Website product disclosure for financial products that have sustainable investments as their objective as specified in Section 2 of Commission Delegated Regulation (EU) 2022/1288 supplementing Article 10 of Regulation(EU) 2019/2088

Sustainability-related disclosure

Article 9 fund

Product name: REICHMUTH SCS SICAV-RAIF – REICHMUTH SUSTAINABLE INFRASTRUCTURE

Legal entity identifier: N/a

Summary

Reichmuth SCS SICAV-RAIF is a Luxembourg investment company with variable capital organised as a reserved alternative investment fund in the form of a common limited partnership (hereinafter the “Fund”). REICHMUTH SCS SICAV-RAIF – REICHMUTH SUSTAINABLE INFRASTRUCTURE is a sub-fund of the Fund (hereinafter the “Sub-Fund”).

Reichmuth & Co Investment Management AG acts as investment advisor (hereinafter the “Investment Advisor”) to the AIFM, providing the AIFM with investment advice in relation to the Sub-Funds’ investment activities The Investment Advisor includes ESG criteria to meet the sustainable investment objectives of the Sub-Fund.

The objective of the Sub-Fund is to invest in sustainable infrastructure assets which contribute to reducing GHG emissions and enabling the transition to a low carbon economy pursuant to Article 9(3) of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended, complemented or supplemented from time to time (the “SFDR”).

The sustainability indicators used to measure the attainment of the sustainable investment objective of the Sub-Fund are the following:

- Renewable energy capacity enabled by energy infrastructure assets
- Renewable energy generated by energy infrastructure assets
- GHG intensity
- Estimated GHG emissions avoided

Several mechanisms and processes ensure that the investments will do no significant harm to the sustainable investment objectives of the Sub-Fund and to other sustainable objectives, while also ensuring compliance with minimum safeguards and good governance practices.

In the investment management phase, the investments are screened against the exclusion criteria and assessed through a detailed and comprehensive ESG due diligence, which includes the assessment of the alignment of the investment with the EU Taxonomy, the ‘do no significant harm’-criteria and the minimum safeguards. In the asset management phase, the investments’ ESG performance is monitored as part of the periodic reporting on the EU Taxonomy, sustainability

indicators and the principal adverse impact indicators (PAI). Any adverse development on these indicators will be addressed through active engagement.

Subject matter experts and/or external advisors with the respective expertise ensure that methodologies, data sources, and data quality live up to the methodology and standards required for a financial product in accordance with Article 9 SFDR.

No significant harm to the sustainable investment objective

The Sub-Fund has relevant policies (ESG Investment Policy and ESG Engagement Policy) and processes in place, in each case applying to the Investment Advisor, to ensure that the investments of the Sub-Fund do not cause significant harm to any environmental or social sustainable investment objective:

Investment Management

1. ESG due diligence is conducted on all investments with a particular focus on the assessment of EU Taxonomy alignment, good governance practices and avoidance of adverse impacts. For economic activities eligible under the EU Taxonomy, an assessment of the "Do No Significant Harm"-criteria (DNSH) will be performed.

2. Material ESG risks identified in the ESG due diligence are mitigated. The ESG due diligence will results in a set of recommended actions to be implemented pre- and/or post-closing of the respective investment.

Asset Management

3. Periodic reporting on EU Taxonomy, sustainability indicators and the principal adverse impacts indicators (PAI) ensures transparency and enables the Sub-Fund to monitor and report on the impact of its investments.

The Sub-Fund considers and reports annually on the following 16 principal adverse impact indicators ("PAI" or "PAIs"), as presented in Annex I to the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council (the "Regulatory Technical Standards"):

- Table 1: #1. GHG emissions
- Table 1: #2. Carbon footprint
- Table 1: #3. GHG intensity of investee companies
- Table 1: #4. Exposure to companies active in the fossil fuel sector
- Table 1: #5. Share of non - renewable energy consumption and production
- Table 1: #6. Energy consumption intensity per high impact climate sector
- Table 1: #7. Activities negatively affecting biodiversity-sensitive areas
- Table 1: #8. Emissions to water
- Table 1: #9. Hazardous waste and radioactive waste ratio

- Table 1: #10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Table 1: #11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
- Table 1: #12. Unadjusted gender pay gap
- Table 1: #13. Board gender diversity
- Table 1: #14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
- Table 2: #4. Investments in companies without carbon emission reduction initiatives
- Table 3: #15. Lack of anti-corruption and anti-bribery policies

The PAIs are considered in the investment and asset management processes of the Sub-Fund as follows:

Investment Management

- ESG Due Diligence: Assessment of availability of PAI data and consideration of PAIs as part of the ESG Due Diligence.

Asset Management

- Monitoring and Reporting: Monitoring of and reporting on the development of the PAIs for each investment over its lifetime.
- Engagement: PAIs and potential material adverse impact are addressed as part of the engagement process.

The Investment Advisor is responsible for performing the respective tasks for which it may mandate external advisors with the respective expertise.

The Sub-Fund will not invest in companies that violate principles of the United Nations Universal Declaration of Human Rights, the International Labour Organisation's (ILO) labour standards, the United Nations Guiding Principles for Business and Human Rights (UNGPs), the United Nations Global Compact (UNGC) and the OECD Guidelines for Multinational Enterprises. Minimum safeguards are evaluated as part of the ESG Due Diligence and managed through monitoring and reporting as well as through engagement with the assets.

Sustainable investment objective of the financial product

The objective of the Sub-Fund is to invest in sustainable infrastructure assets which contribute to reducing GHG emissions and enabling the transition to a low carbon economy pursuant to Article 9(3) of the SFDR.

The sustainability indicators used to measure the attainment of the sustainable investment objective of the Sub-Fund are the following:

- Renewable energy capacity enabled by energy infrastructure assets
- Renewable energy generated by energy infrastructure assets

- GHG intensity
- Estimated GHG emissions avoided

Investment strategy

The Sub-Fund invests in sustainable infrastructure assets focusing on energy, transportation, circular economy and digital infrastructure. These assets provide investment opportunities with an attractive risk-return balance, while at the same time reducing GHG emissions and enabling the transition to a low carbon economy. All investments, excluding cash and investments for ancillary liquidity or hedging activities, must be aligned with the EU Taxonomy or the definition of ‘sustainable investment’ according to Article 2(17) of the SFDR.

The investment strategy is implemented on a continuous basis following the Section “Sustainable Investment Approach” of the Special Section 1 of the private placement memorandum.

Good governance practices of the assets are considered as part of the investment decisions. This includes sound management structures, employee relations, remuneration of staff and tax compliance.

- Investment management: The governance assessments are part of the ESG Due Diligence.
- Asset management: The assets of the Sub-Fund are screened annually against the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In addition, The Sub-Fund promotes good governance practices through shareholder engagement, board and committee representations, in each case where applicable, and through regular dialogue with portfolio company management teams.

The Sub-Fund promotes good governance practices through shareholder engagement, board and committee representations, in each case where applicable, and through regular dialogue with portfolio company management teams.

Proportion of investments

The assets of the Sub-Fund will be allocated as follows at the end of the Investment Period:

- 100% of the investments will be ‘Sustainable’
    - of which 100% will be categorised as ‘Environmental’;
    - of which 70-100% will be aligned with the EU Taxonomy; and
    - of which 0-30% may be categorised as sustainable under ‘Other’

This implies that each investment will follow the investment strategy, including the binding elements, and comply with the commitments made in the section ‘No significant harm to the sustainable investment objectives’ above. The binding elements are included in the Sections “Sustainable Investment Approach”, “Exclusion Criteria” and “ESG Integration in Investment Process” of the Special Section 1 of the private placement memorandum.

The Sub-Fund may invest in transitional and enabling activities, subject to the alignment with the investment strategy of the Sub-Fund. The minimum share of investments in transitional and enabling activities is 0%.

Some of the investments may be categorized as ‘not sustainable’, covering cash and investments for ancillary liquidity and hedging activities, which in order to fit the overall financial product’s sustainable investments’ objective, will meet minimum environmental or social safeguards, i.e. investments or techniques for specific purposes shall be in line with the sustainable investment objective of the Sub-Fund.

The Sub-Fund does not make investments in sovereign bonds, nuclear energy, or fossil gas in direct exposures.

Monitoring of sustainable investment objective

The objective of the Sub-Fund is to invest in sustainable infrastructure assets which contribute to reducing GHG emissions and enabling the transition to a low carbon economy.

The sustainability indicators that are used to monitor and measure the attainment of the sustainable investment objective of the Sub-Fund are the following:

- Renewable energy capacity enabled by energy infrastructure assets
- Renewable energy generated by energy infrastructure assets
- GHG intensity
- Estimated GHG emissions avoided

In the investment management phase, the investments are screened against the exclusion criteria and assessed through a detailed and comprehensive ESG due diligence, which includes the assessment of the alignment of the investment with the EU Taxonomy, the ‘do no significant harm’-criteria and the minimum safeguards. In the asset management phase, the investments’ ESG performance is monitored as part of the periodic reporting on the EU Taxonomy, sustainability indicators and the principal adverse impact indicators (PAI). Any adverse development on these indicators will be addressed through active engagement.

It is the responsibility of the Investment Advisor to monitor the development of the sustainable investment objectives and sustainability indicators.

Methodologies

Renewable energy capacity enabled by energy infrastructure asset: A standalone figure, which does not require calculation other than aggregation from operating assets in the Sub-Fund.

Renewable energy generated enabled by energy infrastructure asset: A standalone figure, which does not require calculation other than aggregation from operating assets in the Sub-Fund.

GHG intensity: Calculated in accordance with the methodology set forth under the definition of “*GHG intensity of investee companies*” in Annex I to the Regulatory Technical Standards as follows:

$$\sum_{n}^{i}\left(\frac{\textit{current value of investment}_i}{\textit{current value of all investments (€M)}} \times \frac{\textit{investee company's Scope 1, 2 and 3 GHG emissions}_i}{\textit{investee company's €M revenue}_i}\right)$$

Estimated GHG emissions avoided: Calculated by taking the difference between the estimated CO_2 emissions resulting from the operation of the economic activity, and the estimated *baseline* CO_2 emissions from the “business as usual”-scenario of the respective economic activity in the relevant geographical region (applying recent energy balances, fuel mixes and other data points which apply to the given economic activity in the relevant geographical region). Other industry-standard methodologies may be used, and the specific methodology will be disclosed in a transparent and clear manner as part of the methodology statement for the respective investment/asset.

The sustainability indicators are monitored through data collection, assessment and reporting. Adverse development will be addressed through engagement with the investee companies and, where possible.

Data sources and processing

Data is collected from assets using standardized templates with a clear data structure to reduce the risk of errors and inconsistencies. Data is collected and processed by the Investment Advisor. In order to ensure data quality, the Investment Advisor uses internal and/or external specialist competencies to assess the correctness and the development of the indicators over time.

Data is processed internally and may be subject to assessments and verifications by external advisors with the respective expertise.

Data used for 'Estimated GHG emissions avoided' may be estimated when calculating a "business as usual"-scenario. This will be handled by internal subject matter experts and/or external advisors with the respective expertise. Estimated data points will be explicitly designated as such in the methodology statement of the respective data point/calculation.

Limitations to methodologies and data

There may be limitations to the accessibility and quality of the data relating to the investments/assets. It is expected that the accessibility and quality of the data will improve over time as a consequence of the maturing of the markets and the implementation of active engagement with investee companies and a structured approach to data collection.

The Sub-Fund will keep records on any limitations, and the methodology statement will include a disclosure on any limitations.

The attainment of the sustainable investment objective will not be affected by these limitations.

Due diligence

As part of the Sub-Fund's Sustainable Investment Approach, ESG factors and risks are integrated into the investment process in accordance with the ESG Investment Policy of the Sub-Fund.

In particular, the Investment Advisor performs the following tasks as part of the recommendation process set forth in section 3.6 of the Private Placement Memorandum:

Investment Management

- Sourcing/Pre-Approval: Screening of the investment against the exclusion criteria and, where applicable, high-level assessment of the investments alignment with the EU Taxonomy or the definition of a 'sustainable investment' according to Article 2(17) of the SFDR.

- Due Diligence, Structuring and Approval Advice: Detailed and comprehensive ESG due diligence, including assessment of ESG factors and risks. Based on the ESG due diligence, mitigation actions will be identified and implemented as part of the structuring of the investment. The results of the ESG due diligence including actions taken to mitigate ESG risks will form part of the approval advice.

Asset Management

- The Investment Advisor seeks to enhance the investments' ESG performance and to continuously monitor and minimize ESG risks. In addition, ESG factors and risks are continuously addressed through ESG engagement and ESG monitoring and reporting.

For further information please revert to the ESG Investment Policy and the ESG Engagement Policy of the Sub-Fund.

Engagement policies

Engagement is not part of the sustainable investment objective of the Sub-Fund.

Attainment of the sustainable investment objective

No specific index has been designated as a reference benchmark for the Sub-Fund. The sustainable investment objective is attained through the Sub-Fund's investment strategy and by monitoring the sustainability indicators. All investments of the Sub-Fund, excluding cash and investments for ancillary liquidity and hedging activities, will be aligned with the EU Taxonomy or the definition of 'sustainable investment' according to Article 2(17) of the SFDR. The Sub-Fund's objective to reduce GHG emissions and enable the transition to a low carbon economy is in line with the objectives of the Paris Agreement.