

ESG & IMPACT REPORT

2021 in Review and 2022 Outlook

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Credits

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 rgreeninvest.com.

RGREEN INVEST has built an ESG framework that is summarized in this report. The company uses several labels and certifications related to sustainable investment, which it implements for all or part of the funds it manages. This report intends (1) to meet the reporting requirements set by French laws and regulations, (2) to answer to client information purposes, 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 2021, as well as to present the company's outlook for the ongoing year of 2022.

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

Ogorje Gornje Wind Park, Croatia

FOREWORD BY THE CSR-ESG TEAM

« The current energy and climate crisis casts a sharper light than ever before on environmental, social and governance (ESG) concerns. We are witnessing an accelerated adoption of sustainable development practices, and the search for positive impact is becoming a top priority. This acceleration is being driven by a new European regulatory framework, notably the European Sustainable Finance Regulation (ESFR) and the Green Taxonomy. At RGREEN INVEST, we are excited to see that sustainability initiatives in which we have participated for years are gaining traction.

Since its inception, RGREEN INVEST's goal has been to promote the energy transition, climate change mitigation and adaptation. We operate in a dynamic ecosystem that aims to create a positive environmental impact. Our action is directly aligned with the IPCC recommendations (IPCC April 2022) in the fight against the 59 Giga Tons of CO2 emitted by human societies per year, in order to keep global warming below 2° Celsius by 2100. Our investments cover technologies that are all recognized by the IPCC as participating in mitigation of or adaptation to climate change.

That said, we recognize that our investment activities can also have potentially negative effects on the environment, biodiversity, and/or local communities. Because our primary mission is to have a positive impact, we have taken action to prevent these adverse effects. »



Julien Commarieu
Head of ESG, Risk, & Compliance



Anissa Sidhoum
ESG Analyst



Lise Carré
Compliance & ESG Analyst

Our approach to ESG risks

We are facing multidimensional ESG challenges that are evolving fast. As a financier of the energy transition, mitigation and adaptation to climate change, we must manage the direct environmental risks related to the carbon footprint or to the pressure on biodiversity that the projects we invest in may cause. Indeed, renewable energy production or sustainable mobility projects require significant resources, in terms of energy, space, water, metals and sometimes rare-earth elements.

At the same time, we are confronted with a growing number of complex social issues. For our business, this means being attentive to the risks of non-compliance in relation to human and labor rights, gender inequality, and social acceptability, throughout the whole supply chain.



Our ESG (investment) and CSR (management company) frameworks

Over the years, to manage our risks and impacts, we have developed an ESG and CSR approach that we actively deploy on a daily basis. We integrate extra-financial analysis to our entire investment process. We are continuously improving our tools and procedures to incorporate the latest industry best practices in order to better identify and manage our risks.

Building on these initiatives, we have set ourselves ambitious objectives for 2021. The launch of our first impact fund, AFRIGREEN DEBT IMPACT FUND, has driven us to double our efforts, through an overhaul of our entire ESG system. We have thus strengthened our internal capacities by recruiting new talents within our ESG team, and have developed an ESG-focused training program for the entire company's teams.

We have also strengthened our procedures and developed new tools. Namely, we have designed an in-house ESG scoring tool to assess the performance of an investment opportunity and to define the remedial actions to be implemented whenever necessary. We have updated our Environmental and Social Management System (ESMS) to include the use of this tool at each key stage of the investment process, from sourcing to exit. We have built a consolidated set of standards which includes, for example, compliance with the International Finance Corporation's Performance Standards (IFC PS) for our impact fund in Africa.

In 2022, we are taking our approach one step further, striving for an additional level of detail in all our processes. We are also continuing to develop our CSR framework. We are committed to applying the same standards we negotiate with our partners to our own company and are engaged in an in-depth examination of our responsibility towards the people who participate in any RGREEN INVEST project.



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OUR VISION

Arkolia 4 Photovoltaic Power Station, La Capelle-et-Masmolène (Gard), France

A PIVOTAL PERIOD FOR ESG

In recent years, regulations have evolved around the concept of sustainable investment. The aim has been to better define the boundaries of sustainable investment and to promote transparency in the sector, so that investment products may be compared on the market. This is the underlying purpose of the European Green Taxonomy and SFDR (Sustainable Finance Disclosure Regulation) regulations. The SFDR regulation requires management companies to publish information on the sustainability of their products, both in the contractual documentation and in the periodic reporting notes.

The European Green Taxonomy, which defines activities that can be qualified as «sustainable», currently features among the most stringent regulations. This catalog of «green» technologies, a legal translation of the IPCC recommendations, clearly gives RGREEN INVEST a roadmap in terms of target technologies for its investments.

In 2021, French regulations have also been tightened. The decree implementing Article 29 of the French Energy and Climate Change Act complements the European regulatory framework by adding a communication obligation on the consideration of ESG criteria for internal processes, climate and biodiversity.

A comprehensive extra-financial transparency scheme has been taking shape since 2020. It intends to make the sustainable investment market clearer, by encouraging financial actors and companies with the CSRD (Corporate Sustainability Reporting Directive) - which replaces the former NFRD (Non-Financial Reporting Directive) - to set up projects in accordance with the requirements. It is no longer sufficient to simply communicate on one's biodiversity impacts or the existence or absence of a climate-related internal policy. It is now necessary to put forward an alignment strategy to attain international objectives of biodiversity protection or climate.



Convergence efforts

In addition to regulatory obligations, multiple international voluntary reporting mechanisms have also been strengthened or expanded (TCFD, TNFD, CDP, GRI, etc.). The influx of frameworks and standards has reinforced, but also complicated, progress in ESG. It is in this context that the International Integrated Reporting Council (IIRC) and the Sustainability Accounting Standards Board (SASB), two international references in the field, have announced their merger and the creation of the Value Reporting Foundation: This is a major step towards streamlining the reporting system for companies. The Foundation will provide companies with an integrated and comprehensive framework for sustainability reporting and accounting. RGREEN INVEST has been a member of the Carbon Disclosure Project CDP since 2022, and we plan to publish a Task Force on Climate related Financial Disclosure (TCFD) report soon.



RGREEN INVEST has been working for nearly 15 years to promote the energy transition, adaptation to climate change, and mitigation of its effects through sustainable investment practices.

The Green Taxonomy sheds light on our activity and this is a great thing! Today, we hope that financial actors will be mobilized to pursue the mitigation and adaptation objectives presented by the IPCC. The Taxonomy, as a practical application in Europe, brings a common frame of reference to a sector that has lacked clarity, making it easier to understand the issues that have motivated our investment strategy since the beginning, and in so doing encourage other actors to join our efforts.

In addition to solar photovoltaic and onshore wind, we are venturing into other technologies such as storage, agrivoltaics, hydrogen, energy efficiency, recycling, etc. The Taxonomy will help us maintain a rigorous ESG approach to our fund management as we diversify our portfolio in order to build the infrastructures of tomorrow. »



Nicolas Rochon
CEO

GREEN FINANCE: A STRONG CASE FOR STRICTER REGULATION



As sustainable investments are hitting the spotlight, green finance players fall under close scrutiny. Greenwashing accusations abound against the misuse of green bonds, net-zero strategies that are in fact emissive, conflicting ESG methodologies, unscrupulous mission-driven companies, impact strategies devoid of substance, profitable stakes in publicly subsidized renewable energy programs, etc. Not to mention the more general suspicion of the adjective “green” itself.

In practice, very different realities coexist within the world of climate transition financiers, thanks to a new «intentionality» that increasingly structures investment practices. The absence of clear and consistent standards and regulations makes the task that much more difficult. Which is why stricter regulation is necessary in that it brings greater intelligibility.

Until now, the development of green finance has been based on modern financial law, which makes extensive use of soft law. Since deregulation, flexible texts, guides, recommendations and non-mandatory instructions have multiplied under the benevolent gaze of «regulators» operating in agencies based on the American model of independent public authorities. Thus, the Green Taxonomy or the SFDR Regulation on the publication of sustainability information in the financial services sector still await part of their application texts in France, under the supervision of the AMF and the ACPR. This model of law characterizes performance in a world of free competition between different legal systems.

Thus, for a long time, we have operated according to a «comply or explain» logic of law. This flexible law has proven to be effective in the context of the creation of a common market to ensure the security of banking and financial services at the European level. It must be recognized that this framework has made it possible to fight, with varying degrees of success, slowly but surely, against harmful practices such as money laundering, corruption and tax evasion.

But the climate emergency, exacerbated by a volatile geopolitical context, has underscored a variable for judging the effectiveness of the norm: the necessary speed of its effect. There is a countdown, and it does not allow us to wait another 15 years for a culture of green compliance to take root among the economy’s financiers. Strong but fair regulation is imperative and will benefit everyone. Only then will green finance prove its worth in the face of today’s formidable challenges. The key texts, the SFDR and the Green Taxonomy, have been published. The role of regulators is now no longer just about protecting market infrastructures, it is about protecting the environment. »

« There is a countdown, and it does not allow us to wait another 15 years for a culture of green compliance to take root among the economy’s financiers. Strong but fair regulation is imperative and will benefit everyone. »



Julien Commarieu
Head of ESG, Risk, & Compliance



2

OUR
IDENTITY



WHO ARE WE?

RGREEN INVEST is a French independent investment management company founded in 2013 by Nicolas Rochon. A mission-driven company since 2021, RGREEN INVEST has been part of the collective fight against climate change from the very beginning.

Aware of the necessity to align the interests of the finance sector with the challenges of the climate crisis, RGREEN INVEST has been dedicated to driving a transformation of our traditional financial investment model.

As such, it has paved the way for green infrastructure's deployment at an international level by enabling institutional investors to channel their capital towards the financing of projects aimed at accelerating the energy transition, climate change mitigation and adaptation.

Helmed by a team of 35+ people whose multidisciplinary skills span the areas of finance, infrastructure and renewable energy, RGREEN INVEST supports key players of the energy and green infrastructure sectors, both in Europe and internationally, offering them financing solutions tailored to each stage of project development.

9

years of existence

Company founded in 2013

+35

experienced professionals

with complementary profiles, hailing from the renewable energy, fund management and investment banking sectors



RGREEN INVEST was developed with an entrepreneurial mindset, dedicated to the environment and aware of the risks involved in energy related activities. Investing in infrastructure is an inherently long-term risk management business. We have therefore naturally developed traditional risk management systems (financial risk, operational risk, infrastructure project risk, etc.).

At the same time, very early on, we anticipated and managed ESG risk, in particular the environmental risk that is intrinsic to investing in the renewable energy sector, as well as now in the technology sector, and we have done so in alignment with the European Taxonomy. Building a low-carbon project means taking into account its impacts in terms of biodiversity protection, for example, when building a solar photovoltaic park on the ground, or a wind farm. It is up to us to find the right balance to ensure a project's acceptability. We make it our mission to work on this every day. »



Cédric Lacaze
Managing Director

FUNDS & HOLDINGS

1,4 €billion

in assets under management / fund commitments

8

funds

(active and liquidated) dedicated to infrastructure projects related to the energy transition, mitigation and adaptation to climate change

+10

technologies deployed :

photovoltaic and solar concentrated photovoltaic (CPV), wind turbines, biogas, hydroelectricity, biomass, geothermal energy, hydrogen, battery storage, industrial and commercial energy efficiency, etc.

+50

funded

-developers

-IPP

-industrial companies

+1 500

projects across Europe

+15

financing platforms

CLIMATE

+1,5 GW

green projects

in operation

financed in the portfolio

financed jointly with other sources of financing, banks or investors.

By way of comparison, this maximum installed capacity corresponds to the theoretical capacity of the Flamanville EPR (1.65 GW), but with a lower load factor and increased intermittency

+5,5 GW

green projects under

construction or

in development

financed in the portfolio

financed jointly with other sources of financing, banks or investors

3,5 TWh

of renewable electricity

generated in 2021

by projects financed in the portfolio

844 KtCO₂

estimated CO₂ savings

in 2021

from projects funded in the portfolio («Scope 4»)

ESG & IMPACT

8

funds Article 9 SFDR

i.e., all funds managed by the company

1

impact fund

currently being launched

(1) Green projects generate electricity 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 also 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.

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TECHNOLOGY BREAKDOWN BY PORTFOLIO

AS OF 12/31/2021

amounts invested and committed in euros, excluding amounts raised

		INFRABRIDGE II	INFRABRIDGE III	INFRAGREEN II	INFRAGREEN III	INFRAGREEN IV	TOTAL	%
	photovoltaic	52 M	10 M	41 M	105 M	191 M	401 M	40%
	wind power			32 M	197 M	88 M	317 M	31%
	biomass	4 M			13 M		17 M	2%
	biogas			2 M	15 M		17 M	2%
	hydroelectricity				4 M	21 M	25 M	2%
	geothermal				5 M		5 M	1%
	storage				4 M	90 M	94 M	9%
	energy efficiency				2 M	87 M	89 M	9%
	hydrogen	42 M					42 M	4%
	TOTAL	97 M	10 M	75 M	345 M	483 M	1 Md	100%

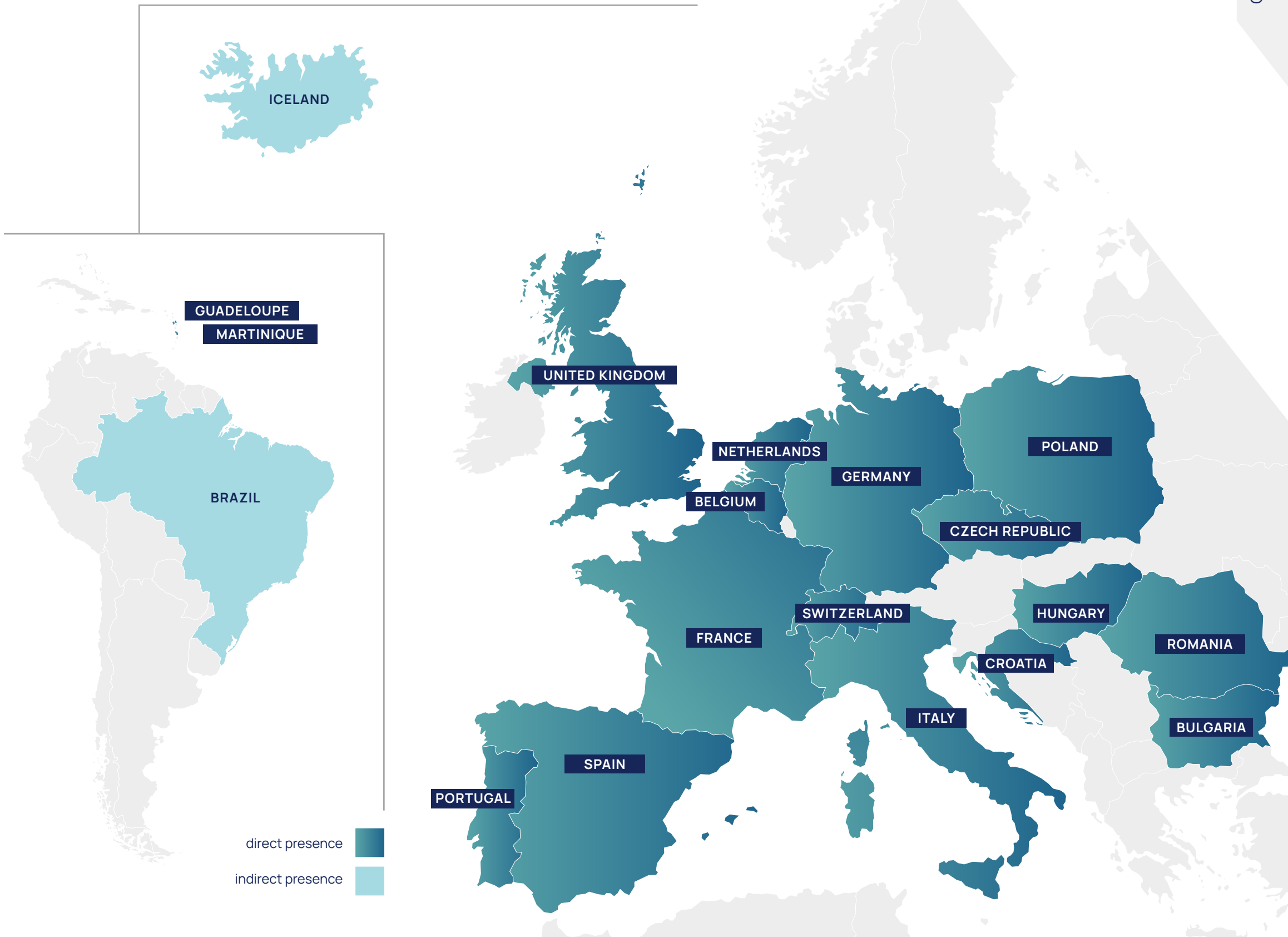
NB : the amounts have been rounded for the sake of legibility, which may lead to non-material approximations

GEOGRAPHIC SCOPE OF ACTION

AS OF 12/31/2021

amounts invested and committed in euros, excluding amounts raised

France	428 M	43%
Europe EEA	409 M	40%
Italy	189 M	19%
Poland	65 M	6%
Croatia	26 M	3%
Spain	10 M	1%
Portugal	7 M	1%
Belgium	10 M	1%
Other EEA	98 M	10%
Other non-EEE including :	176 M	17%
United Kingdom	82 M	8%
Other	93 M	9%
TOTAL	1 Md	100%



OUR FUNDS

RGREEN INVEST has deployed a portfolio of investment strategies, composed of funds that are all compliant with the requirements of Article 9 of the SFDR and that target a high degree of alignment with the European Green Taxonomy. The portfolio is diversifying in terms of instruments, technologies, geographies and investor types. In 2022, three funds are being launched (1) INFRAGREEN V, the 5th vintage of the range dedicated to green infrastructure investment in Europe, (2) AFRIGREEN DEBT IMPACT FUND, a new strategy dedicated to the financing of photovoltaic and storage projects in West and Central Africa, (3) RSOLUTIONS, the company's first capital development fund (non-infrastructure).

	Investment objectives	Instruments	Area	ESG Analysis	Impact Fund	Certification	SFDR	Sustainability Percentage	Green Taxonomy	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	100% environment	Alignment target: 70%	Yes
INFRABRIDGE III	Renewable energy infrastructure and adaptation to climate change	Short term senior debt (bridge financing)	Europe	Yes	-	-	Article 9	100% environment	Alignment target: 70%	Yes
INFRAMEZZ	Renewable energy infrastructure and adaptation to climate change	Junior debt (mezzanine)	France, Germany	Yes	-	-	Article 9	100% environment	Alignment target: 70%	Yes
INFRAGREEN II 2015	Renewable energy infrastructure	Junior debt	Europe	Yes	-	Greenfin	Article 9	100% environment	Alignment target: 80%	Yes
INFRAGREEN II 2016	Renewable energy infrastructure	Junior debt	Europe	Yes	-	-	Article 9	100% environment	Alignment target: 80%	Yes
INFRAGREEN III	Renewable energy infrastructure and adaptation to climate change	Equity and junior debt	Europe	Yes	-	Greenfin	Article 9	100% environment	Alignment target: 80%	Yes
INFRAGREEN IV	Renewable energy infrastructure and adaptation to climate change	Equity and junior debt	Europe	Yes	-	Greenfin	Article 9	100% environment	Alignment target: 80%	Yes
INFRAGREEN V launched 2022	Renewable energy infrastructure and adaptation to climate change	Equity	Europe & international	Yes	-	Greenfin certification in progress	Article 9	100% environment	Alignment target: 80%	Yes
AFRIGREEN DEBT IMPACT FUND launched in 2022	Solar and battery projects for commercial and industrial customers	Senior debt & Direct lending	Africa	Yes	Yes	-	Article 9	100% environment	Alignment target: 80%	Yes
RSOLUTIONS launched 2022	Innovative projects and companies	Equity	Europe	Yes	-	-	Article 9	90% environment + 10% social	Alignment target: 50%	Yes

FOCUS ON OUR MAIN INVESTMENT STRATEGIES

In 2021, RGREEN INVEST experienced record investments. In the past two years, we invested €620 million, as much as between 2014 and 2020, through debt and equity solutions.

We continue to support our historical partners, pioneering developers of the energy transition, throughout their evolution. We are also fortunate to build new partnerships every year thanks to our solutions that keep pace with a fast-growing market. However, business models have changed.

With developers expanding into international markets, technologies diversifying within the portfolio (in addition to solar photovoltaic and onshore wind power, we are moving into offshore and floating wind power, hydrogen, battery storage, energy efficiency, waste-to-energy, etc.) and corporate PPA-type contracts on the rise, the demand for equity is increasing, and so are the amounts of our investments. In addition, our new RSOLUTIONS fund will allow us to step outside the realm of infrastructure projects, and invest in companies involved in climate change mitigation and adaptation, in the social and solidarity economy and in the protection of human life. By anticipating the forthcoming evolutions of the Green Taxonomy, RGREEN INVEST is positioned to deploy the next generation of infrastructures.

INFRABRIDGE

INFRAGREEN

AFRIGREEN

RSOLUTIONS

Focus on our INFRAGREEN strategy

Our **INFRAGREEN** strategies provide finely tailored equity solutions to developer partners, so they can develop and build their infrastructure projects related to energy transition, climate change mitigation and adaptation. Primed by its four predecessors, **INFRAGREEN V** is poised to launch in the final quarter of 2022.

INFRAGREEN



How is **INFRAGREEN V**'s investment strategy unique?

Our INFRAGREEN solutions, by their size and deployment speed (on average 2/2.5 years), are designed to follow market evolutions and to closely adapt to sector-specific needs. Thanks to their asymmetrical financial structure, INFRAGREEN funds secure the first cash flows of investors while allowing project owners to benefit from most of the value generation.

We have a pipeline of projects whose development has been financed through INFRAGREEN III & IV and who will now have the financing to scale-up through construction. As we're launching this fifth fund, we benefit from a very high level of visibility on our investments, 2 GW of projects ready to be built within three years, i.e., between €500 million and €1 billion of investments. Our partnership agreements are based on long-term framework agreements that allow us to secure future construction prices at very competitive levels.

This level of visibility is a game changer. It is what empowers our partners to move forward quickly without having to worry about the amount of equity required for their development while also protecting our investors from speculation linked to rising energy prices.

Bolstered by the previous vintage's high-performing track records, INFRAGREEN V will be launched in the fourth quarter of 2022. The fund aims 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, it is Greenfin-labeled and classified as Article 9 of the SFDR. However, on top of that, we will link 25% of the carried interest to a minimum 80% compliance with the European Taxonomy for all investments. This means that in the event of 80% alignment with the Green Taxonomy at the time of the fund's liquidation, the management team will not only see its carried interest linked to financial performance but also to extra-financial performance.»

Olivier Guillaume
Chief Investment Officer

Focus on our INFRABRIDGE strategy

We have also strengthened our teams around our **INFRABRIDGE** senior short-term debt investment strategy. Created 4 years ago, this range of funds has been structured to provide industry players with the appropriate financing solutions with the required speed and agility.

INFRABRIDGE



In what ways does the **INFRABRIDGE III** vintage differ from its predecessors?

Our INFRABRIDGE III fund is built on the same foundation as its predecessors, with three distinctive features: technological diversification within the portfolio that serves a sector coupling ambition, financing of projects in the earlier development phase, and facilitating international expansion. But the key highlight is that through this short-term debt fund, we can support developers on merchant projects, where banks still struggle to provide appropriate financial solutions.

Today, faced with the climate emergency, the competitiveness of renewable energy and the inevitable drop in subsidies, we have positioned ourselves to be able to serenely take on merchant risk, which allows developers to build quickly and go where they can sell their green electricity at the best price, thus covering the effects of inflation on capex.

We are also able to offer corporate facilities to help finance both ready-to-build assets and development projects at the parent company level.

Our dual debt/equity expertise gives us a unique agility in that it allows us to approach financial structuring in a creative way, because we understand how to add value to a project over the long term, we know all the underpinnings, and we know when it is appropriate to intervene in its life cycle. As the pressure to accelerate increases, as technologies diversify, and as our developers look to expand beyond our national borders and the borders of Europe, we are able to accompany them with the right financial solution to match their needs both when and where it's required.»

Mathilde Ketoff
Head of Debt Investment

Focus on the AFRIGREEN strategy

In partnership with ECHOSYS ADVISORY, RGREEN INVEST launched its new impact strategy, **AFRIGREEN DEBT IMPACT FUND**, in 2022. Leveraging private debt and direct lending, it aims to finance solar photovoltaic and battery storage projects in Central and West Africa to replace existing oil-fired generators. This first impact fund targets advanced intentionality, additionality, and measurement objectives, outlined later in the impact strategy section of this report.

ECHOSYS INVEST was created to manage the **AFRIGREEN** range. Acting as an advisor to the fund, this dedicated entity is designed to focus on Africa's energy transition and is owned 50/50 by RGREEN INVEST and ECHOSYS ADVISORY, a consulting firm founded by Alexandre Gilles and Olivier Leruste specializing in the financing of renewable energy projects in emerging countries.



Interview with Olivier Leruste,
President and Managing Director of ECHOSYS INVEST



Please explain the genesis of the **AFRIGREEN DEBT IMPACT FUND** project.

We have long been convinced that Africa is the land of renewables and that investment opportunities will abound on this continent. Moreover, our impact approach stems from the realization that, while the need for green energy production infrastructures in these countries is huge, bank financing isn't currently up to the task. AFRIGREEN is a fund specifically designed for projects that fail to attract traditional donors due to their size. It embeds the usual rigorous criteria in terms of structuring and financing.»

What will be the composition of this fund?

«As a senior debt fund, AFRIGREEN aims a target size of €100 million. A first closing is planned for the end of October 2022. A priori, Africa is not the preferred investment area for RGREEN INVEST's historical LPs. We are currently talking to public or para-public investors, such as development banks (the European Investment Bank is accompanying RGREEN INVEST in this new initiative), family offices, foundations and private institutional investors in the context of an impact approach. We will mainly intervene to meet financing needs of less than 10-15 million euros, with an average ticket that should hover around 4-5 million and over a period of 8 to 10 years.»

What types of energy will you focus on and who will you work with?

«We will focus on the core market of photovoltaic installations producing less than 10 megawatts, used by industrial companies to replace generators. Our customers will be mainly continental or international developers and, to a lesser extent, consumer companies.»

OUR CARBON FOOTPRINT

RGREEN INVEST's raison d'être as a mission-driven company is to participate in climate change mitigation and adaptation.

As an investor, we primarily finance projects that contribute to reducing the amount of greenhouse gases in the atmosphere, and we also aim to finance adaptation technologies. We are doing our utmost to limit the emissions required for our business. In order to do so, we have carried out a comprehensive annual carbon assessment, which includes Scopes 1-2-3 and a measure of avoided emissions (which we call «scope 4»). This assessment was carried out internally by the ESG team and was reviewed by consultancy firm KPMG.

Our carbon footprint in 2021

At the beginning of 2022, we carried out our first carbon assessment for the year 2021. Our ESG team attended Carbone 4 and Bilan Carbone Association training sessions in order to have the most up-to-date tools and skills to carry out the assessment internally. The calculation was inspired by the GHG Protocol and ADEME's Bilan Carbone methodologies. The results were deemed consistent by KPMG. This assessment will be formally recalculated at the end of 2022 in the Bilan Carbone Association matrix, including a GHG Protocol result dimension (not carried out at this stage for a technical reason linked to infrastructure depreciation in this GHG Protocol methodology).



Scope 1 Management Company	8 tCO2e
Scope 2 Management Company	2 tCO2e
Scope 3. 1 to 3.14 Management Company	257 tCO2e
Scope 3.15 Funded Emissions	50 151 tCO2e
TOTAL Carbon Footprint Scopes 1-2-3	50 420 tCO2e
Scope 4 Funded Avoided Emissions for all projects financed by RGREEN INVEST with no other source of financing, i.e., the part directly attributable to RGREEN INVEST	109 439 tCO2e
Scope 4 Funded Avoided Emissions for all projects financed by RGREEN INVEST and other sources of financing	844 000 tCO2e

Concerning Scopes 1-2-3 (excluding investments), it should be noted that Scope 3 is relatively high solely because of the management company's service providers. We have used an ADEME methodology with a carbon cost that we consider very conservative. This part of the calculation should be adjusted in the future, by encouraging our service providers to carry out their own carbon assessment.

It is also important to note that (1) Scope 4 «funded emissions» and «funded avoided emissions» are an estimate of our direct impact, i.e., the avoided emissions we actually fund. (2) Our calculation of funded avoided emissions from 2021 onwards may be subject to biases that limit and underestimate the calculation. For example, we have used a conservative approach because 1) our methodology only measures avoided emissions related to renewable energy production (and therefore does not include energy efficiency), 2) a large portion of our portfolio is made up of projects under development or construction that do not yet avoid emissions. In this context, the carbon footprint will change significantly over the next 5 years with an expected sharp acceleration in avoided emissions due to projects under development that will soon be built and operated.



Finally, while the calculation of our management company’s carbon footprint was relatively simple, the calculation of our portfolio’s carbon footprint (category 3.15) was more complex. To date, none of our holdings calculate and publish data on their emissions, although we are making sure this work is being undertaken by our main partners. We have therefore made estimates of their carbon footprint, while requiring that this data be made public by our main partners going forward. We have taken the following steps:

step 1	Collect published GHG data from comparable companies in the renewable sector.
step 2	Calculate a sectorial ratio of GHG emissions / turnover (i.e., carbon intensity). As the companies used for the ratio often dismissed scope 3, the carbon intensity is considered to be a scopes 1 -2 equivalent.
step 3	<div>Apply this intensity to all renewable producers of the portfolio. For companies that do not produce renewables (energy efficiency), an appropriate emission factor from ADEME’s purchasing list was applied. RGI already calculated CO2 savings and direct CO2 emissions for renewable production.</div> <div>Calculation: Carbon footprint of assets = Service scopes 1-2 (using carbon intensity) + Infrastructure scope 3 (using internal matrix)</div>
step 4	<div>Compute financed emissions with the calculation available in SFDR’s RTS</div> <div>Calculation: Current value of investment/investee’s company’s enterprise value x investee company’s scopes 1-2-3 carbon emissions</div>

Carbon roadmap for 2030

Once this initial analysis was completed, we wanted to define a trajectory aligned with a «2-degree scenario» using the methodologies provided by the Science-Based Target Initiative (SBTi). RGREEN INVEST is committed to doing everything in its power to achieve the objectives presented below.

Objective Scopes 1-2	RGREEN INVEST plans to reduce its absolute scopes 1-2 greenhouse gas emissions by 23% by 2030, compared to the base year of 2021, while maintaining strong business growth.
Objective Scope 3, Cat 1-14	RGREEN INVEST plans to reduce its absolute scope 3 greenhouse gas emissions by 25% by 2030, compared to the base year of 2021, while maintaining strong business growth.
Objective Scope 3, Cat 15	RGREEN INVEST plans to reduce the greenhouse gas emission intensity of the power generation projects within its portfolio by 77% per KWh by 2030 compared to the base year 2021.

To achieve these objectives, we have put together an ambitious action plan.

At the level of our management company, we are committed, for example, to (1) Implementing and applying a travel plan based on the promotion of soft mobility and the train, (2) Implementing and applying a Responsible Purchasing charter to better control the impact of our service providers, (3) Raising awareness of eco-actions among our teams.

At the fund level, we are committed to (1) Encouraging our holdings to conduct their own carbon footprint and to define a decarbonization plan and reduction trajectory, through active shareholder engagement, (2) Encouraging our holdings to prefer local suppliers and service providers, for example with regard to the manufacturing of solar panels or batteries.



OUR TEAM

With more than 10 years of existence, RGREEN INVEST brings together 35+ professionals from the world of sustainable infrastructure and green technology financing, with the aim of making finance a vehicle for climate change mitigation and adaptation. Their combined skills span the entire value chain spectrum: development, operations, management, industry, and banking, making it one of the broadest teams of specialists in Europe.

The last two years have been especially redefining. Our teams have been reorganized, strengthened, and diversified with even more women being recruited and promoted to management positions.





2021

RGREEN INVEST becomes a mission-driven company (entreprise à mission) within the framework of the Pact law (Loi Pacte)



JANUARY

Launch of the AFRIGREEN project, an impact fund



JANUARY

Implementation of the SFDR compliance project



MARCH

Launch of the BCORP labeling project. This project is still in progress, due to a backlog of applications at BCORP



MARS

Campaign to sign an ESG policy proposed by RGREEN INVEST to its developers



APRIL

External audit by Duff & Phelps with a compliance and ESG dimension: very satisfactory results



APRIL

Climate Transparency Hub Membership



MAY

Publication of the ESG 2020 annual report



JUNE

2022

Creation of the «Master ESG», a holistic file for monitoring biodiversity risk and environmental, social and governance risks on all holdings



MARCH

Launch of the CSR project: drafting of the CSR charter, drafting of a responsible purchasing procedure, drafting of a travel plan for the company's employees



JANUARY

Launch of the first internal calculation of RGREEN INVEST's carbon footprint



JANUARY

Internal audit on compliance with the ESG procedure



DECEMBER

ESG and compliance team expanded with 2 new recruits, Lise and Anissa



NOVEMBER

Annual audit and validation of the Greenfin label by Novethic



JULY

Review of the Scope 4 CO2 savings table



Launch of the Climate Stress Test project on the INFRAGREEN IV fund



APRIL

Validation of the ESG scoring tool for the AFRIGREEN fund



Validation of the 2021 carbon footprint, the first for RGREEN INVEST, as well as the emissions reduction plan for 2030



JUNE

Selection of the Reporting 21 SIRSA tool and launch of the first reporting campaign to our developers and funded partners



JUNE

Critical review of ESG and CSR systems by KPMG



JULY

CSR AND ESG HIGHLIGHTS FROM 2021 AND 2022

The ESG & Compliance team has been working hard to improve its CSR and ESG system since 2020. This work has expanded and been extended into 2021 and 2022 with numerous structuring projects. The following illustration tracks their evolution over the past two years.

CSR ESG Buisness Compliance

3

CSR STRATEGY

Sallèles Solar Park, Sallèles-Cabardès, France

OUR CSR APPROACH

As a company, RGREEN INVEST aims to actively engage in a renewed and reinforced CSR approach. As such, early 2022, we launched a CSR framework overhaul that strives to meet the highest standards.

In particular, we have been working on (1) the development of a CSR Charter that defines our governance, our commitments and our objectives: these have been organized into an action plan with a list of indicators that will be used for internal reporting, (2) the development of a travel policy for employees concerning business travel and home-to-work commuting, (3) the implementation of a responsible purchasing scheme, (4) a decarbonization plan at the level of the management company. The CSR system and governance have also been reviewed.

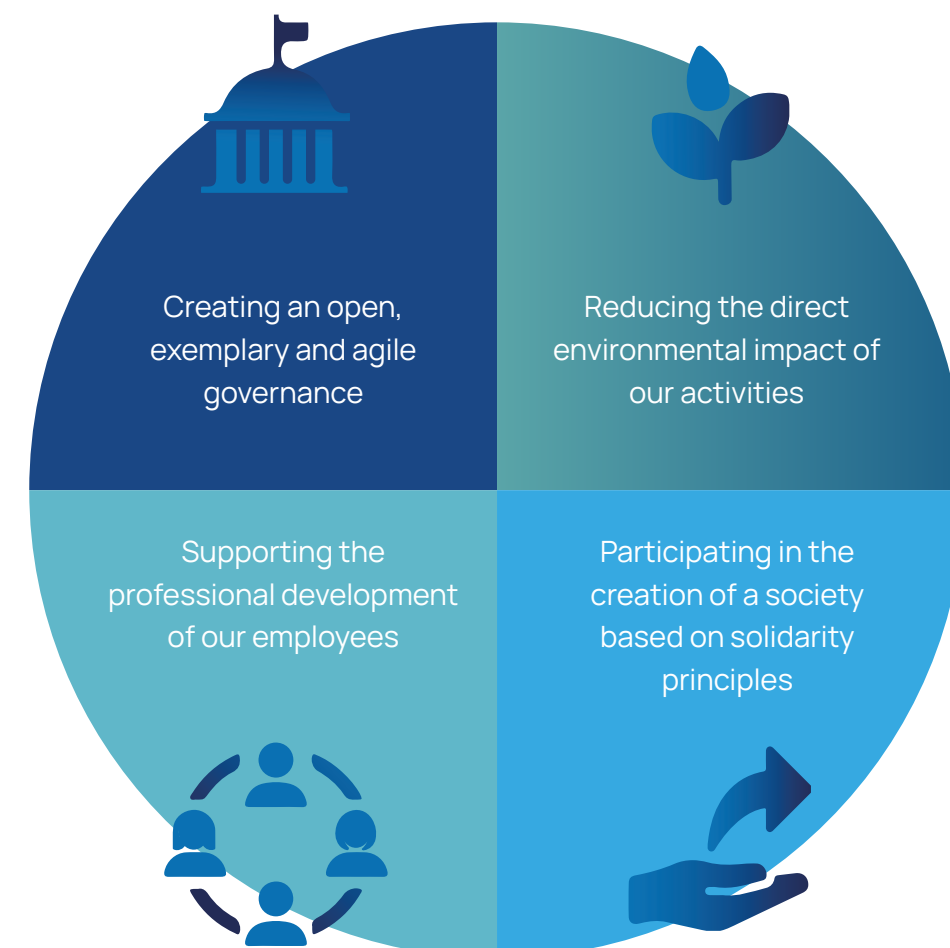
As a reminder, a semi-annual ESG & CSR Committee had been created in 2019. In view of the many projects underway, we have set up a new CSR Steering Committee composed of volunteer representatives from three complementary teams (Business Development, Office Management, ESG & Compliance). This committee meets every two months to decide on the year's program and ongoing actions. It is responsible for monitoring the proper application of our charter. The progress made by the Steering Committee is then presented to a bi-annual ESG & CSR Committee which brings together the members of our management team to facilitate decision-making.

Our main commitments

RGREEN INVEST became a mission-driven company (entreprise à mission) in early 2021. Our raison d'être is to act in favor 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. We will publish a dedicated report in the coming months. This report will describe our objectives and results (see Appendix 4). We are also committed to contributing to the achievement of several United Nations Sustainable Development Goals and are in the process of obtaining «BCorp» certification. More globally, the company aims to meet international CSR standards.

Our primary objectives

Concerning the four levels of responsibility identified (governance, environment, social policy, social commitment and associations), our objectives are the following:



SOCIAL PILLAR

RGREEN INVEST has made notable progress regarding the CSR social pillar. We recognize the value of all our employees and make their professional development a priority. We are working in particular to achieve several objectives, including (1) attracting, onboarding and retaining talent, (2) creating the best working conditions and promoting physical and psychological well-being at work, (3) promoting diversity and gender equality in our teams.

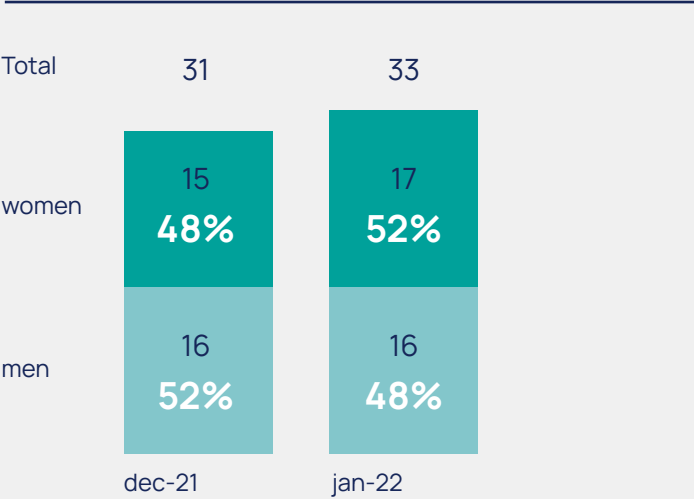
RGREEN INVEST is aware of the human issues that can arise as a result of a company's rapid growth. We strive to foster a corporate culture that combines cohesion and inclusiveness within a solid structure, where each member works in the same direction while having the individual means to surpass themselves. To this end, a new position has been created within the company, that of Chief Happiness Officer, whose role it is to promote well-being, collaboration and productivity within the company. Through an individualized follow-up with each employee and the organization of internal sports events, the CHO facilitates interactions outside each team member's professional perimeter.

Parity reached in January 2022!

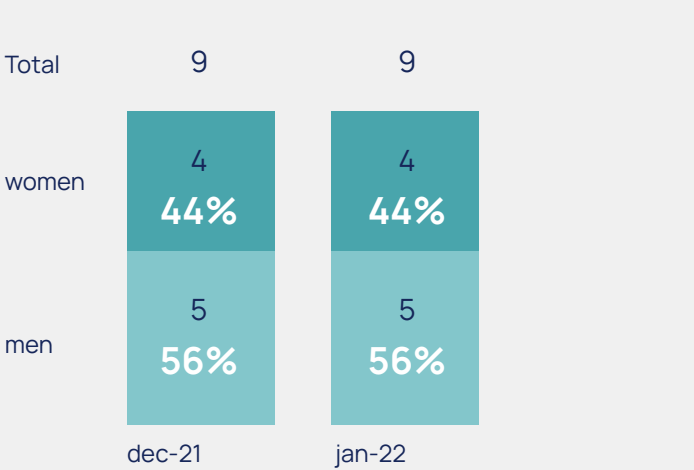
In 2021 alone, the management company recruited 17 new talents - including 12 female talents - reaching parity in January 2022. A comparative study of the pay gap between men's and women's salaries has been carried out in 2022, to ensure that the differences are not due to gender.



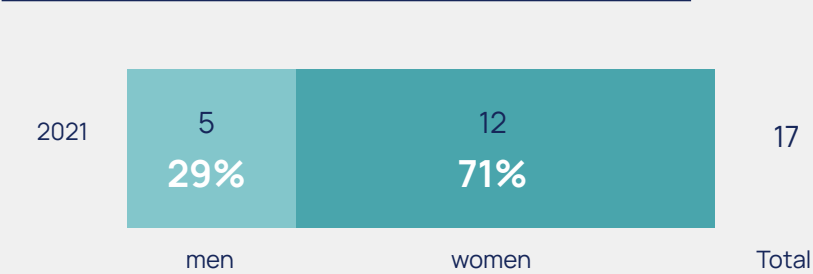
Percentage of women



Percentage of women in management positions



No. of female hires in 2021 (out of total hires in 2021)



OUR COMMITMENTS AS A MISSION-DRIVEN COMPANY («ENTREPRISE À MISSION»)

Early 2021, RGREEN INVEST became a mission-driven company. Our raison d'être is to drive the fight against climate change by accelerating the energy transition and adaptation of society by financing infrastructures with a sustainable and positive impact on the environment, local populations and territories. RGREEN INVEST has identified a series of operational and performance objectives, and work is currently underway to define a measurement for these performance objectives.

In September 2022, we launched our first Mission Committee, the role of which is to monitor the implementation of the mission but also to enrich it over time. It will initially bring together members of our management and our ESG teams. Plenary meetings will be held every six months. We have also selected KPMG as the Independent Third Party in charge of auditing RGREEN INVEST to verify compliance with the outlined commitments. We also plan to publish, on an annual basis, a Mission Report that will clearly present our progress on our five mission objectives.

Summary of principle objectives

	Statutory objectives	Operational objectives	Performance indicators
1	Enable the large-scale development of efficient, low-carbon alternatives (compared to widely used carbon-based solutions).	<ul style="list-style-type: none"> • Provide financing for climate change mitigation and adaptation • Develop internal skills and knowledge to better support our partners • Share the company's experience in these sectors 	<ul style="list-style-type: none"> • Amount committed • Green part (taxonomy alignment) • Team training • Knowledge sharing initiatives (forums, commissions, working groups, etc.) • Carbon footprint of the portfolio • Installed ENR capacity
2	Invest in sustainable infrastructure that creates local value and jobs, particularly in developing regions.	<ul style="list-style-type: none"> • Engage stakeholders in project development to foster local job creation • Diversify the geographical location of our portfolio, in particular to reach the African continent 	<ul style="list-style-type: none"> • Jobs supported • Amount committed in Europe • Amount committed in Africa
3	Support technologies adapted to the specific energy problems of the territories and populations where they are located.	<ul style="list-style-type: none"> • Explore new technologies to diversify the portfolio • Support small businesses with local roots 	<ul style="list-style-type: none"> • Portfolio Technologies • Number of VSE-SMEs supported
4	Contribute to the deployment of infrastructure with reduced environmental impact.	<ul style="list-style-type: none"> • Provide funding for efficient infrastructure • Support our partners to control their environmental and social impact 	<ul style="list-style-type: none"> • Amount committed to infrastructure projects • Participation rate in Reporting 21 • Number of participations overseen by the ESG team
5	Support farmers in implementing sustainable production methods.	<ul style="list-style-type: none"> • Finance one or more agrivoltaic projects 	<ul style="list-style-type: none"> • Number of farmers supported • Amount committed to agriculture-related projects overseen by the ESG team





4

4.ESG FRAMEWORK

Hydroelectric Power Plant, Prokopnik, Bulgaria

ESG GOVERNANCE

RGREEN INVEST has a dedicated ESG team, which is growing rapidly. Today, it includes an ESG, Compliance and Risk Manager, a Compliance Analyst and an ESG Analyst, for a total of 1.8 FTE. The Director of this team reports directly to the CEO, and is a member of the company's Management Committee, which allows for better consideration of ESG topics in internal governance. Also, since 2019, an ESG & CSR Committee meets twice a year. It comprises members of management to report on progress and validate roadmaps.

Finally, we are committed to having our ESG system audited by a third-party firm at least every two years. In 2022, KPMG carried out this evaluation and judged our system as a whole to be satisfactory. Fifteen recommendations were issued, none of which were qualified as high priority.

Commitments in terms of investment sustainability

All the funds managed by RGREEN INVEST are classified as Article 9 of the SFDR Sustainable Finance Disclosure Regulation. They all have the objective of contributing to climate change mitigation and adaptation. This ambition implies a high degree of transparency. In 2021, RGREEN INVEST conducted a project dedicated to the implementation of the SFDR regulation requirements. In particular, we have modified our ESMS procedure and our remuneration policy, created compliant quarterly and annual reporting templates, updated our website and integrated new information into the contractual documentation of funds being launched.

RGREEN INVEST aims at a broad alignment with the technologies defined by the «European Taxonomy» regulation. Within this framework, we have set eligibility targets for Taxonomy technologies, as well as targets for full alignment at fund closing.

Eligibility of funds for the European Taxonomy	Launched before or after publication of the Taxonomy?	Estimated degree of eligibility at the end of 2021	Eligibility target (minimum)	Final alignment target (minimum)	Level of obligation
INFRAGREEN II - 2015	Before	100%	N/A	70%	Objective
INFRAGREEN II - 2016	Before	100%	N/A	70%	Objective
INFRAGREEN III	Before	99%	N/A	80%	Objective
INFRAGREEN IV	Before	91%	N/A	80%	Objective
INFRAGREEN V	After	N/A not launched	80%	80%	Obligation & carried interest
INFRABRIDGE II	Before	100%	N/A	70%	Objective
INFRABRIDGE III	Before	100%	N/A	70%	Objective
INFRAMEZZ	Before	100%	80%	70%	Objective
AFRIGREEN	After	N/A not launched	80%	50%	Obligation
RSOLUTIONS	After	N/A not deployed	50%	50%	Objective

INVESTMENT PROCESS

To have the most positive possible impact, ESG issues are integrated and addressed throughout our investment process. We have put in place an Environmental and Social Management System (ESMS) that describes the steps in the process, the frameworks and tools used, and the responsibilities involved. Each investment is subject to ESG due diligence before an analysis is performed and updated regularly throughout the investment. We have developed our legal documentation for bonds and in particular for equity in order to reinforce our ESG requirements for our partners (carrying out carbon assessments, implementing decarbonization plans, setting up a recycling and/or decommissioning plan, ESG reporting, setting up ESG processes, etc.).

In accordance with our raison d'être and RGREEN INVEST's original mandate, we wish to invest only in companies that participate in the climate change mitigation and/or adaptation.. Each investment must therefore focus on technologies:

- 1 **Referenced as favorable by the most recent IPCC reports**
- 2 **Aligned with the European Taxonomy if possible**
- 3 **In line, even indirectly, with environmental objectives (notably for the RSOLUTIONS fund, which can make investments in the solidarity economy)**
- 4 **That aim to meet at least one of the UN Sustainable Development Goals (see next section «Our contribution to the SDGs»)**
- 5 **That focus on the most favorable geographic areas or sectors of activity. For example, as Poland's electricity mix is highly carbon intensive, it is particularly useful to finance green energy production plants in this geographical area**



Exclusion Policy

We also have an exclusion list that specifies the activities we do not wish to finance, directly or indirectly. This list is historically aligned with the European Investment Bank's exclusion policy and a recognized set of standards and rules in this area (local regulations, social standards included in the Taxonomy, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the eight core ILO conventions and the Universal Declaration of Human Rights, as well as the IFC Performance Standards for the Afrigreen Fund).

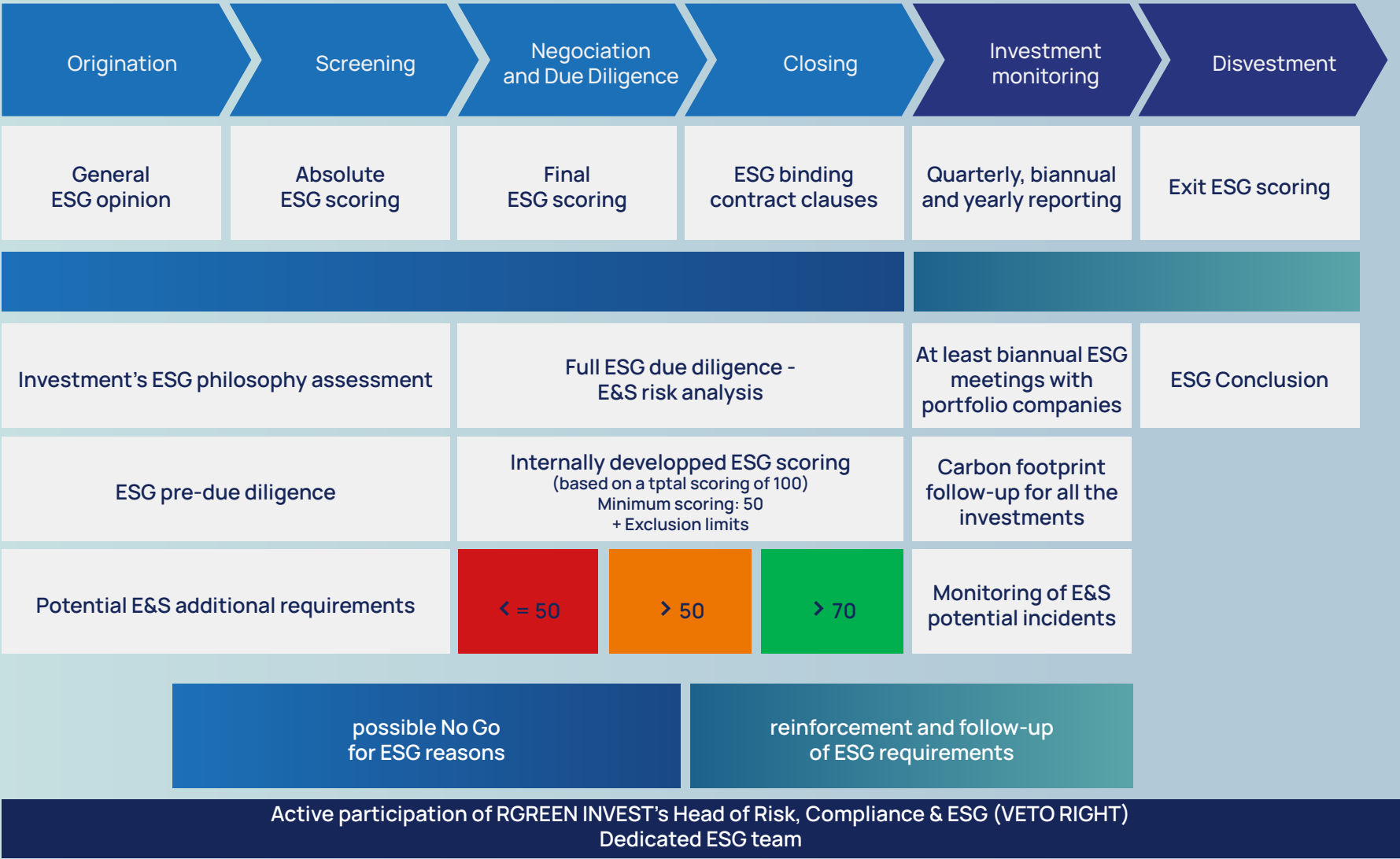
Examination Phase

As part of the investment process, due diligence has been reinforced for the launch of the AFRIGREEN DEBT IMPACT FUND, RSOLUTIONS and INFRAGREEN V. To this end, RGREEN INVEST has created an internal ESG scoring tool that defines a score for a company or a project and their ecosystem, according to environmental, social and governance criteria. This score, reviewed annually, allows us to rule out the riskiest or unacceptable projects, and to systematically request additional applications for risky projects. The score is assigned on the basis of reliable and sourced information provided by the potential partner, or transmitted via the Reporting 21 SIRSA tool during the annual reporting campaigns.

CSR and ESG issues are monitored with the companies financed. On equity transactions, monitoring is reinforced through the organization of follow-up meetings with holdings on CSR/ESG issues. These meetings allow us to monitor the development of our investments, exchange views and facilitate feedback.



We have strengthened the monitoring process as part of the launch of the INFRAGREEN V fund, as outlined below:



At the heart of our approach, there are above all the extremely qualitative exchanges that we have with our partners and on which all the support that we offer them is based.

We don't claim to have everything 'right' at the start or to achieve 100% of our objectives in the first year. Moreover, our partners do not necessarily have all the resources required in the start-up phase to meet all our ambitions.

However, they do expect us to have transparent, accurate conversations and to share with them the results of our ESG team's work, to help them define a roadmap, identify possible areas of progress, draw on best practices and move forward together to keep improving.

In the end, and over the long term, the quality and transparency of these exchanges as well as the sharing of our feedback are the key to success. »



Mathilde Ketoff
Head of Debt Investment



SDG CONTRIBUTION

SDGs at the management company level

As a company with a mission, RGREEN INVEST intends to contribute to the Sustainable Development Goals (SDGs) defined by the UN, by financing innovative and sustainable companies and projects. We have identified five SDGs that are central to our investment strategies:



Data at end of 2021



SDGs at the AFRIGREEN DEBT IMPACT FUND level

As part of the launch of its first impact fund, RGREEN INVEST has defined specific SDG targets related to the fund's management, with measurable indicators attached.



Installed capacity in megawatts of renewable energy generation

IMPACT GOAL



100 MW
of installed renewable energy capacity.



Tons of CO2 emissions avoided by offsetting the production of electricity from fossil fuel.

IMPACT GOAL



70 000 tons
of CO2 emissions avoided.



Number of commercial and industrial companies upgrading their power generation equipment.

IMPACT GOAL



60
C&I companies supported.



Number of small and medium-sized enterprises with limited access to capital markets that receive direct or indirect financing from the fund.

IMPACT GOAL



18
small and medium-sized enterprises funded.



Liters of fuel consumption avoided by offsetting the use of thermal power plants and diesel generators.

IMPACT GOAL



Promote the use of renewable energy instead of fuel oil in companies operating in Africa.

15 000 000 liters
of fuel consumption avoided.



Capital deployed by AFRIGREEN to contribute to climate action.

IMPACT GOAL



Contribute to the joint mobilization of +\$100 billion per year from all sources to meet the needs of developing countries.

€35 M
of deployed capital (minimum).



ENVIRONMENTAL AND SOCIAL RISK MATRIX

We have, among the many projects underway, created an ESG matrix for our debt and equity investments. This matrix organizes the environmental and social risks identified:

- 1 during the verification phase, thanks to external due diligence or questions asked, or thanks to environmental and social impact studies
- or
- 2 during the life cycle of the investment, via the feedback mechanisms we have put in place (presented above)

This matrix includes

- 1 biodiversity risks on fauna and flora, as well as environmental risks in a more general way and potential pollution
- 2 social risks related to employees
- 3 specific risks on local populations, etc.



With INFRAGREEN V, our ESG approach goes beyond what we have done in the past.

Like its predecessors, INFRAGREEN V is Greenfin-labeled and classified as Article 9 of the SFDR. However, on top of that, we will link 25% of the carried interest to a minimum 80% compliance with the European Taxonomy for all investments.

This means that in the event of 80% alignment with the Green Taxonomy at the time of the fund's liquidation, the management team will not only see its carried interest linked to financial performance but also to extra-financial performance.»



Olivier Guillaume
Chief Investment Officer

Measuring our biodiversity footprint

We qualitatively monitor the impact of our investments on biodiversity. We closely monitor the land footprint of our projects as the first impact indicator. This indicator will be detailed in 2023, and we also plan to use external methodologies such as the Global Biodiversity Score. This approach is currently being examined as part of a larger effort to strengthen our strategy.

Footprint calculated at 31.12.2021 – Estimates

Fund	Development / Construction	Operation	Total Estimated Hectares
INFRAGREEN II - 2015	0	284	284
INFRAGREEN II - 2016	0	124	124
INFRAGREEN III	1 460	297	1 757
INFRAGREEN IV	2 661	506	3 167
INFRABRIDGE II	2 800	91	2 891
INFRABRIDGE III	82	0	82
INFRAMEZZ	0	113	113
TOTAL	7 004	1 415	8 419*

* 8 419 hectares roughly equal 32.5 square miles

ESG incidents observed in 2021

In 2021, there were only two environmental and social incidents in our holdings within all the funds under management. When a proven risk is identified, a follow-up process is put in place, and special vigilance is carried out by the ESG Team. An action plan is systematically rolled out depending on the situation, the means of action available to us, and the level of risk.

Participation	Details of incidents	Remedial actions
Methanization plant in France	<p>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.</p> <p>Recent operational malfunctions have led to fears of new ESG incidents. The plant is therefore shut down.</p>	<p>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 within the framework of this project in order to stop the nuisance. RGREEN INVEST is carrying out a detailed follow-up of the situation.</p> <p>Status Analysis in progress, issue ongoing in 2022.</p>
Wind power plant in France (Guadeloupe)	<p>An abnormal level of deaths involving chiropterans (bats) has been noted on a wind farm financed by a fund managed by RGREEN INVEST.</p>	<p>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.</p> <p>Status Resolved, issue closed in 2022.</p>



NEW PROCEDURE RELATED TO THE RISK OF FORCED LABOR

Mid-2022, in view of the existing social risks, particularly in the photovoltaic panel production sector, RGREEN INVEST strengthened its management of social risks by creating a policy for managing the risk of forced labor.

The supply chain for photovoltaic panels and other components used in solar power plants relies primarily on Chinese factories located in Xinjiang, where evidence of forced labor has been reported. As more than 80% of the world's photovoltaic production takes place in China - Xinjiang province alone accounts for 40% of the global production of polycrystalline silicon (poly-Si), a key component of the panels (IEA, 2022) - it is crucial that we take action. Thus, as early as the due diligence phase, we commit to:

- 1 **verify the risk of forced labor by requesting precise information on the suppliers used or planned to be used**
- 2 **integrate clauses on respect for human and labor rights into our partnership contracts**

Our clauses commit our partners exposed to this risk to:

- 1 **implement a robust responsible purchasing policy that allows for control of this issue**
- 2 **call on specialized consultants to conduct audits of suppliers' production sites**
- 3 **perform the necessary due diligence to verify the reputation of its suppliers and carry out a risk mapping exercise**
- 4 **define a list of suppliers, assemblers and constructors at risk**

For example, during due diligence, the ESG team will ask the project developer to provide a list of the suppliers from which it plans to source solar panels, where they are manufactured, and any available details of the upstream supply chain, including the production of ingots, wafers, solar cells, and up to the production of poly-silicon. Due diligence will also cover other project stakeholders, such as the EPC / Prime Contractor to ensure that the Fund is not directly or indirectly supporting a company that does not fully respect human rights.





5

LAUNCH OF OUR IMPACT STRATEGY: AFRIGREEN DEBT IMPACT FUND

Pla de la Roque Solar Park, Béziers, France



AN ENTREPRENEURIAL ADVENTURE WITH A POSITIVE IMPACT

We believe that impact investing can convince investors that it is possible to combine monetary returns with positive benefits in terms of environmental and social impact, thereby minimizing long-term risks.

From the outset, the company has endeavoured to make a positive impact by investing solely in the renewable energy sector, energy transition and climate change adaptation and mitigation. We have provided support to business owners in more than 500 projects in Europe, initially in solar and wind energy and now in other low-carbon and climate change adaptation technologies.

RGREEN INVEST chooses to use the term «impact» with reserve and caution. We are aware of the positive impact on the climate of our infrastructures, but also of their potentially negative impact, particularly on local populations and biodiversity. With this in mind, we have adopted a careful and reasoned approach, seeking to favor only the most beneficial projects from an environmental and social standpoint.

AFRIGREEN

AFRIGREEN DEBT IMPACT FUND : MAKING OUR VISION OF «IMPACT INVESTING» A REALITY

The launch of the AFRIGREEN fund represents an important development for RGREEN INVEST. For the first time, the management company has decided to structure a fund around the concept of both environmental and social impact.

AFRIGREEN DEBT IMPACT FUND is classified as article 9 of the SFDR and is 80% compliant with the European Taxonomy and contributes to the achievement of the Sustainable Development Goals 7 (Clean and Affordable Energy), 9 (Industry and Infrastructure), 12 (Responsible Consumption and Production) and 13 (Action on Climate Change) set by the United Nations.

Impact investing is characterized (1) by an ethical dimension in terms of its **intentionality**, i.e., responding to a sense of duty to give the capital invested an environmental and social objective. It then incorporates (2) the criterion of additionality, which lends a teleological component to the investment practice, in the sense that the purpose of investment funds is to promote positive changes in the ecosystem, as levers for transformation. Finally, (3) the measurement criterion serves as empirical evidence.

The AFRIGREEN fund's focus is two-fold: saving fuel and thus avoiding CO2 emissions, and financing renewable electricity production infrastructure, particularly in areas that need it most.

(1) Electricity grids are failing in Central and West Africa, forcing local industrial and commercial companies to use oil-fired generators to produce the electricity needed for their consumption. (2) Renewable energy project developers or companies face difficulties when seeking debt financing. (3) This is why RGREEN INVEST has decided to launch a strategy of financing ground-mounted solar photovoltaic projects and lithium batteries, attached to activities in this area.

The **additionality** of this fund is contingent upon a supportive accompaniment of the financed companies. This investment approach is in line with the IFC Performance Standards and the EIB Environmental & Social Standards (EIB ESS). The project will be rated to verify the balance between positive and negative impacts, and will be subject to an action plan including improvement and monitoring measures.

The fund's **additionality** will be framed by a specific ESMS (Environmental and Social Management System) process and reporting that is based on five key principles:

- 1 Definition of KPIs and milestones related to these objectives, using standardized indicators where possible
- 2 Development of a dedicated due diligence and implementation of a calculation methodology and an ESG Scoring Tool E&S
- 3 Implementation of an action plan based on identified risks, and a mechanism for collecting complaints
- 4 Monitoring and managing the impact of investments in relation to these objectives via the SIRSA Reporting 21 tool
- 5 Reporting on the social and environmental impacts to the relevant stakeholders over the entire life cycle of the investment (10 years), with half-yearly meetings

Finally, the fund's impact will be **measured** in terms of MW installed, MWh produced, tons of CO2 and liters of fuel avoided, carbon footprint, number of companies directly or indirectly accessing new financing channel, and number of commercial and industrial companies upgrading their power generation facilities and improving their efficiency. The full list of indicators tracked is presented in the AFRIGREEN ESMS, as well as in the ESG Scoring Tool.



6

PORTFOLIO LIFE CYCLE AND NEW PARTICIPATIONS



Experimental Agrivoltaic Installation on Vineyards in Piolenc, France

SUMMARY OF THE MAIN OPERATIONS CARRIED OUT IN 2021-2022

RGREEN INVEST has completed numerous transactions via its funds since the beginning of 2021, which constitutes a significant acceleration of its investments. Some key transactions are presented in the table below.

Key Operations	RGREEN INVEST Commitments	Technologies	Presentation	Green Taxonomy Classification?	SDGs Targeted
	€131 M INFRAGREEN III & IV Equity	Solar, Onshore wind, Floating wind, Hydrogen	Qair is a leading player in renewable energy in Europe, and a historical partner of RGREEN INVEST. The company has 816 MW of operating capacity, with a significant development pipeline. Qair has also positioned itself on future technologies such as hydrogen and floating wind.	Yes Mitigation (low carbon)	7, 9, 12, 13    
	€300 M INFRAGREEN IV & V Equity	Battery storage and EV recharge stations	NW is a leading player in renewable energy and more specifically in electricity storage. NW Storm specializes in two complementary activities: a compact battery energy storage unit (JBox), providing auxiliary services to the grid, and a high-power electric vehicle charging station (IECharge) directly connected to the JBox.	Yes Mitigation (low carbon or enabling activity)	7, 9, 12, 13    
	€140 M INFRAGREEN IV & V Equity	Solar	Renalfa is an Eastern European player specialized in renewable energies, with three main pillars among its subsidiaries: 1) Prime contractor and builder (Engineering, Procurement and Construction) specialized in photovoltaic projects, 2) Aggregator (management of electricity flows and trading between producers and the electricity market), and 3) Independent power producer. RGREEN INVEST will finance the construction of several significant assets.	Yes Mitigation (low carbon)	7, 9, 12, 13    
	€14 M INFRAGREEN IV Bonds and Equity	Solar, Agrivoltaics	Sun'R is a French pioneer in agrivoltaics. The group's subsidiary Sun'Agri develops photovoltaic projects enabling agricultural adaptation to climate change.	Yes Mitigation (low carbon) and Adaptation to climate change	2, 7, 9, 12, 13     
French developer (anonymized)	€30 M INFRABRIDGE III Corporate debt	Solar, Agrivoltaics	The developer is one of the main French independent players in solar energy. It is an independent power producer dedicated to solar photovoltaic (ground-mounted) with agrivoltaic expertise.	Yes Mitigation (low carbon) and Adaptation to climate change	2, 7, 9, 12, 13     

PRESENTATION AND INTERVIEW OF LOUIS BLANCHARD, CEO OF QAIR



How are environmental and social criteria taken into account in Qair's activities?

« A project is not developed in Paris, in an office: it is developed on the ground, locally, which requires the involvement of all the stakeholders in our projects. Successful development is a process during which things happen harmoniously. And since we are building projects for 30 years, it is obvious that we must carry out the best possible projects, step by step. If we want the project to move forward, if we want it not to be criticized, if we want the construction to run smoothly and the operation to be serene, we must obviously take into account all ESG criteria, which are ultimately THE guarantee of the project's success.

It is also an effective way to differentiate ourselves from the competition: by applying demanding ESG criteria, we can demonstrate in a concrete way to the authorities and local populations that our projects are potentially better than those of a competitor. And it is a way to accelerate our development. It is therefore essential to integrate these criteria directly from the initial development phase. In fact, it is the director of all our operations who is in charge of ESG issues within our company, because these issues structure the very organization of our projects.»



The infrastructures you develop have a positive impact, but they can also involve risks. Do you integrate biodiversity criteria into your approach?

« We integrate all criteria, including biodiversity criteria. We will never develop our projects in areas that may be sensitive. In the areas where we set up operations, we have determined the biodiversity risk beforehand. In addition, we are developing specific solutions in partnership with innovative SMEs, notably Biodiv-Wind, whose artificial intelligence technologies enable us to stop our wind turbines when migratory birds are approaching, thus preventing collisions. It is these technologies that often differentiate us from our competitors and allow us to make a difference, particularly in sensitive projects such as offshore projects. This is how we have won tenders, such as in Scotland with the ScotWind project, against oil majors, because we have been able to demonstrate to the authorities our terrain-based know-how on this very sensitive subject of biodiversity.

In order to ensure resilient project delivery, we have conducted a thorough environmental and technical assessment of the ScotWind project sites. A focused study of technology options, an assessment of grid capacity development and a comprehensive risk mitigation plan were undertaken to ensure rapid and risk-free developments, at a pace that is expected to further accelerate now that the projects have been selected.»



MESSAGE FROM NICOLAS ROCHON, RGREEN INVEST PRESIDENT AND CEO



Over the past ten years, we have had the privilege of accompanying the very first players in the green transition who showed us that a different future was in our hands: clean electricity production at a moderate cost was, indeed, possible. Their bold vision, driven by values of sustainability, accessibility and responsibility, has compelled us to embed identical principles into all our investment practices and help convert their ambitious projects into profitable, even competitive, solutions.

There is neither room nor time for error. The window of opportunity is closing and more than ever the effectiveness of our actions will determine our ability to adapt to climate change and gain energy independence. Our experience over the past decade has convinced us that an exponential collective ripple effect is possible. Current assets in environmental investment funds have more than tripled in three years, reaching nearly \$2,000 billion globally in the first quarter of 2021 (Wall Street Journal, May 2021). The IPCC also cites studies estimating the need for an energy transition between \$2,000 and \$4,000 billion globally, per year, by 2050. An unprecedented acceleration is vital to our survival (IPCC, April 2022).

Furthermore, if we are to respond to the IPCC's repeated warnings by significantly reducing global CO2 emissions by 2030, it becomes imperative to mainstream ESG transformation across all business sectors, including through transparent communication.

ESG reporting, a fundamental milestone

To date, no company in any industry is 100% sustainable. Instead of trying to convince stakeholders otherwise, companies need to find a way to focus on progress rather than perfection, identify the missteps and missed benchmarks, and explain their plan for correction. Companies that truly prioritize sustainability have much to gain by sharing their progress with others and informing their stakeholders.

Thus, ESG reporting has a key role to play, which is not to prove that a company is better than others in terms of implementing its environmental, social and governance policies, but to ensure that we all, collectively, perform better. »



Nicolas Rochon
CEO

GLOSSARY

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

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

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

Compliance: All organizational 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 integration of social and environmental concerns of stakeholders in the business activities of these companies.

Decarbonation or decarbonization: Measures and techniques implemented to reduce the carbon footprint of a company, a sector of activity, a country or an economy.

Energy mix: The combination of the various primary energy sources used to meet the energy needs of a given geographic area.

Environment, Social and Governance (ESG): This acronym designates the three criteria that allow us to measure the sustainability and societal impact of an investment in a project or company.

Environmental and Social Management System (ESMS): A formalized set of policies, procedures, tools and internal capabilities for identifying and managing a financial institution's exposure to environmental and social risks. RGREEN INVEST has put in place an ESMS to support its ESG due diligence process before and after investment.

European Taxonomy: European Regulation 2020/852 on the classification of economic activities with a positive impact on the environment. Its objective is to channel investments towards green activities, by drawing up a detailed list of activities and the conditions necessary to consider an investment eligible.

Greenfield / Brownfield: Construction stage of a project, Greenfield being in pre-construction stage, Brownfield being in operation stage.

Greenwashing: Promoting a product, service, or company as being more environmentally friendly than it really is, by claiming false environmental benefits or omitting risks.

Impact Investing: An investment methodology not defined by regulation at this stage, 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
- **Measuring the impact**, 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): Company which integrates in its statutes a recognized social or environmental objective. This qualification has been defined in France by the Pact law.

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 in the project it is working on and uses that expertise to research, plan and execute a 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 obtained from sources that nature renews rapidly on a human scale, such as energy produced by solar panels or wind turbines. These technologies are recognized by the IPCC, notably in the April 2022 report on climate change mitigation.

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

Sustainable development: A development concept that consists in meeting the needs of the present while ensuring that future generations can meet their needs to come. It is based on three pillars: economic, environmental and social. The concept has been integrated 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 Regulation No. 2019/2088 on sustainable finance disclosure which introduced various transparency requirements for financial market participants and financial advisors at the entity, service and product level.

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

Appendix 1 - Annual Report - Article 29 of the French Energy and Climate Law

The implementing decree of Article 29 of the French Energy and Climate Law, published on May 27, 2021, clarifies the extra-financial transparency requirements of market players and investors and strengthens the consideration of environmental, social and governance issues. RGREEN INVEST is actively involved in the ecological transition and is fully aware of the ESG issues to be managed. As a pioneer in the sector, the company complies with these obligations in this ESG report. In 2022, for this first reporting on the fiscal year 2021, the company proposes the correspondence table below.

Provisions	Application at RGREEN INVEST
1 General approach of the entity	<p>RGREEN INVEST actively integrates ESG issues throughout the investment process, from the sourcing and due diligence phase to the exit phase. An ESMS procedure and an internal ESG scoring tool have been established in order to monitor ESG performance throughout the life cycle of an investment.</p> <p>The company is transparent and is committed to meeting the highest reporting requirements. Each year, a CSR & ESG report is published. It presents the conclusions drawn from the past year and the outlook for the current year. Also, on a quarterly and annual basis, a detailed report on the funds is produced for investors. This reporting complies with the SFDR and presents certain key indicators.</p> <p>RGREEN INVEST is involved in several initiatives and task forces: Finance for Tomorrow, France Invest, Syndicat des Energies Renouvelables, ENERPLAN, France Energie Eolienne, etc. INFRAGREEN II (for certain sub-funds), INFRAGREEN III and INFRAGREEN IV are Greenfin certified.</p>
2 Internal means to contribute to the transition	<p>RGREEN INVEST has strengthened all its resources dedicated to the consideration of ESG issues. A 3-person ESG team has been set up: it includes an ESG manager, an ESG analyst and a compliance and ESG analyst (1.8 FTE). This team is responsible for carrying out due diligence on projects and creating tools in line with the latest regulations and market trends. It is also occasionally accompanied by specialized service providers. In 2022, RGREEN INVEST will use the services of KPMG for an ESG and CSR audit and Sirsa for its Reporting 21 tool.</p> <p>To bolster internal capabilities, RGREEN INVEST plans to expand its ESG team in 2022-2023. Also, the team has developed a comprehensive training plan that will enable all teams and the ESG team to increase their skills. In particular, training by specialized consultants on biodiversity and social risks in Africa is scheduled.</p>
3 ESG governance within the financial entity	<p>RGREEN INVEST has a Management Committee that brings together all the directors of the various divisions. The ESG, Compliance and Risk Director is a member and facilitates the reporting of ESG issues. It assembles every month.</p> <p>An ESG & CSR Committee was set up three years ago to report on the progress of ESG and CSR projects every six months.</p> <p>The company has an AIFM remuneration policy, which includes compliance with ESG criteria in the payment of a variable portion.</p>
4 Engagement strategy with issuers or managers	<p>RGREEN INVEST has had a shareholder engagement and voting policy since 2019. In 2022, the engagement and voting strategy will be updated. We want to 1) update our policy, 2) define the topics we want to push with our projects (resolutions), 3) implement a monitoring of the exercise and a review at the end of the year.</p>
5 Sustainable investments and investments in fossil fuels	<p>This section will be completed when the provision takes effect in the first half of 2023. RGREEN INVEST launched a Taxonomy project in January 2021 to measure the eligibility and alignment of its funds. The analysis is included in our «Master ESG» tool. Overall, we are aiming for a minimum alignment rate of 80% to 90% with the green taxonomy. The new RSOLUTIONS fund aims for a 50% alignment, due to the new technologies deployed and the social nature of certain investments.</p>

Provisions	Application at RGREEN INVEST
6 Strategy for alignment with the Paris Agreement	<p>RGREEN INVEST carried out its first full carbon assessment (Scopes 1 - 2 - 3, and Scope 4 avoided emissions) in 2022. The project consists of two parts: the carbon footprint and the trajectory to 2030.</p> <p>Carbon footprint of the management company</p> <p>Our assessment includes all of our operations. It is based on the GHG Protocol methodology, applying the emission factors of the ADEME Bilan Carbone database. The calculation was audited by KPMG in 2022. The Bilan will be reviewed in the form of the Bilan Carbone Association table at the end of 2022.</p> <p>Carbon footprint of funds</p> <p>Our balance sheet includes an estimate of the financed emissions of all our investments. This estimate is based on internal modelling, as none of our holdings have conducted a carbon footprint analysis to date. Using market comparisons, carbon intensities are applied to our projects.</p> <p>Roadmap to 2030</p> <p>A target for 2030 has been defined. For investments, this objective has been built using a relative reduction methodology based on carbon intensity. We are aiming for an alignment with a WB2°C IEA scenario.</p> <p>Reporting and follow-up</p> <p>The company's carbon footprint will have to be renewed every year, in the first quarter. Compliance with the trajectory will be monitored annually.</p>
7 Biodiversity alignment strategy	<p>RGREEN INVEST is aware that its project development financing activity may have a negative impact on biodiversity. The company is therefore committed to identifying and monitoring the risks. We have conducted an assessment of our dependencies on biodiversity and our impacts on it. In 2022, we created a work file called the «ESG Master» which aims to summarize all the risks to which our holdings are exposed, based on internet due diligence analyses and environmental impact studies. In particular, this document lists biodiversity risks and tracks indicators such as artificial hectares (footprint of projects).</p> <p>In 2023, RGREEN INVEST may be asked to measure its biodiversity footprint more accurately using a tool such as the Global Biodiversity Score (GBS) as used by CDC Biodiversité. Discussions on this subject are underway internally.</p>
8 Integration of ESG risks in risk management	<p>ESG criteria are integrated into the investment process. RGREEN INVEST uses potential and SFDR risk matrices, see details in Appendices 2 and 3. The new ESG Scoring tool includes all the E&S&G criteria monitored during the investments made. This tool, created in 2022, is operational on the AFRIGREEN and INFRAGREEN V funds.</p>
9 Improvement measures	<p>This section will be completed in the first half of 2023. RGREEN INVEST complies with all the requirements of the provisions. To ensure that the ESG framework is nourished by new trends and knowledge, an external audit is carried out each year. It allows to evaluate the quality of the system and its application and to formalize an action plan based on recommendations.</p>

Appendix 2 - Summary of the Principal Adverse Impacts (PAI) of our funded activities related to the European SFDR Regulation

As part of our response to the SFDR requirements, we have created a matrix describing our management of principal adverse impacts (PAI).

Adverse Sustainability Indicator	Relevance for the funds	Mitigation Mechanisms	Level of risk
1- GHG Emissions	Direct GHG emissions (Scopes 1, 2 and 3) and avoided emissions are monitored and accounted for (Scope 4)	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	MEDIUM
2- Carbon footprint	Avoided emissions and direct GHG emissions are closely monitored.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	MEDIUM
3- GHG intensity of investee companies	Avoided emissions and direct GHG emissions are closely monitored.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	LOW
4- Exposure to the fossil fuel sector	No direct exposure. Some projects may be indirectly exposed, see the matrix of main macro-risks in Appendix 3.	(1) Exclusion lists, (2) ESG due diligence, (3) Legal documentation negotiated at time of investment, (4) Monitoring of the participation by means of reporting	LOW
5- Share of non-renewable energy consumption and production	Purpose of the funds is to finance energy production or conservation. Depending on the local mix, non-renewable energy may be consumed.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	LOW
6- Energy consumption intensity per high impact climate sector	The purpose of the funds is to finance energy production or conservation.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	LOW
7- Biodiversity and deforestation	Some projects have a potential impact on local biodiversity. In all situations where a potential risk exists, an environmental impact study is required and examined.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	HIGH
8- Water emissions	Information on water management (especially for water intensive activities such as solar) is required as part of our ESG due diligence and annual reporting.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	LOW
9- Waste and hazardous waste	Information on waste management and dismantling is collected as part of our ESG due diligence and annual reporting.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	MEDIUM
10- Violation of UN social principles	Information is collected as part of our ESG due diligence and annual reporting.	(1) Exclusion lists, (2) ESG due diligence, (3) Legal documentation negotiated at time of investment, (4) Monitoring of the participation by means of reporting	MEDIUM
11- Process for monitoring UN social principles	Information is collected as part of our ESG due diligence and annual reporting.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	MEDIUM
12- Unadjusted gender wage gap	Information is collected as part of our ESG due diligence and annual reporting.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	LOW
13- Board gender diversity	Information is collected as part of our ESG due diligence and annual reporting.	(1) ESG due diligence, (2) Negotiated legal documentation at time of investment, (3) Monitoring of the participation by means of reporting	MEDIUM
14- Exposure to controversial arms/weapons	Not applicable. No exposure.	(1) Exclusion lists, (2) ESG due diligence, (3) Legal documentation negotiated at time of investment, (4) Monitoring of the participation by means of reporting	LOW

Appendix 3 – Summary of the main potential macro-risks

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

	SOCIAL		ENVIRONMENTAL					
	Workers	Local communities	Fauna	Flora	Dismantling & Recycling	GHG emissions	Climate	Other
MAIN POTENTIAL MACRO-RISKS	<ul style="list-style-type: none">• Health and safety on site• Workers rights over the value chain	<ul style="list-style-type: none">• Social acceptability and dialogue• Health & Safety of local communities• Land acquisition• Displacement of indigenous communities• Cultural heritage & visual impacts	<ul style="list-style-type: none">• Habitat loss and destruction due to footprint• Danger to species due to operations	<ul style="list-style-type: none">• Habitat loss and destruction• Deforestation	<ul style="list-style-type: none">• Dismantling/Recycling planification and costs	<ul style="list-style-type: none">• Imports of materials• High direct emissions for specific technologies	<ul style="list-style-type: none">• Exposition to climate-related physical risks• Low preparedness of certain countries	<ul style="list-style-type: none">• Exposition to climate-related physical risks• Low preparedness of certain countries• Impacts on physical environment• Inefficient use of resources (land, water...)
Ground-mounted photovoltaic	<ul style="list-style-type: none">-Working in high temperature environment-Evidence of human rights breaches over the value chain	<ul style="list-style-type: none">-Risk of non-acceptance-Site remediation-Fire	<ul style="list-style-type: none">-Habitat loss	<ul style="list-style-type: none">-Deforestation / Competition with agriculture	<ul style="list-style-type: none">-Partially functional recycling chain	<ul style="list-style-type: none">-Imported panels and primary materials (from outside Europe)	<ul style="list-style-type: none">-Depends on location-Highly vulnerable to flooding, hail, and high temperature	<ul style="list-style-type: none">-Use of metals-Use of large quantities of water for maintenance (risk in arid regions)
Roof- or shade structure-based photovoltaic	<ul style="list-style-type: none">-Working under high temperature and at height-Evidence of human rights breaches across the value chain	<ul style="list-style-type: none">-Fire-Roof refurbishment	<ul style="list-style-type: none">-New construction specifically for solar roofing	<ul style="list-style-type: none">-New construction specifically for solar roofing	<ul style="list-style-type: none">-Partially functional recycling chain	<ul style="list-style-type: none">-Imported panels and primary materials (from outside Europe)	<ul style="list-style-type: none">-Depends on location-Highly vulnerable to flooding, hail, and high temperature	<ul style="list-style-type: none">-Use of metals-Use of large quantities of water for maintenance (risk in arid regions)
Onshore wind farm	<ul style="list-style-type: none">- Working at height	<ul style="list-style-type: none">-Non-acceptance-Site remediation-Wind turbine noise-Shadow-flicking	<ul style="list-style-type: none">-Risk to birds and chiropterans	<ul style="list-style-type: none">-Localized use of subsoil / concrete foundations	<ul style="list-style-type: none">-High recycling cost: blades difficult to recycle	<ul style="list-style-type: none">-Imported parts (from outside Europe)	<ul style="list-style-type: none">-Depends on location-Highly vulnerable to storms and wind changes	<ul style="list-style-type: none">-Use of metals and rare-earth elements (Dysprosium/Neodymium)
Offshore or floating wind farm	<ul style="list-style-type: none">-Working at height & over water	<ul style="list-style-type: none">-Non-acceptance-Site remediation-Fishing zones	<ul style="list-style-type: none">-Risk to birds and chiropterans-Significant noise that may affect wildlife	<ul style="list-style-type: none">-Localized use of subsoil (piles)	<ul style="list-style-type: none">-High recycling cost: blades difficult to recycle, problem of sea foundations	<ul style="list-style-type: none">-Imported parts (from outside Europe)	<ul style="list-style-type: none">-Depends on location-Highly vulnerable to storms and wind changes	<ul style="list-style-type: none">-Use of metals and rare-earth elements
Small hydroelectric facilities	<ul style="list-style-type: none">-Working in difficult to access areas	<ul style="list-style-type: none">-Immersion of areas used by local populations	<ul style="list-style-type: none">-Fishways necessary	<ul style="list-style-type: none">-Immersion of plants-More or less important disturbance of the ecological and sedimentary continuity-Rise of water temperature-Modification of the hydrological regime	<ul style="list-style-type: none">-High cost and blasting works	<ul style="list-style-type: none">Use of concrete	<ul style="list-style-type: none">-Depends on location-Highly vulnerable to high temperature, cold waves, droughts, flooding, earthquakes	
Geothermal		<ul style="list-style-type: none">-Groundwater pollution-Earthquake			<ul style="list-style-type: none">-Rather complex			<ul style="list-style-type: none">-Ground water pollution
Methanization	<ul style="list-style-type: none">-Explosion	<ul style="list-style-type: none">-Non-acceptance-Foul odor-Site remediation	<ul style="list-style-type: none">-On-site habitat destruction / Power station's coverage	<ul style="list-style-type: none">-Ground water and river pollution / On-site habitat destruction / Power station's coverage	<ul style="list-style-type: none">-Rather complex	<ul style="list-style-type: none">-CH4 and H2S emissions risk-Imported supplies (long distance)		
Biomass	<ul style="list-style-type: none">-Fire	<ul style="list-style-type: none">-Non-acceptance-Foul odor-Local pollution: carbon monoxide and fine particles	<ul style="list-style-type: none">-On-site habitat destruction / Power station's coverage	<ul style="list-style-type: none">-Forest destruction / Sustainable forest management necessary	<ul style="list-style-type: none">-Rather complex	<ul style="list-style-type: none">-Discharge of carbon and local pollution-Imported supplies (long distance)	<ul style="list-style-type: none">-Depends on location-Highly vulnerable to high temperature, cold waves, droughts, flooding	<ul style="list-style-type: none">-Discharge of fine particles-Local pollution: carbon monoxide
Hydrogen	<ul style="list-style-type: none">-Fire and explosion		<ul style="list-style-type: none">-On-site habitat destruction / Power station's coverage	<ul style="list-style-type: none">-On-site habitat destruction / Power station's coverage	<ul style="list-style-type: none">-Rather complex	<ul style="list-style-type: none">-CO2 cost varies depending on the technology used (green, blue or grey hydrogen)-Indirect GHG due to leaks		<ul style="list-style-type: none">-Water purification necessary via electrolysis
Batteries	<ul style="list-style-type: none">-Fire		<ul style="list-style-type: none">-On-site habitat destruction / Power station's coverage	<ul style="list-style-type: none">-On-site habitat destruction / Power station's coverage	<ul style="list-style-type: none">-Rather complex	<ul style="list-style-type: none">-CO2 cost varies depending on the technology used and place of manufacture	<ul style="list-style-type: none">-Depends on location-Highly vulnerable to temperature changes	<ul style="list-style-type: none">-Use of metals and rare-earth elements

CREDITS

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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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