

2023 ESG & IMPACT REPORT

SWEN Impact Fund for Transition 2

Disclaimer

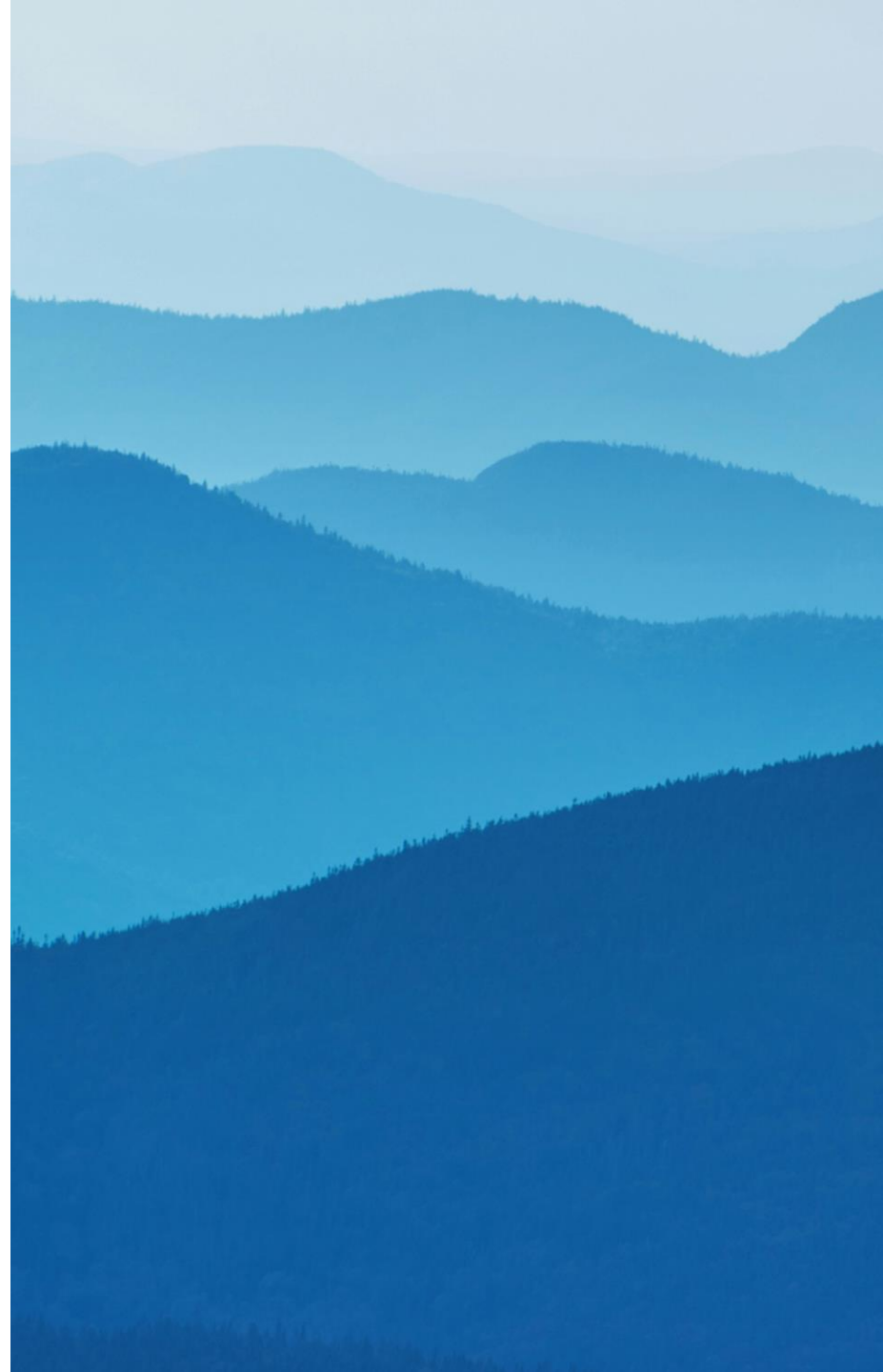
The figures quoted relate to the past years. Past impact and ESG performances is no guarantee of future impact and ESG performances. Similarly, the impact and ESG performance scenarios presented are an estimate of future impact and ESG performances based on past data which implies a risk to the availability and quality. They are not an exact indicator. They are only intended to illustrate the mechanisms of impact and ESG.

This report covers the year 2023. Except where otherwise noted, data is as of 31/12/2023 and flows (for instance volumes produced) are provided for the year 2023. Except where otherwise noted, all data in this document is from SWEN Capital Partners.

Data in sections 2, 3 and 4 was collected from portfolio companies and processed by SWEN Capital Partners. It is not subject to any external verification or audit.

The periodic information to be published pursuant to article 11 of the Sustainable Finance Disclosure Regulation (SFDR) Regulation (EU) 2019/2088 is included in a dedicated appendix in the financial product's annual report.

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An impact strategy to accelerate the transition to a low-carbon economy

The SWEN Impact Fund for Transition (SWIFT) strategy was launched in 2019, with SWIFT 1, the **1st French infrastructure impact fund classified article 9** under Sustainable Finance Disclosure Regulation.



Jérôme DELMAS
CEO of SWEN
Capital Partners



Olivier AUBERT
Managing Director of
the SWIFT strategy

The choice of the SWIFT strategy for SWEN Capital Partners' first impact fund stemmed from common-sense: electricity alone will not be enough to decarbonize our economy and, more broadly, of our communities. Sectors such as agriculture, heavy transportation and heavy industry cannot be fully electrified.

This is why SWIFT 1's impact thesis focuses on decarbonizing those sectors, through investments in renewable gas infrastructures, **mainly at a local scale**, and is achieving this decarbonization through its 20 investments across France and Europe.

SWIFT 2 was launched in the autumn 2021. It is labeled **Greenfin**, has raised 583m€ and bears a portfolio of 22 companies, mainly located in Europe, alongside 2 investments in North America. Given the success of our first vintage, our impact thesis for SWIFT 2 carries on the spirit to **decarbonize the hard-to-abate sectors** through greenfield investments in renewable energy developers, mainly focusing on green gas production investments and diversifying our portfolio with investments in 4 companies dedicated to renewable heat, renewable electricity and carbon capture.

Five years following the launch of the SWIFT strategy, our focus on the "hard-to-abate" energy transition sector remains fully relevant:

- The war in Ukraine has added a sense of urgency and a **quest for energy sovereignty** to the already colossal energy transition needs and gas supply needs in particular.
- As the **acceptance of green gas as a solution to the climate crisis** has continued to grow, many infrastructure players are now positioning themselves around this investment thesis, on top of conventional renewables such as electric or heat renewables.

As an **impact pioneer investor** and a **mission-driven company** since 2023, SWEN CP supports the rise of highly innovative companies and developers, a task that requires us to do some ground-breaking work on complex issues. Our efforts have focused on making sustainable value creation the guiding principle for all our investments and implementing a **robust and transparent methodology** for measuring environmental impacts, the results of which are regularly reported to LPs.

For SWIFT 1, we have made a commitment to make 30% of the team's carried interest conditional on achieving impact targets, and we have raised it to 50% for SWIFT 2.

However, our greatest pride - and this report provides some fine illustrations of this in figures - is that **our investors' money benefits a truly virtuous sector**. Typically, we work with developers who recover under-exploited agricultural waste and transform it into renewable gas and fertilizers (using digestate from biomethane plants), therefore avoiding the use of chemical fertilizers. This comes with job creations, very often in rural areas where the job market is underdeveloped.

This momentum is also reflected in the enthusiasm of our investors. At respectively €175 and €583 million, **SWIFT 1 and 2 have by far exceeded their target amount** of respectively €120 and €300 million.

Finally, it is important to stress that being an impact investor does not mean compromising on financial performance. Strong net returns to our investors at end of 2023 from **our first vintages clearly demonstrate that financial performance is fully compatible with impact!**

In a sector that is gaining in maturity, the confidence placed in us by our historical investors and by new French, European and global players drives us to further increase our ambitions and further strengthens our determination to build, together, a truly sustainable world!

Past non-financial performance is not indicative of future performance.



SWEN Impact Fund for Transition 2

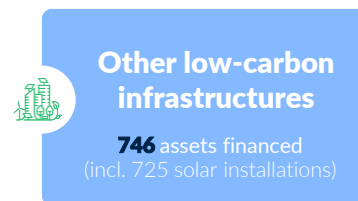
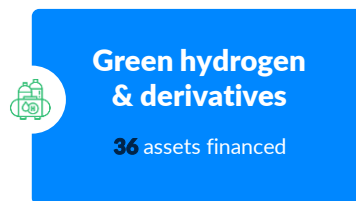


SFDR 9 IMPACT

Launched in 2021, the fund is built on a clear and explicit impact thesis: decarbonizing the gas sector through investments in companies that develop or manage infrastructures enabling the reduction of greenhouse gas emissions and/or increasing the consumption of renewable gas and other low carbon solutions decarbonizing the energy mix. As a SFDR Article 9 fund, every investment must comply with SWEN CP's sustainable investment definition.

€583M
Fund size

PORTFOLIO COMPOSITION



SPLIT BY AMOUNT INVESTED



SPLIT BY GEOGRAPHY



NET ANNUAL IMPACT OF PROJECTS IN OPERATION¹

117 722 tCO₂e
net avoided emissions²
63 664 tCO₂e in 2022

5.3 times
reduction potential of GHG emission³
3.4 times in 2022

166 FTE
direct jobs created⁴
86 FTE in 2022

A pioneer strategy with strong track record

Launched in 2019, SWIFT was the 1st European direct impact infrastructure fund dedicated to renewable gas

2 funds fully deployed or committed
45 deals
3 exits

15 experts with experience in the energy industry & large financial institutions

9 ESG & Impact independent experts

Grasping all the facets of projects throughout their life cycle

DEVELOPMENT

CONSTRUCTION

OPERATION

Past non-financial performance is not indicative of future performance. Assets financed cover all assets financed since the creation of the fund in 2021, including assets under development and in operation.

1. Aggregated impact indicators common to all types of invested assets. Data not calculated in proportion to SWIFT 2's investment holding. Source: SWEN CP based on real data collected from invested entities. 2. Difference between total avoided GHG emissions and total induced GHG emissions. Coverage rate: 88% of assets in operation in 2023, based on the valuation of investments as of 31/12/2023. 3. Quotient of total avoided GHG emissions and total induced GHG emissions. Coverage rate: 82% of assets in operation in 2023, based on the valuation of investments as of 31/12/2023. 4. Coverage rate: 71% of all SWIFT 2's assets, based on the valuation of investments as of 31/12/2023.

Agenda

01

SWEN Capital Partners

A European responsible
investment leader in
private markets

p.7

An innovative
Sustainable Finance
policy

p.8

Climate & biodiversity:
Nature policy with 3
pillars of engagement

p.9

An Impact Doctrine meeting
the most stringent impact
finance criteria

p.10

02

SWEN Impact Fund for Transition

The renewable gases
market

p.12

Investment team

p.13

Investment and
impact strategy

p.14

Impact framework

p.15

Impact & ESG
at each stage of the
investment process

p.16

03

ESG & Impact performance

Alignment with
SWEN CP's Sustainable
Investment Definition

p.18

Eligibility & alignment with
the European Taxonomy

p.19

Net Environmental
Contribution

p.20

Positive & adverse
impacts of methanisation
units in operation

p.21

04

Annex

Principal Adverse Impact
indicators

p.24

Methodology for
calculating indicators

p.26

01

SWEN Capital Partners

1. A European responsible investment leader in private markets p.7
2. An innovative Sustainable Finance policy p.8
3. Climate & Biodiversity: a Nature policy with 3 pillars of engagement p.9
4. An Impact Doctrine meeting the most stringent impact finance criteria p.10



1.1 A European responsible investment leader in private markets

€8.1

billion*

in assets managed
or advised

15

years of experience

in the financial and ESG analysis
of unlisted assets

150+

institutional clients

committed to our solutions for
their long-term investments

100+

professionals

all engaged
toward a common goal

Robust expertise and tailor-made
investment solutions through a
single platform



A rigorous ESG and impact
approach for **truly**
sustainable finance

10+

years
of track record
in ESG practices

>1 million

ESG data points
Gathered to analyse
our investments

A robust, rigorous analysis
methodology for all our
investments

A mission-driven
company for
sustainable
finance



*We are joining
forces to invest for
Nature's benefit.*

*We are developing
high-value solutions
and working with our
ecosystem to create
sustainable value and
ensure our shared
growth.*



1.2 An innovative Sustainable Finance policy



Funds that are already committed

SWEN CP is committed to:

- Creating only funds classified as **Article 8 or Article 9** within the meaning of the SFDR for all new product launches within our range of institutional funds
- Aiming for a minimum of **50% of our mandates to be classified as Article 8** according to SFDR by the end of 2024
- Regularly launch new **impact strategies** and multi-strategies dedicated to tomorrow's challenges



An ambitious climate and biodiversity policy

- More **stringent sectoral exclusion policies** for coal and fossil oil and gas: new thresholds, inclusion of their value chain and suppliers
- A commitment to **full divestment by 2030** for coal and by 2035 for fossil oil and gas
- A trajectory of alignment with the Paris Agreement targets as close as possible to **+1.5°C by 2050**
- Diagnosis of impacts and dependencies and biodiversity footprints, a **biodiversity score** for funds



Support for our entire ecosystem

Active commitment of our teams to support our customers, portfolio companies and partner funds on a **shared path of improvement**



A participatory governance

- A Sustainable Finance **steering committee**, made up of members from every business area
- **Executive Committee** meetings dedicated to sustainable finance matters and a **Board of Directors** committee specialising in Sustainable Finance
- Attribution of an **ESG veto right** on every investment opportunity



Renaud
SERRE-LAPERGUE
Sustainable Finance
Strategy Director



Julie
OLIVIER
Sustainable Finance
Strategy Deputy Director



Floriane
LAFORE
ESG
Manager



Chloé
DEL RIO
Senior ESG
Analyst



Tom
BAYOL
ESG
Analyst



Valentin
PICARD
ESG
Analyst



Zoé
RETAILLEAU
ESG
Analyst



Margaux
THOMIN
ESG
Analyst



Bérénice
DE VALROGER
ESG
Analyst



1.3 Climate & biodiversity: a Nature policy with 3 pillars of engagement

PILLAR 01

Be consistent with **international frameworks** and steer our policy at a **strategic** level

- Contribute to the 2050 goals and 2030 targets set by the Kunming-Montréal Global Biodiversity Framework
- Commit to a trajectory of alignment with the objectives of the Paris Agreement as close as possible to +1.5°C by 2050, in particular through the Signature of the Net Zero Asset Managers Initiative (NZAM)

PILLAR 02

Contribute to ecosystem regeneration **by factoring Nature-related issues** into all our investment decisions

- Analyze our impacts and dependencies on ecosystems across our portfolios
- Support the transition of economic activities and mitigate their adverse effects
- Create financial products that contribute to restoration and conservation

PILLAR 03

Help our stakeholders **incorporate** Nature-related issues into their activities

- Train our employees and governance bodies
- Provide support to our portfolio companies, partner funds and clients
- Contribute to market initiatives and methodology working groups

SWEN CP has developed methodologies to analyse the risks and opportunities associated with Nature inherent in the activities of the companies analysed during the due diligence phase, which have now been extended to all investment opportunities.

Physical risks analysis

Systematic analysis of acute and chronic "physical" risks by identifying **climate hazards** and the **asset's dependence** on ecosystem services.

Transition risks analysis

Systematic analysis of "transition" risks, defined as the uncertain financial impacts on economic players resulting from the **implementation of a low-carbon or Nature-protecting economic model**.

Based on recognised standards

Analysis grids inspired by the [TCFD](#), [Investor Climate Action Plans](#) and the [TNFD](#), action plans and reporting frameworks on climate and biodiversity issues



1.4 An Impact Doctrine meeting the most stringent impact finance criteria

Intentionality

Seeking to achieve, collaboratively and over the long term, a performance that delivers positive environmental and/or social impacts combined with financial returns.

Definition of a clear impact thesis
from the fund's creation

Net positive impact verified
for each investment

100% sustainable investments
according to SWEN CP's definition

Carried interest partly linked
to impact performance

ESG veto right
during the investment process

Additionality

Implementing a methodology describing the causality through which the strategy contributes to environmental and/or social objectives, the investment horizon and the measurement methods.

Engagement and dialogue
on ESG and impact with
portfolio companies

ESG and impact requirements
included in shareholders' agreement
clauses or side letters

Mobilizing the investor ecosystem
to strengthen the impact
of portfolio companies

Measure

Aligning the achievement of environmental and/or social objectives with reference frameworks to measure the contribution of the investments

1 **Definition and tracking of impact KPIs** for invested companies

2 **Impact governance to validate the impact objectives** set for invested companies

3 **Annual report on impact & ESG performance**

02

SWEN Impact Fund for Transition

1. The renewable gases market p.12
2. SWEN Impact Fund for Transition team p.13
3. Investment and impact strategy p.14
4. Impact framework p.15
5. Impact & ESG at each stage of the investment process p.16



2.1 The renewable gases market

The first biomethane injection sites were commissioned 12 years ago in France!

France is the leading country in Europe in terms of the number of units producing biomethane, with 750 plants injecting gas into the French networks by end of 2023. In terms of installed capacity, France is in the top 5 in Europe along with Germany, the United Kingdom, the Netherlands, and Denmark.

Plants in France are smaller than in other countries, anchored in territories with a mix of inputs in co-digestion and not on dedicated energy crops. The annual production capacity in France reached 11 TWh.

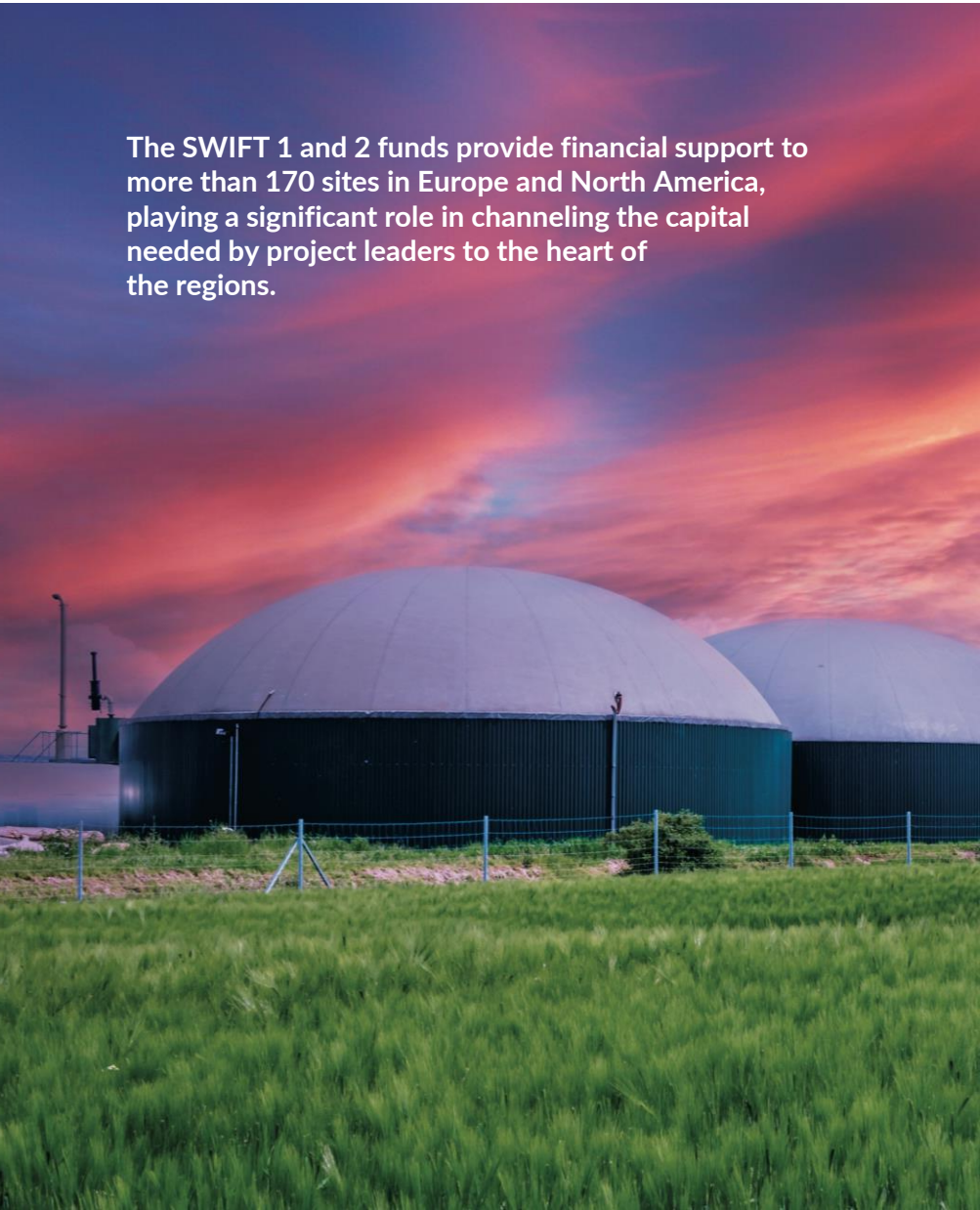
Biomethane has achieved its objectives thanks to the support of public authorities, to committed locally elected officials, to an industrial fabric that meets the operational requirements, and to the mobilization of entrepreneurs and companies in the agricultural world and the circular economy.

Should the momentum of the last few years continue, in **2040**, biomethane and green gas from methanization, pyro-gasification, methanation or hydrothermal gasification could represent **2/3 of gas consumption in France** and the country could also take first place in Europe in terms of biomethane production by the end of 2025.

At the same time, **the market is gradually becoming global**. Abroad, we are witnessing the same phenomenon of confirmation of market development dynamics. As an example, the Danish gas grid already contains 40% of biomethane compared to 3% in France. It shows the magnitude of the market ahead of us. In parallel the first long-term biomethane sale/purchase contracts have been signed under private law, without any subsidy, across the EU, paving the way for a profitable market with limited to no governmental intervention.

Canada and the United States, which have more than 2,000 biogas production sites, mainly based on the recovery of landfill gas and from water treatment plants, are aiming at a very strong development in the agricultural sector, just like the main European countries. To date, **the technology is mainly imported from Europe**. The objective is to decarbonize the heavy transport sector (ships and trucks).

The **green hydrogen** market is even wider, with strong potential in the heavy industry (cement, steel, glass, chemicals, fertilizers) where the first goal is to replace hydrogen made from natural gas, and in the heavy mobility sectors (shipping, aircrafts) but only some specific uses cases benefit from a clear regulatory framework, in particular the injection of a minimum of 1.2% of synthetic kerosene (e-SAF) in each aircraft in Europe by 2030.



The SWIFT 1 and 2 funds provide financial support to more than 170 sites in Europe and North America, playing a significant role in channeling the capital needed by project leaders to the heart of the regions.



2.2 SWEN Impact Fund for Transition team

SWIFT is one of the most knowledgeable investors in the biogas sector, having a dedicated team composed of high-level profiles of sector specialists with high financial expertise. The investment team also works hand in hand with SWEN CP's independent ESG & impact team.



Olivier AUBERT
Managing Director

28-year experience in infrastructure investment, strategic planning and asset management



François PASQUIER
Managing Director

18-year experience in acquiring, managing and financing renewable energy companies/assets



Emmanuel SIMON
Managing Director

21-year experience in acquiring, managing and financing infrastructure in the energy sectors



Thibault THUILIEZ
Investment Director

18-year experience in investing, financing and managing infrastructure and energy projects



Charles VALLÉE
Investment Director

11-year experience in financing and development of renewables energy infrastructures



Charlotte VIRALLY
Investment Director

15-year experience in acquiring, managing & financing companies/assets in the field of Energy Transition



Guillaume TUFFIGO
Dir. of Asset Management

21-year experience in the development and operation of gas infrastructure.



Grégoire ALLEMANDOU
Investment Principal

5-year experience in debt financing of renewable energy companies and/or assets in Africa



Maurice PIGNARD
Investment Principal

6-year experience in financing infrastructure in the energy sectors



Agathe ROGER
Investment Principal

10-year experience in financing and developing renewable energy infrastructures



Solène CANCEILL
Senior Investment Associate

3-year experience in financing infrastructure in the energy sectors



Gabrielle HUBERT
Senior Investment Associate

2-year experience in Infrastructure Private Equity



Margot PEOC'H
Senior Investment Associate

3-year experience in financing infrastructure in the energy sectors



Héloïse BRONCARD
Investment Associate

6 months experience in Infrastructure Private Equity



Antoine EUDIER
Investment Associate

1-year experience in Infrastructure Private Equity



2.3 Investment and impact strategy

The fund SWIFT2 was created around a clear and explicit impact thesis: **decarbonizing the gas sector through investments with a goal to reduce the carbon emissions and/or increase the consumption of renewable gas**. In line with the regulatory frameworks of sustainable finance, in particular the European Disclosure and Taxonomy regulations and the European RED III Directive, SWEN Capital Partners identifies the major issues related to the investment themes targeted in its impact funds.

INVESTMENT STRATEGY



Cogeneration of power & heat and biomethane production

through anaerobic digestion



Purification & liquification systems

of biogas and biomethane



Manufacture of green hydrogen

from water electrolysis



Manufacture of hydrogen-based synthetic fuels

from green hydrogen



Renewable electricity

from solar and wind energy



Renewable heat

from several heat generation technologies

CONTROLLING ADVERSE IMPACTS ON SUSTAINABILITY FACTORS

- Limitation of the use of dedicated energy crops below 10% on average
- Reinforced vigilance on spreading plans and digestate storage conditions
- Payment of methane leak monitoring, if not done by the project operator
- Use of renewable energies for hydrogen production
- Reinforced vigilance on water use
- Analysis of the environmental relevance of the final use
- Sourcing of green hydrogen and CO₂ used as feedstock
- Energy efficiency of the technology
- Sourcing materials that comply with environmental and social standards
- Reinforced vigilance on biodiversity impacts

SDGs
ADDRESSED
DIRECTLY

7 AFFORDABLE
AND CLEAN
ENERGY



8 DECENT
WORK AND
ECONOMIC
GROWTH



11 SUSTAINABLE
CITIES AND
COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND
PRODUCTION



13 CLIMATE
ACTION





2.4 Impact framework

IMPACT COMMITTEE

The Impact Committee is the specific governance body on impact of the SWIFT 2 fund, held at least once a year, whose members are representatives of the fund's LPs. SWIFT 2's first impact committee was held in the third quarter of 2023.

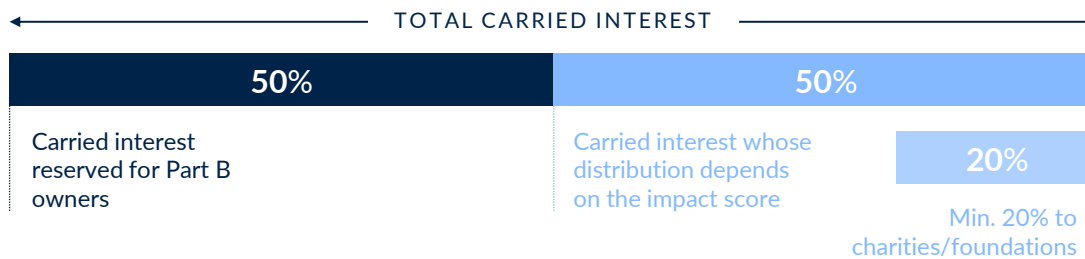
The key role of the members is to validate and monitor the impact KPIs and associated impact objectives proposed by SWEN Capital Partners, as well as to validate any changes introduced to the methodology.

ALIGNMENT OF INTERESTS

50% of the carried interest of the SWIFT 2 fund is conditioned to an impact score. The score consolidates the rates of achievement of the targets for the impact KPIs set out for invested companies.

A portion up to 50% of the Carried Interest will be paid by the Fund to one or more foundations and/or charities that are well-known, reputable and free from any political affiliations. These entities will be selected by the Management Company and shall be approved by the Impact Committee.

The Impact Carried Interest ensures alignment of incentives between impact and financial performance.



SWEN CP has developed a proprietary tool for measuring the impact of SWIFT 2 investments, covering 6 types of assets:



(1) Purification and liquification systems of biogas and biomethane



(2) Biomethane production and (3) Cogeneration of power and heat from anaerobic digestion
(4) Methanation 'hybrids' units



Manufacture of green hydrogen from (5) water electrolysis and from (6) steam biomethane reforming



2.5 Impact and ESG at each stage of the investment process

SOURCING & PRELIMINARY ANALYSIS	<ul style="list-style-type: none"> ✓ Pre-analysis of alignment with SWIFT 2's impact and ESG strategy ✓ Controversy checks 	<ul style="list-style-type: none"> ✓ Compliance with SWEN CP's exclusion policies: <u>Weapons</u> <u>Oil & Fossil gas</u> <u>Coal</u>
PRE-INVESTMENT COMMITTEE	<ul style="list-style-type: none"> ✓ Impact due diligence: opinion on <u>impact thesis</u> ✓ Compliance with SWEN CP's <u>definition of sustainable investment</u> ✓ ESG Due Diligence (ESG questionnaire, ESG material issues, etc.) 	<ul style="list-style-type: none"> ✓ Analysis of the exposure to climate and biodiversity risks and opportunities ✓ Measure of the <u>Net Environmental Contribution</u> ✓ Evaluation of the eligibility and the potential alignment with the <u>EU Taxonomy</u>
INVESTMENT ADVISORY COMMITTEE	<ul style="list-style-type: none"> ✓ In-depth analysis of the opportunity and removal of the pre-committee's concerns ✓ Identification of areas for improvement ✓ ESG team has a veto right on the final decision of the investment committee 	
INVESTMENT	<ul style="list-style-type: none"> ✓ Incorporation of ESG clauses into legal documentation 	
MONITORING	<ul style="list-style-type: none"> ✓ Impact and ESG priorities and additionality actions to be addressed ✓ Monitoring of the compliance with SWEN CP's definition of sustainable investment ✓ Annual assessment of the carbon footprint of operating assets 	<ul style="list-style-type: none"> ✓ Controversy daily monitoring ✓ Annual ESG data collection campaign ✓ NEC calculations and monitoring for direct investments
REPORTING	<ul style="list-style-type: none"> ✓ Annual impact & ESG report ✓ Quarterly ESG controversies report 	<ul style="list-style-type: none"> ✓ SFDR-compliant data in the annual financial report*
EXIT	<ul style="list-style-type: none"> ✓ Control of the reputational risk of the new buyer ✓ Final impact performance against established impact objectives 	<ul style="list-style-type: none"> ✓ Results of the additionality actions implemented

*Annual report in compliance with Article 11 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

03

ESG & Impact performance

1. Alignment with SWEN CP's Sustainable Investment Definition p.18
2. Eligibility and alignment with the European Taxonomy p.19
3. Measurement of the Net Environmental Contribution p.20
4. Positive impacts of methanisation units in operation p.21
5. Adverse impacts of methanisation units in operation p.22

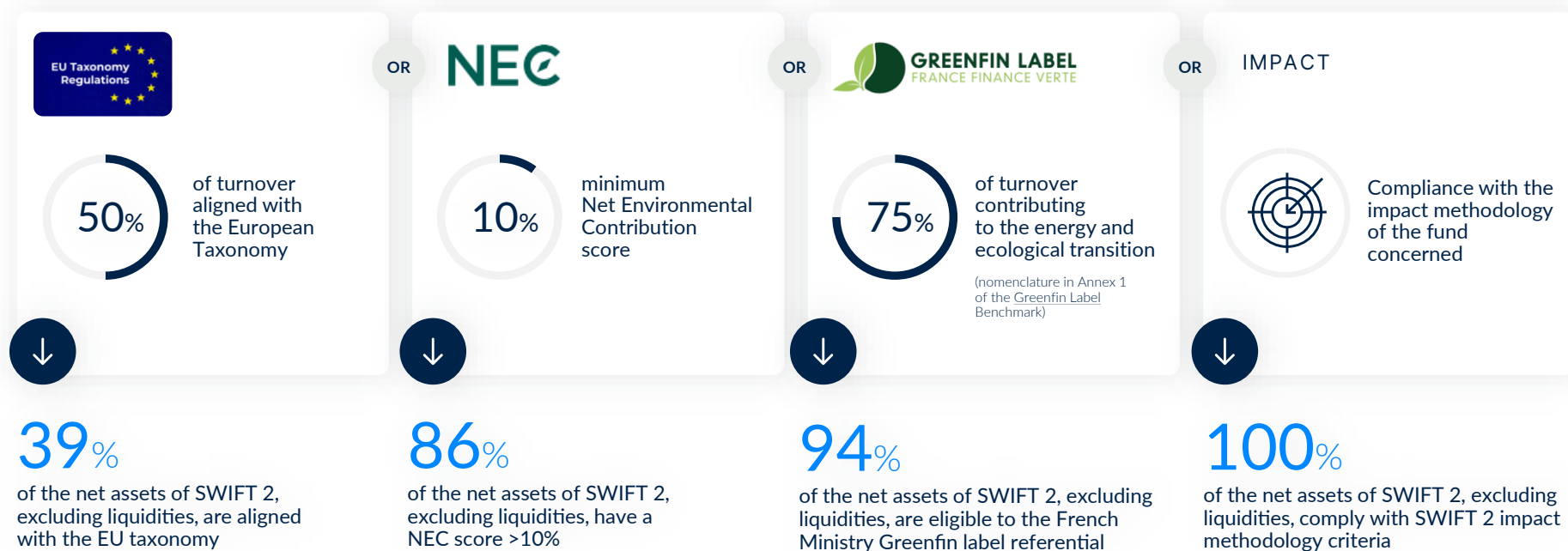


3.1 Alignment with **SWEN CP's Sustainable Investment Definition**

100% of SWIFT 2's net assets, excluding liquidities, comply with SWEN CP's sustainable investment definition.

As of 31/12/2023, 96% of SWIFT 2's net assets complied with SWEN Capital Partners' sustainable investment definition. The remaining 4% only includes liquidities (cash and monetary investments).

Portfolio construction rules ensuring positive contribution





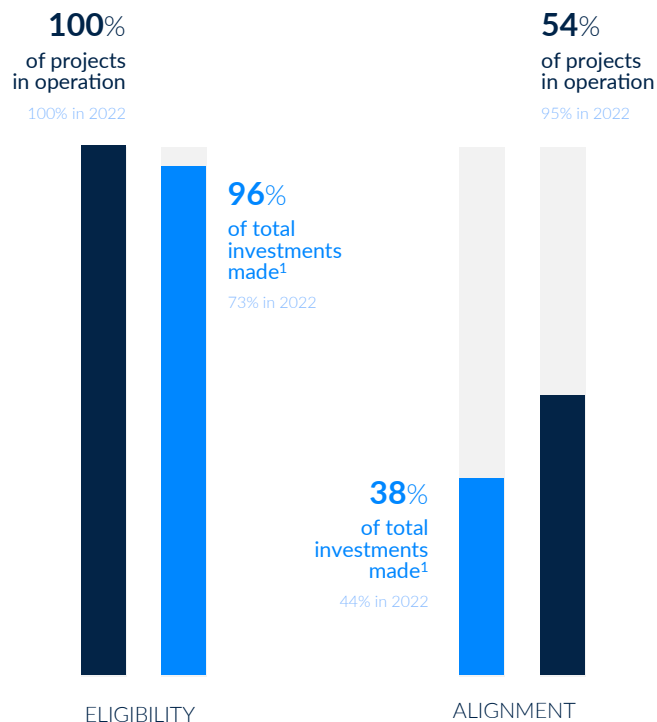
3.2 Eligibility and alignment with the European Taxonomy

SWEN CP developed an approach for assessing the percentage of eligibility and alignment of SWIFT 2 investments with the EU Taxonomy.

ELIGIBILITY TO THE EU TAXONOMY

The following assets from the investment strategy of SWIFT 2 are considered eligible to the EU Taxonomy and are related to the climate change mitigation objective:

Biomethane production and liquefaction through anaerobic digestion
Cogeneration of power and heat from biogas produced through anaerobic digestion
Manufacture of green hydrogen from water electrolysis
Manufacture of hydrogen-based synthetic fuels from green hydrogen
Production and leasing of hydrogen-powered electricity generators
Electricity generation using solar photovoltaic technology
Electricity generation from wind power
Production of heat from solar thermal heating



ALIGNMENT TO THE EU TAXONOMY

In addition to the alignment data provided by some investee companies, SWEN CP has conducted an alignment assessment for assets in operation producing biogas and biomethane through anaerobic digestion, based on the criteria listed in the "Climate Change Mitigation" objective, and considering the 4 overarching conditions set by the Taxonomy Regulation that an economic activity must meet in order to qualify as environmentally sustainable:

- Making a substantial contribution to at least one environmental objective ☒
- Doing no significant harm to any of the other five environmental objectives ☒
- Complying with the technical screening criteria set out in the Taxonomy delegated acts ☒
- Complying with minimum safeguards ☒



3.3 Measurement of the Net Environmental Contribution

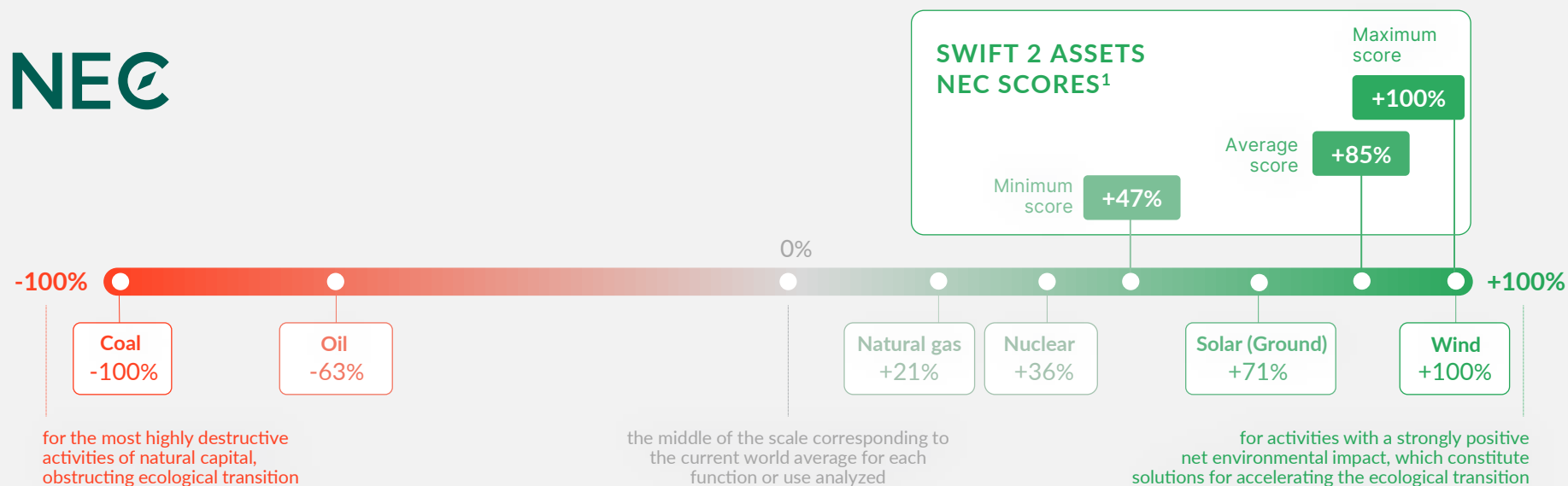
The NEC indicator measures the **degree of alignment with the ecological transition of a company**. The NEC is based on a scientific methodological approach, opposable sources and is applicable to all asset classes. It is a measure that goes beyond the carbon footprint because it **captures several environmental risks**. For each sector, companies can be scored from -100 to +100.

SWEN co-developed with the NEC initiative a **module specific to anaerobic digestion**, considering the end use of biogas, the type of inputs, the methane leakage rate, the level of water stress of crops, etc.

The NEC of 6 investments with projects in operation is +85%.

Last year, the NEC of the 3 methanisation deals invested and in operation in 2022 was +81%.

NEC



Past non-financial performance is not indicative of future performance.

NEC data for non-SWIFT 2 activities taken from the NEC 1.1 Electricity Framework, published in 2024. 1. Calculations for SWIFT 2 based on data as of 31/12/2023 and on the NEC 1.1 Methanization, NEC 1.1 Electricity, NEC 1.1 Chemistry and NEC 1.1 Heat Frameworks Framework, published in 2024. Coverage rate: 100% of projects in operation in 2023, based on the valuation of investments as of 31/12/2023.



3.4 Positive impacts of methanisation units in operation

3 countries

3 deals

8

biomethane injection
& cogeneration units

1 new unit in 2023



Aggregated impact KPIs

114 290

tCO₂e

net avoided
GHG emissions¹
65 000 tCO₂e in 2022

5.3

times

reduction potential
of GHG emissions²
3.4 times in 2022

444 011

tons

waste treated³
345 335 tons in 2022

6 917

tons

substituted nitrogen
fertilizers
5 549 tons in 2022

444 831

MWh

biomethane
injected
258 243 MWh in 2022

430

MWh

electricity injected
823 MWh in 2022

51 FTE

direct jobs created
44 FTE in 2022

Past non-financial performance is not indicative of future performance.

Data not calculated in proportion to SWIFT 2's investment holding. Source: SWEN CP based on real data collected from invested entities. Coverage rate: 100% of methanisation projects in operation in 2023, based on the valuation of investments as of 31/12/2023. 1. Difference between total avoided GHG emissions and total induced GHG emissions. 2. Quotient of total avoided GHG emissions and total induced GHG emissions.

3. Excluding intermediary crops and dedicated cultures.



3.5 Adverse impacts of methanisation units in operation

SWEN CP has identified issues which, if material, may reduce the net impact of the fund. In order to measure and monitor these issues, SWEN CP has included them in the annual ESG and impact questionnaires to monitor them using the impact measurement tool developed with external experts.

26 418
tCO₂e

**total induced
GHG emissions**
26 416 tCO₂e in 2022

The data is not calculated in proportion to SWIFT 2's investment holding, unlike the PAI indicators in annex.

SCOPE 1

2 370

tCO₂e
5 853 in 2022



Methane leaks



Grid gas consumption

SCOPE 2

11 237

tCO₂e
7 495 in 2022



Grid electricity consumption

SCOPE 3

12 811

tCO₂e
13 068 in 2022



Dedicated & intermediary cultures



Transport of inputs and digestate



Digestate storage and spreading

Key risks identified and monitored by SWEN CP for methanisation units

ADVERSE IMPACTS MONITORED

0% Share of dedicated energy crops used as feedstock (over total inputs)
0% in 2022

100% Share of digestate spread in a <100km radius (over total production of digestate)
32% in 2022

61% Share of investments with covered digestate storage conditions (over total production of digestate)
5% in 2022

100% Share of investments monitoring methane leakage (over total production)
99.7% in 2022

0% Share of investments that reported methane leak (over total production)
0% in 2022

81% Share of projects in water-stressed areas (over total inputs)
94% in 2022

26 951m3 Water consumption in water-stressed areas (upstream and direct)
11 495 in 2022

04

HPU
HYDROGEN POWER UNIT

 GeoPura™

Annex

1. SWIFT 2's Principal Adverse Impact indicators p.24
2. Methodology | PAI indicators p.26

SWIFT 2's Principal Adverse Impact indicators

Climate

#1.1	8 710 tCO ₂ e 3 694 in 2022 587 tCO ₂ e 955 in 2022 4 000 tCO ₂ e 965 in 2022 4 123 tCO ₂ e 1 774 in 2022	Total GHG emissions Coverage rate: 36% Scope 1 GHG emissions Scope 2 GHG emissions Scope 3 GHG emissions
#1.2	106 tCO ₂ e/M€ invested 57 in 2022	Carbon footprint Coverage rate: 36%
#1.3	887 tCO ₂ e/M€ revenues 915 in 2022	GHG intensity of investee companies Coverage rate: 36%
#1.4	0% 0% in 2022	Exposure to companies active in the fossil fuel sector Coverage rate: 71%
#1.5	70% / 0% 97% / 0% in 2022	Share of non-renewable energy consumption and / production Coverage rate: 48% / 71%
#1.6	Electricity, Gas: 0.01 GWh/M€ revenue Not available in 2022	Energy consumption intensity per high impact climate sector Coverage rate: 42%
RELEVANT ADDITIONAL PAI INDICATOR FOR SWIFT 2		
	91% 100% in 2022	Investments in companies without carbon emission reduction initiatives Coverage rate: 71%

These data only include induced GHG emissions and do not capture avoided emissions. [Please see above for net avoided emissions.](#)

Biodiversity

#1.7	0% 0% in 2022	Activities located in or near biodiversity-sensitive areas Coverage rate: 68%
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Water

#1.8	0 tons / M€ invested 0 in 2022	Emissions to water Coverage rate: 56%
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Waste

#1.9	0 tons / M€ invested 0 in 2022	Hazardous waste and radioactive waste ratio Coverage rate: 68%
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Past non-financial performance is not indicative of future performance.
Source: SWEN CP based on real data collected from invested entities.
Coverage rate: based on the valuation of investments as of 31/12/2023.

SWIFT 2's Principal Adverse Impact indicators

Social and employee matters

#1.10	0% 0% in 2022	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises Coverage rate: 71%
#1.11	75% 20% in 2022	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises Coverage rate: 71%
#1.12	18% on average 8% in 2022	Unadjusted gender pay gap Coverage rate: 67%
#1.13	12% on average 18% in 2022	Board gender diversity Coverage rate: 71%
#1.14	0% 0% in 2022	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) Coverage rate: 71%

RELEVANT ADDITIONAL PAI INDICATORS FOR SWIFT 2

34% 24% in 2022	Investments in companies without workplace accident prevention policies Coverage rate: 71%
2% weighted average 0 in 2022	Rate of accidents Coverage rate: 66%
0.2 days / M€ invested weighted average 0 in 2022	Number of days lost to injuries, accidents, fatalities or illness Coverage rate: 68%
25% Not available in 2022	Lack of policy to fight against corruption and bribery Coverage rate: 71%

Past non-financial performance is not indicative of future performance. Source: SWEN CP based on real data collected from invested entities. Coverage rate: based on the valuation of investments as of 31/12/2023.

Methodology | PAI indicators

The PAI (Principal Adverse Impacts) indicators were calculated on the basis of data collected from the holdings in SWEN Capital Partners' portfolio at 31/12/2023, using ESG questionnaires.

Data on revenues and enterprise value data were supplemented based on information known to SWEN Capital Partners.

It should be noted that when at least one of the data items required to calculate the PAI indicators is unavailable for a company, that company is considered a non-respondent for the indicator concerned. A coverage rate, associated with each PAI indicator, is used to assess the proportion of investments (at current value) covered by the indicator. Indeed, SWEN Capital Partners has chosen not to use estimates (excluding PAIs relating to carbon emissions). The estimates currently available on the market are calculated on the basis of sector data, most of which come from listed companies. SWEN Capital Partners considers that these estimates could not be representative of the companies held in the portfolio and has preferred to adopt a transparent approach by reporting only on data collected by the companies and by displaying the coverage rate of each PAI indicator. SWEN Capital Partners nevertheless reserves the right to change its approach in the future, should estimates be developed that are more compatible with the specific characteristics of its investments.

As far as information is available, investment valuation data is taken into account at the end of each of the four quarters of 2023, as required by EU SFDR. In the absence of data for one or more quarters, this has been neutralised in order to use only the valuation data for the quarters available.

The scope of the PAI indicators and of their coverage rate excludes the money market fund in which Blue Ocean invests, which represents only a minority of the portfolio. In fact, the data communicated to SWEN Capital Partners by the money market fund's manager was in a format incompatible with that of SWEN Capital Partners and could not be included in the calculation. Future developments will aim to integrate these data for subsequent financial years.

Data collected by SWEN Capital Partners is mainly on a declarative basis, communicated to SWEN Capital Partners as part of its annual ESG data collection campaign. However, SWEN Capital Partners carries out checks on all the data collected in order to ensure that: the units are respected and the responses are consistent with each other. Data identified as inconsistent were not taken into account when calculating the indicators, and the investments concerned were not included in the response rates. The methodology used to calculate the PAI indicators is, as far as possible, that described in Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088.

In order to ensure greater precision in the indicators and the coverage rates reported, holdings that answered "Not available" for an indicator were considered as non-respondents for the indicator concerned, and adjustments have been made to the "Not applicable" responses:

- Table 1 - PAI 1, PAI 2, PAI 3, PAI 5.1, PAI 5.2, PAI 7, PAI 13 and Table 2 - PAI 4 and Table 3 - PAI 2, PAI 3: holdings that answered "Not applicable" to the questions required to calculate these indicators were considered as non-respondents to these indicators, as the questions asked were considered applicable to all holdings.
- Table 1 - PAI 6: holdings that answered "Not applicable" to the question on high-impact climate sectors were deemed not to belong to any of the high-impact climate sectors listed. Holdings that answered "Not applicable" to the question on energy consumption were considered as not responding to these indicators, as the questions asked were considered applicable to all holdings.
- Table 1 - PAI 4, PAI 14: holdings that answered "Not applicable" to the required questions were considered as having an activity incompatible with the fossil fuel and arms sectors respectively and were therefore considered as not exposed to these sectors.
- Table 1 - PAI 8, PAI 9: holdings that answered "Not applicable" to the required questions were considered as not producing renewable energy, emissions to water or hazardous and radioactive waste respectively.
- Table 1 - PAI 10: holdings that answered "Not applicable" to the required questions were considered not to have violated the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. Companies who reported that they did not know whether such disputes had occurred were considered as non-respondents.
- Table 1 - PAI 11: holdings that answered "Not applicable" to the required questions were considered not to have processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises.
- Table 1 - PAI 12: holding that answered "Not applicable" to the questions required to calculate this indicator were considered as non-respondents if the workforce included both men and women.
- Table 3 - PAI 1, PAI 6, PAI 9, PAI 15: holdings that answered "Not applicable" to the required questions were considered not to have the corresponding policies in place (accident prevention, whistleblower protection, fight against corruption and bribery), as these indicators were considered applicable to all holdings.

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