# ANNEX I

**Template principal adverse sustainability impacts statement**

*Table 1*

**Statement on principal adverse impacts of investment decisions on sustainability factors**

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| **Financial market participant**<br>Copenhagen Infrastructure Partners P/S (5493007KBT1WF76POA31) and Copenhagen Infrastructure Partners II P/S (Danish Business Registration number: 35682775) |
| **Summary**<br>Copenhagen Infrastructure Partners P/S (5493007KBT1WF76POA31) and Copenhagen Infrastructure Partners II P/S (hereinafter jointly referred to as "CIP") consider principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of CIP.<br>This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2023.<br>CIP is a group of fund management companies focused on energy infrastructure investment, including offshore wind, onshore wind, solar PV, biomass and energy-from-waste, transmission and distribution, and other energy assets like reserve capacity and storage. CIP is a signatory of the UN Principles for Responsible Investment and and the UN Global Compact, and has a Responsible Investment Policy that sets out CIP's approach to responsible investment. This Policy includes the processes for integrating sustainability risk in the decision making process and for addressing and reducing the principal adverse impacts of CIP's investment decisions. Furthermore, all funds raised since 2018 have included a set of fund-specific ESG standards, which sit under the Responsible Investment Policy. The Responsible Investment Policy is incorporated into the Limited Partners Agreement for each fund.<br>CIP monitors and reports on all mandatory principal adverse sustainability indicators in Table 1. Given CIP's investment strategy, additional indicators selected are focused on energy consumption as well as workplace safety.<br>CIP takes a number of actions in relation to principal adverse sustainability impacts, such as setting ESG standards, excluding certain asset classes, covering ESG as part of due diligence processes, having internal ESG support in place, and monitoring sustainability performance of investee companies. Furthermore, principal adverse indicators are taken into consideration in the invesment processs through conducting assessments of |

potential material ESG risks for all investments prior to final investment decision. This includes pre-investment screening and due diligence processes, which are led by CIP’s Investment Team and supported by CIP’s ESG function, and where relevant by external advisors. Besides this, CIP sets mitigation and/or management plans for relevant potential adverse impacts at investee company level and monitors relevant potential adverse impacts of investee companies on at least a yearly basis, and under development to become quarterly. Where CIP has a position on the board and/or steering committee of the investee company, CIP can directly respond to incidents relating to relevant potential adverse impacts.

Besides the Responsible Investment Policy, CIP has further policies and procedures in place to ensure that potential principal adverse impacts are considered and managed appropriately.

CIP’s engagement policy and strategy is included in the Responsible Investment Policy as well as the Managing Conflicts of Interests Policy and focuses on CIP’s responsibility of providing assistance to its investments in solving relevant issues which may arise regarding human rights, labour rights, environment, climate or anti-corruption.

If CIP has cause to believe that an investee company cannot or is unwilling to respect sustainability-related topics including the PAI indicators in the table below, CIP will seek to specifically engage with that party on such matters.

CIP is investing mainly in greenfield infrastructure projects. This means that data in relation to measuring and assessing the potential principal adverse impacts on sustainability indicators is sourced directly from the projects and data collection for all PAIs has been conducted on a best efforts basis.

**Sammenfatning**

Copenhagen Infrastructure Partners P/S (5493007KBT1WF76POA31) og Copenhagen Infrastructure Partners II P/S (herefter “CIP”) tager hensyn til de væsentligste negative indvirkninger af sine investeringsbeslutninger på bæredygtighedsfaktorer. Denne erklæring er den konsoliderede erklæring om de væsentligste negative indvirkninger på bæredygtighedsfaktorer fra CIP.

Denne erklæring om de vigtigste negative indvirkninger på bæredygtighedsfaktorer omfatter referenceperioden fra den 1. januar til 31. december 2023.

CIP er en gruppe af kapitalforvaltningsselskaber med fokus på energiinfrastruktur, herunder havvind, landvind, solceller, biomasse og energi fra affald, transmission og distribution samt andre energiaktiver som reservekapacitet og lagring. CIP har underskrevet FN's principper for ansvarlige investeringer samt FN’s Global Compact og har en politik for ansvarlige investeringer, der beskriver CIP's tilgang til ansvarlige investeringer, herunder arbejdet med at integrere bæredygtighedsrisici i beslutningsprocessen og med at reducere de væsentligste negative bæredygtighedsvirkninger af CIP's investeringsbeslutninger. Alle CIP’s fonde, der er etableret siden 2018, har inkluderet en række fondspecifikke ESG standarder i henhold til politikken for ansvarlige investeringer. Politikken for ansvarlige investeringer er indarbejdet i i de enkelte fondes ”Limited Partners Agreement”.

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| CIP overvåger og rapporterer på alle de obligatoriske indikatorer for væsentlig negativ indvirkning på bæredygtighed i Tabel 1. På baggrund af CIP’s investeringsstrategi er der valgt yderligere frivillige indikatorer inden for energiforbrug og sikkerhed på arbejdspladsen.<br><br>CIP foretager en række handlinger i forhold til potentielle negative indvirkninger på bæredygtighedsfaktorer, såsom at fastsætte ESG-standarder, udelukke visse aktivklasser, dække ESG som en del af due diligence-processer, have intern ESG-support på plads og overvåge bæredygtighedsresultater i de virksomheder, der investeres i. Derudover tages der hensyn til de væsentligte negative bæredygtighedsindvirkninger i investeringsprocessen igennem analyse af potentielle, væsentligste ESG risici for alle investeringer, før den endelige investeringsbeslutning foretages. Dette indebærer præ-investerings screening og due diligence processer som ledes af CIP’s Investeringsteam og støttes af CIP’s ESG-funktion, og eksterne rådgivere, når det er relevant. CIP sætter også modvirknings- og/eller håndteringsplaner for relevante potentielle negative indvirkninger for hver investering og overvåger relevante potentielle negative indvirkninger mindst en gang årligt, og arbejder på at udbygge indsamlingen til kvartalsbasis. Hvis CIP har en plads i bestyrelsen og/eller styregruppen i den virksomhed, der investeres i, kan CIP reagere direkte på hændelser, der vedrører relevante potentielle negative indvirkninger.<br><br>Ud over politikken for ansvarlige investeringer har CIP yderligere politikker og procedurer på plads for at sikre, at potentielle vigtige, negative indvirkninger overvejes og håndteres på passende vis.<br><br>CIP's politikker og strategi for aktivt ejerskab er inkluderet i politikken for ansvarlige investeringer samt politkken for håndtering af interessekonflikter og fokuserer på CIP's ansvar for at hjælpe sine investeringer med at løse relevante problemer, der måtte opstå vedrørende menneskerettigheder, arbejdstagerrettigheder, miljø, klima eller anti-korruption.<br><br>Hvis CIP har grund til at tro, at en virksomhed, der investeres i, ikke kan eller ikke vil respektere bæredygtighedsrelaterede emner, vil CIP søge at gå i dialog med den pågældende part om sådanne spørgsmål.<br><br>CIP investerer hovedsageligt i nye infrastrukturprojekter. Det betyder, at data i forhold til at måle og vurdere de potentielle negative indvirkninger på bæredygtighedsindikatorer kommer direkte fra projekterne, og dataindsamling for alle PAI'er er blevet udført efter bedste evne. |
| **Description of the principal adverse impacts on sustainability factors** |

| Indicators applicable to investments in investee companies | | | | | | |
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| **Adverse sustainability indicator** | | **Metric** | **Impact 2023** | **Impact 2022** | **Explanation** | **Actions taken, and actions planned and targets set for the next reference period** |
| **CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS** | | | | | | |
| Greenhouse gas emissions | 1. GHG emissions | Scope 1 GHG emissions | 1,634.97 tCO2e | 250.17 tCO2e | The increases in scope 1 and 2 emissions stem in part from an increase in the overall projects, and an increase in data quality from investment companies. In addition, the significant increase in scope 1 emissions is driven by a few projects in both construction | Due to its investment strategy in greenfield renewable energy assets and assets contributing to the energy transition, CIP does not currently have a GHG emissions target for its investment products, as this is still being analyzed and under development. CIP's actions have instead been to improve its procedures for gathering relevant data in order to calculate these indicators. CIP's planned actions relate to both data quality and |
| | | Scope 2 GHG emissions | 28.007.06 tCO2e | 4,368.37 tCO2e | | |

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| | | | | | and operation, which have used emergency generators. | engaging with investee companies to reduce scope 1, 2 and 3 emissions. CIP plans to engage with future investee companies to implement, where commercially feasible, initiatives to reduce their overall GHG emissions profiles. CIP also plans to devote additional resources to engaging with investee companies to further educate and inform them regarding GHG emissions, with the intention to strengthen data collection processes. It is relevant to note that investments in infrastructure assets under construction in the reference period typically generate higher emissions and lower (or no) revenue relative to assets in operation, and as such this disproportionately impacts emissions-related metrics such as |
| | | Scope 3 GHG emissions | 561.737,46 tCO2e | 534,811.90 tCO2e | Scope 3 emissions are estimated using extrapolation factors (incl. asset capacity and months in construction/ operation) as well as a mix of CIP specific case studies and technology specific LCA studies. | |
| | | Total GHG emissions | 591.379,49 tCO2e | 539,430.43 tCO2e | The increase in total emissions is driven by the increase in data quality and the number of projects in 2023 compared to 2022. | |
| | 2. Carbon footprint of | Scope 1-3 GHG emissions generated by | 115.53 tCO2e/mEUR | 153.62 tCO2e/mEUR | The decrease in carbon footprint is in part driven | |

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| | investee companies | investee companies per million EUR invested, expressed as a weighted average | | | by an increase in AUM (invested capital). | GHG intensity of investee companies. |
| | 3. GHG intensity of investee companies | Scope 1-3 GHG emissions per million EUR of revenue of investee companies, expressed as a weighted average | 4,583.36 tCO2e/mEUR | 27,037.94 tCO2e/mEUR | The change in ratio of projects in construction versus operation has meant higher project revenue was generated in 2023, hence leading to a lower overall GHG intensity. | |
| | 4. Exposure to companies active in the fossil fuel sector | Share of investments in companies active in the fossil fuel sector | 0% | 0% | CIP has not invested in companies which are active in the fossil fuel sector. | CIP will continue ensuring no investments are made in the fossil fuel sector. |
| | 5. Share of non-renewable energy consumption and production | Share of non-renewable energy consumption and non-renewable | 0.10% | 0.20% | Energy production by projects funded by CIP Funds has increased signficantly. | CIP has taken action to improve procedures for gathering relevant data in order to calculate this indicator. |

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| | | energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources | | | The decrease in share of non-renewable energy consumption and production compared to 2022 is mainly driven by projects funded by GCF I, which have a large portfolio of operational assets, which hence have limited energy consumption. | The investment strategy focuses on investing in greenfield renewable energy assets (i.e. assets generating renewable energy) and assets contributing to the energy transition greenfield renewable assets. |
| | 6. Energy consumption intensity per high impact climate sector | Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector | D: 0.06 GWh/mEUR | D: 0.04 GWh/mEUR | The increase from 2022 to 2023 is driven by a higher reporting rate from projects in construction phase. | CIP has taken action to improve procedures for gathering relevant data in order to calculate this indicator. In the next reference period, CIP plans to devote additional resources to engaging with investee companies with the intention of further improving and strengthening these data collection processes, e.g. |

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| | | | | | | by increasing granularity of reporting.<br><br>Electricity generation is deemed to be a high impact climate sector as per Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council, however this does not distinguish between renewable and non-renewable electricity generation. The focus of CIP's investment products is on greenfield renewable energy assets and assets contributing to the energy transition. |
| Biodiversity | 7. Activities negatively affecting biodiversity-sensitive areas | Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities | 7% | 0% | A total of four projects (located in South Africa, India and Spain) have reported being located in or near to biodiversity- | CIP has taken action to establish procedures for gathering relevant data in order to calculate this indicator. CIP has started the implementation of a Biodiversity Action Plan seeking to ensure that potential impacts relevant to this indicator |

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| | | of those investee companies negatively affect those areas | | | sensitive areas where activities of those investee companies negatively affect those areas. | are minimised. CIP will keep devoting additional resources to engaging with investee companies with the intention of improving and strengthening these data collection processes. |
| Water | 8. Emissions to water | Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average | 0 t/mEUR | 0 t/mEUR | No emissions to water generated by investee companies were reported in both 2023 and 2022. | CIP has taken action to establish procedures for gathering relevant data in order to calculate this indicator, but data quality remains inadequate. In the next reference period, CIP plans to devote additional resources to engaging with investee companies with the intention of improving and strengthening these data collection processes. |
| Waste | 9. Hazardous waste and radioactive waste ratio | Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR | 0.46 t/mEUR | 0.25 t/mEUR | The increase in waste ratio primarily stems from a improved data coverage, and a few | CIP has taken action to establish procedures for gathering relevant data in order to calculate this indicator. In the next reference period, CIP plans to devote |

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| | | invested, expressed as a weighted average | | | construction projects (particularly biomass, geothermal and offshore wind) with a relatively high amount of hazardous waste and a relatively low investment size. | additional resources to engaging with investee companies with the intention of improving and strengthening these data collection processes. |
| **INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS** | | | | | | |
| Social and employee matters | 10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises | 0% | 0% | No CIP investment has been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises. | CIP is a signatory to the UN Global Compact (UNGC) and its Responsible Investment Policy is based on the principles of the UNGC and the OECD Guidelines for Multinational Enterprises. During the reference period, CIP continuously worked to apply and monitor its Responsible Investment Policy in respect of its investment products and |

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| | | | | | | will continue to do so in future reference periods. |
| | 11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises | Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises | 27% | 0% | The increase stems from improved data gathering systems in 2023 than in 2022. | CIP has procedures and resources dedicated to monitoring the compliance of investee companies with its Responsible Investment Policy (which is based on the UNGC principles and OECD Guidelines for Multinational Enterprises). Actions taken include improving data gathering processes, and monitoring any grievances received at the investee company level. This will continue to be a focus for CIP in future reference periods. |
| | 12. Unadjusted gender pay gap | Average unadjusted gender pay gap | 11.19% | 14.73% | A larger share of projects reported salary figures for male | Due to the strategy of CIP's investment products being to invest in infrastructure assets |

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| | | of investee companies | | | and female employees in 2023 than in 2022. The reduction in the gender pay gap from 2022 to 2023 can be attributed to a more balanced representation across different geographical regions. | through special purpose vehicles, data is sourced from such vehicles and monitored by CIP's ESG function. Only investments with data available have been used in calculating this indicator. |
| | 13. Board gender diversity | Average ratio of male to total board members in investee companies | 76.78% | 85.71% | New investee companies drive an increase in the number of female board members.<br><br>2022 impact previously reported as 14.29%, as we used to calculate the metric as average ratio of female to male board members | Due to the strategy of CIP's investment products being to invest in infrastructure assets through special purpose vehicles, data is sourced from such vehicles and monitored by CIPs ESG function. CIP strives to appoint the most suitable board members, and will not discriminate with respect to any social identity in considering the appointment of board members, including gender. |

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| | | | | | instead of male to total board members. | |
| | 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) | Share of investments in investee companies involved in the manufacture or selling of controversial weapons | 0% | 0% | CIP has not invested in companies which are involved in the manufacture or selling of controversial weapons. | CIP will continue ensuring no investments are involved in the manufacture or selling of controversial weapons. |
| **Indicators applicable to investments in sovereigns and supranationals** | | | | | | |
| **Adverse sustainability indicator** | | **Metric** | **Impact 2023** | **Impact 2022** | **Explanation** | **Actions taken, and actions planned and targets set for the next reference period** |
| Environmental | 15. GHG intensity | GHG intensity of investee countries | N/A | N/A | N/A | CIP has not invested in sovereigns and supranationals so this indicator is not applicable. |
| Social | 16. Investee countries subject to social violations | Number of investee countries subject to social | N/A | N/A | N/A | CIP has not invested in sovereigns and supranationals so this |

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| | | violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law | | | | indicator is not applicable. |
| **Indicators applicable to investments in real estate assets** | | | | | | |
| **Adverse sustainability indicator** | | **Metric** | **Impact 2023** | **Impact 2022** | **Explanation** | **Actions taken, and actions planned and targets set for the next reference period** |
| Fossil fuels | 17. Exposure to fossil fuels through real estate assets | Share of investments in real estate assets involved in the extraction, storage, transport or | N/A | N/A | N/A | CIP has not invested in real estate assets with energy effieciency labelling and none related to fossil fuels so this indicator is not applicable. |

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| | | manufacture of fossil fuels | | | | |
| Energy efficiency | 18. Exposure to energy-inefficient real estate assets | Share of investments in energy-inefficient real estate assets | N/A | N/A | N/A | CIP has not invested in real estate assets with energy effieciency labelling and none related to fossil fuels so this indicator is not applicable. |
| **Other indicators for principal adverse impacts on sustainability factors** | | | | | | |
| **Adverse sustainability indicator** | | **Metric** | **Impact 2023** | **Impact 2022** | **Explanation** | **Actions taken, and actions planned and targets set for the next reference period** |
| Energy performance | 5. Breakdown of energy consumption by type of non-renewable sources of energy | Share of energy from non-renewable sources used by investee companies broken down by each non-renewable energy source | Electricity from grid: 90.27%<br>Diesel: 3.94%<br>Gasoline: 0.01%<br>Marine Gas Oil: 4.97%<br>Propane: 0.00%<br>Natural Gas: 0.00% | Electricity from grid: 21.85%<br>Diesel: 13.28%<br>Marine Gas Oil: 63.49%<br>Propane: 0.69%<br>Natural Gas: 0.70% | Project response rate has increased from 2022 to 2023. The lack of responses from a share of the projects in 2022 meant that Marine Gas Oil consumption from offshore wind | CIP has taken action to establish procedures for gathering relevant data in order to calculate this indicator. In the next reference period, CIP plans to devote additional resources to engaging with investee companies with the intention of improving and strengthening these |

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| | | | | | construction projects represented a more significant share in 2022 than in 2023.<br><br>The reponse rate is significantly higher in 2023 than in 2022, but the electricity consumption includes both non-renewable and unspecified sources, which could be partly renewable. Particularly one fund, Artemis II, which holds investments in projects operating transmission cables, has consumed significant amounts of | data collection processes.<br><br>Furthermore, the investment strategy focuses on investing in greenfield renewable energy assets (i.e. assets generating renewable energy) and assets contributing to the energy transition greenfield renewable assets. |

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| | | | | | electricity to power its platforms and land stations. This electricity consumption is considered non-renewable even though the actual electricity consumed comes from the offshore wind parks it is connecting to the mainland grid, but for regulatory reasons it has to be procured separately via grid losses. | |
| Social and Employee Matters | 3. Number of days lost to injuries, accidents, fatalities or illness | Number of workdays lost to injuries, accidents, fatalities or illness of investee companies expressed as a | 45.80 days | 15.25 days | Part of the increase in the absolute number of lost workdays is driven by an increase in the total number of manhours | Health and safety (H&S) is a key sustainability-related topic to CIP. In the reference period, CIP has taken action, pursuant to its Responsible Investment Policy, to seek to minimise adverse H&S |

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| | | weighted average | | | worked. Three incidents in particular from CI III were the main drivers of the increase in number of days lost.<br><br>2022 impact previously reported as % instead of days, which was incorrect. | impacts through using its influence to require high H&S standards from its investee companies, monitoring H&S performance, engaging with investee companies in case of incidents, and requiring H&S improvement plans to promote continuous H&S improvement. It will continue to take such actions in future reference periods. |
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**Description of policies to identify and prioritise principal adverse impacts on sustainability factors**

CIP's has a Responsible Investment Policy, a Risk Management Policy and a Due Diligence Policy, which together outline the work CIP is doing on identifying and prioritising principal adverse impacts on sustainability factors. All policies name the responsible organisational units for the policies in line with the organizational structure and procedures implemented within CIP. On top of this, the cross-cutting ESG function (organisationally placed in Fund Management department) can guide and provide input to all relevant policies and procedures.

The Responsible Investment Policy, formerly titled the Ethical Policy, was initially approved by the board of directors of the respective legal entities in 2016 and latest updated in April 2024. The responsibility for implementation of this policy is with the Head of ESG and the ESG function, which assists the Investment Team by providing guidance regarding applicable responsible investment principles and procedures, as well as regarding identification and assessment of relevant risk and principal adverse impacts. This policy describes CIP's key ESG principles/standards, requirements for and procedures for considering sustainability factors.

The Risk Management Policy was initially approved on 18 March 2014 and latest updated in April 2024 by the Board of Directors. The responsibility for implementation of this policy is with the Chief Risk Officer. This policy requires that CIP's independent Risk Management function identifies, measures, manages and monitors risks relevant to CIP's investment decisions, including, as relevant, sustainability risks.

The Due Diligency Policy was intially approved on 18 March 2014 and latest updated in April 2024 by the Board of Directors. The responsibility for implementation of this policy is with the Partner in Charge for an investment. This policy ensures that CIP assesses relevant ESG risks prior to making a final investment decision.

Day-to-day responsibility for implementation of the above policies lies with the Investment Team and Investment Management team, with support and assistance provided as needed by the ESG team. CIP's compliance function is responsible for performing second line compliance assessments in respect of the above policies, and CIP's Board of Directors is overall responsible for CIP's compliance with such policies. All policies are subject to review by the responsible teams on an ongoing, and at least annual, basis. The review is intended to lead to suggestions for potential updates, which are to be decided on by the CIP Board of Directors also on an annual basis.

In the preparation of this principal adverse sustainability impacts statement, the ESG function furthermore is responsible for identifying and selecting the additional principal adverse impact indicators based on what is relevant for the investment strategy, which is focused on energy infrastructure investment including offshore wind, onshore wind, solar PV, biomass and energy-from-waste, transmission and distribution, and other energy assets like reserve capacity and storage. Given this investment strategy, the additional indicators selected are focused on energy consumption as well as workplace safety. These indicators are (i) breakdown of energy consumption by type of non-renewable sources of energy; and (ii) number of days lost to injuries, accidents, fatalities or illness.

CIP has implemented a set of actions to limit the severity of the potential adverse impacts on sustainability indicators which include:

1. Excluding coal-fired and nuclear-fired power plants and electing not to pursue investments that do not materially align with CIP's Reponsible Investment Policy

2. Due diligence conducted by CIP's Investment Team aligned with CIP's Due Diligence Policy

3. Internal ESG-specific resources dedicated to support investments made by CIP

4. Mitigation and/or management plans at investee company level

5. Incorporating contractual clauses covering minimum standards of conduct on investee companies

6. Prioritising sustainability-related topics at board meetings and/or steering committees of investee companies where CIP is represented, and exercising voting rights in favour of sustainability-related topics

7. Monitoring sustainability performance of investee companies through mandatory reporting

8. Responding to sustainability incidents through CIP's position on the board and/or steering committee of the investee company

The due diligence process ensures that an initial analysis is conducted of a prospective investment, with the objective of establishing if the investment is compatible with the investment strategy of CIP. Furthermore, it ensures that appropriate due diligence activities in relation to each investment are performed and documented and that relevant information, advice and assessments are included in the final investment decision.

CIP monitors whether the investment may potentially cause any adverse impact and the severity and probability of such. The monitoring includes whether the investment complies with CIP's Responsible Investment Policy. Based on this ongoing monitoring, CIP prioritises the potential actions to be taken to reduce the adverse impact of each investment.

CIP is investing mainly in greenfield infrastructure projects. This means that data in relation to measuring and assessing the potential principal adverse impacts on sustainability indicators is sourced directly from the projects (such project companies are the investee companies for the purposes of this disclosure), based on self reported data, together with data sourced from the Investment Management team. CIP relies on the data availability, limitations and quality received from each project, and if data is not directly available, CIP can carry out additional research and cooperate with third party data providers or external experts. This may lead to potential data errors when data is not able to be independently validated. Indicators applicable to investments in sovereigns, supranationals and real estate investments are not applicable.

CIP has a process in place for sourcing data from the investments, which is based both on input from internal investment manager and data received directly from the contact persons on the investments projects. CIP's Investment Team and ESG function conduct data quality checks on the data received. This applies to all PAIs. CIP deems that for certain indicators, activities of principal contractors are part of the total impacts arising from the investee company's activities. In respect of these indicators, CIP has included the activities of principal contractors in its data collection process, and, where available, in its disclosures for the relevant indicator. This approach applies for indicators 7, 8, 9 and 10 in Table 1 and indicator 3 'Social and Employee Matters' of the additional principal adverse impact indicators.

**Engagement policies**

CIP's investment strategy is focused on investments in greenfield renewable energy infrastructure projects rather than shares in listed companies. CIP's operating model is to have direct control and decision-making power over the majority of assets. Consequently, CIP does not have an engagement policy referred to in Article 3g of Directive 2007/36/EC of the European Parliament and of the Council.

CIP's engagement policy and strategy is included in the Responsible Investment Policy and the Managing Conflicts of Interests Policy, and focuses on CIP providing assistance to its investments in solving relevant sustainability-related issues which may arise, including regarding human rights, labour rights, environment, climate or anti-corruption. Same aproach is used towards all PAIs.

If CIP has cause to believe that an investee company cannot or is unwilling to respect sustainability-related topics, CIP will seek to specifically engage with that party on such matters.

Always in consideration of the different factual situations that may exist, the general principles of the engagement strategy are to determine whether the party is able and willing to change its behaviour, attempt to agree on an action plan for remediation, and if there is a sufficient alternative, ultimately potential termination of relationship in the case of deliberate and knowing disregard for the principles of the Responsible Investment Policy, unwillingness to engage or improve and/or inability to improve. For credit focused investments, the engagement strategy may also include seeking potential repayment of the credit facility or seeking to sell the credit investment in the secondary market.

**References to international standards**

CIP's sustainability standards are guided by the following international standards and norms and are expectations of investments made by CIP's funds:

- UN Principles for Responsible Investment (UNPRI) and reports in compliance with these principles
- The Ten Principles of the UN Global Compact (UNGC)
- The Equator Principles
- Good industry practice in the management of HSE issues
- UN Guiding Principles on Business and Human Rights (UNGP)
- OECD Guidelines for Multinational Enterprises
- IFC Sustainability Framework and Industry Sector Guidelines

CIP's Responsible Investment Policy and the fund-specific ESG Standards are intended to be aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

CIP's policies and procedures are considered to materially align with these international standards. CIP is committed to monitoring any changes to the international standards mentioned above and update relevant policies when relevant.

CIP reports on the investments' contribution to the key targets of eight of the UN Sustainable Development Goals (UN SDGs).

CIP also reports in line with the Taskforce on Climate-Related Financial Disclosures (TCFD).

Adherence to UNGC principles and the OECD Guidelines for Multinational Enterprises are reported in PAI 10 (Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises) and PAI 11 (Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises).

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| Currently, methodologies for measuring the adherence or alignment to these international standards for CIP's investment universe are not fully validated and subject to further development. This also applies for methodologies for determining alignment with the objectives of the Paris Agreement, as well as forward-looking scenarios, even though the focus of CIP's investment products is on greenfield renewable (i.e. low or no emission) energy infrastructure assets and assets contributing to the energy transition to net-zero emissions in 2050. |
| **Historical comparison**<br><br>This statement is the second statement to the Regulatory Technical Standards (RTS C(2022) 1931 final) of the Sustainable Finance Disclosure Regulation 2019/2088 (SFDR) and hence the historical comparison to all periods prior to the reference period can be found in the table section "Description of the principal adverse impacts on sustainability factors". |