

Copenhagen Infrastructure Partners

# ESG Report 2022



CIP

Copenhagen Infrastructure Partners



# Building value that matters

Copenhagen Infrastructure Partners (CIP) specialises in greenfield renewable energy infrastructure investments and is among the largest fund managers globally within renewable energy. We use our proven industrial approach to develop assets with attractive returns and strong impact, based on high Environmental, Social and Governance (ESG) standards.

As an active owner investing in the energy transition towards net zero, we bridge capital markets and the world of renewable energy. This enables the deployment of a substantial amount of capital into adding new, critical renewable energy infrastructure that contributes to or forms part of the transition towards a clean, reliable and affordable energy system. Our capacity to combine industrial insight and financial expertise with speed, efficiency and agility secures solid and risk-adjusted returns for our investors.

## COMPANY FACTS

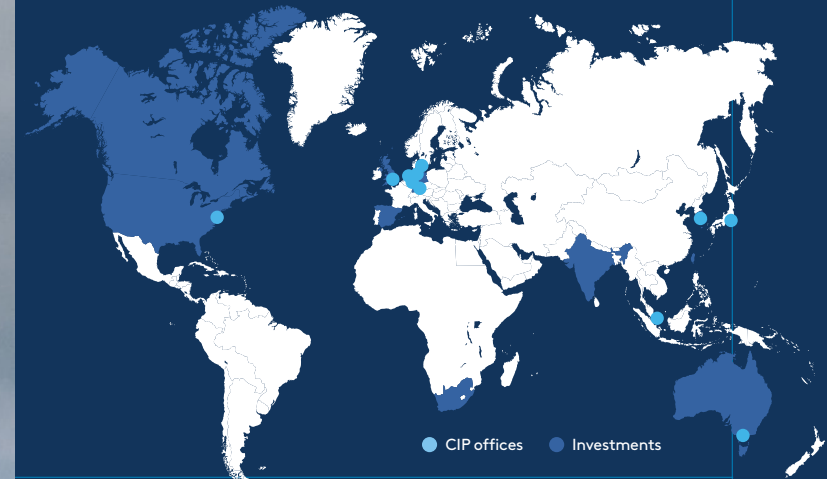
Year of foundation

**2012**

Number of employees

**400+**

CIP's global footprint



## FUNDS

Number of funds

**10**

Global institutional investors

**~140**

Funds raised 2012-2022

**~€19bn**

Funds ambition 2030

**€100bn**

## INVESTMENTS

Countries with investments

**20+**

GW pipeline

**100+**



# CIP funds at a glance

CIP focuses on renewable energy projects and currently manages ten funds (CI I, CI II, CI III, CI IV, CI Artemis I, CI Artemis II, CI NMF I, CI ETF I, CI ABF I and CI GCF I) representing distinct and non-overlapping investment strategies.

The funds enable investors to contribute to the energy transition towards net zero emissions. The Flagship Funds (CI I, CI II, CI III and CI IV) focus on renewable energy infrastructure projects in certain OECD countries and Taiwan; New Markets Funds (CI NMF I) on renewable energy infrastructure projects in fast-growing middle income economies, primarily in Asia and Latin America; Energy Transition Funds (CI ETF I) on next generation renewable energy infrastructure projects in OECD countries, primarily Power-to-X; Advanced Bioenergy Funds (CI ABF I) on advanced bioenergy projects in OECD countries and Artemis Funds (CI Artemis I and CI Artemis II) on regulated transmission assets. Green Credit Funds (CI GCF I) provide debt to renewable energy infrastructure projects in OECD countries held by non-CIP equity sponsors.

The fund strategies make CIP well positioned to continue to address the large and growing market for renewable energy as, collectively, they target the main technologies needed to decarbonise the energy sector.

## OUR CONTRIBUTIONS BY THE END OF 2022

~12.1mn t

expected Greenhouse Gas (GHG) emissions to be avoided annually¹

~15.3mn

expected equivalent households to be powered¹

~14GW

of energy projects reached Final Investment Decision¹

This ESG report is a voluntary report made available by CIP in order to report on the ESG performance of the Funds and CIP, and does not address or include any regulatory obligations or disclosures, such as the SFDR or the EU Taxonomy. The report is not extending the CSR information provided in the annual report for CIP Holding P/S and not made available to ensure compliance with the disclosure requirements of the Danish Financial Statement Act.

1) Further details on reporting practices are provided in Chapter 5. Fund size does not always correlate to impact size as some funds are still investing. Figures represent all investments that have reached Final Investment Decision by 31 December 2022.

2) CI NMF I fund is a USD denominated fund and as such fund size is reported in USD.

3) CI GCF I and CI ABF I are both actively fundraising as of 31 December 2022, as such this figure represents target fund size for these funds. This means that the sum of fund size figures on this page may differ to ‘funds raised 2012-2022’ figures found elsewhere in this report.

## PROJECT TYPES



Solar



Onshore



Pumped storage



Offshore



Storage



Advanced bioenergy



Waste-to-energy



Power-to-X



Transmission



Geothermal

## FLAGSHIP FUNDS

CI I 2012

€1bn

945<sub>MW</sub>

3  
investments

900,000<sub>t</sub>  
expected GHG emissions  
to be avoided annually¹

1,005,000  
expected equivalent  
households to be powered¹

CI II 2014

€2bn

3,367<sub>MW</sub>

12  
investments

4,995,000<sub>t</sub>  
expected GHG emissions  
to be avoided annually¹

2,805,000  
expected equivalent  
households to be powered¹

CI III 2017

€3.5bn

2,631<sub>MW</sub>

9  
investments

3,405,000<sub>t</sub>  
expected GHG emissions  
to be avoided annually¹

1,985,000  
expected equivalent  
households to be powered¹

CI IV 2020

€7.3bn

2,007<sub>MW</sub>

6  
investments

1,710,000<sub>t</sub>  
expected GHG emissions  
to be avoided annually¹

945,000  
expected equivalent  
households to be powered¹

## ARTEMIS FUNDS

CI Artemis I 2014

€0.4bn

900<sub>MW</sub>

1  
investment

N/A  
expected GHG emissions  
to be avoided annually¹

960,000  
expected equivalent  
households to be powered¹

CI Artemis II 2020

€0.3bn

2,806<sub>MW</sub>

1  
investment

N/A  
expected GHG emissions  
to be avoided annually¹

3,050,000  
expected equivalent  
households to be powered¹

## NEW MARKETS FUNDS

CI NMF I 2019

\$1.0bn²

2,304<sub>MW</sub>

2  
investments

3,650,000<sub>t</sub>  
expected GHG emissions  
to be avoided annually¹

5,410,000  
expected equivalent  
households to be powered¹

## GREEN CREDIT FUNDS

CI GCF I 2022

€1bn³

970<sub>MW</sub>

1  
investment

345,000<sub>t</sub>  
expected GHG emissions  
to be avoided annually¹

885,000  
expected equivalent  
households to be powered¹

## ENERGY TRANSITION FUNDS

CI ETF I 2021

€3.1bn

N/A<sub>MW¹</sub>

1  
investment

N/A  
expected GHG emissions  
to be avoided annually¹

N/A  
expected equivalent  
households to be powered¹

## ADVANCED BIOENERGY FUNDS

CI ABF I 2022

€1bn³

N/A<sub>MW¹</sub>

–  
investments

N/A  
expected GHG emissions  
to be avoided annually¹

N/A  
expected equivalent  
households to be powered¹

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## LETTER FROM MANAGEMENT

# 10 years of driving change

2022 marked our 10<sup>th</sup> anniversary at CIP. In our first 10 years, CIP has become a market pioneer in renewable energy development and investment, and our funds and investors contribute significantly to the global climate agenda. In the past decade, we have been involved in the development of some of the world's largest and most complex renewable energy projects, focusing on large-scale, critical renewable energy infrastructure projects essential to society to address energy security and climate change. We continue to accelerate our activities across geographies and areas of greenfield renewable energy investments. In 2022, we reached final close on our first Energy Transition Fund (CI ETF I) and first close on our first Advanced Bioenergy Fund (CI ABF I), two key milestones marking our expansion into new areas of the green energy transition.

By the end of 2022, CIP-managed funds have enabled the build-out of 14 GW of renewable energy, which corresponds to an estimated 12.1 mn tonnes of greenhouse gas (GHG) emissions avoided per year. This emissions avoidance far outweighs the emissions associated with building the renewable energy infrastructure projects, ~0.7 mn tonnes of GHG emissions annually, and emissions from CIP's own operations, ~0.01 mn tonnes of GHG emissions in 2022. We ended 2022 with one of the world's largest pipelines of offshore wind projects and one of the world's largest portfolios of Power-to-X development projects, which will lead to further significant amounts of avoided emissions once operational.

As an alternative investment fund manager and active owner investing in renewable energy infrastructure assets, we create attractive global investment products for institutional investors with a high environmental and social impact. We use our industrial approach to help pioneer the energy transition, and our ability to bridge capital markets and the world of renewable energy enables the deployment of a substantial amount of capital into the much-needed global energy transition towards net zero.

## We stay bold and ambitious

Looking forward, we are confident that CIP is strongly positioned for unlocking large, systemic change in the global energy system. We remain bold and ambitious as the need for global action on climate and biodiversity has accelerated and grows increasingly urgent.

Our ambition is to reach EUR 100 bn under management for renewable energy infrastructure by 2030. This offers the potential to facilitate roughly 100-150 megatonnes of avoided GHG emissions, which is equivalent to up to 1% of the global emission reductions required by 2030 to stay on track to meet the Paris Agreement emissions reduction goals.

While our investments directly and significantly contribute to climate change mitigation, we remain conscious of the impact and dependency on nature and local communities inherent in the build-out of large renewable energy infrastructure projects. This includes, but is not limited to, the need for materials and areas of land, as well as collaboration with local communities and workforces. We acknowledge and act on our responsibility in ensuring that impacts on ecosystems and communities - both locally and in the supply chain - are considered and integrated into the way we structure, source and operate projects.

In all investments, we strive to create value. By taking a responsible approach to the way we conduct our business, we not only expand our positive impact on the world, but also reduce risks for our business and, ultimately, for our investors.

Our robust ESG framework is part of this work. The ESG framework has been developed to ensure that we work structurally with ESG topics and seek to create positive impact and reduce potential adverse effects of activities on our stakeholders, communities and the planet. Our industrial and active ownership approach is a key element in integrating ESG in how we do business.

## Our focus in the year to come

While continuing our ongoing work across a broad range of environmental, social and governance areas, CIP's strategic ESG focus areas for 2023 will continue to build on our ability to manage and mitigate impacts, including:

- **Continuing our focus on integrating climate action in our approach to asset management.** This means, on top of pursuing the substantial avoided emissions benefits of our fund strategies, working at the investment-level to address financed emissions of our fund portfolios. In 2023, this will include the launch of pilot projects, to ensure investment-level implementation of identified emission reduction levers, such as transitioning to vessels and vehicles powered by renewable energy and encouraging suppliers to use renewable energy in their operations
- **Getting ahead on the biodiversity agenda,** which is becoming increasingly important to global sustainability efforts. Whilst we already work closely with these topics on our funds' investments, we are committed to further understand and act upon our broader impact on ecosystems. As part of accelerating our strategic efforts in years to come, we are formulating a Biodiversity Action Plan, which will be launched in 2023
- **Working closely with our investment supply chains** to ensure alignment between CIP's ESG approach and priorities and the operations of key suppliers. We intend to operationalise this through a structured roll-out of CIP's updated Code of Conduct for Business Partners

- **Decarbonising our own footprint.** This work has already been initiated, and though CIP's own emissions are low compared to the volume of emissions we avoid through our funds' investments, we are nonetheless committed to doing our part

- **Keep strengthening our internal efforts on diversity, equity and inclusion (DE&I),** talent development and employee engagement as we grow as an organisation. Efforts will include target setting, introducing DE&I training for all employees, strengthening our existing leadership development programmes, Grow I & II, as well as introducing new initiatives aimed at strengthening female leadership

## Keep raising the bar

Driving forward the energy transition towards net zero is at the core of everything we do, and as CIP embarks on another decade, we stay committed to working to remain in front and further strengthen our position as a global leader within renewable energy infrastructure investments

On behalf of Copenhagen Infrastructure Partners,

Jakob Baruël Poulsen  
Christian Skakkebæk  
Christina Grumstrup Sørensen  
Torsten Lodberg Smed



Jakob Baruël Poulsen  
Managing Partner



Christian Skakkebæk  
Senior Partner



Christina Grumstrup Sørensen  
Senior Partner



Torsten Lodberg Smed  
Senior Partner

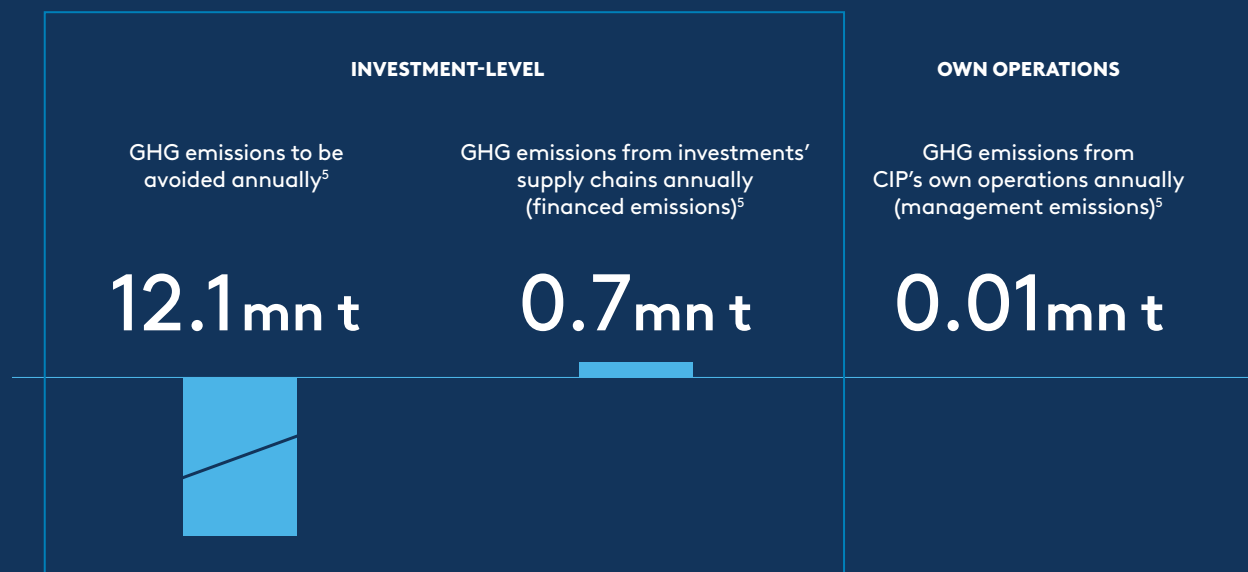


Veja Mate, Germany



# 2022 ESG highlights

This report highlights ESG at CIP. It describes CIP's approach and ambitions across the 'E', 'S' and 'G' dimensions and elaborates on key 2022 events and initiatives at both CIP-level and investment-level. [Chapter 1](#) covers our overall ESG approach and ambitions. [Chapter 2](#) describes how we integrate ESG across all stages of the investment cycle. [Chapter 3](#) describes ESG efforts and performance on investment-level, while [Chapter 4](#) highlights ESG efforts in our own organisation. Key ESG metrics that we use to measure and track our contribution can be found in [Chapter 5](#)<sup>4</sup>.



CIP's greenfield investment strategy adds additional renewable energy capacity to the grid, leading to avoided emissions which far outweigh financed and management emissions

4) All funds within the scope of this report are managed by CIP PS or affiliated management companies. An investment is considered to be made and an asset considered being in a fund's portfolio when that fund has taken a Final Investment Decision on the specific investment.  
5) Further details on reporting practices are provided in [Chapter 5](#) (for financed emissions see 'Annualised annual lifecycle Scope 1-3 emissions'). Figures are expected figures.

## KEY EVENTS AND ENGAGEMENTS

### 2022

- February**  
Reached first close on CIP's first debt fund, Green Credit Fund I, which has a target fund size of EUR 1 bn. The fund will provide private project finance debt with subordinated risk characteristics to support renewable energy projects globally
- March**  
CI ETF I reached Final Investment Decision on Sunfire, a German-based leader in industrial electrolyser production
- April**  
Reached first close on CIP's first Advanced Bioenergy Fund, CI ABF I, which has a target fund size of EUR 1 bn. The fund focuses on the production of advanced biofuels and biogas based on sustainable feedstock, such as waste wood, agricultural biowaste, and household and industrial biowaste
- July**  
CI IV reached Final Investment Decision on Buffalo Plains, a 495 MW onshore wind project in Canada
- August**  
Reached final close on CIP's first Energy Transition Fund, ETF I, at EUR 3.1 bn. The fund focuses on next-generation technologies such as Power-to-X, which will help decarbonise 'hard-to-abate' industries
- September**  
Actively participated in the New York Climate week
- November**  
At COP27, CIP became a signatory to the Corporate Knights Action Declaration on Climate Policy Engagement, engaged in climate and renewable energy discussions and was part of the Global Wind Energy Coalition, convened by the Global Wind Energy Council (GWEC)<sup>6</sup>
- November**  
Through CI III, CIP made its first investment in South Korea, in Jeonnam I, a 99 MW offshore wind project
- November**  
CI NMF I reached its first Final Investment Decision (Golden Gate) in Africa in an acquisition of the majority share of Mulilo Energy Holdings (Mulilo), a leading South African renewable energy developer
- December**  
CI IV reached Final Investment Decision on Lotus Creek, a 341 MW onshore wind project in Australia
- 2023**
- March**  
Joined the United Nations Global Compact (UNGC)
- March**  
CIP joined more than 1,000 other global enterprises as a member of the World Economic Forum (WEF)

6) COP27 was the 27th United Nations Climate Change Conference. The conference is used by governments to seek to agree on policies to limit global temperature rises and adapt to impacts associated with climate change.

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*The 'E' of ESG is embedded in CIP's strategic DNA in terms of what we invest in. Over the past year, we have taken a big leap forward in our ESG efforts – across 'E', 'S' and 'G' dimensions.*

*Looking ahead, we are setting ambitions high and will continue to work towards our goal of being among the market leading fund managers on ESG.*



**Carlisle White**  
Senior ESG Manager

## KEY 2022 STRATEGIC ESG INITIATIVES

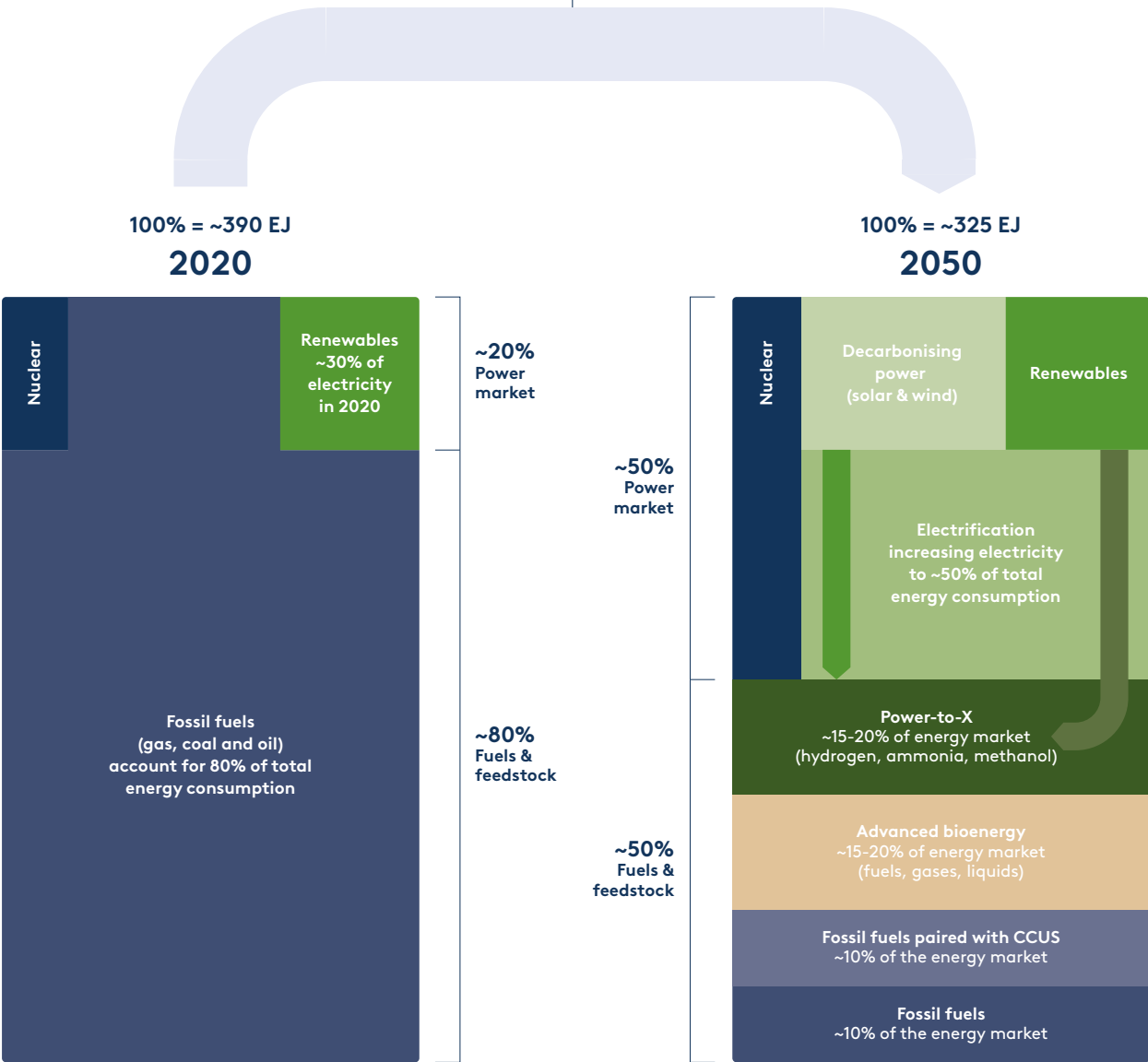
- At fund-level, we defined a concrete **decarbonisation roadmap** to address supply chain GHG emissions of CIP's funds' investments
- At CIP-level, we set our first **GHG emissions reduction target** covering CIP's own operations. The target covers Scope 1-3 emissions, with fund investments addressed under the decarbonisation roadmap described above
- We consolidated our existing investment-level efforts on biodiversity to develop CIP's **Biodiversity Action Plan**. The plan formalises CIP's guiding principles for working with biodiversity at the investment-level
- We expanded on our **ESG due diligence commitments**, by incorporating documented climate physical risk assessments and human rights impact assessments into our investment process





# ESG is at the heart of what we invest in

The energy transition to net-zero from 2020 to 2050



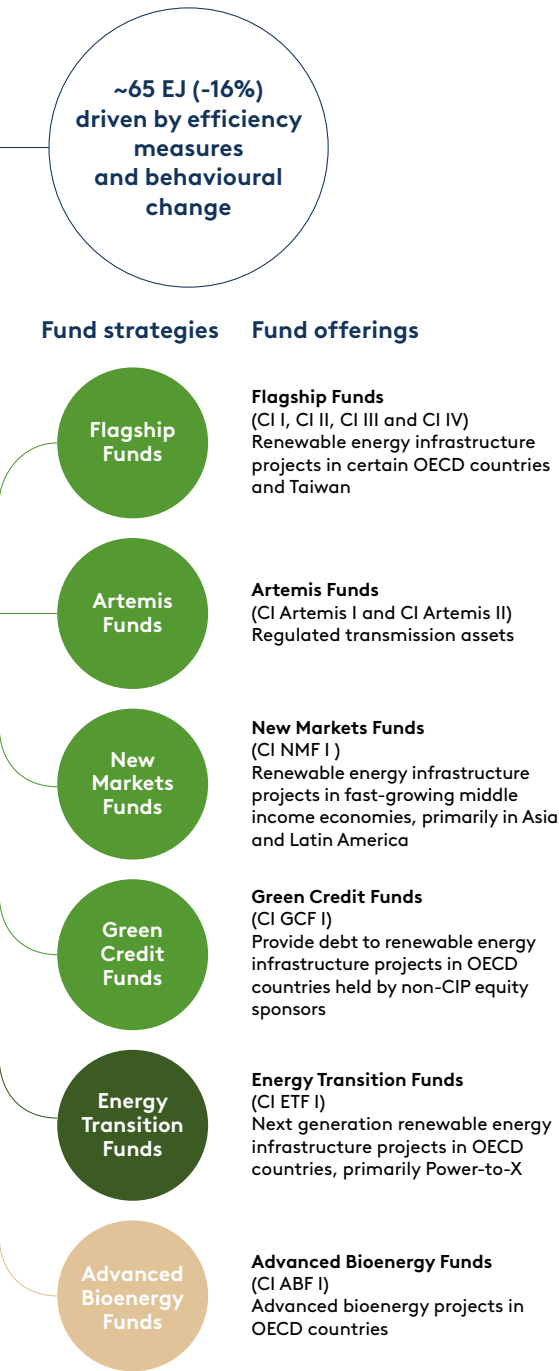
CIP's illustration of the energy transition based on the International Energy Agency Net Zero by 2050 scenario (2021) and the BloombergNEF Net Zero Emissions scenario (New Energy Outlook, 2020). EJ refers to Exajoule.

## ESG is central to CIP's investment strategies

CIP's main business objective is to invest in greenfield, renewable energy projects and other market opportunities connected to the build-out of renewable energy sources. As such, through our distinct fund strategies, we have made – and will continue to make – a significant contribution to reaching net zero emissions, which is central to the overall global climate and sustainability agendas.

In this way, the 'E' of ESG is embedded in CIP's strategic DNA – it is what we invest in. But ESG at CIP is not limited to what we invest in, ESG at CIP also shapes how we invest. See [Chapter 2](#) for more information on how we incorporate ESG into the investment process.

The energy sector is the largest contributor to global GHG emissions, accounting for roughly three-quarters of emissions today<sup>7</sup>. As such, transforming the global energy sector from fossil-based to renewable energy sources is key to responding to the world's climate challenge and transitioning to net zero emissions. Among other things, this concretely means integrating an increasing share of power from renewable energy sources into the energy system, requiring significant upgrade and expansion of the electricity grid and the use of flexible sources, such as batteries, for balancing. Fuels and feedstock markets (also known as 'hard-to-abate' sectors, as electrification is not feasible) must also be decarbonised – here Power-to-X and the production of hydrogen-based fuels and feedstock are key decarbonisation levers.



CIP harnesses these sectoral developments and continues to innovate and invest capital into attractive opportunities resulting from the green transition. All of our funds invest in renewable energy infrastructure to decarbonise both the power sectors (the Flagship Funds, Artemis Funds, New Markets Funds and Green Credit Funds) and hard-to-abate sectors (the Energy Transition Funds and Advanced Bioenergy Funds). Across all funds we focus on technological development and integrated renewable energy systems.

7) World Energy Outlook 2022.

## CASE



Thomas Dalsgaard  
Partner at CIP

# Energy islands Uncharted waters for offshore wind

CIP is pioneering the global concept and development of offshore energy islands, which could unlock the rapid build-out of global offshore renewable energy to fight climate change.

Energy islands are energy hubs that can create better connections between energy generated from offshore wind and the energy systems in surrounding countries. They can also serve as innovation zones with potential for large-scale energy storage and Power-to-X technologies. For these reasons, energy islands offer flexibility to the energy system and are set to become an important part of the global transition to renewable energy sources.

“There are fundamental bottlenecks in scaling offshore wind. Energy islands address these from a number of perspectives,” says Thomas Dalsgaard, Partner at CIP.

Energy islands can remove or mitigate key challenges to the expansion of offshore wind. More specifically, energy islands allow for reduced power transmission costs and ease integration of offshore wind into the energy system, with energy transported or distributed across markets using power interconnectors and hydrogen pipelines instead of traditional cables. With the cost of hydrogen pipelines being significantly lower than that of power cables, larger transportation distances become possible. There is, therefore, potential to open up vast swathes of seabed for energy production, especially in combination with other emergent technologies, such as floating wind.

An example of the energy island concept is the Danish energy island project, VindØ ('Wind Island') – which CIP is developing alongside partners. VindØ is currently in the early planning stage. In addition to contributing to solving energy market challenges, VindØ also seeks to minimise impact and optimise biodiversity, for example by creating new habitats during the construction process. The concept of energy islands can be applied in markets around the world with dense populations and limited space onshore.



# Integrating ESG in our operating model

Beyond the strategic, sustainable value creation inherent to our business model and fund investment strategies, ESG is also deeply rooted in how we invest and the CIP way of working – from our active ownership approach to the way we run our own organisation.

## CIP's ESG philosophy

CIP's approach to ESG is founded on the strong and consistent link between high ESG standards and value creation. As a fund manager, selected ESG value creation potentials include reduced cost of capital, future-proofing operations by enabling swift response to market developments, emerging public policy and industry trends, and unlocking a broader divestment and financing market. Further, appropriate management of ESG risks also leads to the overall de-risking of investments. Integrating ESG in our own organisation adds value through talent attraction and retention, among other things.

## Six strategic ESG focus areas

At CIP, we work with ESG across six strategic focus areas, highlighted below. The focus areas are incorporated throughout CIP as an organisation and in our investment process through the lens of active ownership.



The six strategic ESG focus areas have been defined based on materiality assessments conducted to ensure that CIP works strategically to address material ESG topics<sup>8</sup>. In 2022, we updated our ESG materiality assessment to verify and validate the scope of these material ESG topics. This was to ensure that such topics are addressed and operationalised in our ways of working, both in our own operations and in our capacity as a fund manager.

STRATEGIC ESG FOCUS AREAS					
Environmental		Social		Governance	
					
Climate action	Nature & resource stewardship	Safe & inclusive working environment	Local community impact	Supply chain accountability	Responsible business practices
On investment-level	Increasing the stock of renewable energy	Ensuring all employees go to work feeling and being safe	Sharing value creation with local communities	Taking accountability for and driving change in our supply chain	Having the necessary systems and safeguards in place
	Reducing supply chain emissions				
Our own operation	Being resilient to climate-related risks	Working towards a diverse and inclusive workplace for all			Ensuring that our operations reflect our policies and ambitions
	Supporting the development of a more circular and resilient supply chain				
	Reducing emissions from our own operations				

## How CIP executes ESG

To create positive impact and manage ESG risks and opportunities in a responsible and sustainable manner, consistent with our role as a fiduciary fund management company, CIP works with ESG by:

- **Bridging capital markets and renewable energy markets.** We invest substantial amounts of capital into the green transition, creating real impact and attractive returns – elaborated in [Chapter 1](#)
- Being an **active and responsible owner** and staying close to investments. We use our role as a greenfield investor and active owner to influence suppliers and the ESG standards applied to investments, for example, through active involvement in supplier selection and continuously following up on ESG topics through board representation and engagement – elaborated in [Chapter 2](#)
- Having a **robust ESG framework** in place that ensures we have a structured approach to ESG topics, and seek to create positive impact and reduce potential adverse effects of activities on our stakeholders, communities and the planet – elaborated in [Chapter 2](#)
- **Collaborating with our business partners and the supply chain.** To pursue our bold growth ambitions, our position as a strategic procurer will grow. We intend to leverage this strengthened position to drive the ESG performance and ambitions of investments' supply chains – elaborated in [Chapter 3](#)
- Integrating ESG into our **internal ways of working**, with a focus in 2022 on reducing GHG emissions, having a diverse and inclusive workplace for all and employing responsible business practices – elaborated in [Chapter 4](#)

## All CIP's funds established after the implementation of SFDR are considered Dark Green (Article 9)

The Sustainable Finance Disclosure Regulation ('SFDR') is an EU regulatory framework that aims to increase transparency on sustainability risks and impacts.

SFDR forms part of the EU's 'Green Deal', a growth strategy aimed at channelling investment towards 'sustainable' activities to assist member states in reaching climate objectives.

Under the SFDR, financial market participants are required to classify their investment funds as Article 6, 8 or 9 based on their contribution to these sustainable activities. The most sustainable category is Article 9, so-called Dark Green Funds. Dark Green Funds have a sustainable investment objective and they seek to invest in economic activities that contribute to environmental or social objectives.

## Sustainable Development Goals (UN SDGs)

By investing in greenfield renewable energy infrastructure assets and by having ESG integrated into our investment process, we seek to contribute to a number of UN SDGs. Our funds' contributions across various UN SDGs are further elaborated in [Chapter 5](#):



8) A 'materiality assessment' is an exercise aimed at engaging stakeholders to identify material ESG topics.



## 02 CIP's ESG framework

CIP's ESG impacts primarily occur through our funds' investments. This is why we have a dedicated ESG framework for integrating ESG into our investment process. The framework defines how ESG is governed and executed across and within CIP's funds' investments. It is designed with a focus on facilitating long-term sustainable value creation and contributing with ESG impacts across the six strategic ESG focus areas introduced in **Chapter 1**. By proactively applying the ESG framework, CIP makes ESG an integral part of all key stages of the investment process.

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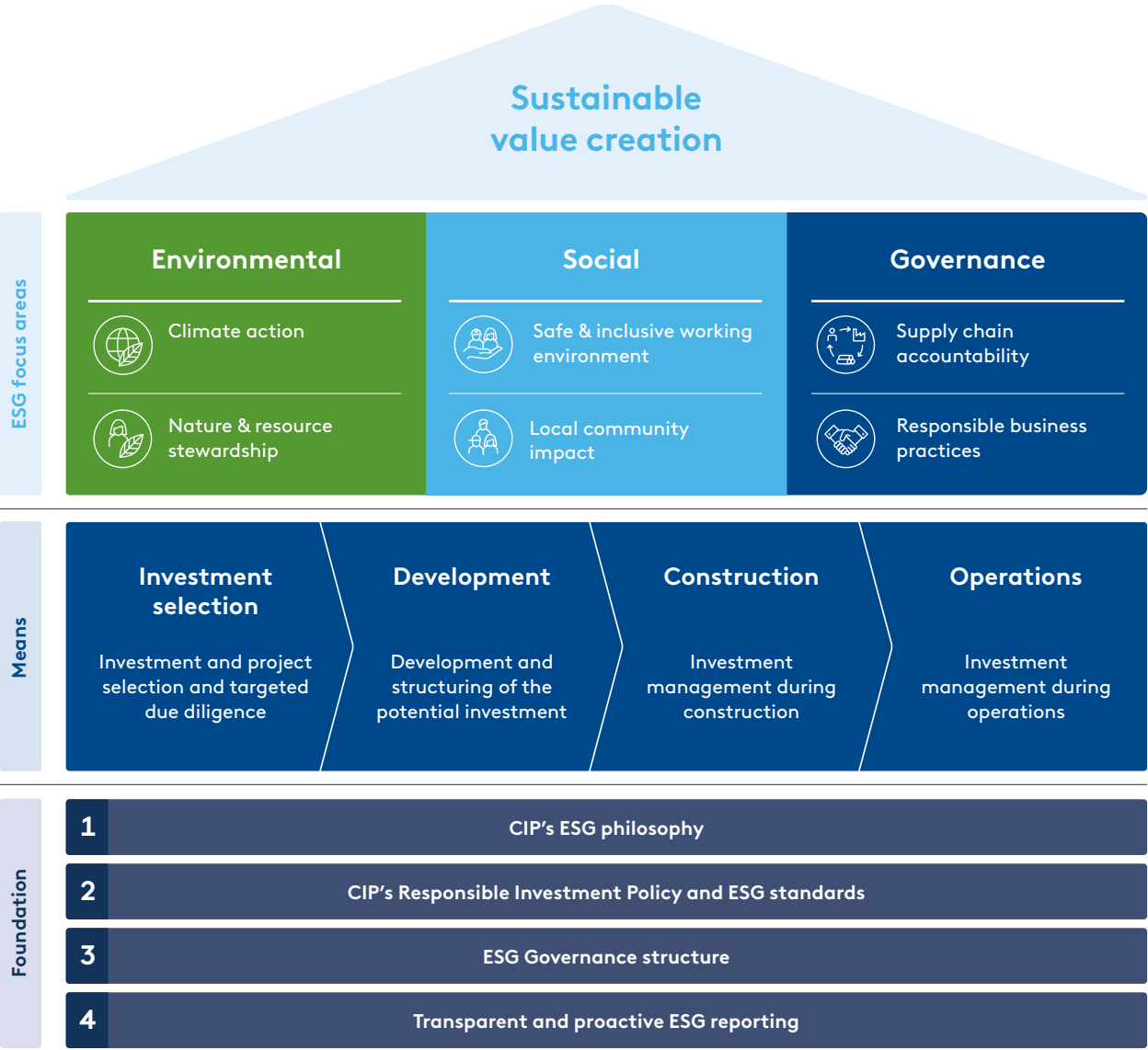
# CIP's ESG framework

Sustainable value creation is the intended ESG outcome of CIP's funds and a result of harnessing CIP's belief in the strong and consistent link between ESG standards and long-term value creation and protection.

CIP's greenfield investment strategy makes CIP well-positioned as an active owner to execute ESG topics at the investment-level, from project development through to the construction and operations phases. We strive to use this position to implement high ESG standards and practices, aligned with established international standards and norms, across all fund investments.

The ESG standards and practices, which are integrated across the investment process as described on the next page, are shaped by our six strategic ESG focus areas.

In 2022, our ESG framework continued to guide our activities, ensuring that systems are in place to consider ESG topics across all investments and in key investment decisions. We continue to build on our ESG framework, adapting and expanding ESG standards as we grow. For example, in 2022, we incorporated decarbonisation efforts into the ESG standards applied to our future Flagship Funds, which will be integrated on all underlying investments, through the governance structure of the ESG framework.



## CIP's ESG framework builds on four elements

1

### CIP's ESG philosophy

We believe that there is a consistent link between strong ESG standards and performance and long-term sustainable value creation and protection. This belief aligns with our investment strategy, which focuses on the market opportunities and value creation potential in renewable energy infrastructure projects that enable a 'green' economy.

2

### CIP's Responsible Investment Policy and ESG standards

The fundamental ESG principles and procedures underlying CIP's ESG approach are set out in its Responsible Investment Policy. CIP's Responsible Investment Policy and procedures for ESG integration are guided and informed by established international standards and norms. These include the UN Principles for Responsible Investments (UN PRI) and the Ten Principles of the UN Global Compact (UNGC), with CIP being a signatory of both. It also includes the UN Guiding Principles on Business and Human Rights (UNGPR) and the OECD Guidelines for Multinational Enterprises.

The Responsible Investment Policy applies to investments made by each fund and is supplemented by fund-specific ESG standards, which are based on key international frameworks. These standards operationalise the overarching Responsible Investment Policy document and assist CIP in identifying, benchmarking and managing relevant investment-level ESG risks and opportunities appropriately. In doing so, CIP builds on its active and responsible ownership and ultimately seeks to achieve its value creation and protection objectives.

3

### ESG Governance structure

We have developed a dedicated ESG governance structure with specific roles and responsibilities disseminated throughout the organisation, underpinned by strong ESG capabilities. The governance structure is detailed on the next page.

4

### Transparent and proactive ESG reporting

We apply a fact and data driven approach to reporting, providing investors and other key stakeholders with key metrics across ESG topics on the project- and portfolio-level. These are aligned with globally endorsed frameworks.







# ESG integrated in the investment process

CIP has a structured investment process, with ESG integrated throughout this process for project-level implementation. CIP's investment process builds on the four elements listed on the previous page and consists of four stages of ESG integration (illustrated below). There is oversight of ESG performance at each stage.

As stated in [Chapter 1](#), in 2022 we revisited our materiality assessment, with the six strategic ESG focus areas

emerging from this work forming the core engagement topics throughout the investment process. The investment-level efforts and performance across these strategic ESG focus areas are further elaborated in [Chapter 3](#).

The below figure illustrates CIP's typical investment process for an equity fund strategy.

Investment selection	Development	Construction	Operations
Investment and project selection and targeted due diligence	Development and structuring of the potential investment	Investment management during construction	Investment management during operations
Targeted due diligence on relevant ESG topics	Identification of investment-specific material ESG risks and opportunities	Continuous monitoring of ESG performance and topics	Evaluation of operational improvements and sustainability potentials
Background checks on key project partners	Supplier selection and supply contract terms aligned with ESG standards	Proactive follow-up on identified ESG incidents	Management of ESG risks and opportunities to when an asset is divested
Screening against international governance and ESG databases	ESG-related due diligence, impact assessments	Undertaking of site visits including relating to ESG themes	Value creation potential upheld
	Formulation of specific actions, mitigants or management plans to address material ESG topics	Specific engagement on identified ESG risks	Alignment with CIP's ESG philosophy
	ESG as part of investment proposal process		

## ESG integration during construction

During the construction phase of Misae, a 246 MW solar PV plant in Texas, structured and ongoing monitoring of ESG performance revealed an increasing number of first aid cases. Through engagement with key contractors working on the project, CIP and the construction manager supported the roll-out of a series of specific safety initiatives on-site.

These included monthly safety campaigns with:

- A safety training and awareness initiative called 'I own zero injuries'
- A safety celebration and recognition of 100 days with zero incidents
- Site-wide training of risks and procedures relating to electrical work, first aid and regulatory requirements
- A specific safety week dedicated to relevant safety themes including unsafe acts, fire risks, proper use of tools and three-point climbing



Misae, USA

# ESG governance structure

CIP has an integrated business model with in-house experts in the Investment Team and Investment Management Team. Our expertise covers all aspects of investment structuring and de-risking, from project development and construction to operations.

To support our ability to deliver sustainable value creation, we have a defined ESG governance structure with specific roles and responsibilities across CIP for implementation of ESG throughout the investment process.

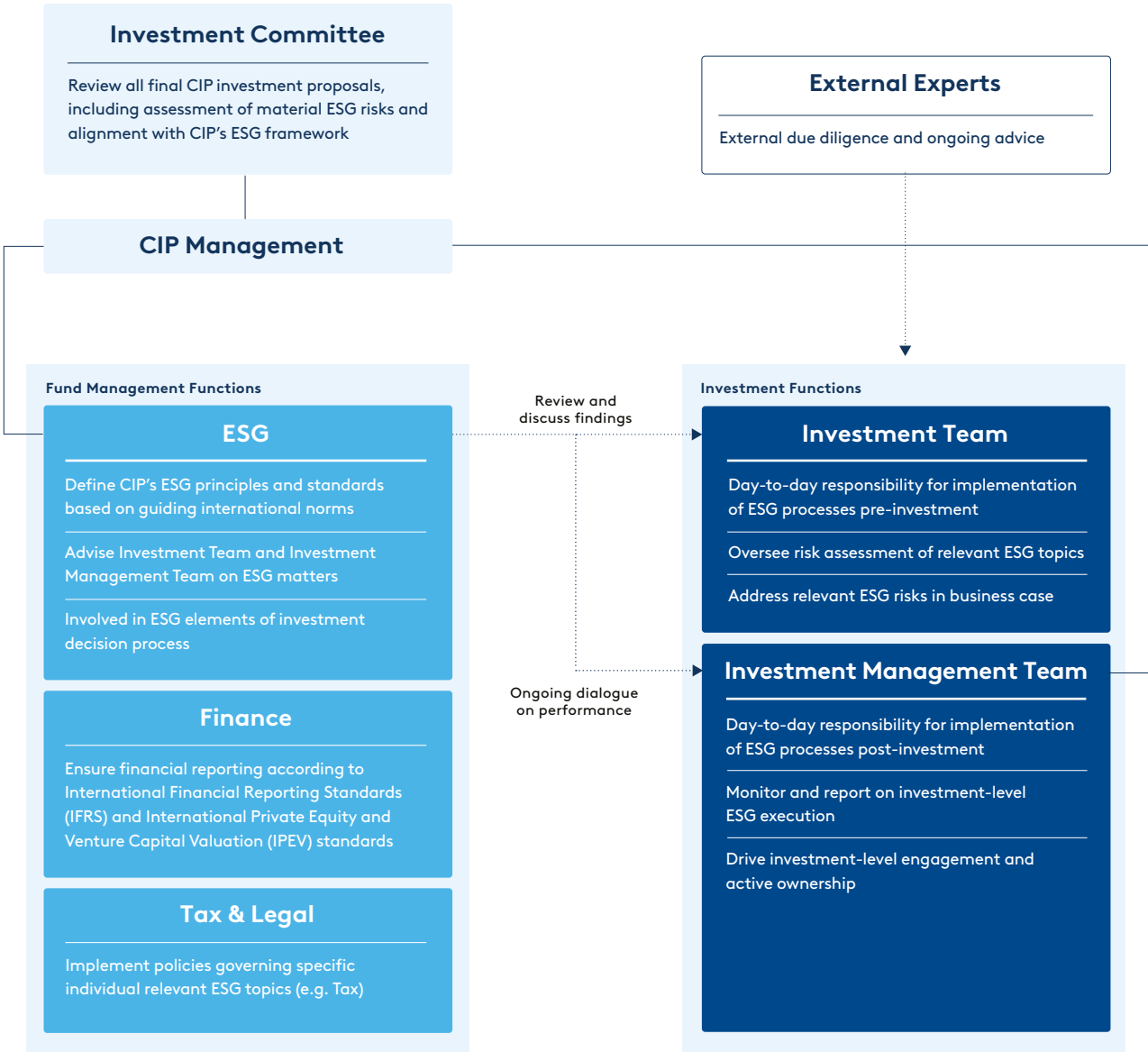
CIP's dedicated ESG Team is the central element of ESG at CIP. Their key responsibilities include defining the ESG principles and standards to be followed by CIP's funds' investments and advising CIP's investment functions on ESG matters.

During 2022, we increased the size of our ESG Team to increase execution power and to support CIP's growth and strategic ambitions towards 2030.

ESG integration on a day-to-day basis at the investment-level sits with CIP's Investment and Investment Management Teams, with support provided by other support functions within CIP, including the Legal, Finance and Tax functions.

The figure below shows the integration and structure of ESG work across all parts of CIP which are involved in the investment process.

## OVERVIEW OF ESG GOVERNANCE BODIES





# 03 ESG at investment-level

To address the most material ESG topics to CIP funds, our investment-level ESG efforts span across the six strategic ESG focus areas introduced in **Chapter 1**. By focusing on these six areas, we seek to ensure that CIP’s funds promote positive impact and reduce potential adverse effects of activities on stakeholders, communities and the planet. These topic areas span across environment, social and governance topics, and are operationalised through CIP’s ESG framework (as set out in **Chapter 2**) and active ownership approach.

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**STRATEGIC ESG FOCUS AREAS**

Environment	Social	Governance
 Climate action	 A safe & healthy working environment	 Sourcing & supply chain accountability
 Nature and resource stewardship	 Local community impact	 Responsible business practices





# Climate action and the pathway to net zero

Through our funds’ investments, CIP intends to add new, critical renewable energy infrastructure that contributes to or forms part of the transition towards a clean, reliable and affordable energy system. This can assist in the transition of the global economy towards net zero emissions. Climate action is the strategic focus of CIP’s business model, and our climate efforts focus on three concrete areas: avoided emissions, financed emissions and climate resilience.

## Avoided emissions

The build-out of new renewable energy infrastructure is regarded by the International Energy Agency (IEA) as the single most important driver to achieve net zero emissions. By investing in large-scale renewable greenfield energy infrastructure assets, CIP’s funds directly contribute to increasing the stock of renewable energy sources. In other words, CIP’s funds are contributing with critical and high-impact new renewable energy ‘additionality’.

**Our work in 2022:** By the end of 2022, CIP-managed funds have enabled the build-out of 14 GW of renewable energy, corresponding to an estimated 12.1 mn tonnes of greenhouse gas (GHG) emissions avoided per year once fully operational. This is equivalent to more than a third of Denmark’s total GHG emissions per year<sup>1</sup>.

**Focus ahead:** Going forward, we will continue to deploy significant amounts of capital into the energy transition to net zero. Our ambition is to have EUR 100 bn under management for renewable energy infrastructure by 2030. Based on the impact track record of projects in

CIP’s existing funds under management, achieving this ambition corresponds to an emissions reduction potential of 100-150 megatonnes of GHG emissions. This amount is equivalent to up to 1% of the global emission reductions required by 2030 to stay on a net zero trajectory.

## Financed emissions

We recognise that while CIP’s funds’ renewable energy projects produce energy at zero emissions, construction of these projects requires large amounts of concrete, steel and other materials. Production of these materials generates GHG emissions in projects’ supply chains. As a responsible fund manager, CIP is committed to addressing these supply chain emissions.

**Our work in 2022:** As a first step, in 2022, CIP initiated extensive and dedicated efforts to comprehensively measure and analyse supply chain emissions of CIP’s funds’ projects, starting with the focus technologies of our Flagship Funds. The exercise was performed through extensive data collection, business case analysis, technical design review and engagement with contractors, OEMs (original equipment manufacturers) and specialised teams from across CIP, Copenhagen Infrastructure Service Company (CISC) and Copenhagen Offshore Partners (COP). To ensure comprehensiveness, emission estimates covered the entire lifetime of projects – from manufacturing of components to decommissioning.

The emission estimates have been used to estimate our funds’ 2022 supply chain emissions: ~1.3 mn tonnes of GHG emissions<sup>2</sup>. Activities driving our funds’ 2022 supply

chain emissions are illustrated in the figure below and further details about CIP’s funds’ supply chain emission estimates are included in [Chapter 5](#).

Transparency on projects’ supply chain emissions was used to structure CIP’s investment-level decarbonisation efforts. We want to integrate decarbonisation efforts into all steps of the investment process – from exploring decarbonisation levers during the development phase to monitoring and tracking emissions reductions during operations and maintenance. As a first step, we are piloting this approach on selected investments in 2023.

As a significant - and growing - strategic procurer in the renewables sector, we are in a strong position to access new, low-emission components, equipment, vessels, vehicles and other decarbonisation technologies developed by the industry for use on CIP’s funds’ investments.

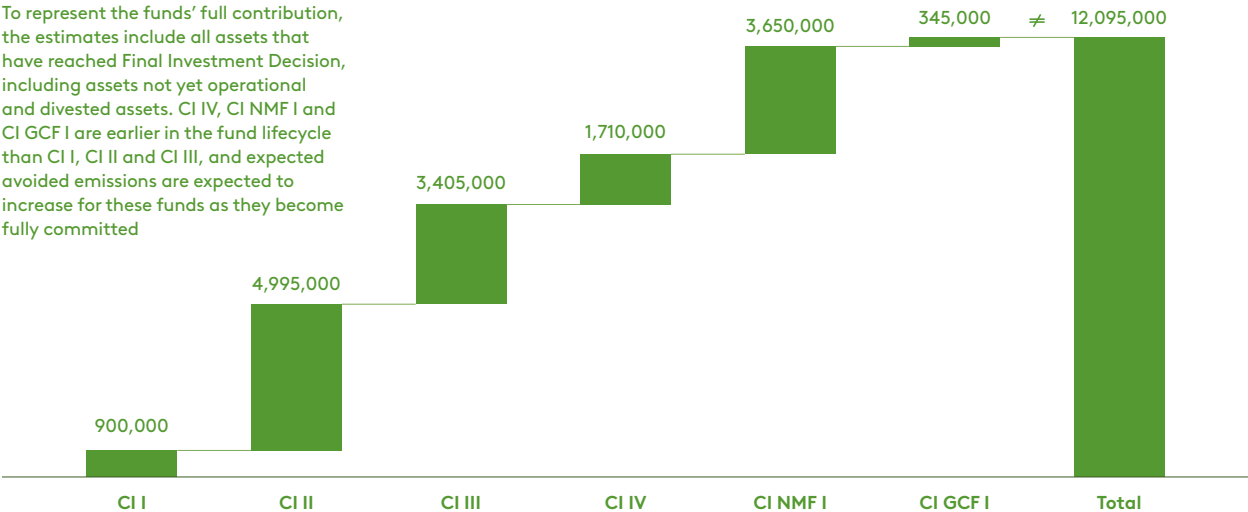
Examples of emissions reduction levers available on the market that we will pursue, where practically feasible, include changing to vessels and vehicles powered by renewable fuels/energy and encouraging key suppliers to use renewable electricity in their operations<sup>3</sup>.

**Focus ahead:** In 2023, we will continue to expand our decarbonisation efforts. Concretely, we are mapping options to unlock access to existing low-emission solutions in limited supply (such as green fuels) and access to low-emission solutions that are not yet available (such as low-emission steel), through collaboration with contractors and strategic suppliers.

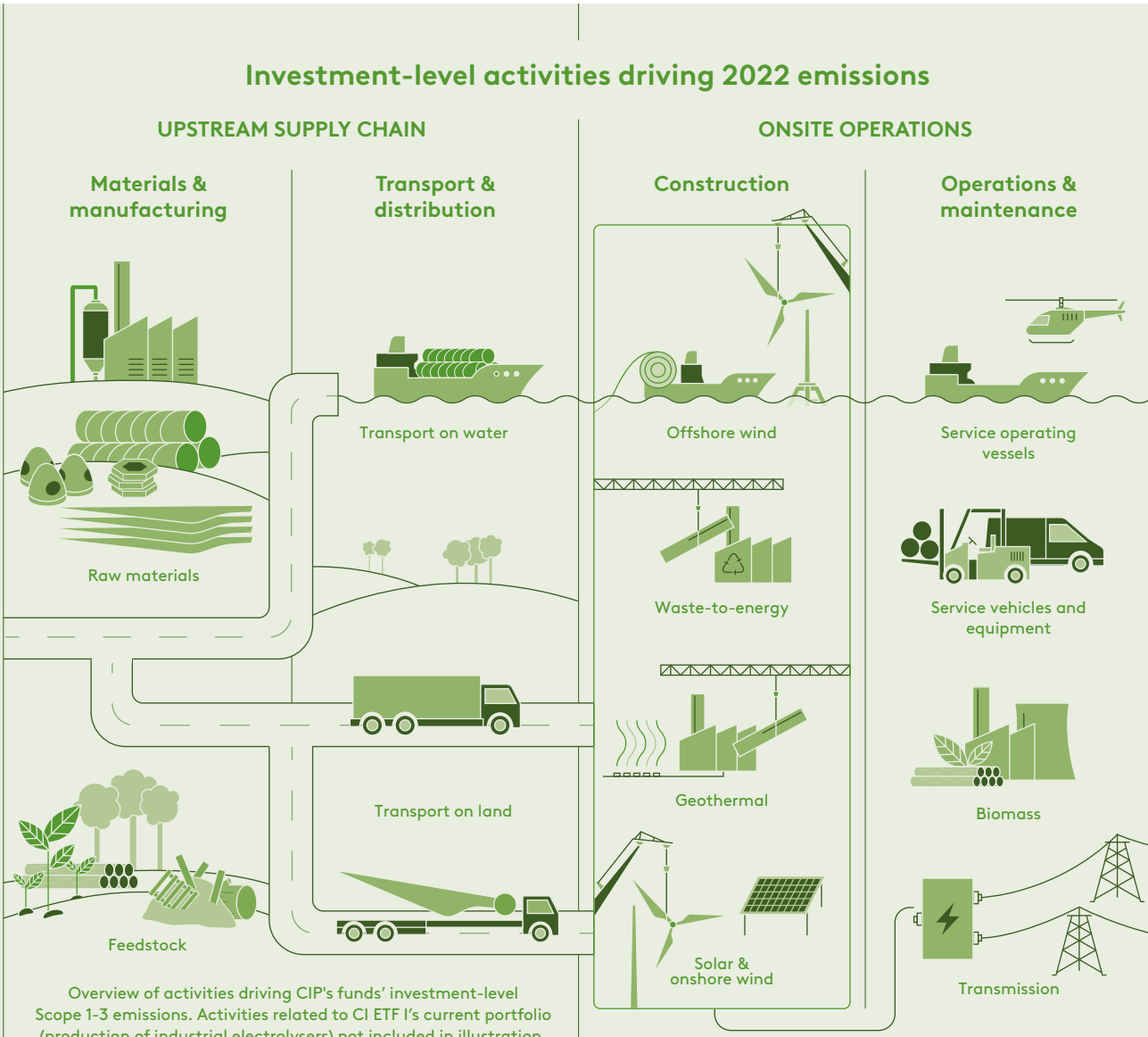
1) Our World in Data, Global Carbon Project.  
2) Reporting practices are presented in [Chapter 5](#) (see ‘GHG Accounting – Investments’ Scope 1-3 emissions’).  
3) Feasibility given CIP’s sphere of influence, supplier/technology maturity, local regulation, site-specific conditions, impact on the business case, etc. Feasibility will be tested on an asset-by-asset basis.

## Expected avoided emissions per fund as per 2022 (tonnes GHG emissions)

To represent the funds’ full contribution, the estimates include all assets that have reached Final Investment Decision, including assets not yet operational and divested assets. CI IV, CI NMF I and CI GCF I are earlier in the fund lifecycle than CI I, CI II and CI III, and expected avoided emissions are expected to increase for these funds as they become fully committed



Reporting practices are presented in [Chapter 5](#). Assets in which more than one fund is invested are only counted once in the total number. CI ABF I is excluded as no investments were made by the end of the reporting period. CI Artemis I and CI Artemis II are excluded as avoided emissions metric not relevant for transmission assets. CI ETF I is excluded as the avoided emissions metric is not directly applicable to the single investment currently in the CI ETF I portfolio. Figures represent 'total project figures'.





Andreas Stokholm Keiding  
Investment Manager

## Developing new markets

South Korea's energy mix is dominated by fossil fuels, with a strong dependence on energy imports. More than 90% of electricity is generated from imported coal, LNG and uranium.

"Air pollution is a fact of life here, and is exacerbated by the region's coal power plants. Apartments and office spaces have air purifiers pre-installed and wearing a mask outdoors is common to mitigate the bad air quality," says Andreas Stokholm Keiding, Investment Manager at CIP, based in Seoul.

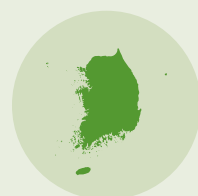
However, the picture is expected to change as the government has formulated a number of ambitions for the future, including targeting carbon neutrality by 2050. Offshore wind will play a critical role in achieving this target. South Korea has more than 2,400 km of coastline, and the scope to deploy other renewable energy sources, such as onshore wind and solar, is constrained by population density and mountainous terrain.

### A key partner in the green transition

In November 2022, CIP's CI III fund took Final Investment Decision on Jeonnam I, a 99 MW offshore wind project located off the coast of Shinan County, South Korea. Jeonnam I will be among the first commercial-scale offshore wind projects constructed in South Korea. The project will use locally built foundations, installation vessels and subsea cables.

"Being involved in one of the first commercial-scale projects and focusing on local sourcing means CIP is part of strengthening a local supply chain," Keiding says.

"Jeonnam I is the first of many projects here. CIP's pipeline in South Korea is among our largest globally," says Keiding. "While Jeonmam I is relatively small in size, it will enable us to build the necessary local experience to continue effectively expanding the stock of renewable energy infrastructure in South Korea."



**Jeonmam I** (99MW)  
South Korea

### Climate resilience

Resilience to climate-related risks – both physical and transitional risks – is imperative to the successful financial and operational performance of CIP's funds' investments. This makes climate resilience a top priority for CIP. Our approach to assessing climate risk is guided by the TCFD. CIP's TCFD reporting is mapped in [Chapter 5, page 53](#).

**Our work in 2022:** We continue to assess climate-related transitional risks and opportunities as part of the development of business cases. Transitional areas we assess include changes in markets, such as fluctuations in energy prices, and regulatory regimes, such as incentive schemes and other regulatory mechanisms.

### The Financial Stability Board's Task Force on Climate-Related Financial Disclosures ('TCFD')

The TCFD was created in 2015 by the Basel-based Financial Stability Board (FSB), whose role is to promote international financial stability.

The TCFD has unequivocally stated that climate change presents two primary financial risks to the global economy: transition risks and physical risks. Transition risks are the financial risks associated with market changes required to mitigate and adapt to climate change, while physical risks are the financial risks associated with climate events.

**Focus ahead:** Going forward, we will apply a forward-looking scenario-based approach to assessing climate-related physical risks, in accordance with TCFD recommendations. Specifically, for new investments, we will integrate considerations of physical climate risks into pre-investment and post-investment processes.

Before investing, a climate physical risk assessment will be commissioned. The assessment will consider future GHG emissions, and therefore climate projections, and assess the likelihood of, and exposure to, various physical risks during the asset lifetime. After an investment is made, quarterly monitoring of physical climate risks will take place at portfolio-level. We use experienced third party providers to access and analyse the climate-related data.



Jean Yu  
Project Consent & Development Director

## Adapting to physical climate risks

Taiwan has a relatively variable climate, with seasonal typhoons occurring frequently during the summer months.

When these storms strike, the high winds and heavy rain force businesses and schools to close and people to stay at home. At these times, a reliable power supply is more important than ever.

"We needed to do a climate risk assessment for the project to be safe and to be insured," says Jean Yu, Project Consent & Development Director.

Because of region-specific climate risks, the development of the 298 MW offshore wind project, Zone 29, required a climate change risk assessment to be developed. The assessment sought to identify physical climate-related risks to the wind farm and mitigating actions to safeguard the project.

The exercise identified two acute climate-related risk events: rainstorms & floods and typhoons, and three chronic risk events: rising mean temperature, changes in precipitation as well as monsoon patterns and rising sea levels. The materiality of these risks, and their potential impact on the project, was also assessed.

### Benefitting stakeholders through design

Informed by these assessments, the project, a joint venture between CIP's CI IV fund and China Steel Corporation, included multiple adaption measures to mitigate the identified risks. Typhoon-resistant turbine variants, which can withstand extreme winds of up to 57 m/s, were used and the substation was placed at an elevation of 5.3 m and 100 m away from the coastline, to ensure protection against a potential storm surge.

The project used strong jacket structures and a strengthened foundation design to mitigate exposure to the risk of earthquakes: the jackets weigh over 1,000 tonnes and were installed on top of 80-100 m length pin piles. These adaption measures contribute to the resilience of the country's critical energy infrastructure against natural disasters.

"Climate change and weather impacts are a big topic in Taiwan, so we need to address project resiliency right from the beginning of the process. That is why we apply these high standards even at the early development stage," says Yu. "Adapting to climate change benefits shareholders, but also benefits all other stakeholders by ensuring that residents have power when they need it most."



**Zone 29**  
Taiwan

#### PROJECT CHARACTERISTICS

Exp. commercial operation date

**2025**

Capacity

**298MW**

#### CLIMATE-RELATED METRICS

Exp. avoided GHG emissions annually

**500,000t**

Elevation of substation

**5.3m**







# Nature & resource stewardship

## Biodiversity

The international scientific community states that there is an urgent need for action to stop and reverse the severe loss of global biodiversity. According to the IPBES, bio-diversity loss is already causing adverse environmental, social and financial impacts globally, and significant action is required by 2030.

## The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystems Services ('IPBES')

IPBES is an independent intergovernmental body established in 2019 to strengthen the science-policy interface for biodiversity and ecosystem services for the conservation and sustainable use of biodiversity. IPBES defines biodiversity as “the level of diversity in ecosystems, species and genes”. It lists changes in land and sea use, direct exploitation of organisms, climate change, pollution and invasive alien species, as the five direct drivers of change in nature with the largest relative global impacts.

Further, biodiversity loss and climate change topics are interconnected. They not only share common causes, but are also mutually reinforcing. For instance, global warming degrades nature, including biodiversity, and in

turn, a degraded nature has a lower ability to sequester carbon, leading to higher atmospheric emissions and therefore temperatures. GHG emission reductions resulting from renewable energy deployment, as CIP seeks to do through its funds, address climate change and thereby contribute to slowing the decline in global biodiversity and supporting its recovery.

CIP recognises, however, that renewable energy projects can impact the immediate environment of that project, and that a successful global energy transition can only occur if projects seek to minimise both short and long-term adverse impacts on biodiversity.

Biodiversity considerations are already an integral part of project development throughout CIP's investment process, particularly in the due diligence phase where there is a structured approach to assessing the potential environmental impacts of a project. This is also supplemented by developing environmental plans and surveys to address these impacts.

## CIP's Biodiversity Action Plan

**Our work in 2022:** In the past year, we have taken further action to address the biodiversity impact of CIP's funds' future investments. This action will be formalised in the CIP Biodiversity Action Plan, to be launched in 2023.

The Biodiversity Action Plan builds on existing project-level practices and formalises our three guiding principles



for addressing biodiversity in CIP's funds' investments. These currently are:

**1. ASSESS:** Following a biodiversity screening, an Environmental Impact Assessment (EIA) to understand expected environmental impacts is performed, with specific focus on whether a potential impact is on biodiversity-sensitive areas

**2. ACT:** Relevant avoidance-, reduction- and compensation-measures for protecting and/or restoring biodiversity are implemented

**3. DISCLOSE:** Adequate reporting on biodiversity impacts and measures implemented to protect and/or restore biodiversity is sought from projects. Transparency on material nature-related information is provided to CIP's stakeholders through CIP's Annual ESG Report

**Focus ahead:** The adoption of CIP's Biodiversity Action Plan will concretely and formally document our principal strategic initiatives within the biodiversity area. It will be further developed in years to come, to align with the emerging global best-practice frameworks and standards within biodiversity, many of which are still under development.

## Examples of efforts CIP has implemented or is investigating to mitigate adverse impacts on local ecosystems

### Better visualisation

Painting blades of wind turbines can increase the visibility for birds, leading to reduced collisions and fewer injuries or deaths. Further, shapes resembling eyes placed on turbine towers deter prey species.

### Wildlife friendly design

Wildlife friendly principles can be incorporated into designs including elevating fencing to allow small mammals to move freely, and designing drainage systems to reduce the risk of small animals becoming trapped inside.

### Improve and restore wetland areas

### Containing turbidity

Silt curtains decrease turbulent mixing effect and reduce turbidity, to lower disturbance during the construction phase.

### Noise mitigation efforts

Bubble curtains to reduce noise impacts from noisy activities (such as piling) to reduce disturbance during construction.





Circularity

At CIP we support the transition to a circular economy, both through enhancing reuse and recycling of materials used in energy infrastructure components, and by turning organic waste into biofuels through the investment strategy of our Advanced Bioenergy Fund I.

As described in the **Climate action** section of this chapter, substantial quantities of materials are needed for the build-out of renewable energy projects. Integrating circularity principles into the way components are designed and projects are operated not only reduces adverse impacts on nature, but can also reduce dependency on raw materials and support the development of a more sustainable and resilient supply chain. Examples include eliminating waste and pollution and recycling products and materials.

The energy industry has taken large steps to support the transition to a more circular system, for example, by increasing its focus on reusing and recycling retired wind turbine blades (see spotlight below) and replaced solar panels.

**Our work in 2022:** We continue to factor decommissioning into our project development plans. While decommissioning of projects occurs many years after operations begin, our plans seek to ensure that decommissioning of specific projects is done in line with our overarching guiding principles, such as minimising environmental impacts, promoting sustainable development by allowing future use of the environment

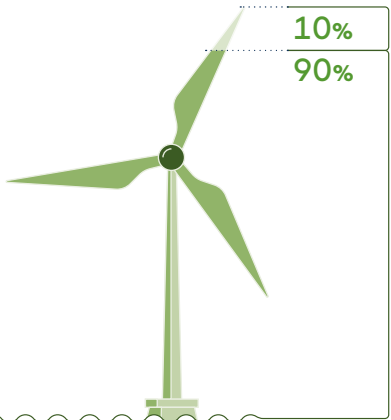
and marine resources, and maximising reuse of materials. An example of material reuse in our decommissioning plans is the specification that all steel components, which across technologies are one of the main materials, should be recycled.

**Focus ahead:** At CIP, we want to use our size to positively influence the circularity agenda in projects’ supply chains, where possible. Although decommissioning of renewable energy assets has been limited so far due to the relatively recent emergence of the industry, we nonetheless want to be a part of driving industry best practice for end-of-life approaches. We intend to develop CIP-wide core circularity standards for decommissioning CIP’s funds’ projects to ensure the learnings from developing decommissioning plans on a case-by-case basis are consolidated and shared across projects.

With new technological developments, new circularity opportunities emerge. For example, for floating offshore wind technology the logistical process to remove – and therefore recycle – turbine substructures upon decommissioning is more straightforward than for fixed-bottom offshore wind technology. These types of developments in energy generation technologies are further adding to the high degree of circularity in renewables. CIP has 20 GW of floating offshore wind projects within our portfolio, with two large commercial-scale projects under development in Scotland. We are using our unique blend of industrial and financial expertise to further advance the commercialisation of this technology.

Recyclability of wind turbines

Currently, over 90% of a wind turbine commissioned in 2022 can be recycled<sup>4</sup>. However, the recyclability of turbine blades presents one example of a circularity challenge. Many developments in the industry are underway to address blade circularity. One method is to adapt the production of turbine blades through material sourcing, design and construction to increase the ease of recycling when the turbine is decommissioned. It is expected that further technical solutions will soon exist to bring the recyclability rate of a wind turbine closer and closer to 100%.



4) Increasing Wind Turbine Waste will Challenge Nascent Recycling of Wind Turbine Blades (2022).

CASE



Marius Kjær Knudsen  
Senior Associate at CIP

Upcycling waste to biogas

CIP’s CI ABF I fund is currently developing two advanced biogas plants in Catalonia. These facilities address the environmental problem of agricultural waste by circulating it back into the economy as a valuable commodity.

The industrial-scale plants, at La Sentiu and Linyola, plan to use organic manure as well as animal and industrial waste to produce biomethane to be used in the natural gas grid. Displacing fossil natural gas in this way contributes to both emissions avoidance and resource circularity, as organic materials will be recirculated as fertiliser for agricultural production and produce biogenic CO<sub>2</sub> for industrial use or for Power-to-X projects.

“Environmental issues have been driving demand for this project,” says Marius Kjær Knudsen, Senior Associate at CIP. “Authorities needed a solution for these waste streams, and these facilities can deliver that solution, while also providing biomethane for the grid.”

Solving two problems at once

“Biogas is a strategic focus area for Spain, and very attractive as it not only addresses an environmental problem, but also contributes to their energy security and independence,” Knudsen says.

Industrial waste from food production is typically used for pet food or burned, which can damage air and soil quality. While manure is normally spread on fields as fertiliser, the volumes currently used can be far greater than what is required, resulting in air and groundwater pollution. The biogas plants can extract the energy from both of these feedstocks while retaining their nutrients, which can be returned to fields as fertiliser.

CIP estimates that the new plants will handle 1 mn tonnes of industrial and agricultural waste a year in total.

“This is the first project of its kind in Spain, so it has been a long development process working closely with authorities. Denmark is a frontrunner in this space and there has been an ongoing dialogue with the Spanish government to share learnings,” says Knudsen.

The project is a strategic priority for the Catalan government and has attracted considerable interest from other agricultural regions in Spain. Together with Spanish developer, Connect Bioenergy, CIP will develop the biogas plants towards the expected Final Investment Decision in 2024.



### La Sentiu & Linyola

Spain

PROJECT CHARACTERISTICS	CIRCULARITY-RELATED METRICS
Exp. final investment decision	Exp. amount of CO <sub>2</sub> captured per year
2024	~49,000 <sub>t</sub>
Exp. waste processed per year	Exp. gas production per year
1mn t	~35mn m <sup>3</sup>



Photo from an agricultural region similar to Catalonia.



## A safe and healthy working environment

The large-scale energy infrastructure projects in which CIP’s funds invest require substantial workforces. Ensuring safety and fair labour conditions on projects is, therefore, a high priority for CIP. We seek to implement best practices and go beyond legal compliance by proactively implementing firm health and safety (H&S) requirements to prevent incidents and ensure that suppliers provide fair labour conditions.

### Health & Safety

**Our work in 2022:** We continued to prioritise project H&S performance in 2022, as we have done since we were founded in 2012. Whilst H&S risks inherent in large scale energy projects can never be entirely eliminated, we take an active approach to avoid incidents by screening potential project suppliers and, when driving procurement, expecting projects to place clear H&S requirements on their suppliers. The requirements are established on a fund-level in the relevant ESG standards, which are defined during the design of each fund, and serve to operationalise CIP’s Responsible Investment Policy (elaborated in [Chapter 2](#)).

Project suppliers conducting work on CIP’s funds’ projects are expected to ensure that their work is carried out safely and that safety is treated as a priority. This includes, among other things, safety training for all employees and having an effective H&S management system. To ensure compliance with the contractual obligations set out by the CIP funds, we require ongoing monitoring and reporting of H&S performance and prompt notification in case of significant incidents.

Where CIP identifies a risk trend relating to H&S performance through its ongoing monitoring, we will engage specifically with the relevant supplier or third party and seek to jointly develop a plan to address and improve the performance. Engagement may also include on-site inspections carried out by CIP representatives. Portfolio-level reporting and data analysis allows CIP to benchmark performance and focus on areas and investments that require attention. We also use this information to identify learnings across the portfolio and continuously strengthen our funds’ performance within H&S.

### Fair labour conditions

CIP treats our employees fairly and equally and expects suppliers to CIP’s funds’ investments to do the same. When we arrange procurement, ESG clauses covering the treatment of labour are standard in our project-level key contracts and implemented across all investments. Since we established our ESG Team in 2018, our funds have required key project suppliers to offer, at a minimum, market standard salaries and conditions for a given role and location. Furthermore, we respect the rights of our own workforce to collectively bargain, and expect suppliers to do the same where such rights are available in the market.

**Focus ahead:** In 2023, in connection with implementing our updated Code of Conduct for Business Partners (see [page 36](#)), CIP will re-visit and seek to strengthen its processes for screening and assessing projects and business partners, to ensure they continue to uphold high labour standards and conditions.

### HEALTH & SAFETY DATA PERFORMANCE BY FUND

FUND	LOST TIME INJURY (LTI)	LOST TIME INJURY FREQUENCY (LTIF)	TOTAL RECORDABLE INJURY RATE (TRIR)
	2022	2022	2022
CI I	N/A	N/A	N/A
CI II	2	0.6	3.6
CI III	3	0.8	3.5
CI IV	6	2.3	4.2
CI Artemis I	1	87.9 <sup>5</sup>	263.8 <sup>5</sup>
CI Artemis II	0	0	0
CI NMF I	0	0	0
CI ETF I	2	N/A	N/A
Total	12	1.4	4.1

Reporting practices are presented in [Chapter 5](#). Assets in which more than one fund is invested are only counted once in the totals. CI I is N/A as there were no investments in the portfolio during the reporting period. CI GCF I is excluded as no investments were under construction or operations during the reporting period. Rates were not available for CI ETF I due to data availability at the time of reporting.

5) CI Artemis I had a limited number of working hours in 2022. As such a single injury in 2022 resulted in an unusually high injury frequency rate. This is assessed not to be reflective of broader H&S investment performance.

### CASE



Sebastian Homuth  
Operations Manager for DEW

## Ensuring safety in new sectors

H&S on funds’ investments is an essential focus area for CIP. This includes on CIP’s funds’ first investment in geothermal technology, a zero emissions technology which involves pumping naturally warm water from the earth’s subsurface and harnessing its energy in the form of heat and electricity. The portfolio of geothermal energy projects in Germany is being developed through a partnership between CIP’s CI III fund and Deutsche ErdWärme (DEW).

“Geothermal is still a young and niche industry, but that doesn’t mean you can make compromises with safety,” says Sebastian Homuth, Operations Manager for DEW.

The deep drilling process used on this geothermal investment requires increased focus on H&S due to round-the-clock operations and inconsistent substrate material being drilled through. As a result, high safety standards are critical, which is why the project has adopted a strong safety culture.

This includes detailed risk assessments before carrying out every job, safety managers being on site 24/7, regular safety audits, sensors monitoring water quality and seismicity, and starting each meeting – regardless of topic or attendance – with an H&S assessment.

H&S is also an integral part of project KPIs, with safety performance linked to certain milestones under the terms of project contracts. The process of improving performance and safety is a perpetual journey for CIP.

### Fully addressing issues

To promote open communication around safety, all employees and visitors to a site can fill out an observation card to report anything they deem unsafe. As an example, in 2022, there was an observation of keys being left in a forklift. As a result, machine crews are now reminded not to leave keys out of their possession.

In the event of a serious incident, operations are halted to investigate and ensure safety standards are restored. After an adequate safety status is re-confirmed, H&S managers then complete a full investigation report, including lessons learnt and prevention measures to be implemented.

For example, in 2022, work was halted after a bolt fell from an upper drilling rig. While no one was hurt, an investigation and incident report were completed. As a result of the report, the model of pin used to secure the bolt was changed, and supplemented with secondary fastenings.



Deutsche ErdWärme  
Germany

#### PROJECT CHARACTERISTICS

Exp. commercial operation date

2025

Portfolio Capacity

31MW

#### HEALTH AND SAFETY-RELATED METRICS

Completed working hours since 2021

780,000

Recordable injuries in since 2021

0







## Local community impact

Responsibility and trusted partnerships are core to CIP's way of working, and we strive to create value which benefits all stakeholders involved in greenfield renewable energy projects. We realise the importance of understanding and responding to the interests of neighbouring communities, and to address this, we always seek to take a proactive approach to engaging local groups. Through close collaboration with project contractors, we aim to account for local community interests in the way we invest.

### Understanding each other

During the development of projects that impact communities, we aim to facilitate broad outreach. Our efforts include supporting events to meet the most impacted stakeholder groups, which can range from classroom visits to industry fairs to dialogues with fishermen. This consultation process is used to understand the perspective of the local community and to inform them about the project. In this way, community impacts are taken into account during CIP's investment decision making and project development.

**Our work in 2022:** When a project is developed, the local development team works with communities to identify what matters most to them. As an example, in 2022, community funds established by CIP's funds' projects supported libraries, food banks and educational scholarships, among other things. We are committed to applying the learnings from these projects to strengthen this work in the future as part of delivering a just transition and maintaining CIP's social license to operate.

Another example, is a programme undertaken by CISC in Changhua county, Taiwan, to strengthen local engagement as part of the Changfang and Xidao offshore wind project. The programme, designed to create community co-benefits across age groups, has impacted tens of thousands of residents directly and indirectly. The programme has supported nutrition programmes for the elderly, sponsored local university students to study STEM programmes in Denmark, and built an inclusivity-focused children's playground.

### Respecting indigenous communities

We acknowledge indigenous peoples' history and diversity, as well as their unique and enduring connection to the lands they have traditionally occupied. We strive to work constructively with indigenous communities, and where CIP's funds' investments impact indigenous peoples and areas of cultural significance, project development teams seek dialogue and consultations. These processes are carried out under the guidance of experts in the field.

**Our work in 2022:** In 2022, we have had active dialogues across a number of projects and have also educated and

trained relevant teams in our own organisation to strengthen our awareness and ensure respectful engagement.

**Focus ahead:** In the next year we intend to formalise and publicly release CIP's official policy on indigenous consultation and engagement, which will seek to define overarching principles for CIP's funds' investments to apply within this highly project-specific topic.

### Creating local economic impact

Large-scale renewable energy infrastructure projects, which make up CIP's funds' portfolios, seek to provide long-term, positive impacts on local communities. Furthermore, greenfield projects, which form CIP's funds' strategic focus, are often seen as having the highest positive economic impact. CIP recognises the importance of initiatives taken by project companies and key project contractors to engage local businesses and labour to construct and operate assets in CIP's funds' portfolios. In the past year, CIP's funds' projects have undertaken several initiatives to source locally and build regional supply chains, including holding job fairs, promoting apprenticeship programmes and promoting trade shows. These efforts ultimately create knock-on effects that drive growth in the area.

**Our work in 2022:** One example of creating local impacts is Vineyard Wind I - see description across. Being the first utility-scale offshore wind energy project in the United States, Vineyard Wind I was projected to create as many as 3,600 full-time employee (FTE) years of employment locally over the lifetime of the project. A recent report found that during the development phase of the project, estimated FTE years that were generated exceeded projections by approximately 100%. It further found that the construction workforce so far is more than 75% local. Vineyard Wind I is one example of the broader economic opportunity within renewable energy development to create meaningful, high-quality jobs around the world.

**Focus ahead:** Going forward, we will continue to focus on expanding employment opportunities in the local communities where we operate. Estimates from the International Renewable Energy Agency and the International Labour Organization show the potential scale for renewables to boost employment<sup>6</sup>. 13 mn people around the world currently work in renewables. It is estimated that this could rise to 38 mn people by the end of the decade.

<sup>6</sup> The International Renewable Energy Agency is an intergovernmental institution that facilitates cooperation around, and advocates for, renewable energy. The International Labour Organization is a UN agency mandated with setting and advancing international labour standards.

## CASE



Nate Mayo  
Director of Public Affairs at Vineyard Wind

# Powering local communities

The local community is a key stakeholder for Vineyard Wind I, an 800 MW offshore wind project in Massachusetts, New England, under construction in 2022. As local opinion has a significant influence on permitting and construction, proactive community engagement was a high priority for CIP already from the early stages of its involvement.

"We faced a lot of closed doors when we started" says Nate Mayo, Director of Public Affairs at Vineyard Wind.

To understand and address the interests of the people living in the area, the Vineyard Wind I team conducted an extensive community engagement campaign. This included open town hall meetings to facilitate direct dialogue with local residents and community representatives, establishment of dedicated phone lines for comments on the project and frequent open office hours to encourage people to reach out to ask questions.

"Being visible and available was a priority for us. We kept hosting meetings as long as people kept showing up" says Mayo.

### Tackling community-related topics head-on

The engagement process prioritised a number of primary community-related topics including: potential disruptions from construction such as noise and traffic rerouting, environmental concerns related to protection of the local water supply and compensation to the town for disruptions.

To mitigate disruptions during construction, the team worked systematically to inform residents of the nature of the construction, and to provide information and promote awareness of project progress. This ensured that locals knew exactly when and where to expect traffic rerouting or noise impacts.

To address potential wastewater impacts, the team defined standards for construction of the onshore substation, including guarantees that certain methods would be avoided. The project also supported the installation of a sewer system within the community, both with financial funding and coordinating the installation with the onshore transmission project to reduce costs and minimise aggregate disruption.

Vineyard Wind I and the local government also entered into a host community agreement. This agreement captured many of the protections sought by the town, ensured coordination on construction efforts, and provided USD 16 mn in funding for infrastructure and long-term property tax revenues for the area. These benefits have been supplemented by local recruitment, procurement and investments to help the region become a hub for the renewables supply chain in the future.

"The community agreement here was the first of its kind for U.S. offshore wind, and has served as a model for good community partnership in the industry" says Mayo.



## Vineyard Wind I United States

### PROJECT CHARACTERISTICS

Exp. commercial operation date

2024

Project Capacity

800MW

### COMMUNITY-RELATED METRICS

Expected FTE years created

3,600

Funds for community investment

USD 16mn







## Sourcing & supply chain accountability

### Active ownership approach

Unlike many traditional investors, who often take an arm's length approach to investment supply chains, CIP is an active owner and engages closely with project suppliers on ESG topics. When arranging procurement, this engagement includes requiring key suppliers to uphold specific standards of conduct relating to ESG topics. One of these topics is human rights, for which CIP also expects compliance from sub-suppliers. We are increasingly asking suppliers to demonstrate traceability of their own supply chain to demonstrate compliance with CIP's standards, particularly where potential risk exposure exists in relation to either a specific technology or geography.

### Proactive prevention

To support this supply chain focus, CIP screens new suppliers on ESG criteria based on their risk profile. Contractual agreements with key suppliers include ESG clauses that commit the supplier to upholding certain ESG standards aligned with the relevant fund's ESG standards.

As discussed in [Chapter 2](#), Investment Teams monitor investment-level supplier performance through, among other things, board representation (where relevant) and dialogue with senior management from key contractors. Periodic site visits are also conducted by CIP or CIP representatives. The ESG Team also monitors suppliers' activities on non-CIP fund investments via third party counterparty monitoring services, who notify the relevant Investment Team when an incident is detected. This is supplemented, where necessary, by addressing ESG performance during supplier site visits.

If an ESG incident involving a supplier is detected on a CIP-fund project, CIP seeks to use its influence as an active owner or active investor to engage the project supplier to seek to rectify the incident and prevent it from occurring again. A supplier's ESG track record, either on CIP's funds' projects or more broadly, is used to inform future procurement decisions involving that supplier.

**Our work in 2022:** CIP finalised its Business Partner Code of Conduct. This document expands on the standard ESG clauses already incorporated into investment supply contracts and, where CIP influences procurement processes, will be used as an additional tool to strengthen the accountability of our partners.

**Focus ahead:** In 2023, the Business Partner Code of Conduct will be formally implemented across CIP's investment processes, alongside implementation training for CIP investment professionals.

Furthermore, CIP has initiated a programme that targets the procurement of equipment and services on a portfolio level, working closely with a number of long-term supplier relationships across multiple projects. Supplier ESG performance and supply chain responsibility is one key area that CIP aims to strengthen through this programme. This could mean, for example, prioritising suppliers with improved supply chain traceability, or engaging with a supplier on a specific ESG topic such as health and safety. Longer-term relationships and commitments between suppliers and CIP funds increase both the means and the incentives for suppliers to satisfy more ambitious ESG responsibilities from CIP's funds' projects.



### INTERVIEW



Carlisle White  
Senior ESG Manager at CIP

## ESG screening in procurement

"The purpose of implementing ESG in procurement is to ensure that potential key suppliers prioritise our focus areas and to ensure that CIP's commercial position has sufficient contractual protection.

factors to be considered throughout the procurement process. We are building that into CIP's company-wide portfolio procurement process, which we want to finalise this year." - Carlisle White, Senior ESG Manager.

Through 2023, we also have an ambition to further refine our procurement process by supplementing our risk-based approach with an increased number of sustainability

### ESG screening in procurement<sup>7</sup>



Beatrice, UK

<sup>7</sup>) The figure illustrates CIP's four-step approach to ESG screening in procurement for an equity fund strategy.





# Responsible business practices

In 2022, responsible business practices at the investment-level continued to be a key CIP theme within the ‘G’ of ESG. Responsible business practices at this level principally means having the necessary systems and safeguards in place to ensure business continuity, appropriate management of risk, and compliance with both CIP’s ESG standards and applicable laws and regulations. Without these systems in place, projects can have unplanned negative environmental, social or governance impacts, in addition to financial impacts. We emphasise responsible business practices when exercising our role as an active owner.

This section summarises CIP’s investment-level approach to responsible business practices. For a description of how CIP manages business practices in its own organisation, including on compliance, anti-bribery and cybersecurity, refer to [Chapter 4](#).

## Risk management

Risk Management is a cross-cutting theme within corporate governance. Managing risk within the funds’ investments is one of CIP’s core competitive strengths. This is due to CIP’s ability to make well-informed decisions about accepting, mitigating or transferring risk.

Our approach to risk management seeks to ensure that CIP understands, mitigates and manages two categories of risks: those that derive from our own conduct and that could jeopardise our long-term contribution to stakeholders, and those from incidents in the external environment that could impact CIP’s business continuity and the impact we create.

CIP operates with a modified ‘three lines of defence’ model to manage risks towards CIP as a management company, or funds managed by CIP. Our approach is governed by a Risk Management Policy set out by the Board of Directors, and aligned with regulatory requirements for alternative investment fund managers.

Our Investment Teams and Investment Management Teams play a leading role in this process by evaluating and responding to ongoing changes in the overall risk profile of projects, such as extreme weather events or commodity price volatility.

## Upholding the law, with a focus on anti-bribery and corruption

On an investment-level, CIP’s compliance focus is on business partners adhering to CIP’s ESG requirements,

contractual obligations and local laws. CIP actively tracks investment-level compliance issues, including by suppliers, as part of its ongoing ESG monitoring procedures.

In addition to this, CIP uses digital tools such as RepRisk to monitor the activities of funds’ projects’ supply chains on all ESG issues, including the material themes covered in this ESG Report. If we detect a potential issue at investment-level that appears to breach either the law, contractual obligations or our applicable ESG standards, we engage and investigate. Depending on the incident circumstances and severity, our engagement strategy may include:

- Determining if the relevant party is able and willing to change its behaviour
- Seeking agreement on an action plan for remediation with specific responsibilities, measures and deadlines
- Potentially discontinuing the current or future relationship with the relevant party

**Our work in 2022:** Anti-bribery and corruption (ABC) has been a key compliance focus area for CIP in the last year. In 2022, we strengthened our approach to these topics by developing our new Business Partner Code of Conduct and a codified periodic ABC audit process. In 2022, there were no detected bribery or corruption incidents involving CIP’s funds’ investments. We will continue to focus on ABC efforts going forward.

## Cybersecurity

Given the importance of the energy sector to society as a whole, and the size of investments managed by CIP, cybersecurity incidents can have significant consequences

on the wider community and impede our ability to meet our obligations to stakeholders. As such, cybersecurity is a key focus area for CIP in its investment process.

**Our work in 2022:** Against a background of increasing cybersecurity risks to energy infrastructure highlighted by, among others, the U.S. Department of Energy and the European Union, in 2022 CIP initiated implementation of specific cybersecurity requirements for all invested assets. The CIP investment-level cybersecurity requirements, such as identity lifecycle management and security event monitoring, have been defined based on industry best practice and tailored to the size and risk profiles of each asset.

**Focus ahead:** This implementation of cybersecurity requirements, initiated in 2022, is currently ongoing and set for completion by the end of 2023. CIP will work closely with partners and project organisations to ensure compliance with the strengthened standards.

## Tax policy

CIP’s Tax Policy is based on the Tax Code of Conduct defined by the Danish pension sector in 2020. Under its Tax Policy, CIP’s primary objective is to be compliant with current tax legislation and ensure a robust tax position. In addition, CIP does not pursue aggressive tax planning but will endeavour to optimise the risk adjusted investment return for investors within the relevant legal framework. CIP complies with all tax codes and collaborates with tax authorities in countries where we operate. The CIP Board of Directors reviews the Tax Policy annually.

**Focus ahead:** From 2023, we will seek transparency on the tax policies of our business partners so that those policies can form part of our considerations of who we work with more broadly.

## Fines and penalties

0

regulatory penalties or fines in 2022

## Cybersecurity incidents

0

cybersecurity incidents at any of CIP’s funds’ assets in 2022





# 04 ESG in our own operations

CIP believes in a strong and consistent link between high ESG standards and long-term value. This includes creating value for our employees, investors and society at large. As such, ESG is a key part of the CIP operating model and the CIP ways of working. Internally at CIP, we concentrated our 2022 efforts on three ESG focus areas.

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- Responsible business practices 46

## STRATEGIC ESG FOCUS AREAS

### Environment



Climate action

Measuring and managing emissions from our own organisation

### Social



Diversity and employee engagement

Ensuring a diverse and inclusive workplace for all

### Governance



Responsible business practices

Ensuring our operations uphold the law and our own code of conduct and ethics







# Our own carbon footprint

Investing in the green transition is what we do. Our funds invest in the types of renewable energy infrastructure projects required for the global transition to net zero emissions. However, in addition to investing in the green transition, we also consider our own carbon footprint. While the emissions from our own organisation are a fraction of the emissions that CIP’s funds help avoid, we are committed to doing our part to reduce emissions in our own operations. That is why we have set our first CIP-level climate target:

## Scope 1 emissions target

N/A

CIP has no scope 1 emissions

## Scope 2 emissions target

Increase annual consumption of renewable electricity from

84% → 100%  
in 2022 to by 2025

## Scope 3 emissions target

Reduce Scope 3 GHG emissions per FTE by

↓ 45%  
by 2030 from a 2022 base year  
(this excludes fund investments, which are addressed separately, see [Chapter 3](#))

We have chosen an intensity-based Scope 3 target, due to our significant growth ambition of having EUR 100 bn under management by 2030, which will require many more new employees and a substantial increase in our overall activity level.

**Our work in 2022:** To support our climate target, we have developed a CIP Decarbonisation Action Plan, detailing three focus areas where we will accelerate our emission reduction efforts:

**1. Energy consumption at our office:** Unless not feasible in that geography, we expect all CIP offices to source green electricity. When we move into our new HQ in Copenhagen, it will be a DGNB Gold certified building<sup>1</sup>. As we continue to grow and expand our geographical footprint, we will continue to open new offices. We are developing a ‘global office check list’ to ensure that sustainability is part of the selection criteria when selecting new office spaces

**2. Buying office products:** We will consider the carbon footprint of products when making large procurement decisions. We will ask suppliers to deliver emission estimates of products and seek to favour suppliers actively working on decarbonisation

**3. Business travel:** To continue developing infrastructure projects globally, we need to travel to engage directly with multiple stakeholders, including project suppliers and contractors. This is consistent with our role as an active owner and makes a degree of air travel necessary. However, we are nonetheless addressing business travel through a number of initiatives, including tracking and monitoring travel habits in order to optimise our travel patterns. In the future, we will also have an increasingly regionalised work force, which we expect to reduce the need to travel. We also ensure that alternate, non-flight routes are presented by our travel agency when employees book short-distance trips and we are improving our virtual facilities to reduce the need to travel to particular engagements

Our CIP Decarbonisation Action Plan was developed based on insights from a comprehensive 2022 Scope 1-3 baselining exercise. Since 2021, we have measured and tracked emissions from our own operations according to the GHG protocol. We also measure financed emissions relating to fund investments, which are addressed separately in [Chapter 3](#).

**Focus ahead:** At CIP, we recognise the importance of investing in climate technologies that remove residual emissions. That is why we are developing an offsetting strategy to offset residual emissions on CIP management-level. The strategy will seek to ensure emissions are offset in accordance with the Oxford Principles of Net Zero Aligned Carbon Offsetting. We will start by offsetting our 2022 Scope 2 emissions, making us carbon neutral across Scopes 1 and 2.

<sup>1)</sup> DGNB is a certification system ensuring a holistic and sustainable quality throughout the lifecycle of the building.



Copenhagen headquarters, Denmark

### SCOPE 1-3 EMISSIONS FROM CIP’S OWN OPERATIONS

SCOPE	DESCRIPTION	EMISSIONS (TONNES OF GHG EMISSIONS)	EMISSIONS PER EMPLOYEE (TONNES OF GHG EMISSIONS)
Scope 1	Fuels for company vehicles	0	0
Scope 2	Electricity, heating and cooling	48	0.1
Scope 3 (Total)		6,764	19.9
Scope 3, Cat. 1	Purchased goods & services	2,703	-
Scope 3, Cat. 2	Capital goods	22	-
Scope 3, Cat. 3	Fuel- and energy-related activities	68	-
Scope 3, Cat. 5	Waste in operations	4	-
Scope 3, Cat. 6	Business travel	3,908	-
Scope 3, Cat. 7	Employee commuting	58	-
Total		6,812	20.1

Reporting practices are presented in [Chapter 5](#) (‘GHG accounting approach – CIP Management’). Emissions are mainly driven by business travel, especially air travel, and purchase of goods and services. While Scope 2 represents a small share of overall emissions, supporting the development of renewable electricity is what we do, which is why we want our offices to also run on renewable electricity. Scope 2 emission estimates follow the market-based approach. (see [page 59](#) for Scope 2 location-based emission estimates).





# Diversity & employee engagement

We strive to ensure a diverse and inclusive workplace for all, by building and maintaining a clear and transparent career framework, and are working to increase the share of women in our leadership.

## Employee engagement and opportunity

CIP is a people business. We are a team of over 400 professionals with strong financial, regulatory, legal, investment, investment management, technical and administrative competencies that CIP aims to hone and retain. Each person in CIP is imperative to our success as a business.

**Our work in 2022:** CIP has set its core fundamentals or values, the CIP Fundamentals. These six cultural dimensions capture our DNA and our inclusive culture inherent in the way we work and deliver our core product. Our CIP Fundamentals are embedded in all we do and are integral to all our employees’ journeys, daily operations, development and training, shaping the culture we have been building since 2012.

## CIP’s six core fundamentals are an integral part of our culture

-  **Entrepreneurship**
-  **Relationship & solution-oriented**
-  **Cross-functional teams**
-  **Investor alignment**
-  **Diligence**
-  **Result oriented**

Moreover, we have introduced initiatives focusing on developing our young talent. We are proud to develop the next generation of leaders in the field of renewables by nurturing our employees from the start of their careers through opportunities and development programmes. One example is the IGNITE programme, which gives newly appointed Associates the training required to manage a full-time position at CIP. To ensure that everyone at CIP can thrive and develop within their role, we have also created a clear and transparent career framework across seniority levels which all employees can lean on to continuously keep track of their development.

**Focus ahead:** In the coming year, a number of workshops on CIP Fundamentals will be carried out throughout the organisation. Teams across tenures and departments will work together on real life cases to discuss how to best integrate our fundamentals in the way we work together as teams and with external partners. These efforts will be supplemented by the introduction of regular pulse surveys on the role of CIP Fundamentals in our daily work life. The results will help us continuously improve our efforts in this area and to share knowledge and experiences across the organisation. Other initiatives include the formulation of our employee retention strategy and, where relevant, offering language classes to employees across different offices.

## Diversity, Equity & Inclusion (DE&I)

CIP is committed to creating a diverse and inclusive workspace where all employees have access to opportunities, feel included and are valued for their differences. We will continue to broaden our focus within diversity, welcoming people of all ethnicities, socioeconomic backgrounds, gender identities, sexual orientations and nationalities. Our focus lies in the green transition and our ambitions require substantial further growth, which drives a need to tap into a diverse talent pool. As such, we aim to continuously improve our performance within DE&I across our organisation. One key focus area in these efforts is our gender balance, which in 2022 was 67% male and 33% female across the entire organisation.

**Our work in 2022:** CIP launched a number of initiatives aimed at attracting more women. Our recruiting processes were reviewed to ensure a gender balanced shortlist for all positions and recruiters are now required to bring at least one female candidate forward for each position. We already saw the first results of this during 2022, with the gender split on total hirings increasing from 39% female in the first half of 2022 to 48% in the second half of the year.

Another initiative aimed at promoting diversity and creating a work environment where all employees can thrive and collaborate, is the launch of our CIP Academy development programmes. These include Grow I & II, which focus on professional and leadership development, including in relation to specific DE&I themes. A key focus area of these programmes is training in how to lead teams of diverse individuals, and appreciating and acknowledging that employees from different backgrounds come with different preferences and perspectives on professional topics such as collaboration, work environment and communication. These differences should be respected and nurtured equally in a workplace.

While our DE&I efforts continue to evolve, we want to share our aims and learnings in female leadership and

## CASE



Berith Werner Frisdahl  
Senior Manager at CIP

# Talent development at CIP

CIP offers a variety of training programmes to develop individuals, for the benefit of their careers and their work at the company.

Berith Werner Frisdahl, Senior Manager at CIP in the Advanced Bioenergy Funds Investment Team, joined CIP in late November 2021 and was soon nominated and accepted into the GROW II programme, where employees develop their skills as managers and leaders. The programme includes team exercises to assess and identify individuals’ strengths and development areas.

Programme exercises focus on developing management and leadership skills in different settings, with participants alternating between leadership and team roles. One key component of the curriculum is learning how to lead people from diverse backgrounds, with training on how awareness of cultural differences can shape the way you manage and empower your team.

“The exercises are good but what is just as important is how you build a network with your colleagues,” Frisdahl says. “You really get to know a group of people, who can help with your work at CIP and your career development across funds and functions, and you can help them too.”

The GROW II programme is aimed at the Senior Manager, Vice President and Director levels and runs in parallel with GROW I, which is for employees who are early on in their management experience.

“The programme really reconfirmed the importance of what you can achieve together by swapping experiences. I meet people from the programme in the office many times every week,” Frisdahl adds.

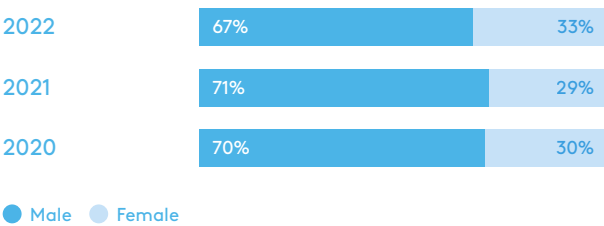
gender balance outside of CIP. In 2022, one example of this was our strategic partnership with the U.S. Embassy in Copenhagen’s Leadership Programme, where our Senior Partner, Christina Grumstrup Sørensen, shared her personal experiences from working at CIP.

**Focus ahead:** In 2023, CIP is committed to accelerate our progress in workplace diversity. We want to set a target for gender balance, which we see as a necessary part of achieving this ambition. DE&I training will be offered to all employees, along with guidance to support inclusive communication. Another key focus area is working systematically with removing unconscious bias from job advertisements, as well as introducing recruitment bias training for hiring managers and recruiters.

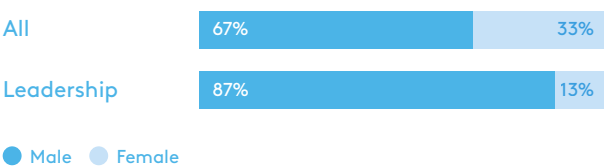
In addition to recruitment, we intend to strengthen the tracking and evaluation of selection and promotion processes to ensure consistency and equal opportunity for all. Moreover, we will launch an internal network for females in senior management positions to support internal network development and increase our focus on female leadership.

## Diversity and inclusion statistics in CIP

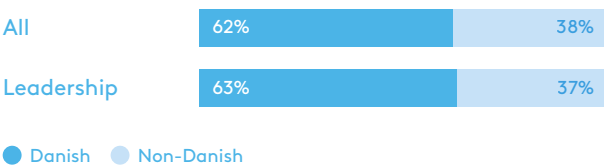
### Gender distribution across the organisation



### 2022 gender split



### 2022 nationality split



The figures represent the composition of all employees as of end of year 2020, 2021 and 2022 respectively, excluding Analysts and Office Assistants. ‘Leadership’ is defined as Vice President level and higher seniority levels.





## Responsible business practices

Similar to its approach to investments, responsible business practices continue to be a core CIP theme. Our work employing responsible business practices is essential to ensure that our operations reflect our policies and ambitions. It is also how we ensure that our organisation remains equipped to deliver on commitments to our stakeholders.

This section describes CIP's approach to responsible business practices within our own operations at the CIP-level. For descriptions of CIP's investment-level approach, please refer to [Chapter 3](#).

### Taking action beyond our own business

**Our work in 2022:** CIP actively participates in initiatives that promote the responsibility of businesses in society. In 2022, CIP participated in COP27 in Egypt, where Partners from CIP were part of the Danish delegation and spoke on expert panels relating to green finance and renewables. In connection with the conference, CIP joined both the Global Wind Energy Coalition and the Corporate Knights' Action Declaration on Climate Policy Action to push to accelerate policy change.

We are a signatory of the UN Principles for Responsible Investment, and in the past year, we officially became a signatory of the United Nations Global Compact (UNGC), after having incorporated its principles across our business for several years. The UNGC is a collective initiative where businesses pledge to implement ten universal sustainability principles in their operations.

Furthermore, CIP independently provides financial support to multiple non-profit social initiatives. Two examples of charities supported in 2022 are the [5 Schools Initiative](#) and the [Human Practice Foundation](#). Each of these initiatives focuses on establishing schools, improving access to education for children around the world.

In 2022, CIP also established the [CIP Foundation](#), an independent 'think-and-do tank' founded to make Denmark a front-runner in step-change societal projects.

### Upholding the law, with a focus on anti-bribery and corruption

Strong ethical conduct and compliance with the law by all employees is essential to CIP. These are fundamental elements of creating long-term, sustainable value and are enshrined in CIP's internal Code of Conduct.

**Our work in 2022:** CIP has a zero-tolerance stance on bribery and corruption. In 2022, there were no reported incidents of bribery or corruption involving the company or its employees, as has been the case each year since CIP's establishment.

Furthermore, in 2022 CIP developed a standalone anti-bribery and corruption (ABC) framework, which includes new policy documents and a company-wide e-Learning module to reduce the risk of improper or unethical conduct or incidents. In addition to strong employee conduct, 2022 also saw no regulatory penalties, fines or litigation issued to or against CIP.

**Focus ahead:** In 2023, we will further implement the ABC framework within CIP through knowledge and training sessions for all employees. This effort is supplementary to our standard approach of continually reviewing our compliance practices and being proactive in upholding the law and our own policies and procedures.

### Cybersecurity

Similar to the investment-level, cybersecurity in the management organisation has the potential to significantly impact business continuity, hampering our ability to meet our obligations to stakeholders.

**Our work in 2022:** Cybersecurity is a key focus area for CIP. Before 2022, CIP's IT was administered by third-party service providers. Over the course of 2022, CIP's expanded IT function took responsibility for all our IT platforms and built a robust cybersecurity strategy to be implemented across these platforms. The strategy is based on the ISO-27000 standard for cybersecurity and focuses on building capabilities in three domains: Security, Vigilance and Resilience. We have matured and expanded significantly in core IT capabilities and resourcing, especially in relation to monitoring and incident response. We have also rolled out company-wide cybersecurity training to strengthen the awareness and habits of employees as a first line of cybersecurity defence. In 2022, there were no cybersecurity incidents on CIP's IT infrastructure.

### Our approach to taxes

CIP's tax policy applies to CIP as a management company in the same way as it does to CIP's funds' investments. For further details, refer to [Chapter 3](#).



Copenhagen headquarters, Denmark

## Fines and penalties

0

regulatory penalties or fines in  
2022



# 05 Disclosures and reporting frameworks

CIP tracks ESG data for two reasons:

1. To monitor ESG risks and identify areas for improvement – this type of data ensures that CIP's contribution to 'net zero' is made sustainably.
2. To understand the positive impacts of its funds – this type of data demonstrates CIP's contribution to net zero.

Previous Chapters have described – in words – the impact of CIP's funds on the pathway to a net zero economy. This Chapter describes that impact in numbers.

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# ESG data disclosures – Key highlights

## Fund-level environmental disclosures

2021 <sup>1</sup>	ACTUAL RENEWABLE POWER GENERATION (THOUSANDS, MWH) <sup>2</sup>		ACTUAL GHG AVOIDED (OPERATING ASSETS) (THOUSANDS, TONNES GHG) <sup>2</sup>		EXPECTED ANNUAL GHG AVOIDED (ALL ASSETS) (THOUSANDS, TONNES GHG) <sup>2</sup>		EXPECTED ANNUALISED LIFECYCLE SCOPE 1-3 EMISSIONS (THOUSANDS, TONNES GHG) <sup>2</sup>		ENVIRONMENTAL PROSECUTIONS
FUND	Fund share	Total project figure	Fund share	Total project figure	Fund share	Total project figure	Fund share	Total project figure	Total project figure
CI I	395	1,059	70	210	210	900	5	40	0
CI II	3,271	5,181	1,080	1,685	1,910	4,995	60	170	0
CI III	1,413	2,208	355	515	1,680	3,285	95	165	0
CI IV	N/A <sup>4</sup>	N/A <sup>4</sup>	N/A <sup>4</sup>	N/A <sup>4</sup>	640	965	100	105	0
CI Artemis I	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	0
CI Artemis II	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	0
CI NMF I	N/A <sup>4</sup>	N/A <sup>4</sup>	N/A <sup>4</sup>	N/A <sup>4</sup>	1,790	3,650	130	265	0
TOTAL	5,080	7,988	1,505	2,315	6,225	10,880	390	645	0

2022

FUND	ACTUAL RENEWABLE POWER GENERATION (THOUSANDS, MWH) <sup>2</sup>		ACTUAL GHG AVOIDED (OPERATING ASSETS) (THOUSANDS, TONNES GHG) <sup>2</sup>		EXPECTED ANNUAL GHG AVOIDED (ALL ASSETS) (THOUSANDS, TONNES GHG) <sup>2</sup>		EXPECTED ANNUALISED LIFECYCLE SCOPE 1-3 EMISSIONS (THOUSANDS, TONNES GHG) <sup>2</sup>		ENVIRONMENTAL PROSECUTIONS
	Fund share	Total project figure	Fund share	Total project figure	Fund share	Total project figure	Fund share	Total project figure	
CI I	N/A <sup>3</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>	900	N/A <sup>3</sup>	40	0
CI II	2,855	3,940	940	1,300	1,800	4,995	55	170	0
CI III	1,278	2,114	300	470	1,625	3,405	95	170	0
CI IV	583	629	105	105	1,375	1,710	120	135	0
CI Artemis I	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	0
CI Artemis II	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	0
CI NMF I	19	39	10	25	1,790	3,650	130	265	0
CI GCF I	N/A <sup>2</sup>	N/A <sup>4</sup>	N/A <sup>2</sup>	N/A <sup>4</sup>	N/A <sup>2</sup>	345	N/A <sup>2</sup>	30	0
CI ETF I	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	0
TOTAL	4,734	6,712	1,355	1,890	6,585	12,095	400	705	0

## Fund-level social disclosures

FUND	NUMBER OF EQUIVALENT HOUSEHOLDS POWERED (ACTUAL, THOUSANDS) <sup>2</sup>				EXPECTED NUMBER OF EQUIVALENT HOUSEHOLD TO BE POWERED (THOUSANDS) <sup>2</sup>				LOST TIME INJURIES (LTI) <sup>2</sup>		LOST TIME INJURY FREQUENCY RATE (LTIF) <sup>2</sup>		TOTAL RECORDABLE INJURY RATE (TRIR) <sup>2</sup>	
	Fund share		Total project figure		Fund share		Total project figure							
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
CI I	110	N/A <sup>3</sup>	295	N/A <sup>3</sup>	160	N/A <sup>3</sup>	1,055	1,005	0	N/A <sup>3</sup>	0	N/A <sup>3</sup>	0	N/A <sup>3</sup>
CI II	455	385	915	710	770	700	2,845	2,805	5	2	2.3	0.6	7.5	3.6
CI III	245	235	425	425	1,035	1,015	1,885	1,985	3	3	1.3	0.8	4.8	3.5
CI IV	N/A <sup>4</sup>	150	N/A <sup>4</sup>	165	390	715	610	945	1	6	0.5	2.3	2.1	4.2
CI Artemis I	470	485	705	725	645	645	960	960	0	1	0	87.9 <sup>5</sup>	0	263.8 <sup>5</sup>
CI Artemis II	760	780	2,240	2,300	1,035	1,035	3,050	3,050	0	0	0	0	0	0
CI NMF I	N/A <sup>4</sup>	35	N/A <sup>4</sup>	70	2,650	2,650	5,410	5,410	0	0	0	0	0	0
CI GCF I	N/A <sup>1</sup>	N/A <sup>4</sup>	N/A <sup>1</sup>	N/A <sup>4</sup>	N/A <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>1</sup>	885	N/A <sup>1</sup>	N/A <sup>7</sup>	N/A <sup>1</sup>	N/A <sup>7</sup>	N/A <sup>1</sup>	N/A <sup>7</sup>
CI ETF I	N/A <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>1</sup>	2	N/A <sup>1</sup>	N/A <sup>6</sup>	N/A <sup>1</sup>	N/A <sup>6</sup>
TOTAL	2,040	2,070	4,450	4,390	6,685	6,760	14,005	15,270	6	12	1.2	1.4 <sup>6</sup>	4.0	4.1 <sup>6</sup>

## Fund-level governance disclosures

In 2021 and 2022, CIP screened 100% of project partners prior to the Final Investment Decision across all funds.

In 2021 and 2022, CIP's investments received zero regulatory fines and penalties across all funds.

In 2021 and 2022, CIP included ESG clauses in 100% of major supply contracts and other documents governing the construction and/or operations of an asset in the funds' underlying portfolio across all funds.

In 2022 CIP's funds obtained a GRESB management score of 29/30 (CI II, CI III, CI IV and CI NMF I), an improvement from 27/30 in 2021 (CI I, CI II, CI III and CI NMF I)<sup>8</sup>.

Assets in which more than one fund is invested, are only counted once in totals. CI ABF I is not included in these disclosures since no investments were made by the end of the reporting period. Further information on why there is not a direct correlation between fund size and impact size: Both climate- and household-related ESG metrics are highly dependent on the grid mix and the annual household electricity consumption in each country, which is the primary driver for variation in these numbers, including between years. An investment in a country with a more fossil fuel-based grid (e.g. USA) will result in more GHG emissions avoided than an equivalent-sized investment in a country with a more renewable grid (e.g. UK). Similarly, an investment in a country with a lower average household electricity consumption (e.g. India) will result in more equivalent households powered than an equivalent-sized investment in a country with a higher average household electricity consumption (e.g. USA). The locations of each fund investment are contained on [pages 56-57](#).

- 1) CI ETF I and CI GCF I are excluded from 2021 disclosures as no investments were made until 2022.
- 2) Reporting practices are presented on [pages 58-60](#).
- 3) Figure is N/A as all assets are divested.
- 4) Figure is N/A as the fund had no operational assets in the reporting period.
- 5) CI Artemis I had a limited number of working hours in 2022. As such a single injury in 2022 resulted in an unusually high injury frequency rate. This is assessed not to be reflective of broader H&S investment performance.
- 6) Rates were not available for CI ETF I due to data availability at the time of reporting.
- 7) Figure is N/A as no investments were under construction or operations during the reporting period.
- 8) GRESB is an organisation that administers a global ESG assessment for infrastructure funds, allowing a consistent, globally applicable reporting and benchmarking score. A fund is reported to GRESB after it has reached final close.

## Alignment of interests with stakeholders

CIP's engagement with stakeholders continued throughout 2022, with CIP's engagement channels and stakeholder focus areas for 2022 are set out below.

### 2022 STAKEHOLDER ENGAGEMENT SUMMARY (SELECTED EXAMPLES)

INVESTORS	Briefings and meetings	Formal investor reporting	
	ESG due diligence meetings, Investor Panel meetings	Annual ESG Report, Investor Panel materials	
GOVERNMENT AND REGULATORS	Meetings	Submissions and bids	Reporting
	Meeting local municipalities regarding benefits of renewables and consulting with national policymakers on how to support the industry	Engagement in energy infrastructure auctions	Sustainability regulatory reporting (e.g. SFDR, EU taxonomy)
SUPPLIERS	Reporting	Procurement processes	Meetings
	Receiving monthly reports from project contractors	Including ESG standards and reporting in request for proposals	Meeting senior management of supplier in case of ESG incident
COMMUNITIES	Ongoing dialogue and outreach	Websites, newsletters	Community meetings
	Engagement with fishing communities for offshore projects , Online forums for feedback, Sponsorships of local events and amenities	Online engagement and inbound communication with communities	School and community visits with local residents
INDUSTRY	Conferences and events	Participation on committees and working groups	Presentations
	Frequent attendance at 2022 conferences by ESG team	Member of working group formulating GRESB standards	Presentations to industry groups (e.g. Danish business forum)
EMPLOYEES	Training and workshops	Meetings	
	Multiple internal and external trainings held in 2022	Mandatory ESG intro for all new employees	













# Reporting frameworks

## Sustainable Development Goals

The Sustainable Development Goals (UN SDGs) are a blueprint developed by UN Member States to achieve a better and more sustainable future for all. Large scale investments in energy infrastructure will be instrumental in meeting these goals. Energy infrastructure provides

services that allow people to be economically productive (e.g. electricity) and enables development through job creation and economic activity. CIP uses the SDG framework as one way of measuring the impact of its funds under management.

SDG	KEY TARGET	HOW THE FUNDS CONTRIBUTE
	<b>Target 3.9</b> Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	Mitigating negative impact: SDG Indicator 3.9.1  The funds’ portfolios have 14 GW of renewable energy projects that have reached Final Investment Decision
	<b>Target 7.2</b> Increase substantially the share of renewable energy in the global energy mix	Creating positive impact: SDG Indicator 7.2.1  The funds’ portfolios have 14 GW of renewable energy projects that have reached Final Investment Decision
	<b>Target 8.8</b> Protect labour rights and promote safe and secure working environments for all	Mitigating negative impact: SDG Indicator 8.8.1  The funds had an annual LTIF of 1.4 in 2022, below industry average
	<b>Target 9.4</b> Make infrastructure and industries sustainable, with increased resource efficiency and use of renewable technology	Creating positive impact: SDG Indicator 9.4.1  Renewable projects and transmission assets in which the funds are invested avoid significant emissions, and CIP is working to decarbonise the fund’s investments’ supply chain
	<b>Target 12.4</b> Achieve environmentally sound management of chemicals and all wastes throughout their life cycle and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment	Mitigating negative impact: SDG Indicator 12.4.2  All of the funds’ projects have environmental management plans or systems to ensure that discharges, releases and emissions of hazardous waste are controlled, reported and managed
	<b>Target 13.3</b> Improve capacity on climate change management	Creating positive impact: SDG Indicator 13.2.2  Renewable energy projects and transmission assets in which CIP’s funds are investing, are often aligned with strengthened regulatory support regimes targeting climate change management and/or mitigation
	<b>Target 14.2</b> Sustainably manage and protect, and restore marine and coastal ecosystem	SDG Indicator: N/A (specific indicators not directly relevant to CIP)  CIP projects conduct environmental impact assessments and strive to minimise impact on local ecosystems
	<b>Target 15.5</b> Reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species	SDG Indicator: N/A (specific indicators not directly relevant to CIP)  CIP projects conduct environmental impact assessments and strive to minimise impact on local ecosystems

## Taskforce on Climate-Related Financial Disclosures (TCFD)

THEME	RECOMMENDED DISCLOSURE	REFERENCE CHAPTER/COMMENTS	PAGES
<b>GOVERNANCE</b>	<b>a.</b> Describe the board’s oversight of climate risks and opportunities <b>b.</b> Management’s role in assessing and managing climate-related risks and opportunities	The Board oversees CIP’s overall strategic direction, which contributes directly to the green transition and seeks to minimise the risk of investments, including climate-related risk Chapter 2	-  20-21
<b>STRATEGY</b>	<b>a.</b> Summary of climate risks and opportunities <b>b.</b> Impact of climate risks and opportunities on strategy planning <b>c.</b> Resilience of the strategy, under different climate-related scenarios	Chapter 1 Chapter 2 Chapter 3 Chapter 4	14-15 18-19 24-25 42-43
<b>RISK MANAGEMENT</b>	<b>a.</b> Processes for identifying and assessing climate-related risks <b>b.</b> Processes for managing climate-related risks <b>c.</b> Integration of climate risks into overall risk management	Chapter 2 Chapter 3 Chapter 3 Chapter 5	18-21 24-26 38 54-55
<b>METRICS AND TARGETS</b>	<b>a.</b> Metrics used to assess climate risks and opportunities <b>b.</b> Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and related risks. <b>c.</b> Describe the targets and performance for climate risks and opportunities	Chapter 3 Chapter 4 Chapter 5 Chapter 5  The funds’ portfolios have 14 GW of renewable energy projects that have reached Final Investment Decision  Funds raised for renewable energy infrastructure projects: € 19 bn  Target for Funds raised for renewable energy infrastructure projects in 2030: € 100 bn	24-25 42-43 54-55 56-57

## Taskforce on Nature Related Financial disclosures and Science Based Targets for Nature reporting

We are aware of the ongoing work on a global level by the Science Based Targets Network and the Taskforce on Nature-related Financial Disclosures, to define reporting frameworks and standards for company level strategy. At the time of drafting this report, the final frameworks were not yet released, and are therefore not included in this report. Nevertheless, the guidance of these frameworks has informed the biodiversity-related information covered in this report. CIP supports the ongoing work of these initiatives to drive positive long-term outcomes for nature, and will strive to align our reporting to them going forward.

## Further information

This ESG report is a voluntary report made available by CIP in order to report on the ESG performance of the Funds and CIP, and does not address or include any regulatory obligations or disclosures, such as the SFDR or the EU Taxonomy. The report is not extending the CSR information provided in the annual report for CIP Holding P/S and not made available to ensure compliance with the disclosure requirements of the Danish Financial Statement Act.



# Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) Reporting

CIP applies the SASB and GRI reporting frameworks by selecting a prioritised set of indicators from the two frameworks on which to report. Indicators are selected based on their applicability to CIP’s strategic ESG focus areas and their materiality to CIP’s business and operations.

Our approach to reporting under these and other frameworks evolves each year, with an intention to cover as many relevant elements of sustainability performance as we can going forward.

GRI STANDARD	DISCLOSURE	SASB CODE	COVERAGE	REFERENCE CHAPTER	PAGES
<b>GRI 2</b>  General Disclosures 2021	2-1 Organisational details		●	Back cover	-
	2-2 Entities included in the organisation’s sustainability reporting		● ●	Chapter 5	63
	2-3 Reporting period, frequency and contact point		●	This report covers full-year 2021 and full-year 2022 respectively, and is an annual publication, for contact points visit cip.com	-
	2-4 Restatements of information		●	No restatements of information were required in this report	-
	2-5 External assurance		● ●	Chapter 5	63
	2-6 Activities, value chain and other business relationships		● ●	Chapter 3	25
	2-9 Governance structure and composition		●	Chapter 2	21
	2-13 Delegation of responsibility for managing impacts		●	Chapter 2	21
	2-16 Communication of critical concerns	FN-AC-510a.2	●	CIP’s whistleblower channel is handled by an impartial and reputable 3rd party. There were no cases in 2021 or 2022	-
	2-22 Statement on sustainable development strategy	FN-AC-410a.2	●	Chapter 1	8-9
	2-27 Compliance with laws and regulations		● ●	Chapter 3 Chapter 4	38-39 46-47
	2-29 Approach to stakeholder engagement		● ●	Chapter 5	51
<b>GRI 3</b>  Material Topics 2021	3-1 Process to determine material topics		● ●	Chapter 5	58-60
	3-2 List of material topics		● ●	Chapter 2	18
<b>GRI 203</b>  Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported		●	Chapter 3 Chapter 5	34-35 50-51
<b>GRI 205</b>  Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken		● ●	Chapter 3 Chapter 4	38-39 46-47
<b>GRI 206</b>  Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		● ●	Chapter 3 Chapter 4	38-39 46-47
<b>GRI 207</b>  Tax 2019	207-1 Approach to tax		● ●	Chapter 3 Chapter 4	38-39 46-47
<b>GRI 302</b>  Energy 2016	302-1 Energy consumption within the organisation		●	2022 total energy consumption under Scope 2: 1.2 GWh	-

● Management-level   ● Investment-level

GRI STANDARD	DISCLOSURE	SASB CODE	COVERAGE	REFERENCE CHAPTER	PAGES
<b>GRI 305</b>  Emissions 2016	305-1: Direct (Scope 1) GHG emissions	IF-EU-110a.1(1)	● ●	Chapter 3 Chapter 4	24-25 42-43
	305-2: Energy indirect (Scope 2) GHG emissions		● ●	Chapter 3 Chapter 4	24-25 42-43
	305-3: Other indirect (Scope 3) GHG emissions		● ●	Chapter 3 Chapter 4	24-25 42-43
<b>GRI 403</b>  Occupational Health and Safety 2018	403-1: Occupational health and safety management system		●	Chapter 3	32-33
	403-2: Hazard identification, risk assessment, and incident investigation		●	Chapter 3	32-33
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		●	Chapter 3	32-33
	403-9: Work-related injuries		●	Chapter 3	32-33
	403-10: Work-related ill health		●	Chapter 3	32-33
<b>GRI 404</b>  Training and Education 2016	404-2: Programs for upgrading employee skills and transition assistance programs		●	Chapter 4	44-45
<b>GRI 405</b>  Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	FN-AC-330a.1	●	Chapter 4	44-45
<b>GRI 413</b>  Local Communities 2016	413-1: Operations with local community engagement, impact assessments, and development programs	RR-ST-160a.2	●	Chapter 3	34-35
<b>Finance sector indicators-Disclosure on management approach</b>	FS1: Policies with specific environmental and social components applied to business lines		●	Chapter 2	19
	FS2: Procedures for assessing and screening environmental and social risks in business lines		●	Chapter 2	20
	FS3: Processes for monitoring clients’ implementation of and compliance with environmental and social requirements included in agreements or transactions		●	Chapter 2	20
<b>Finance sector indicators-Product portfolio</b>	FS6: Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme/ large) and by sector		●	CIP Funds at a glance Chapter 5	4-5 56-57
	FS8: Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose		●	The entire CIP portfolio of € 19 bn is invested in in assets that deliver environmental benefits. Specific metrics are outlined in Chapter 5 Chapter 1	50-51 8-15
<b>Finance sector indicators-Product portfolio</b>	FS10: Percentage and number of companies held in the institution’s portfolio with which the reporting organisation has interacted on environmental or social issues		●	Chapter 2 CIP interacts with all portfolio companies on these issues	18-21
	FS11: Percentage of assets subject to positive and negative environmental or social screening	FN-AC-410a.1	●	Chapter 1 CIP’s full portfolio is subject to screening on environmental and social criteria	14-15
N/A		FN-AC-000.A: (1) Total registered and (2) total unregistered assets under management (AUM)	●	Across its funds CIP manages total committed funds of € 19 bn	-



Investment-level disclosures

- Offshore wind
- Onshore wind
- Biomass
- Transmission
- Solar PV
- Geothermal
- Waste-to-energy

Investment-level disclosures 2021

FUND	ASSET TYPE	LOCATION	EXPECTED ANNUAL EMISSIONS TO BE AVOIDED (TONNES GHG EMISSIONS) <sup>9</sup>		EXPECTED EQUIVALENT HOUSEHOLDS TO BE POWERED <sup>9</sup>		EXPECTED ANNUALISED LCA SCOPE 1-3 EMISSIONS (TONNES GHG EMISSIONS) <sup>9</sup>	
			Fund share	Total project figure	Fund share	Total project figure	Fund share	Total project figure
CI I			210,000	900,000	160,000	1,055,000	5,000	40,000
Beatrice <sup>10</sup>	●	United Kingdom	15,000	495,000	20,000	690,000	1,000	30,000
Borea <sup>10</sup>	●	United Kingdom	195,000	405,000	105,000	220,000	4,000	9,000
BPCL <sup>10</sup>	●	United Kingdom	N/A <sup>9</sup>	N/A <sup>9</sup>	30,000	145,000	N/A <sup>9</sup>	N/A <sup>9</sup>
CI II			1,910,000	4,995,000	770,000	2,845,000	60,000	170,000
Bearkat I	●	United States	235,000	320,000	55,000	75,000	6,000	9,000
Bearkat II	●	United States	205,000	205,000	55,000	55,000	7,000	7,000
Beatrice <sup>10</sup>	●	United Kingdom	15,000	495,000	20,000	690,000	1,000	30,000
Blue Cloud I	●	United States	245,000	245,000	60,000	60,000	7,000	7,000
Brite <sup>11</sup>	●	United Kingdom	N/A <sup>9</sup>	N/A <sup>9</sup>	N/A <sup>11</sup>	90,000	N/A <sup>9</sup>	N/A <sup>9</sup>
Changfang & Xidao	●	Taiwan	275,000	1,260,000	170,000	780,000	7,000	35,000
Fluvanna I	●	United States	190,000	260,000	45,000	60,000	5,000	7,000
Fluvanna II <sup>10</sup>	●	United States	180,000	250,000	45,000	60,000	5,000	7,000
Kent	●	United Kingdom	N/A <sup>9</sup>	N/A <sup>9</sup>	45,000	50,000	N/A <sup>9</sup>	N/A <sup>9</sup>
Mitchell <sup>10</sup>	●	United States	30,000	50,000	9,000	15,000	5,000	7,000
Veja Mate	●	Germany	235,000	750,000	180,000	570,000	7,000	25,000
Vineyard Wind I	●	United States	290,000	1,155,000	85,000	340,000	10,000	45,000
CI III			1,680,000	3,285,000	1,035,000	1,885,000	95,000	165,000
Changfang & Xidao	●	Taiwan	825,000	1,260,000	510,000	780,000	20,000	35,000
Deutsche Erdwärme	●	Germany	25,000	35,000	30,000	40,000	4,000	5,000
Greasewood	●	United States	195,000	195,000	60,000	60,000	30,000	30,000
Lostock	●	United Kingdom	110,000	185,000	80,000	135,000	N/A <sup>9</sup>	N/A <sup>9</sup>
Misae	●	United States	100,000	200,000	30,000	60,000	15,000	30,000
Monegros	●	Spain	105,000	205,000	230,000	450,000	8,000	15,000
Sage	●	United States	25,000	50,000	7,000	15,000	4,000	7,000
Vineyard Wind I	●	United States	290,000	1,155,000	85,000	340,000	10,000	45,000
CI IV			640,000	965,000	390,000	610,000	100,000	105,000
Fighting Jays	●	United States	240,000	240,000	75,000	75,000	40,000	40,000
Slough	●	United Kingdom	75,000	145,000	55,000	110,000	N/A <sup>9</sup>	N/A <sup>9</sup>
Travers	●	Canada	80,000	80,000	105,000	105,000	55,000	55,000
Zone 29	●	Taiwan	245,000	500,000	155,000	320,000	7,000	15,000
CI ARTEMIS I			N/A <sup>9</sup>	N/A <sup>9</sup>	645,000	960,000	N/A <sup>9</sup>	N/A <sup>9</sup>
CI Artemis I	●	Germany	N/A <sup>9</sup>	N/A <sup>9</sup>	645,000	960,000	N/A <sup>9</sup>	N/A <sup>9</sup>
CI ARTEMIS II			N/A <sup>9</sup>	N/A <sup>9</sup>	1,035,000	3,050,000	N/A <sup>9</sup>	N/A <sup>9</sup>
CI Artemis II	●	Germany	N/A <sup>9</sup>	N/A <sup>9</sup>	1,035,000	3,050,000	N/A <sup>9</sup>	N/A <sup>9</sup>
CI NMF I			1,790,000	3,650,000	2,650,000	5,410,000	130,000	265,000
Unicus	● ●	India	1,790,000	3,650,000	2,650,000	5,410,000	130,000	265,000
TOTAL			6,225,000	10,880,000	6,685,000	14,005,000	390,000	645,000

Assets in which more than one fund is invested are only counted once in totals. The figures include rounding. CI ETF I is excluded as metrics are not directly applicable, as its only investment at end 2022 is in an electrolyser producer (detailed further in 'Reporting practices' section). CI ABF I is excluded as no investments reached Final Investment Decision by the end of the reporting period. Between the end of the reporting period and the publication date, Project Tønder (CI ABF I) reached Final Investment Decision. Performance indicators for this investment will be presented in the 2023 ESG Report.

9) Reporting practices are presented on [pages 58-60](#).  
10) Asset was fully divested during the reporting period.  
11) Asset was fully divested before the reporting period.  
12) Asset was partially divested during reporting period.  
13) Golden Gate is an equity investment which reached financial close after the reporting period and is therefore not included in the data presented in this report.

Investment-level disclosures 2022

FUND	ASSET TYPE	LOCATION	EXPECTED ANNUAL EMISSIONS TO BE AVOIDED (TONNES GHG EMISSIONS) <sup>9</sup>		EXPECTED EQUIVALENT HOUSEHOLDS TO BE POWERED <sup>9</sup>		EXPECTED ANNUALISED LCA SCOPE 1-3 EMISSIONS (TONNES GHG EMISSIONS) <sup>9</sup>	
			Fund share	Total project figure	Fund share	Total project figure	Fund share	Total project figure
CI I			N/A <sup>11</sup>	900,000	N/A <sup>11</sup>	1,005,000	N/A <sup>11</sup>	40,000
Beatrice <sup>11</sup>	●	United Kingdom	N/A <sup>11</sup>	495,000	N/A <sup>11</sup>	655,000	N/A <sup>11</sup>	30,000
Borea <sup>11</sup>	●	United Kingdom	N/A <sup>11</sup>	405,000	N/A <sup>11</sup>	210,000	N/A <sup>11</sup>	9,000
BPCL <sup>11</sup>	●	United Kingdom	N/A <sup>11</sup>	N/A <sup>9</sup>	N/A <sup>11</sup>	135,000	N/A <sup>11</sup>	N/A <sup>9</sup>
CI II			1,800,000	4,995,000	700,000	2,805,000	55,000	170,000
Bearkat I	●	United States	320,000	320,000	75,000	75,000	9,000	9,000
Bearkat II	●	United States	205,000	205,000	55,000	55,000	7,000	7,000
Beatrice <sup>11</sup>	●	United Kingdom	N/A <sup>11</sup>	495,000	N/A <sup>11</sup>	655,000	N/A <sup>11</sup>	30,000
Blue Cloud I	●	United States	245,000	245,000	60,000	60,000	7,000	7,000
Brite <sup>11</sup>	●	United Kingdom	N/A <sup>9</sup>	N/A <sup>9</sup>	N/A <sup>11</sup>	85,000	N/A <sup>9</sup>	N/A <sup>9</sup>
Changfang & Xidao <sup>12</sup>	●	Taiwan	235,000	1,260,000	145,000	780,000	6,000	35,000
Fluvanna I	●	United States	260,000	260,000	60,000	60,000	7,000	7,000
Fluvanna II <sup>11</sup>	●	United States	N/A <sup>11</sup>	250,000	N/A <sup>11</sup>	60,000	N/A <sup>11</sup>	7,000
Kent	●	United Kingdom	N/A <sup>9</sup>	N/A <sup>9</sup>	45,000	50,000	N/A <sup>9</sup>	N/A <sup>9</sup>
Mitchell <sup>11</sup>	●	United States	N/A <sup>11</sup>	50,000	N/A <sup>11</sup>	15,000	N/A <sup>11</sup>	7,000
Veja Mate	●	Germany	235,000	750,000	180,000	570,000	7,000	25,000
Vineyard Wind I	●	United States	290,000	1,155,000	85,000	340,000	10,000	45,000
CI III			1,625,000	3,405,000	1,015,000	1,985,000	95,000	170,000
Changfang & Xidao <sup>12</sup>	●	Taiwan	710,000	1,260,000	440,000	780,000	20,000	35,000
Deutsche Erdwärme	●	Germany	25,000	35,000	30,000	40,000	4,000	5,000
Greasewood	●	United States	195,000	195,000	60,000	60,000	30,000	30,000
Jeonnam I	●	Korea	60,000	125,000	55,000	110,000	2,000	4,000
Lostock	●	United Kingdom	110,000	185,000	75,000	130,000	N/A <sup>9</sup>	N/A <sup>9</sup>
Misae	●	United States	100,000	200,000	30,000	60,000	15,000	30,000
Monegros	●	Spain	105,000	205,000	230,000	450,000	8,000	15,000
Sage	●	United States	25,000	50,000	7,000	15,000	4,000	7,000
Vineyard Wind I	●	United States	290,000	1,155,000	85,000	340,000	10,000	45,000
CI IV			1,375,000	1,710,000	715,000	945,000	120,000	135,000
Buffalo Plains	●	Canada	145,000	145,000	135,000	135,000	15,000	15,000
Fighting Jays	●	United States	240,000	240,000	75,000	75,000	40,000	40,000
Slough	●	United Kingdom	75,000	145,000	55,000	105,000	N/A <sup>9</sup>	N/A <sup>9</sup>
Travers <sup>12</sup>	●	Canada	70,000	80,000	90,000	105,000	50,000	55,000
Zone 29	●	Taiwan	245,000	500,000	155,000	320,000	7,000	15,000
Lotus Creek	●	Australia	595,000	595,000	205,000	205,000	10,000	10,000
CI ARTEMIS I			N/A <sup>9</sup>	N/A <sup>9</sup>	645,000	960,000	N/A <sup>9</sup>	N/A <sup>9</sup>
CI Artemis I	●	Germany	N/A <sup>9</sup>	N/A <sup>9</sup>	645,000	960,000	N/A <sup>9</sup>	N/A <sup>9</sup>
CI ARTEMIS II			N/A <sup>9</sup>	N/A <sup>9</sup>	1,035,000	3,050,000	N/A <sup>9</sup>	N/A <sup>9</sup>
CI Artemis II	●	Germany	N/A <sup>9</sup>	N/A <sup>9</sup>	1,035,000	3,050,000	N/A <sup>9</sup>	N/A <sup>9</sup>
CI GCF I			N/A <sup>9</sup>	345,000	N/A <sup>9</sup>	885,000	N/A <sup>9</sup>	30,000
Capital Energy	●	Spain	N/A <sup>9</sup>	345,000	N/A <sup>9</sup>	885,000	N/A <sup>9</sup>	30,000
CI NMF I <sup>13</sup>			1,790,000	3,650,000	2,650,000	5,410,000	130,000	265,000
Unicus	● ●	India	1,790,000	3,650,000	2,650,000	5,410,000	130,000	265,000
TOTAL			6,585,000	12,095,000	6,760,000	15,270,000	400,000	705,000





# Reporting practices

All funds within the scope of this report are managed by CIP PS or affiliated management companies. In this report, references to an investment refer to an investment made by the relevant fund. An investment is considered to be made and an asset considered being in a fund’s portfolio when that fund has taken a Final Investment Decision on the specific investment.

## Annualised lifecycle Scope 1-3 emissions

Estimates of annualised lifecycle Scope 1-3 emissions are calculated by applying asset-specific data to international peer-reviewed research papers from 2018 onwards and lifecycle assessment databases. Estimates include emissions from the development, construction and decommissioning phases and include supply chain emissions. A figure of N/A indicates that CIP is currently assessing its methodology with respect to this metric. All figures reported contain rounding. Totals given in tables are rounded from exact figures.

## Cybersecurity incidents

Any electronic, physical, natural, or social activity that, if successful, threatens the confidentiality, integrity or availability of information (IT) systems, or any action that is in violation of the Information Security Policy.

## Energy consumption within the organisation

Defined as GWh of electricity and heating used at CIP offices including both power procured from the grid and produced on site. For offices where data was unavailable, extrapolations were made based on FTEs. For offices that were shared with other entities, assumptions of split of power use were made based on relative use of office space.

## Environmental prosecutions

An instance of legal proceedings (imposed for breaking a law, rule or permit condition) commenced against a project company by the public authority responsible for administering or protecting the natural environment.

## ESG clauses in contracts

Defined as a clause in a major supply contract or other document governing the construction and/or operations of an asset in the funds’ underlying portfolio which contains obligations related to one or more of the funds’ ESG key focus areas, including environmental impacts, environmental compliance, health and safety, labour standards and fair employment practices, and community relations.

## Estimated actual GHG emissions avoided

Estimated avoided GHG emissions are taken to result from assets in the fund’s portfolio that were generating power as of 31 December 2021 and 2022 respectively. If these assets had not generated that power, it is taken to have been provided by sources comprising the forecasted 2021/2022 energy balance in that country from the IEA.

Avoided GHG emissions are calculated as the difference between the estimated GHG emissions resulting from the total amount of power actually generated by assets in the fund’s portfolio and the estimated baseline GHG emissions that would have resulted from the equivalent amount of power being generated in the relevant countries (assuming the 2021/2022 energy balance). Figures for estimated GHG emissions are calculated based on GHG emissions factors for 2021/2022 obtained from the IEA.

Figures include GHG emissions resulting from the development, construction and decommissioning phase, using third-party-verified benchmark estimates of annualised lifecycle Scope 1, 2 and 3 emissions. The GHG emissions from the operation of offshore wind, onshore wind and solar PV assets in the funds’ portfolios are considered to be zero. The estimated GHG emissions avoided for biomass assets in the funds’ portfolios are given as N/A as CIP is currently assessing its methodology with respect to biomass. N/A stated for CI ETF I as the metric is not directly applicable, as its only investment at end 2022 is in an electrolyser producer, and avoided emissions will be captured through the subsequent use of such produced electrolyzers. N/A stated for CI Artemis I and CI Artemis II as the metric is not relevant for transmission assets. All figures reported contain rounding. Totals given in tables are rounded from exact figures.

## Estimated expected GHG emissions to be avoided

Expected GHG emissions to be avoided are presented as an annual figure. The figure is calculated using the estimated forecast amount of power generated annually by all assets in the funds’ portfolios that have reached Final Investment Decision, including assets that are not yet operational and divested assets. The figure is calculated as the difference between the estimated GHG emissions resulting from that amount of forecast power and the estimated baseline GHG emissions that would have resulted from the equivalent amount of power being generated annually in the relevant countries (assuming the energy balance in the first full calendar year of operations of that asset). Figures for estimated GHG emissions are calculated based on GHG emissions factors for the first year of the asset’s operations obtained from the IEA.

For waste-to-energy plants, the figure is calculated using the estimated forecast amount of waste processed

annually. The figure is calculated as the difference between the estimated GHG emissions resulting from that amount of waste being processed and the estimated baseline GHG emissions that would have resulted from the equivalent amount of waste being diverted to landfill.

Figures include GHG emissions resulting from the development, construction and decommissioning phase, using third-party-verified benchmark estimates of annualised lifecycle Scope 1, 2 and 3 emissions. Additional assumptions are the same as those under the third paragraph of the section titled "Estimated actual GHG emissions avoided".

## Estimated equivalent households powered

The calculation of estimated equivalent households powered is performed by dividing the amount of power generated by assets in the fund’s portfolio in each country, represented as an annualised figure, by recent estimates of average annual household power consumption in that country (using publicly available data obtained from national energy authorities and national statistics bodies). N/A stated for CI ETF I and CI ABF I, as no power is currently generated or transmitted. Equivalent households powered for CI Artemis I and CI Artemis II represents power that is transmitted (rather than generated) by the assets. All figures reported contain rounding. Totals given in tables are rounded from exact figures.

## Estimated equivalent households to be powered

The calculation of future equivalent households to be powered is performed by dividing the forecast estimated amount of annual power generated by assets in the fund’s portfolio in each country by recent estimates of average annual household power consumption in that country (using publicly available data obtained from national energy authorities and national statistics bodies). The estimates include all assets in the funds’ portfolios that have reached Final Investment Decision, including assets that are not yet operational and divested assets. N/A stated for CI ETF I and CI ABF I, as no power generating capacity is currently in the funds’ portfolios. Equivalent households powered for CI Artemis I and CI Artemis II represents power that is transmitted (rather than generated) by the assets. All figures reported contain rounding. Totals given in tables are rounded from exact figures.

## Fund share

Figures are represented based on the funds’ proportion of total sponsor funding. Where the fund has divested a share of or otherwise altered its share of the project sponsor funding during the reporting period, a weighted average of the share of sponsor funding throughout the reporting

period is used. N/A stated for CI GCF I as CIP is currently assessing its methodology with respect to estimating fund share of total sponsor funding in the context of credit funds.

## GHG accounting approach – CIP Management

Estimated in accordance with the GHG Protocol. The Scope 3 categories 4, 8, 9, 10, 11, 12, 13 and 14 are not applicable to CIP Management. Financed emissions (Scope 3 category 15) are reported separately.

Emissions are estimated based on the operational control approach, and are based on actual data, where available. Emissions factors used include supplier-specific emission factors and third-party-verified sources including IEA (2022), AIB (2021), the UK Department for Environment, Food & Rural Affairs (DEFRA) (2022), U.S. Environmental Protection Agency (US EPA) (2022), Fira (2011) and The Big Climate Database; Andrae et al. (2014).

Energy-related emissions estimated based on actual energy consumption and extrapolations based on FTEs. Emissions from purchased goods and capital goods estimated based on activity-based method and spend data. Emissions from waste estimated based on data on type and amount of waste and extrapolations based on FTEs. Emissions from business travel estimated based on actual routes and class type and spend data (for all non-flight related travel). Emissions from employee commuting calculated based on employee surveys.

CIP’s 2022 location-based Scope 2 emissions were 132.9 tonnes of GHG emissions and outside of Scope emissions were 144.4 tonnes GHG emissions.

## GHG Accounting – Recalculation policy

CIP’s recalculation policy is defined in line with section 9.3 of the GHG Protocol (Corporate Value Chain (Scope 3) Accounting and Reporting Standard).

## GHG Accounting – Investments’ Scope 1-3 emissions

GHG emissions have been calculated through a combination of calculation approaches, including the supplier-specific method (using site-specific LCAs and EPDs), the activity-based method (based on activity data provided), the spend-based method (based on spend on a specific activity or category) or using proxy data (that is, using data from a similar activity or component). Emission factors have been collected via third-party-verified sources including Eco.Invent, environmental product declarations (EPDs), research-based life cycle assessments (LCAs), national statistics bodies, the International Energy Agency





(IEA) or otherwise known and qualified emission factor databases. To the extent possible, multiple datapoints have been gathered for each emission factor to validate the sources used. Emissions will vary substantially based on whether the underlying asset is under construction or operations in the relevant time period.

Emission estimates were performed for a number of representative base assets, which were subsequently extrapolated to the full portfolio, based on a selection of extrapolation factors which, based on insights from technical experts, are assessed to be the key drivers of emissions.

### GHG, units

GHG Emissions have been measured in tonnes of CO<sub>2</sub>e (carbon dioxide equivalent), with all estimated emissions converted according to global warming potential, to an equivalent number of tonnes of CO<sub>2</sub> emitted.

### In operations

CIP defines a project as “in operations” when it has reached commercial operation date, the contractual date on which a project is handed over from the contractor to the owner, and commercial operation of the project begins.

### Lost Time Injury (LTI) and Lost Time Injury Frequency (LTIF)

A lost time injury is a work-related injury resulting in absence for at least one full working day. LTIF is calculated as the number of LTIs per one million hours worked on project sites.

The figures presented include employees of all contractors who have been present on the site (where known) and are presented based on information provided directly by project companies and contractors. Figures include projects that are under construction or in operations.

### Materiality assessment

This report focuses on the ESG topics most significant to CIP’s funds and operations. In 2022, CIP’s most material ESG topics were re-evaluated through a double materiality lens: that is, considering both the impact of CIP’s operations and investments on the environment and society, and the impact of the environment and society on CIP’s operations and investments. The exercise built on the approach taken in 2021, where material topics were selected based on both CIP’s extensive industry experience, and guidance from the Global Reporting Initiative (GRI).

In 2022, this work was supplemented with a peer benchmarking exercise to identify topics deemed material by other stakeholders, as well as review of SASB and ESRS to align with sector-specific standards. Each topic was placed on a materiality matrix of “Significance of impact on society, environment or economy” and “Financial Materiality”. This 2022 exercise defined the strategic focus areas that form the basis of this 2022 ESG Report, which were grouped based on the material topics deemed highly material using this double materiality lens.

### Power generation

Power generation is calculated as total electricity supplied. N/A stated for CI Artemis I and CI Artemis II as the metric is not relevant for transmission assets. N/A stated for CI ETF I as the metric is not directly applicable, as its only investment at end 2022 is in an electrolyser producer.

### SASB indicator selection

For reporting in reference to the SASB indicators, the metrics are selected from the industry standards applying to ‘Asset management & custody activities (ver. 2021-12)’, ‘Electric utilities & power generators (ver. 2018-10)’, ‘Solar technology & power developers (ver. 2018-10)’ and Wind technology & power developers (ver. 2018-10)’.

### Total project figures

Figures represented on a “total project” basis represent 100% of a project’s ESG performance and do not take the project’s capital structure or the funds’ share of project sponsor funding into account.

### Total Recordable Incident Rate (TRIR)

This is calculated as the number of lost time injuries, medical treatment cases and fatalities per one million hours worked on project sites. The figures presented include employees of project companies and contractors who have been present on the site (where known) and are presented based on information provided directly by project companies and contractors. Figures include projects that are under construction or in operations.

### Total sponsor funding

CIP defines total sponsor funding as the total amount of funding provided to a project by sources other than senior debt providers and passive investors.

### Under development or construction

CIP defines a project as “under development or construction” during the period before it is “In operations” (see definition).

## Important information

### Important Information for this report

This report (the "Report") contains general information about the investment strategies and sustainability approaches applied by Copenhagen Infrastructure Partners P/S, Copenhagen Infrastructure Partners II P/S and funds known as Copenhagen Infrastructure I, Copenhagen Infrastructure II, Copenhagen Infrastructure III, Copenhagen Infrastructure IV, CI Artemis I, CI Artemis II, CI Energy Transition Fund I, CI Advanced Bioenergy Fund I, CI New Markets Fund I, CI Green Credit Fund I (each a “Fund” and jointly the “Funds”). The Report is issued to comply with certain contractual requirements set out in the governing documents of the Funds. The report has not been prepared for the purpose of complying with any requirements under Danish Financial Statements Act neither in relation to the Funds nor to Copenhagen Infrastructure Partners P/S nor Copenhagen Infrastructure Partners II P/S (jointly “CIP”) in their capacity as managers of the Funds.

This Report is not an offer to sell or a solicitation of an offer to buy any security issued by the Fund or any other CIP sponsored investment vehicle (each vehicle being a “CI Fund”) or any other security in any jurisdiction, and this Report may not be distributed in any jurisdiction except in accordance with legal requirements applicable in such jurisdiction. Any offer or solicitation relating to the securities of the Funds may only be made by delivery of a final confidential private placement memorandum or other offering documents of the Funds (as amended, restated, supplemented or otherwise modified) and only where permitted by law. An investment in the CI Funds entails a high degree of risk. No risk control mitigant is failsafe, and any investment is subject to significant risk of loss of income and capital, which may occur as a result of identified or unidentified risks.

Any performance information in this Report is unaudited, preliminary, and may be based on estimates (reference is made to the independent auditor’s assurance statement included in this report). Past performance is not necessarily indicative, or a guarantee, of future results. There can be no assurance that any CI Fund or any investment will achieve comparable results or that CIP will be able to implement its investment strategy with respect to any CI Fund or investment. There can be no assurances or guarantees that the CI Funds’ investment or sustainability objectives will be realised, that the CI Funds’ investment strategy will prove successful or that investors will not lose all or a portion of their investment in the Funds. Furthermore, investors should not construe the performance of any predecessor CIP-sponsored funds as providing any assurances or predictive value regarding future performance of the Funds. As with all performance data, past performance can provide no assurance of future results.

By accepting this Report, the recipient agrees that, without the prior written consent of CIP, the recipient shall not copy, distribute, make available or otherwise disclose, in whole or in part, any information in this Report to any other parties. This Report is not intended to constitute legal, tax, accounting, finance or investment advice or an investment recommendation. Prospective and existing investors should consult their own advisors about such matters prior to making a determination to invest in a Fund.

Certain information included in this Report was derived from third-party materials or other sources believed to be accurate, but no independent verification has been made of such material or other sources. The views expressed herein are the opinions of CIP and should not be construed as absolute statements and are subject to change without notice to you. No representation, express or implied, is given regarding the accuracy of the information contained herein. Neither CIP nor any of its affiliates or their respective officers, directors, employees, representatives, agents, members, partners or shareholders has any obligation to update the information contained herein. CIP accepts no liability or responsibility for the accuracy, content, errors, omissions, completeness, legality, or reliability of the information contained in this Report or obtained in relation to this Report and CIP shall not be liable for any loss or damage of whatever nature (direct, indirect, consequential, or other) whether arising in contract, tort or otherwise, which may arise as a result of a recipient’s use of (or inability to use) information contained in or derived from this Report. The inclusion of any third-party firm and/or company names, brands and/or logos does not imply any affiliation with such firms or companies. None of such firms or companies have endorsed CIP, any CI Fund or any of their affiliates or personnel.

Statements contained in this Report are based on current expectations, estimates, projections, opinions and beliefs of CIP as of the date hereof unless stated otherwise, and neither the delivery of this Report at any time nor any sale of the interests in any CI Fund shall under any circumstances create an implication that the information contained herein is correct as of any time after such date. Such statements involve known and unknown risks and uncertainties, and undue reliance should not be placed thereon. Additionally, certain information herein reflects CIP’s opinions and beliefs regarding general conditions and potential impacts of such conditions. Such opinions and beliefs are subjective, do not represent a complete assessment of the market and cannot be independently verified. Certain information contained in this Report constitutes “forward-looking statements” that may be identified by the use of forward-looking terminology such





as “may,” “will,” “should,” “expect,” “anticipate,” “estimate,” “intend,” “continue,” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Any forward-looking statements included herein are based on CIP’s current opinions, assumptions, expectations, beliefs, intentions, estimates or strategies regarding future events, are subject to risks and uncertainties, and are provided for informational purposes only. Actual and future results and trends could differ materially, positively or negatively, from those described or contemplated in such forward-looking statements. Certain numerical data contained within this Report may not add up due to rounding. Moreover, actual events are difficult to project and often depend upon factors that are beyond the control of CIP. Given these uncertainties, no reliance should be placed on such forward-looking statements. No forward-looking statements contained in this Report constitute a guarantee, promise, projection, forecast or prediction of, or representation as to, the future and actual events may differ materially. CIP neither (i) assumes responsibility for the accuracy or completeness of any forward-looking statements, nor (ii) undertakes any obligation to update or revise any forward-looking statements for any reason after the date of this Report.

Any specific investments or case studies identified in this Report were selected for inclusion on the basis of being representative of investments that CIP believes are comparable to current or future investments that CI Funds may seek to make. It should not be assumed that investments identified were or will be profitable or sustainable; that their performance is necessarily representative of CIP’s overall performance; that CIP will be able to effect similar changes or improvements in the strategies, business or operations of any future investments; or that decisions CIP or any CI Fund will make in the future will be comparable. Investment results are due to a number of factors in addition to CIP’s asset management approach, including the skills and capabilities of portfolio company- or investment-level management, contributions by consortium partners, industry trends and conditions and general economic and financial conditions. Actual results may differ materially, positively or negatively, from those reflected in this Report. The asset management approach of CIP to each portfolio investment is highly particular to each portfolio investment and depends on the facts and circumstances of that particular asset. The sustainability approaches described in any specific investments or case studies identified in this Report may or may not be used for any future CI Fund but are representative of the approaches CIP may employ. No assurances are given that any such sustainability approach will be employed by CIP or will achieve any particular result.

Certain information contained herein relating to any goals, targets, intentions, or expectations is subject to change and no assurance can be given that such goals targets, intentions or expectations will be met. The United Nations Sustainable Development Goals (“UN SDGs”) are aspirational in nature. Any express or implied references to whether and how certain initiatives may contribute to or align with the UN SDGs is inherently subjective and dependent on a number of factors and CIP makes no commitment or guarantee that it is investing in companies that have a formal commitment or plan or take specific actions to support or contribute to the UN SDGs. There can be no assurance that reasonable parties will agree on a decision as to whether certain projects or investments contribute to or align with a particular UN SDG. Accordingly, investors should not place undue reliance on references to the UN SDGs, as any application is subject to change at any time and in CIPs sole discretion.

## Independent Auditor’s Assurance Report on the ESG Report 2022

### To Management and broader stakeholders of Copenhagen Infrastructure Partners

Copenhagen Infrastructure Partners (“CIP”) engaged us to provide limited assurance on the ESG performance data for the year ended 31 December 2022, presented on [pages 4-5, 10, 24, 32, 39, 43, 45-47, 50-51, 54](#) and [57](#) in the ESG Report 2022 (“the Report”) of CIP as well as ESG performance data for the year ended 31 December 2021 as presented on [pages 45, 50-51, 54](#) and [56](#) in the Report.

The Report covers project activities from nine funds of Copenhagen Infrastructure Part-ners listed below, from funds’ inception to 31 December 2022.

### Entity / Affiliate

Copenhagen Infrastructure I K/S, Copenhagen Infrastructure II K/S, Copenhagen Infrastructure III K/S, Copenhagen Infrastructure IV K/S, CI Artemis I K/S, CI Artemis II K/S, Copenhagen Infrastructure New Markets Fund I K/S, Copenhagen Infrastructure Energy Transition Fund I K/S, and Copenhagen Infrastructure Green Credit Fund I SCSp.

### Management’s responsibility

Management of CIP is responsible for designing, implementing, and maintaining internal controls over information relevant to the preparation of the ESG performance data and information in the Report, ensuring they are free from material misstatement, whether due to fraud or error. Furthermore, Management is responsible for establishing objective accounting policies (“Reporting practices”) for the preparation of ESG performance data, for the overall content of the Report, and for measuring and reporting ESG performance data in accordance with the Reporting practices stated on [pages 58-60](#) of the Report.

### Auditor’s responsibility

Our responsibility is to express a limited assurance conclusion based on our engagement with Management and in accordance with the agreed scope of work. We have conducted our work in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and ISAE 3410 Assurance Engagements on Greenhouse Gas Statements, and additional requirements under Danish audit regulation, to obtain limited assurance about our conclusion. Greenhouse Gas emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emis-sions of different gasses.

We are responsible for: planning and performing the engagement to obtain limited assurance about whether the ESG performance data are free from material misstatement, whether due to fraud or error, and prepared, in all material respects, in accordance with the Reporting practices; forming an independent conclusion, based on the procedures we performed and the evidence we obtained; and reporting our conclusion to the Management and broader stakeholders of CIP.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the requirements for independence and other ethical requirements of the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental prin-ciples of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

A limited assurance engagement is substantially less in scope than a reasonable assur-ance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

### Work performed

We are required to plan and perform our work in order to consider the risk of material misstatement in the ESG performance data. To do so, we have conducted interviews with data owners and internal stakeholders to understand the key processes and control activities for measuring, recording and reporting the ESG performance data; performed limited substantive testing on a selective basis to check that data has been appropriately measured, recorded, collated and reported; performed analysis of data, selected based on risk and materiality; made inquiries regarding significant developments in the reported data; considered the presentation and disclosure of the ESG performance data; assessed that the process for reporting greenhouse gas emissions data follows the principles of relevance, completeness, consistency, transparency and accuracy outlined in The Greenhouse Gas Protocol Corporate Standard Revised edition (2015); and evaluated the evidence obtained.

### Our conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us not to believe that the ESG performance data presented on [pages 4-5, 10, 24, 32, 39, 43, 45-47, 50-51, 54](#) and [57](#) in the Report of CIP as well as ESG performance data for the year ended 31 December 2021 as presented on [pages 45, 50-51, 54](#) and [56](#) in the Report, has been prepared, in all material respects, in accordance with the Reporting practices.

Copenhagen, 3 May 2023

#### Deloitte

Statsautoriseret Revisionspartnerselskab  
Business Registration No. 33 96 35 56

**Bill Haudal Pedersen**  
State Authorised Public Accountant  
MNE no 30131

**Marie Voldby**  
Lead Reviewer



ESG Report 2022

Copenhagen Infrastructure Partners P/S  
Amerika Plads 29  
2100 Copenhagen

CIP

Copenhagen Infrastructure Partners