positive impact	Capacity installed* (based on project Ready To Build, In Construction and In Operation)	GW	1.6	100%
	Positive impact	Renewable energy produced	TWh	1.6	100%
	PAI 1	GHG emissions* Scope 1 Scope 2 (location based) Scope 3	tCO2e	77 403 2 322 1 548 73 533	100%
	PAI 2	Carbon footprint (Scopes 1, 2 and 3)	tCO2e/M€ invested	47	100%
	PAI 3	GHG intensity (Scopes 1, 2 and 3)	tCO2e/revenue of investee companies	1208	100%
		Avoided emissions (Scope 4)	tCO2e	509 339	100%
	PAI 4	Exposure to companies active in the fossil fuel sector	%	0	100%
	PAI 5	Share of non-renewable energy consumption and production	%	34% 0%	66% 0%
	PAI 6	Energy consumption intensity	tCO2e	1.1	58%
	PAI 7	Activities negatively affecting biodiversity sensitive areas	tCO2e/revenue of investee companies	0	100%
	PAI 8	Emissions to water	Tonne	ND	71%
	PAI 9	Hazardous waste and radioactive waste	Tonne	0	71%
	Voluntary PAI	Lack of deforestation policy	%	98	100%
		Environmental incidents	nb	1	100%
SOCIAL		Social incidents	nb	0	100%
	PAI 12	Unadjusted gender pay gap	%	4	63%
	PAI 13	Board gender diversity	% (female/male)	17	63%
GOVERNANCE	PAI 10	Human rights violations***	%	0	100%
	PAI 11	Lack of human rights policy	%	47	100%
	Voluntary PAI	Lack of Human Rights compliance mechanisms****	%	66	100%
	PAI 14	Exposure to controversial weapons	%	0	100%

*RGREEN INVEST share of investments with no other source of financing i.e., only the share directly attributable to RGREEN INVEST
**The principle adverse impact (PAI) indicators defined by SFDR are included in our core ESG KPIs
*** Share of investments that have been involved in Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
**** Share of investments with lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

MEASURING OUR BIODIVERSITY FOOTPRINT

While our investments make a positive contribution to climate change mitigation and adaptation, we are aware that the projects we finance can have a negative impact on local biodiversity. Therefore, we strive to identify and monitor the impact of our investments on biodiversity.

For all projects where a potential adverse impact exists, a thorough Environmental Impact Assessment (EIA) is required and is subject to approval by the ESG team. For each potential new investment, we systematically track the impact on biodiversity using various metrics, such as hectares developed, type of land, areas deforested, proximity to biodiversity-sensitive areas and specific negative impacts on flora and fauna.

Agrivoltaic, Sun'Agri, France

Footprint of land use and artificialized land use for 31.12.2022 - Estimated by fund

Fund	Ready to build	In construction	In operation	Total Ha
INFRAGREEN V	0	124	224	348
INFRAGREEN IV	270	1802	998	3 069
INFRAGREEN III	153	474	908	1 536
INFRAGREEN II-2015-1	0	0	285	285
INFRAGREEN II-2016-1	0	0	59	59
INFRABRIDGE II	142	43	0	185
INFRABRIDGE III	35	157	204	396
INFRAMEZZ	0	15	168	183
QUINT PARTICIPATIONS	153	460	501	1 114
RSOLUTIONS	0	0	0	0
TOTAL avoiding double accounting from co-investments*	**447**	**2 030**	**2 057**	**4 534**

*The overall figure varies from the prior table as we have fine-tuned our footprint, ensuring the avoidance of double-counting projects in which we have invested through multiple funds.

For the year 2022, we have estimated that we will have consumed a total of 4 534 ha of land for the implementation of our infrastructure projects. In this calculation, we have taken into account projects ready to build, projects under construction and projects in operation, but not projects under development.

In the second half of 2023, we intend to launch a project aimed at quantifying our net contribution to the environment, particularly in terms of biodiversity conservation, and defining a biodiversity footprint indicator. This approach could enable us to more accurately assess the financial impact of adverse impacts on biodiversity and the proportion of assets exposed to these impacts. To help us standardise our approach, we intend to rely on external methodologies such as the Global Biodiversity Score, introduced by the French company CDC Biodiversité.

OBSERVED ESG INCIDENTS

In 2022 and early 2023, there were four environmental and social incidents in our holdings within all funds under management. When a proven risk is identified, a follow-up process is put in place and the ESG team exercises extra vigilance.

Depending on the situation, the resources available to us and the risk, an action plan is systematically put in place. We strive to continuously improve our ESG risk management. Whenever we can, we therefore take past events into account in order to take measures that are better adapted and can prevent us from having to deal with specific ESG incidents.

Participation	Details of incidents	Remedial actions	Status
Methanization plant in France	Several episodes of water pollution and olfactory nuisance were noted on a methanization project financed by a fund managed by RGREEN INVEST. These pollutions are due to the overflowing of a retention basin, which itself led to an overflowing of the fire safety basin, connected to the external road network. Recent operational malfunctions have led to fears of new ESG incidents. The plant is therefore shut down.	RGREEN INVEST commissioned a specialized technical firm in June 2021 to conduct an analysis of the reasons for these malfunctions and the actions to be taken. Remedial actions have been launched. In addition, a legal procedure has been launched in the framework of this project in order to stop the nuisance. RGREEN INVEST is carrying out a detailed follow-up of the situation.	Remediation actions taken. Analysis in progress. RGREEN INVEST is conducting ongoing monitoring through quarterly meetings
Wind power plant in France (Guadeloupe)	An abnormal level of deaths concerning chiropterans (bats) has been noted on a wind farm financed by a fund managed by RGREEN INVEST.	The project partner implemented a system to shut down the wind turbines at certain critical times, particularly at the end of the day. Fatalities have dropped following the implementation of the mechanism. RGREEN INVEST is monitoring the proper application of this system.	Analysis in progress. RGREEN is conducting ongoing monitoring.
Storage project in UK	Occupational health and safety incident resulting in an injury of person working for on site.	The project partner conducted a root cause analysis, communicated to all parties involved. Actions to prevent similar occurrences were identified and communicated.	Resolved, issue closed in 2023.
Hydropower plant in Bulgaria	Occupational health and safety incident resulting in injury of person working on site. Accident occurred to sub-contractor working on site for repairs.	Incident classified as labour incident and official investigation carried out by authorities. A state labour inspection audit confirmed that the project partner complies with all local requirements. A root cause analysis was conducted by the developer, including actions to strengthen existing health and safety management system.	Resolved, issue closed in 2023.

EU TAXONOMY FOR SUSTAINABLE ECONOMIC ACTIVITIES

RGREEN INVEST is subject to disclosure on EU Taxonomy eligibility and alignment through the SFDR. **We have chosen to invest in activities that are aligned with the EU Taxonomy and are therefore identified as 'green' economic activities.** In 2022, we updated the pre-contractual disclosures in our funds' legal documentation to include a minimum level of EU Taxonomy eligibility and alignment. In addition, our quarterly reports and website disclosures have been updated to provide our investors with more information on EU Taxonomy eligibility and alignment. This report provides an overview of the eligibility and alignment with the EU Taxonomy but does not answer to regulatory disclosure requirements.

Assessment of eligibility and alignment with the EU Taxonomy

To date, the EU Taxonomy regulation on disclosure does not affect any of our investment companies. Therefore, RGREEN INVEST has decided to conduct an eligibility and alignment assessment on their behalf. 2022 is the first year for which eligibility and alignment with the EU Taxonomy will be measured and reported for our funds. Activities that are aligned with the EU Taxonomy are those that meet the criteria of 'substantial contribution', 'do no significant harm' and 'minimum social safeguard' as outlined in the EU Taxonomy.

The results confirm that RGREEN INVEST funds have the potential to make a significant contribution to climate change mitigation and that the assessment and documentation of alignment with the EU Taxonomy is still in its infancy. It should be emphasised that RGREEN INVEST encourages each investment company to conduct its own assessment in the coming years.

EU Taxonomy eligibility

In 2022, 95% of RGREEN INVEST's investments were EU Taxonomy eligible. These investments mainly fall under the following categories under Climate Change Mitigation:
4.3. Electricity generation from wind power,
4.1. Electricity generation using solar photovoltaic technology,
4.5. Electricity generation from hydropower,
4.8. Electricity generation from bioenergy,
4.10. Storage of electricity,
7.3. Installation, maintenance and repair of energy efficiency equipment and
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings).

Our investments in renewable hydrogen transport and investments in energy efficiency fall outside the EU Taxonomy, these are considered investments with a positive impact on the environment but are not yet covered by the EU Taxonomy.

EU Taxonomy alignment

In 2022, we will report 0% of our investments as aligned to the EU Taxonomy. Even for an activity generally considered "green", such as renewable energy generation, alignment with the EU Taxonomy is not a given. In order to align with the EU Taxonomy, several assessments need to be carried out to ensure that all technical criteria are met, and that the activity does not have a negative impact on the environment or people. All assessments must be supported by robust documentation. Some of these assessments are not yet standard market practice for small and medium-sized enterprises, such as conducting a forward-looking climate risk scenario analysis or ensuring that each project has a dismantling and recycling plan. Therefore, we expect little alignment with the EU Taxonomy in the first years until the required assessments, strategies and potential mitigation or enhancement measures are in place.

We are working to support our investee companies in carrying out such assessments and updating the documentation of their procedures, and we expect alignment with the EU Taxonomy to increase as early as 2023. One such measure is the engagement of an external service provider to assess physical climate risks for investments in our INFRAGREEN V fund.

Overview of eligibility and alignment per fund for 2022 and alignment targets

Fund	Launched before or after publication of the Taxonomy?	Eligibility*	Alignment*	Alignment target **	Expected alignment level***
INFRAGREEN II - 2015	Before	100%	0%		High
INFRAGREEN II - 2016	Before	100%	0%		High
INFRAGREEN III	Before	99%	0%		High
INFRAGREEN IV	Before	91%	0%		High
INFRAGREEN V	After	100%	0%	80%	Very high
INFRABRIDGE II	Before	100%	0%		High
INFRABRIDGE III	Before	100%	0%		High
INFRAMEZZ	Before	100%	0%		High
AFRIGREEN	After	N/A not launched	NA		Very high
RSOLUTIONS	After	NA	NA		Medium

* Calculated based on turnover of companies and projects invested in
** End of fund lifetime (linked to carried interest)
*** Expected level of EU Taxonomy alignment at end of life for fund

ENVIRONMENTAL AND SOCIAL RISK MATRIX

Our ESG risk matrix for debt and equity investments organises a general summary of environmental and social issues that have a potentially negative impact on people and the planet and thus indirectly represent a business risk for RGREEN INVEST. Environmental and social risks are identified:

1. **during the verification phase through external due diligence, questions posed or through environmental and social impact studies,**

   or

2. **during the life of the investment through the feedback mechanisms we have established.**

This matrix includes:

1. **environmental risk related to biodiversity (fauna and flora), pollution or climate impact,**
2. **social risks related to employees,**
3. **specific risks to the local population, etc.**

In the coming years, we will continue to work on quantifying our exposure and vulnerability to various environmental and social risks. An overview of our ESG risk matrix can be found in Appendix 1.

Climate related risk

Climate-related risks and opportunities are central to the strategy of RGREEN INVEST. The company's core objective, enshrined in our Articles of Association, is to mitigate climate change by accelerating the energy transition and adapting society by financing infrastructure with positive and sustainable impacts on the environment, local populations, and communities.

In 2017, the Financial Stability Board published the recommendations of the Task Force on Climate Related Financial Disclosure (TCFD) in response to the question of how the financial sector should consider climate-related issues. RGREEN INVEST is committed to applying the TCFD recommendations to identify, understand and assess potential climate change impacts. See Appendix 2 for our disclosure of climate-related risks and opportunities.

Grid-connected lithium battery storage project, Back Lane, UK

Photovoltaic solar project, Goldbeck, Joffre, Canada

PARTNER AND DEVELOPER TESTIMONIALS

INTERVIEW

QAIR
SUSTAINABILITY TEAM

QAIR
Europe and international

Technology: Solar, Onshore wind, Floating wind, Hydrogen
Type of deal: Equity, INFRAGREEN III & IV
Commitment: €131M

Qair is a leading renewable energy player in Europe and a historic partner of RGREEN INVEST. The company has 1 GW of capacity in operation or under construction and an extensive development pipeline. Qair also specialises in future technologies such as hydrogen and floating wind power.

Qair is targeting to be at the front-end of sustainability, how did you set up and operate your new ESG division?

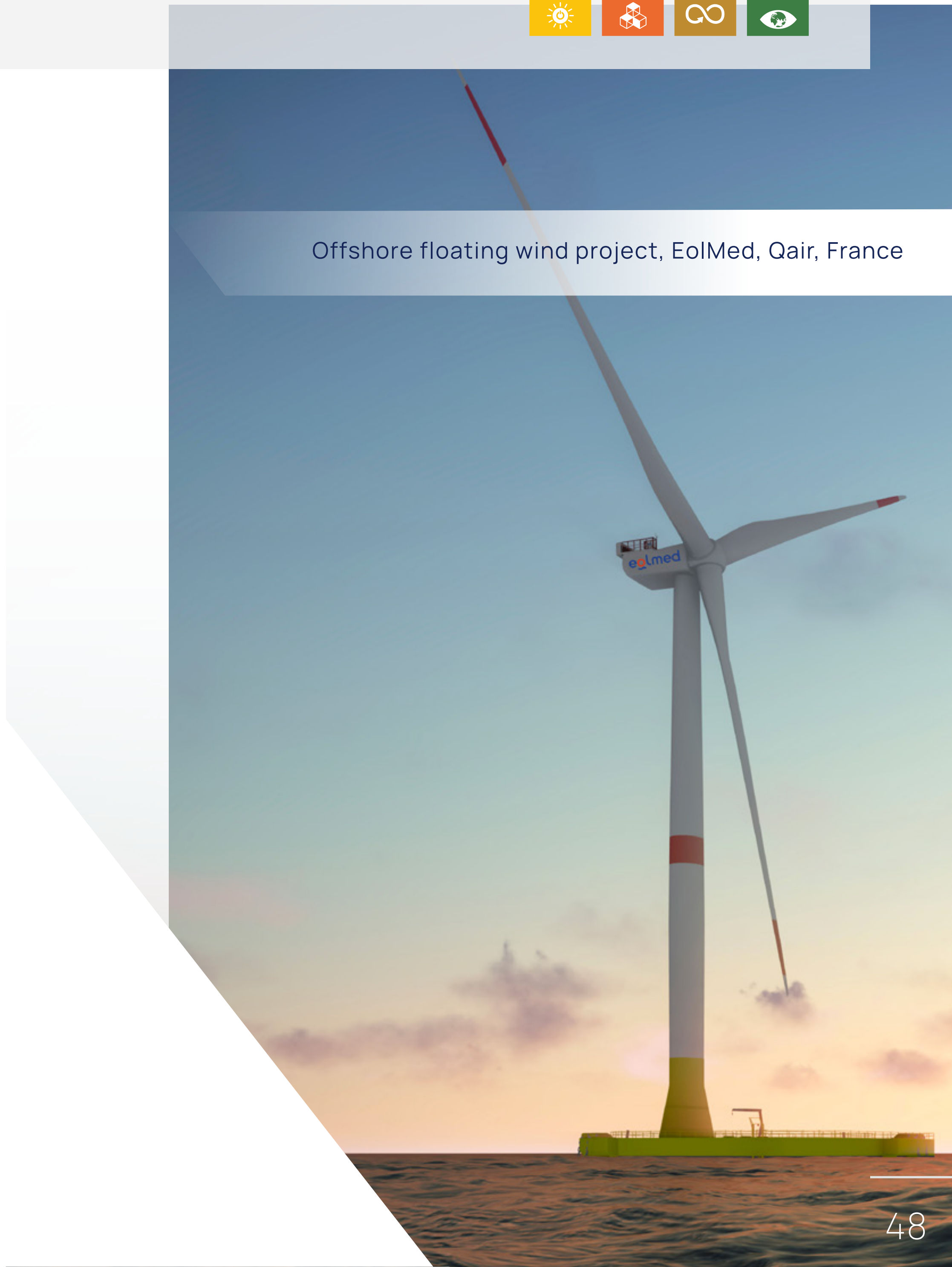
"Over the past two years, we have defined a robust Sustainability strategy as an opportunity to demonstrate our group's sustainability maturity, reach new markets and position our company on the green bond market, anticipate and answer to the growing expectations and requirements from our shareholders and lenders/investors. This effort aims to consolidate our view at the group level, especially as our organizational structure continues to expand.
In the development of our strategy, we have assessed it against the highest industry standards. Our strategy encompasses several essential pillars, including climate and carbon, biodiversity, social acceptability, human capital and governance.
Regarding governance, we have established a dedicated sustainability department at Group level with dedicated teams for environment, social, health and safety, quality and ethics. We have established a network of correspondents within each subsidiary to manage risks and allocate resources appropriately. Sustainability ambassadors have been appointed in each country and regular meetings are scheduled to assess their needs and progress."

What are the future opportunities and challenges in terms of sustainability?

"On the regulatory front, we are encountering challenges related to data consolidation and overall strategy integration. Incorporating these aspects into our organisation and operational processes is critical to ensure transparent and reliable reporting.
However, these challenges also present opportunities to measure our performance, establish tracking indicators, set goals, and leverage our successes to drive positive change. We aspire to contribute throughout the value chain by integrating sustainability criteria into our activities and further engaging our partners.
To this end, we are refining our purchasing processes to incorporate sustainability requirements into contracts. While conducting on-site audits is presently unfeasible, we launched sustainability questionnaires to best assess environmental, social and ethical risks linked to the sourcing of products. We also aim at reducing our climate impact, with our supply chain (products and services) accounting for over 90% of our total carbon footprint."

Qair is currently developing the EolMed project, a floating offshore wind farm. Can you tell us about the specific ESG aspects of the project?

"Located in the Mediterranean Sea off Gruissan (Aude), the Eolmed pilot wind farm consists of three 10 MW wind turbines mounted on steel floats more than 18 km offshore. We have implemented protocols such as ESIA (Environmental and Social Impact Assessment) and ESAP (Environmental and Social Action Plan) with a team of three environmental experts addressing issues related to marine fauna, flora.
An environmental assurance plan led by Qair is shared with the companies present on the site to manage waste and accidental spills, as well as the circulation and maintenance of site machinery. Finally, all good site practices are monitored and encouraged.
The construction phase is less restrictive since wind turbines are assembled at the harbour in Port-La Nouvelle, and the floating technology allows greater distancing than with conventional offshore wind turbines, contributing to greater project acceptability. Finally, the long-term reef effect resulting from our floating structure presents significant biodiversity advantages in addition to the fact that the floating technology also requires less land artificialization, no access track nor baseplate."


Offshore floating wind project, EolMed, Qair, France

INTERVIEW

VINCENT GAILLARD (DEPUTY CEO) AND ELISE ERBS (CFO) OF ELECTRA

How do you see the future of the electric vehicle charger industry in France and Europe in terms of sustainability and innovation?

"Our mission is to accelerate the transition of the electric vehicle market as swiftly and comfortably as possible. To achieve this, we believe several parameters are required, including the electric vehicles themselves, the charging infrastructure, power grids and the ability to employ decarbonized energy. At Electra, we focus primarily on recharging infrastructures, and strive to ensure the alignment of these infrastructures with the other key parameters. We aim to enable faster recharges with increasingly higher power levels. Currently, the industry is trending toward fast and even ultra-fast recharging solutions, particularly with the introduction of 800V batteries. While we do not currently foresee any major technological breakthroughs in the charging stations we implement, we emphasize that innovation should concentrate on electric vehicle manufacturers, involving the development of more efficient batteries and making vehicles more affordable for mass adoption."

What are the main ESG initiatives you are currently driving forward? Please give us specific examples of ESG projects or initiatives that your company has implemented recently?

"We work strategically with ESG and CSR and base our strategy on our roadmap, which consists of about twenty ESG criteria. One of the most important measures is the assessment of our carbon footprint, which we evaluate annually, most recently considering Scopes 1, 2, and 3 emissions for the year 2022. In addition, we calculate CO2 consumption rates with the goal of identifying the highest emitting factors to establish a decarbonisation plan by 2030. We also compare our results with various benchmarks and other companies and we organize quarterly calls with our investors.
We would like to highlight the significance of the collaboration between Electra and RGREEN INVEST and how this interaction contributes to Electra's development. It empowers us to delve deeper into ESG initiatives and to adopt best practices within the sector."

What do you think of the EU Taxonomy? We understand that you have undertaken an initial assessment of your company's eligibility and alignment with the EU Taxonomy; could you explain this process to us?

"Our assessments conclude that our business should be is fully eligible and aligned with the European Taxonomy. We performed our first alignment analysis six months ago and are closely monitoring all the ratios and reports required to maintain this compliance. We found it most difficult to evaluate our compliance with all the Do No Significant Harm criteria (DNSH) when assessing our alignment with the EU Taxonomy. Regarding climate risk assessment, we have not conducted a companywide assessment, but this is primarily conducted on a project-by-project basis, mainly due to French regulations that mandate through environmental assessments even before commencing infrastructure construction."

ELECTRA
France

ELECTRA

Technology: Electric Vehicle charging stations
Type of deal: Equity, INFRAGREEN IV
Commitment: €22M

Electra is a French group specialising in the development, financing, construction, operation and maintenance of high-speed electric vehicles charging stations. It is based in France but is looking to build charging stations in neighbouring countries, starting with Belgium and Italy. By 2030, Electra aims to deliver about 1 TWh of renewable electricity to electric vehicles annually through 8,500 to 10,000 charging stations.

EV charger station, Electra, Passy, France

INTERVIEW

YOAV SHAPIRA
MANAGING PARTNER
OF ECONERGY RENEWABLES ENERGY LTD

How did you start integrating ESG into Econergy's activities?

"Over the past year, we have increased our internal resources, improved our capabilities in working with environmental, social and governance (ESG) issues and included them as a core value. We have set up a new organization and program to work with the topic on a group level. An essential action was to fill the full-time position of ESG Manager. As part of our ESG policy work, we have developed two key projects: first, we have integrated ESG into our vendor due diligence process and, second, we are measuring both the positive and negative climate impact of our projects by establishing a carbon footprint calculation and an emissions reduction calculation, and that's just the beginning."

We were pleased to see that Econergy has conducted its first company-wide carbon footprint. What can you tell us about this process?

"It was useful to set up a carbon footprint and avoided emissions calculation. It was a logical choice and enabled Econergy to understand our environmental footprint but also the positive impact of our projects. The positive contribution relating to the substitution of fossil-based energy with energy produced by renewables. We used the carbon footprint calculation to determine a carbon intensity score for each of our projects. Moreover, it has been particularly useful for us to compare the differences in positive impact our projects have in distinctive countries, based on the emissions avoided. Seeing that our projects in countries with a highly carbonized energy mix have a greater impact."

Will you set a target for decarbonising your operations and what role does your supply chain play in this?

"At the current stage we find it difficult to set a decarbonization target for our carbon emissions. In general, our operations are low in carbon. Our Scope 1 and 2 emissions are minimal compared to our Scope 3 emissions, which derive from the manufacturing and transportation of renewable energy. For certain Scope 3 categories setting a target will be difficult before improving data quality and accuracy, including receiving more detailed data from our suppliers. The principal way to decarbonize our activities is localizing our supply chain, purchasing solar panels and wind turbines manufactured in Europe. Which at current stage is not feasible as the market is strongly dominated by China. However, ensuring we do what we can to decrease our climate footprint is critical for us and we will thus look into setting decarbonization targets in the years to come."

You have started to look at the EU Taxonomy and assessing the eligibility and alignment of Econergy's activities. How do you see the application of the EU Taxonomy to Econergy and what is the value of the Taxonomy disclosure?

"Yes, we have started looking into the EU Taxonomy as a requirement from RGREEN INVEST. Today it is not yet a regulatory requirement for Econergy to report on EU Taxonomy eligibility or alignment.

We have conducted an internal assessment for EU Taxonomy eligibility and alignment. At this stage, all Econergy activities have been internally assessed as being eligible for the EU Taxonomy.

We are already working on certain topics related to the EU Taxonomy alignment requirements, including sustainable supply chain management, setting robust know your customer procedures and measuring the climate impact of the projects. Other assessments still need to be conducted and properly documented such as forward-looking physical climate risk assessments.

We anticipate being a part of the ecosystem and better positioned to facilitate future financing or negotiate power purchase agreements (PPAs) by demonstrating EU Taxonomy alignment, even though conducting these assessments and ensuring EU Taxonomy alignment is an additional cost."

econergy
Powering renewables.

ECONERGY INTERNATIONAL LTD
UK, Europe

Technology: Photovoltaic, Electricity Storage, Wind
Type of deal: Equity, INFRAGREEN IV & V
Commitment: €250M
Sustainable investment objective: Climate change mitigation

Econergy is a pan-European developer of multi-technology renewable energy projects, mainly focused on utility-scale solar photovoltaic, including photovoltaic with battery energy storage systems (BESS), standalone storage, and onshore wind power. The Group currently has 224 projects under development with a total capacity of 7.2 GW and has a significant local presence in six European countries (Italy, UK, Romania, Poland, Spain and Greece).

Photovoltaic solar project, Econergy, Caraglio, Italy

Photovoltaic panels, Sunology, France

GLOSSARY

GLOSSARY

Agrivoltaics: Synergy between agricultural production and photovoltaic production on the same plot of land.

AUM (Assets under Management): Total assets under management.

B Corp Certification: B Corp Certification is a designation that certifies a business is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials.

Carbon Footprint: A measure of the total greenhouse gas emissions produced by an individual, group or company.

Compliance: All organisational measures that ensure compliance with laws, standards and internal company codes of conduct, from data protection to money laundering and corruption.

Corporate Social Responsibility (CSR): Contribution of companies to sustainable development through the voluntary inclusion of social and environmental concerns of stakeholders in the business activities of these companies. For RGREEN INVEST this is in connection with the processes of the management company.

Corporate Sustainability Reporting Directive (CSRD): EU standard adopted by the Council of the European Union on 28 November 2022 to make corporate sustainability reporting more uniform, consistent and standardised than financial accounting and reporting. Companies subject to the CSRD must report in accordance with the European Sustainability Reporting Standards (ESRS).

Decarbonisation: Measures and techniques used to reduce the carbon footprint of a company, industry, country or economy.

Electricity mix: The combination of the different primary sources of electricity used to meet the energy demand in a given geographical area.

Environment, Social and Governance (ESG): This acronym refers to the three criteria we use to measure the sustainability and social impact of an investment in a project or company. For RGREEN INVEST it refers to the processes of our investee companies.

Environmental and Social Management System (ESMS): A formalised set of policies, procedures, tools and internal capabilities to identify and manage a financial institution's exposure to environmental and social risks. RGREEN INVEST has established an ESMS to support its ESG due diligence process before and after investments.

EU Taxonomy: European Regulation 2020/852 on the classification of economic activities having a positive impact on the environment. Its aim is to direct investments towards sustainable economic activities by providing a detailed list of activities and the conditions required for an investment to be considered eligible.

Greenfield / Brownfield: Construction phase of a project, where Greenfield is in the pre-construction phase and Brownfield is in the operational phase.

Green project: A project that generates electricity or heat from renewable sources or contributes to climate change adaptation efforts. In terms of emissions, these projects are not carbon-free, but aim to be low-carbon. The term 'green' is sometimes used to refer to the concepts of renewable energy and climate change adaptation. However, it is important to note that any project or measure can pose a potential risk to biodiversity, even if it is presented as green.

Greenwashing: The promotion of a product, service or company as being more environmentally friendly than it actually is by claiming false environmental benefits or concealing risks.

Impact Investing: An investment methodology that is not currently defined by regulation, but which meets at least three key characteristics (some meanings add additional criteria) defined by market practice:
- Additionality, which is the contribution to the modification of the ecosystem around the investment target
- Intentionality, which corresponds to the investor's desire to generate a measurable social or environmental benefit and thus contribute to sustainable development
- Impact measurement, which aims to verify the reality of the impact through the monitoring of quantified and measurable indicators

Mission-driven company (entreprise or société à mission): A company that has a recognised social or environmental objective enshrined in its Articles of Association. This qualification has been defined in France by the Loi Pacte.

Principles for Responsible Investment (PRI): An independent initiative supported by the United Nations that works to better define and promote responsible investment. PRI members are rated each year via a published reporting questionnaire.

Project Developer: A company that has industry expertise and uses this expertise to research, plan and execute an infrastructure project. In our case, our partners are developing assets that generate electricity from renewable sources or contribute to the climate change adaptation effort.

Renewable Energy: Energy generated from sources that nature rapidly renews on a human scale, such as energy produced by solar panels or wind turbines. These technologies are recognised by the IPCC, in particular in the April 2022 report on climate change mitigation.

Sustainable Development Goals (SDGs): A set of 17 interlinked global goals designed to serve as a blueprint for a better, more sustainable future for all. The SDGs were established by the United Nations General Assembly in 2015 and are to be achieved by 2030.

Sustainable development: A concept of development that consists of meeting the needs of the present while ensuring that future generations can meet their own needs. It is based on three pillars: Economic, Environmental and Social. The concept has been incorporated into financial regulations and in particular into the regulation of investment funds via the European regulation SFDR n°2019/2088.

Sustainable Finance Disclosure Regulation (SFDR): European Sustainable Finance Disclosure Regulation n°2019/2088, which introduced various transparency requirements for financial market participants and financial advisors at entity, service and product level.

Sustainable investments: Investment typology that integrates extra-financial criteria (ESG) into the decision-making process beyond traditional financial criteria, in accordance with European Regulation SFDR n°2019/2088.

Agrivoltaic project, Sun'Agri, Piolenc, France

APPENDICES

Appendix 1 - Summary of the main potential macro-risks

As part of our risk monitoring and based on our experience, we have identified key risks for the main technologies financed. Each risk is reviewed prior to investment and monitored over the life of the portfolio.

	SOCIAL		ENVIRONMENTAL					
	Workers	Local communities	Fauna	Flora	Dismantling & Recycling	GHG emissions	Climate	Other
MAIN POTENTIAL MACRO-RISKS	• Health and safety on site • Workers rights over the value chain	• Social acceptability and dialogue • Health & Safety of local communities • Land acquisition • Displacement of indigenous communities • Cultural heritage & visual impacts	• Habitat loss and destruction due to footprint • Danger to species due to operations	• Habitat loss and destruction • Deforestation	• Dismantling/Recycling planification and costs	• Imports of materials • High direct emissions for specific technologies	• Exposition to climate-related physical risks • Low preparedness of certain countries	• Impacts on physical environment • Inefficient use of resources (land, water…)
Ground-mounted photovoltaic	-Working in high temperature environment -High risk of human rights breaches on the vlaue chain -Electrical risk	-Risk of non-acceptance -Site remediation -Fire	-Habitat loss -Birds and amphibians	-Deforestation / Competition with agriculture	-Partially functional recycling chain	-Imported panels and primary materials (from outside Europe)	-Depends on location -Highly vulnerable to flooding, hail, and high temperature	-Use of metals -Use of large quantities of water for maintenance (risk in arid regions)
Roof- or shade structure-based photovoltaic	-Working in high temperature environment -High risk of human rights breaches on the vlaue chain -Electrical risk	-Fire -Roof refurbishment	-Habitat loss due to new construction specifically for solar roofing	-Habitat loss due to new construction specifically for solar roofing	-Partially functional recycling chain	-Imported panels and primary materials (from outside Europe)	-Depends on location -Highly vulnerable to flooding, hail, and high temperature	-Use of metals -Use of large quantities of water for maintenance (risk in arid regions)
Onshore wind farm	-Working at height -Electrical risk	-Non-acceptance -Site remediation -Wind turbine noise -Shadow-flicking	-Risk to birds and chiropterans	-Habitant loss due to localised use of subsoil/ concrete foundatio	-High recycling cost: blades difficult to recycle	-Imported parts (from outside Europe)	-Depends on location -Highly vulnerable to storms and wind changes	-Use of metals and rare-earth elements (Dysprosium/ Neodymium)
Offshore or floating wind farm	-Working at height & over water	-Non-acceptance -Site remediation -Fishing zones	-Risk to birds and chiropterans -Significant noise that may affect wildlife	-Habitant loss due to localised use of subsoil piles	-High recycling cost: blades difficult to recycle, problem of sea foundations	-Imported parts (from outside Europe)	-Depends on location -Highly vulnerable to storms and wind changes	-Use of metals and rare-earth elements
Small hydroelectric facilities	-Working in difficult to access areas	-Immersion of areas used by local populations	-Impact on life in water. Thus fishways necessary	-Immersion of plants -Disturbance of ecological and seimentary continuity -Rise of water temperature -Modification of the hydrological regime	-High cost and blasting works	-Use of concrete	-Depends on location -Highly vulnerable to high temperature, cold waves, droughts, flooding, earthquakes	
Geothermal		-Groundwater pollution -Earthquake		-Groundwater pollution	-Rather complex	-Possible emissions depending on the site		-Ground water pollution
Methanization	-Explosion	-Non-acceptance -Foul odor -Site remediation	-On-site habitat destruction / Power station's coverage	-Ground water and river pollution / On-site habitat destruction / Power station's coverage	-Rather complex	-CH4 and H2S emissions risk -Imported supplies (long distance)		
Biomass	-Fire	-Non-acceptance -Foul odor -Local pollution: carbon monoxide and fine particles	-On-site habitat destruction / Power station's coverage	-Forest destruction / Sustainable forest management necessary	-Rather complex	-Discharge of carbon and local pollution -Imported supplies (long distance) -Gas leakage	-Depends on location -Highly vulnerable to high temperature, cold waves, droughts, flooding	-Discharge of fine particles -Local pollution: carbon monoxide
Hydrogen	-Fire and explosion	-High usage of power reducing availability for local communities	-On-site habitat destruction / Power station's coverage	-On-site habitat destruction / Power station's coverage	-Rather complex	-CO2 cost varies depending on the technology used (green, blue or grey hydrogen) -Indirect GHG due to leaks -High usage of power resulting in high emissions if based on fossil sources -Gas leakage		-Water purification necessary via electrolysis
EV charging and Electricity storage	-Electrical risk -Fire		-On-site habitat destruction / Power station's coverage	-On-site habitat destruction / Power station's coverage	-Rather complex	-CO2 cost varies depending on the technology used and place of manufacture	-Depends on location -Highly vulnerable to temperature changes	-Use of metals and rare-earth elements

Appendix 2 - Climate-Related Risk (TCFD reporting)

The recommendations of the Task Force on Climate Related Financial Disclosure (TCFD) were first published by the Financial Stability Board in 2017 in response to how the financial sector should consider climate-related issues. These recommendations are a single global standard for climate-related financial disclosure for both non-financial companies and financial companies. It is now the most widely accepted framework for assessing and reporting on the business impacts of climate change.

RGREEN INVEST is committed to applying the TCFD recommendations to identify, understand and assess potential climate change impacts.

Governance

Climate-related risks and opportunities are governed as part of our ESG risk and opportunity management process within our ESMS. Along with other sustainability-related risks, our climate-related risk assessment is validated in our ESG & CSR Committee. The Committee meets semi-annually and consists of the ESG team and the Board of RGREEN INVEST. The climate impact of our funds as well as our path to achieving our climate goals are also validated through the same process.

Climate-related risks are also discussed in our Risk Committee and at the level of the RGREEN INVEST Strategic Committee with shareholders.

Strategy

Climate-related risks and opportunities are central to the strategy of RGREEN INVEST. The company's core objective, enshrined in our Articles of Association, is to combat climate change by accelerating the energy transition and adapting society by financing infrastructure with positive and sustainable impacts on the environment, local people and communities.

RGREEN INVEST uses the TCFD recommendations to categorise, manage and report on climate-related risks. Based on the recommendations, we disclose climate-related risks in the following categories

- PHYSICAL RISKS
- (a) acute (extreme weather events),
- (b) chronic (changing weather patterns and rising sea level)

- TRANSITION RISKS
- (a) Policy and legal,
- (b) Technology,
- (c) Market,
- (d) Reputation.

Transition risks

As we have no exposure to fossil fuels and the carbon intensity of our portfolio is low, we expect that the transition risks associated with the phase-out of fossil fuels will have a limited impact on our portfolios. However, we are aware that the value chain of the projects we invest in is not entirely carbon-free, which also exposes our portfolio to transition risks.

In 2022, RGREEN INVEST conducted an exercise to identify and assess climate-related transition risks for the first time. We conducted a high-level scenario analysis to examine the resilience of RGREEN INVEST's strategy to climate change. We used internationally recognised climate pathways, which are well-established benchmarks for the energy industry published by the International Energy Agency (IEA). Transition risk was assessed at a qualitative level, describing risks and ranking them on a scale from minimal to high. In the coming years, we intend to deepen our assessment and link our analysis with qualitative data from our portfolio to further assess the exposure and potential impact of the different risks.

Transition risks are assessed with a short (< 10 years), medium (10-20 years) and long (> 20 years) time horizon. The time frame is based on the lifetime of renewable energy installations. The average lifespan is 25-30 years. We therefore assume a longer time horizon, taking into account the development of the renewable energy sector and the fact that we will continue to invest in this sector in the future.

please refer to transition risk table page 56

Physical risks

RGREEN INVEST aims to assess our portfolio against the twenty-eight climate risks identified in the EU Taxonomy's Do No Significant Harm for climate change adaptation. In 2023, we launched a pilot project with an external service provider, EcoAct, to conduct a detailed physical climate risk assessment for INFRAGREEN V and a number of other investments. The assessment was conducted using the geographical location of the projects invested in and the modelling of short, medium and long-term exposure to physical climate risks using two different climate scenarios RCP2.6 and RCP8.5 aligned with the IPCC 6th Assessment Report from 2021. The timeframes used were short (2021-2040), medium (2041-2060) and long-term (2081-2100). We intend to include all funds in the exposure analysis.

As a next step, we will use the input from the exposure analysis to conduct a vulnerability assessment on all our portfolios. Then we will use the results of the physical climate risk assessment to stress-test our portfolio for climate risks associated with certain technologies and geographical areas. This will allow us to have a comprehensive understanding of the potential financial impact of climate related risks on our portfolio and help our portfolio companies set up any mitigation actions needed .

For renewable energy projects, modelling specific environmental risks, such as flooding, is already part of the project development process. In some cases, aspects of increased extreme weather due to climate change are even considered. However, robust physical risk modelling based on future-oriented climate scenarios is not yet standard practise today. A partial result of our pilot project is also that we discuss the methodology and its benefits with our investment partners and how it can be used already in the development phase. It is at this stage that the greatest remedial action can be taken.

The physical climate-related risks identified in this report are based on our pilot project in collaboration with EcoAct and industry knowledge. This disclosure will be further quantified in the coming years once our entire portfolio has been included in the scenario assessment.

please refer to physical risk table page 57

Risk management

Our ESG team is responsible for the ongoing identification and assessment of ESG risks in new and existing investments. Each potential investment is assessed based on its positive contribution to the energy transition and climate change mitigation or adaptation. In addition, we assess the carbon footprint of each investment and the exposure to fossil fuels in our own operations and value chain. Climate-related risks and opportunities are embedded in our exclusion policy and in our definition of a responsible investment. For example, we exclude all projects that emit more than 250 gCO2e/kWh. This means we exclude fossil fuels, which are affected to a higher degree by climate-related transition risks.

Our operations are climate-dependent, as we only invest in power plants with renewable energy or in plants that are linked to climate change adaptation. In view of this, climate risk for RGREEN INVEST is linked to traditional business risks and is taken into account in the business plans of any new investment. The business plans of our potential investments are based on climate-related events such as wind forecasts or irradiation rates for PV power plants. In addition, our models and sensitivity analyses include future carbon and electricity pricing, and we calculate our sensitivity to electricity prices and thus also to climate risk.

ESG risks, including climate risks, associated with specific assets are highlighted in our quarterly risk reports. Over the next year, we plan to further integrate the assessment of climate-related risks into our risk management process and further standardise the way we include climate-related risks in our quarterly risk reports. In addition, we aim to further formalise our definition, assessment and communication of climate-related risks .

Metrics and targets

We measure our impact on climate and the environment, and therefore our exposure to climate-related risks and opportunities, through our carbon footprint (Scopes 1, 2 and 3), avoided emissions (Scope 4), renewable energy consumption and production, emissions in water and hazardous waste. For more information on our key performance indicators and related targets, see Our Investments – ESG Framework.

Key transition climate risks of RGREEN INVEST management company and investments

Type of risk**	Topic	Description	Risk Level*	Scope	Technology	Time horizon	Opportunity Level	Governance, current and planned actions
POLICY & LEGAL	Increased pricing of GHG emissions	Minimal impact on renewable energy production due to low GHG emissions during operation. Potential impact on increased cost in supply chain. Opportunity related to fossil fuel production hit by carbon prices and taxation.	Minimal	Future investments	All	Medium	Medium	Investing mainly in renewable energy assets Monitoring on a regular basis
	Regulation of existing products and services	The renewable energy sector is mandated to grow and tackle the climate crisis. Current policy in support of renewable energy. However, potential risk related to change of political climate and renegotiation of long term subsidization contracts on feeding tariffs. Risk of EU Taxonomy in the future not covering all technologies RGREEN INVEST will look into financing. Risk of not fulfilling all EU Taxonomy requirements if requirements become stricter.	Low	Management Company, Existing funds, Future investments	All	Short-Medium	Medium	Monitoring on regular basis upcoming regulation and discussions related to energy sector Performing EU Taxonomy assessment as part of initial investment process
	European carbon tax	Risk of potential carbon tax for Europe resulting in higher CAPEX for projects when prices for imported goods go up. Currently the majority of renewable energy equipment is manufactured outside of Europe. Opportunity in decreasing carbon footprint of supply chain by increased manufacturing of renewable energy technology in Europe.	High	Future investments	All	Medium	High	Monitoring on regular basis upcoming regulation and discussions related to energy sector Requiring investees to purchase equipment locally when possible
	More sustainable land-use	Decreased availability of land due to climate change and transition towards low carbon economy leading to competition of land, mainly with agriculture.	High	Future investments	Solar	Medium	Not applicable	Preference for projects with co-usage of land Ensuring decommissioning practices allow future land-use for agriculture
	Higher insurance costs	Possible that insurance costs increase for our investees if extreme weather events become more frequent. Insurance costs are not very high share of operating costs, however expected to rise and become substantial. Possible difficulty to get insurance in more exposed regions.	Medium	Existing funds, Future investments	All	Medium	Not applicable	Encouraging physical climate risk analysis as part of project development Selecting projects that are more resilient to climate hazards and monitoring physical risks
	Exposure to litigation	Litigation related to failure to mitigate climate impact or to adapt to climate change is not relevant for the renewable sector. Potential risk of litigation related to environmental and biodiversity impact if not mitigated adequately. In addition, litigation risk increases if land scarcity leads to increased expropriation or deforestation. In case of hydropower increased risk of litigation linked to water access.	Medium	Existing funds, Future investments	Hydro, Wind, Ocean wind, Solar ground	Medium	Not applicable	If local regulation does not require environmental impact assessment RGREEN INVEST requires one to be conducted for all projects over 5MW on ground
MARKET	Increase cost of raw materials	Higher CAPEX due to increased production cost in supply chain because of scarcity of raw materials or global constrains. Especially related to critical minerals such as lithium and nickel required for battery manufacturing. Security of supply risk related to high geographical concentration. Risk of increased prices for PV-polysilicon, copper and steel resulting in higher prices for PV and wind turbines.	High	Future investments	Battery storage, wind , solar	Short	Not applicable	
	Change in energy cost and availability of green energy	Renewable energy assets consume low amounts of energy. However, the supply chain is energy intensive. Due to rise in energy prices, especially rise of price for fossil energy, the CAPEX of renewable energy projects is expected to rise. Minimal risk of decreasing renewable energy usage as total global energy usage is expected to increase and a higher share of fossil emissions shall be replaced by renewables. Fluctuating energy prices as a result of the energy transition expected to lead to less visibility for the future and difficulty to value projects properly.	Low	Management Company, Future investments	Solar	Short-Long	High	Conducting annual carbon footprint assessment, including supply chain of projects invested in Encouraging investees to decarbonise supply chain emissions and setting decarbonisation targets covering Scope 3 emissions
	Availability of workforce	Potential risk related to bottlenecks in labour and skills due to expanding renewable energy industry. The projects we invest in have few direct employees. However, we see potential scarcity of skills in their supply chain and among skilled contractors.	Medium	Management Company, Existing Fund	All	Short	Not applicable	Long term relationships with carefully chosen partners. Corporate policy and the ability to attract talent is paort of choise of partners. Signed France Invest parity charter setting targets and commitments for driving diversity and equality in the companies that we finance.
REPUTATION	Reduction in capital availability	Energy crisis leading to poor economy, increased interest rates and cost of capital raising. Risk of reduced access to capital. However, an opportunity related to sustainable investments being prioritised (Article 9 funds) by investors.	High	Management Company	All	Short-Long	High	Investing in projects enabling energy transition, climate change mitigation and adaptation. All funds categorized as Article 9, sustainable investments
	Increased stakeholder concern or negative stakeholder feedback	Increased scrutiny from different stakeholders (e.g. supervisors, regulators, media, NGO's, shareholders, investors, etc). RGREEN has ambitious sustainability targets linked to climate. Thus reputational damage if not sufficient progress or targets are not met or any project RGREEN has financed is found to be linked to greenwashing claims. Reputational impact from potential misalignment of emissions reduction commitments with performance in specific portfolios. Generally wider society looks upon renewable energy positively. Possible risk of local resistance due to visual, odour or noise pollution.	Low	Management Company	All	Short	Medium	Robust scrutiny of each potential deal through ESG due diligence and technical due diligence Quarterly follow up of portfolio carbon footprint Ongoing discussions and sparring for portfolio companies to reduce emissions

*Risk level measured as an assessment of exposure and vulnerability.
**No technological risk was identified. Opportunities related to technology relate to the replacement of fossil energy sources with renewable energy.

Key physical climate risks of RGREEN INVEST investment portfolio

Risk level measured as an assessment of exposure and vulnerability. Risk level assessed for specific technologies in the portfolio, and does not take into account the share of exposure to specific technology in the portfolio. Exposure assessed by EcoAct for specific asset locations covering INFRAGREEN V and a number of other investments and using using two different climate scenarios RCP2.6 and RCP8.5 aligned with the IPCC 6th Assessment Report from 2021. The timeframes used were short (2021-2040), medium (2041-2060) and long term (2081-2100). Results of exposure analysis have been extrapolated to give high level understanding of risk of exposure for full portfolio. High level vulnerability assessment conducted by RGREEN INVEST.

Type of risk	Topic	Description	Regions in portfolio exposed	Risk Level	Technology	Governance, current and planned actions
CHRONIC	Changing temperature and heat stress	It is estimated that photovoltaic modules work better up to around 25 degrees Celsius. Above this temperature, they loose up to approximately 0,3% of their performance for each additional degree. Higher degrees can lead to lower productivity, higher energy use for cooling and higher fire safety risk for energy storage.	Europe, global	Medium	Solar, Storage	At current stage temperature is not considered as part of production modelling as the impact is expected to be under sensitivity threshold. This will become increasingly relevant in future modelling.
	Water stress	High impact on hydro electricity production. Additionally, low impact on solar PV. Solar panels need to be cleaned regularly to avoid performance loss due to accumulation of dust, dirt and pollution. Combined with other hazards such as wildfires, water stress can cause maintenance problems for solar PV.	Bulgaria, Romania, North Macedonia	High	Solar, Hydro	Inclusion in project development and business models of future production. Implementation of water management plan.
	Low wind	Can have significant impact on the productivity of wind turbines, if wind speed lower than the cut-in speed (3m/s). In this case turbines are not able to rotate and generate power. However, low wind is a very local effect and can in some cases also have a positive effect.	Morocco, Bulgaria, Italy, Europe, North Africa	High	Wind	Local effect that is difficult to include in modelling of future production.
ACCUTE	Cold wave/frost	The accumulation of frost on the blades of wind turbines can lead to a decrease in electricity production. In addition, it can reduce battery efficiency. With the increase in temperature the number of frost days is decreasing for all assets. However, as the impact is usually short term the impact on productivity is low.	Europe	Low-Medium	Wind, Storage	Considered as part of development of wind power technologies. Considered as part of plan for safety, health and wellbeing of workers.
	Heat wave	The days above 41 degrees Celsius will increase. Extreme heat will have a significant impact on the performance of solar panels and could cause health issues during maintenance and operations. Higher degrees can lead to lower productivity, higher energy use for cooling and higher fire safety risk for energy storage.	Brazil, Morocco, Italy	Low-Medium	Solar, Storage	Considered as part of plan for safety, health and wellbeing of workers.
	Wildfire	The wilfire risk is low for our portfolio as assets are generally not located close to forests. Smoke can impact solar PV productivity. Can damage the power infrastructure and disrupt the supply of electricity affecting the efficiency of batteries. For the assets assessed the vegetation close by consists of grasslands/fields and other dry areas. Ash and debris can damage blades.	Brazil, Morocco, North America	Low	Solar, Storage, Wind, Hydro	Strategic decision to not finance development of projects in forests to avoid deforestation. Thus, indirectly avoiding the impact of wildfires by the majority of assets located in non-forest areas.
	Cyclone/ hurricane/ typhoon	Impact infrastructure and disrupt production.	UK, French Islands	Low-Medium	Solar, Storage, Wind, Hydro	Considered as part of plan for safety, health and wellbeing of workers. Considered as part of development of renewable energy technologies.
	Storm (including blizzards/dust/ sandstorms)	Impact infrastructure and disrupt production. Impact of storm damaging wind turbine already takenoccured for assets in RGREEN INVEST portfolio.		Low	Hydro	Considered as part of plan for safety, health and wellbeing of workers. Considered as part of development of renewable energy technologies.
	Heavy precipitation (rain/hail/snow/ice)	Impact infrastructure and disrupts production. Hail can damage solar PV sites by cracking and shatting glass or plastic covering of panel. Extreme rainfall can also have significant impact on the power grid, damaging the electric infrastructures.	Mauritius, Brazil, Sardinia	Low-Medium	Wind, Solar	-
	Flood	Damage infrastructure, disrupt production and delay maintenance operations.	Poland, Romania	Low-Medium	Solar	Considered as part of project development. Considered as part of plan for safety, health and wellbeing of workers.

Appendix 3 – CSR and ESG performance indicators calculation methodology

Accounting practice for CSR Dashboard - Performance of RGREEN INVEST management company for 2022

	Performance indicator	Accounting practice
ENVIRONMENT	Total GHG emissions (excluding investments)*	Including Scopes 1, 2 and 3 emissions of the management company RGREEN INVEST for the reporting year. Scope 1 emissions come from fuel consumption of company cars and refrigerants in the office of RGREEN INVEST. Scope 2 emissions include the electricity consumption of the office building. Scope 2 is calculated using the location-based methodology. Scope 1 and 2 emissions are calculated based on consumption data. Scope 3 emissions include the purchase of goods and services, capital goods, waste generated in our operations, business travel and commuting by our employees. This calculation does not include emissions related to our investments. Scope 3 emissions are mainly calculated based on expenditure data and estimated data, e.g., related to employee commuting. Emission factors are from ADEME and IPCC 2014.
	Carbon intensity	Including Scopes 1, 2 and 3 emissions of the management company RGREEN INVEST for the reporting year divided by the turnover for RGREEN INVEST for 2022.
	Energy usage	Calculated as the total amount of energy consumed by RGREEN INVEST in Mwh, including electricity for the offices and fuel for company vehicles in the reporting year.
	Waste produced	Calculated as the total kg amount of waste produced in the RGREEN INVEST office, including, among others, food waste, plastic bottles and packaging, paper, cardboard, paperboard and mixed office waste. Based on data reported by the waste supplier.
	Proportion of suppliers that have performed a carbon footprint calculation	Calculated as a proportion of annual expenditure for suppliers that have carried out a carbon footprint calculation. The calculation refers only to purchases from RGREEN INVEST, not to purchases by the funds.
SOCIAL	Gender diversity among all employees**	Calculated based on FTE female / total FTE at end of year 31.12.2022.
	Gender diversity in management	Calculated on the basis of FTE female managers / total FTE managers at year-end 31.12.2022. A manager refers to any person with a title of manager or higher.
	Gender diversity in top-management	Calculated based on FTE female managers / total FTE manager at year-end 31.12.2022. Top management refers to any person with a team lead or head of department position.
	Gender diversity in Board of Directors	Calculated based on headcount female Board member / total headcount of Board members at year-end 31.12.2022.
	Gender diversity in investment team	Calculated based on FTE female in investment team / total FTE in investment team at year-end 31.12.2022.
	Proportion of females with responsibility in investment committee	Calculated based on FTE females in investment committee with voting rights / total FTE in investment committee with voting rights at year-end 31.12.2022.
	Distribution of employees by age group	Calculated based on FTE at year-end 31.12.2022.
	Turnover rate	Calculated with the following formula: (Number of people who left voluntary + involuntary during the year)/(average headcount during the year)*100.
	Proportion of employees participating in annual HR discussions	Calculation based on headcount at year-end 31.12.2022 and calculated as number of people that participated in at least one development discussion / total number of people at year-end.
	Absenteeism rate	Calculated using the following formula: Total number of days lost to work-related ill health and fatalities from ill health/Number of working days in the year*average number of employees during the reporting period*100. Number of working days used in calculation is 253.
	Number of lost time accidents	Calculated as number of accidents that have resulted in at least one day's absence from work.
	Total remuneration ratio (excluding dividends)	This indicator follows the guidelines of the European Sustainability Reporting Standard (ESRS) S1 Own Workforce, Disclosure requirement S1-16, Remuneration metrics - Annual total remuneration ratio. The indicator is calculated as the difference between the annual total compensation for the highest paid individual and the annual total compensation of the median employee (excluding the highest-paid individual).
	Payments to non-profit organisations	Philanthropic payments made during the reporting year in euro. Includes for example payments made to NGOs, universities and other organizations.
GOVERNANCE	Proportion of employees trained in ethical business, anti-corruption and bribery.	Calculation based on headcount at year-end 31.12.2022 and calculated as number of people who participated in at least one training on ethical business, anti-money laundering, anti-corruption and bribery.
	Proportion of suppliers having signed the responsible purchasing charter	Calculated as proportion of annual expenditure related to suppliers who have signed the Responsible Purchasing Charter. Calculation covers only purchases made by RGREEN INVEST not purchases made by the Funds.
	Proportion of key suppliers with a CSR policy	Calculated as proportion of annual expenditure related to suppliers who have a CSR policy. Calculation covers only purchases made by RGREEN INVEST not purchases made by the Funds.

*Including Scopes 1, 2 and 3 emissions of RGREEN INVEST management company. Excluding emissions from our investments. Please see page 33 and 34 for more details on our carbon footprint and the carbon footprint of our investments.
**All indicators on gender split are calculated as proportion of females compared to males.

Accounting practice for ESG Dashboard at the level of investment - Performance of positive and negative impacts of RGREEN INVEST investment portfolio in 2022

	Performance indicator	Accounting practice
ENVIRONMENT	Capacity installed	Calculated based on project ready to build, in construction and in operation. Only share of capacity financed by RGI included.
	Renewable energy produced	Calculated based on project ready to build, in construction and in operation. Based on annual production data when available and P50 production data for projects in construction, ready to build and for projects in operation where reliable production data is not available.
	GHG emissions Scope 1 Scope 2 (location based) Scope 3	The GHG emissions are calculated by RGREEN INVEST for all infrastructure projects based on the technology used, the capacity of the projects and the theoretical hours run by each project. Projects in operation and under construction are included. The emission factor is based on the total lifetime emissions of each technology (such as solar PV or windmills), thus the emission factor does not distinguish between Scopes 1, 2 and 3 emissions. The emissions are annualized over the lifetime of the assets. RGREEN INVEST has conducted an estimated split for the Scopes 1, 2 and 3 emissions based on an average split between the three scopes generated from data provided by the investee companies. Includes only emissions financed by RGREEN INVEST with no other source of financing. The GHG emissions is calculated based on share of investment of RGREEN INVEST, taking into account the size of the investment made and the enterprise value of each portfolio company. The emission factors are received from ADEME and IPCC 2014.
	Carbon footprint (Scope 1, 2 and 3)	The Carbon Footprint is calculated as the total GHG emissions (Scopes 1, 2 and 3) divided by the current value of the portfolio (million €).
	GHG intensity (Scopes 1, 2 and 3)	The GHG intensity is calculated as the total GHG emissions (Scopes 1, 2 and 3) divided by the revenue of the investee companies (million €).
	Avoided emissions (Scope 4)	Calculated based on projects in construction and in operation. The calculation of avoided GHG emissions (Scope 4) is based on an internal methodology that estimates avoided emissions attributable to a renewable energy project financed by RGREEN INVEST, with no other source of financing. The scope 4 calculation is highly dependent on the electricity mix of the country where the project is located. When renewables replace fossil fuel capacity, particularly coal-fired power plants, the avoided emissions will be significant. Avoided emissions also vary due to the different lifecycles of renewable technologies. The emission factors are received from ADEME and IPCC 2014.
	Exposure to companies active in the fossil fuel sector	RGREEN INVEST does not invest in fossil-fuel activities. Our company wide exclusion list prevents us from investing in projects emitting more than 250 gCO2e/Kwh.
	Share of non-renewable energy consumption and production	Share of non-renewable energy in 1) total energy consumption and in 2) total energy production (percentage of total energy sources) (in %). RGREEN INVEST primarily invests in renewable infrastructure projects and does not invest in fossil-fuel activities. Thus, the generation of fossil fuel energy in our portfolio is 0%. Guarantees of origin (GOO) or Renewable energy certificates (REC) have not been considered in the calculation of renewable energy consumption. The renewable energy consumed is based on auto consumption of investees from their own renewable-electricity production.
	Energy consumption intensity	Energy consumption in GWh per million euros of sales of investee companies, by sector with high climate impact.
	Activities negatively affecting biodiversity sensitive areas	Share of investments made in companies with sites/establishments located in or near biodiversity-sensitive areas, if the activities of these companies have a negative impact on these areas (expressed as a %). Activities negatively affecting biodiversity-sensitive areas refer to activities that are characterised by all of the following: (1) 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, (2) no mitigation measures adopted pursuant to impact assessment, based on related regulation or international standards.
	Emissions to water	Tonnes of emissions to water generated by investee companies per million euros invested, expressed as a weighted average. This figure shall be measured more in depth in 2024.
	Hazardous waste and radioactive waste	Tonnes of hazardous waste and radioactive waste generated by investee companies per million euros invested, expressed as a weighted average.
	Lack of deforestation policy	Share of investments in companies without a policy to address deforestation.
	Environmental incidents	Number of incidents related to environment that have taken place in portfolio during the reporting year. Examples of environmental incidents are pollution, flooding, damage to natural environment and biodiversity or spill.
SOCIAL	Social incidents	Number of social incidents that have taken place in portfolio during the reporting year. Example of social incidents are severe work-related incidents or accidents, violations to human and labour rights, significant stakeholder dispute.
	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies.
	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members.
GOVERNANCE	Human rights violations	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.
	Lack of Human Rights compliance mechanisms	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.
	Lack of human rights policy	Share of investments in entities without a human rights policy.
	Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons.

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RGREEN INVEST

Founded in 2013, RGREEN INVEST is an independent French mission-driven investment management company committed to helping investors channel their capital towards financing projects dedicated to accelerating the energy transition and adaptation to climate change.

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