



ASSET
MANAGEMENT

WEBSITE PRODUCT DISCLOSURE FOR FINANCIAL
PRODUCTS REFERRED IN ARTICLE 8 (1-2A) REGULATION
(EU) 2019/2088 AND ARTICLE 5 OF REGULATION (EU)
2020/852



Product name: „INVL Renewable Energy Fund I” (hereinafter – “the Subfund”)

Legal entity identifier: NA

Does this financial product have a sustainable investment objective?

☒ YES

☐ NO

☒ It will make a minimum of **sustainable investments with an environmental objective**: 90 %

☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: ____%

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?

☐ YES

☒ NO

I Summary

“INVL Renewable Energy Fund I” (the “Subfund”) is a private equity fund that invests in renewable energy infrastructure within the European Union. The Subfund’s objective is to invest in and manage solar power plants located in the EU, with current focus primarily on projects in Central and Eastern Europe.

Objective. The Subfund primarily invests in solar power plants. Its sustainable investment objectives are to contribute to the environmental goal of climate change mitigation and to fully comply with the “do no significant harm” principle as defined in the EU Taxonomy Regulation.

Do No Significant Harm. For each investment, the Subfund conducts a comprehensive assessment of risks and principal adverse impacts (PAI) to reduce or eliminate them and ensures compliance with the EU Taxonomy Do No Significant Harm (DNSH) criteria. Projects are assessed for climate risks and adapted using technical solutions and insurance against extreme events, while design incorporates durability and recyclability requirements. Environmental impact assessments are carried out where required under national law to protect biodiversity. Social safeguards include a strict supplier verification process and mandatory adherence to a Supplier Code of Conduct to ensure compliance with human rights, labor standards, and environmental requirements across the supply chain.

Investment Strategy. To achieve its objectives, the Subfund invests in early-stage (“greenfield”) and mid-stage (“brownfield”) renewable energy projects (solar, wind, biogas, etc.), including, but not limited to: (i) construction of new power plants, (ii) acquisition of operating plants, (iii) development and/or acquisition of infrastructure required for plant operation, and (iv) efficient management of existing plants.

Investment Proportions. The Subfund aims to allocate up to 90% of its investments to achieving sustainable investment objectives. Cash may be held temporarily until deployed in sustainable investments. Additionally, up to 10% of funds may be held in cash to meet operational needs, including liquidity management and hedging. The Subfund aims for 100% of its sustainable investments to align with the EU Green Taxonomy’s climate change mitigation objectives and related screening criteria.

Monitoring of Sustainable Investment Objectives. The Subfund uses various sustainability indicators to track progress toward its sustainability objectives, including installed renewable energy capacity, the amount of renewable energy generated, and the volume of avoided GHG emissions. These indicators are applied throughout the investment process, including in the assessment and monitoring of prospective investments, and serve as the primary criteria for managing investments during their lifecycle.

Methodology, Data Sources, Management, and Limitations. The applied methodologies and data have certain limitations. Avoided emissions are derived and theoretical, based on generated energy data and national grid emission factors. These emission factors may be subject to delayed updates, increasing calculation uncertainty. Climate risk assessments and scenario modeling rely on third-party assumptions, so accuracy depends on the quality of the models and data. Some PAI indicators are estimated using specialized calculation tools and assumptions and should therefore be considered indicative. Supplier-provided data and self-declarations present additional risks, and the Subfund’s capacity to conduct extensive supplier audits is limited.

These limitations do not have a direct impact on the achievement of the Subfund's sustainable investment objectives — the investment direction and practical impact on GHG reduction remain unchanged, while the limitations mainly affect measurement and reporting accuracy.

Comprehensive due diligence covers legal, technical, ESG, financial, and tax aspects, conducted by competent consultants or internal teams, with identified impacts and mitigation measures integrated into the project and planning applications. The Subfund documents the methodologies and data sources used and provides for the possibility of independent audit to reduce the effect of these limitations on assessments.

II No No significant harm to the sustainable investment objective

How the indicators for adverse impacts are taken into account?

The Subfund evaluates investments based on clear criteria, taking into account potential adverse impacts on the environment, social conditions, and governance. For each investment, a comprehensive risk and impact assessment is conducted to identify and mitigate any principal adverse impacts (PAI). The Subfund assesses all material PAIs relevant to its activities, including greenhouse gas (GHG) emissions, GHG intensity, biodiversity sensitivity, compliance with the UN Global Compact principles, OECD guidelines, waste generation, and other factors, aiming to minimize negative impacts. Where adverse impacts are identified, appropriate measures are implemented to reduce or eliminate them.

The Subfund also applies the Do No Significant Harm (DNSH) criteria under EU Regulation No. 2020/852 when planning and developing renewable energy projects. Specifically, the Subfund conducts climate risk and vulnerability assessments for its projects. To identify climate risks relevant to each solar plant location, the Subfund uses data from external providers based on current conditions and RCP 4.5 and RCP 8.5 scenarios. Climate risks that could potentially have a significant adverse effect on solar plants are identified, and adaptation measures are implemented, including certified, temperature-resilient infrastructure, integrated protection against extreme heat, winter frost adaptation measures, and geodesic pull-out tests to ensure structural stability. To mitigate residual risks, solar plants are insured against hail, storms, and forest fires.

To ensure compliance with DNSH criteria in the circular economy, recyclability and high durability requirements are integrated into the design, procurement, and installation processes of solar energy assets. Specifically, infrastructure is designed using long-lasting, high-quality components — including solar modules, inverters, and mounting structures — sourced from Tier 1 manufacturers. These components are selected based on extended performance warranties and proven durability, reducing the need for replacements and minimizing environmental impact over the system's operational lifetime. Regarding recyclability, the recyclability of key materials is assessed during procurement, with priority given to components such as glass-based solar modules with aluminum frames. Once construction begins, waste management contracts are established with licensed providers, and collaboration with specialized companies ensures the recycling of imported waste for which the Subfund is responsible. Additionally, all equipment suppliers are required to provide CE-certified products, ensuring full compliance with EU environmental and safety standards.

To ensure compliance with biodiversity requirements, during the preparatory due diligence (DD) phase, it is determined whether an Environmental Impact Assessment (EIA) is required under national law. Where mandatory, the EIA is conducted in accordance with national legislation. The completion of the EIA and/or implementation of its mitigation measures is generally a prerequisite for obtaining the construction permit for the solar park development.

How are sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Minimum social safeguards operate through a two-tier system. First, the Subfund's special purpose vehicles (SPVs) are managed in accordance with the Management Company's internal documents, including the Code of Ethics and other internal policies, such as the Prohibited Investments List, as set out in UAB INVL Asset Management's Responsible Investment and Sustainability Risk Integration Policy. Second, suppliers are subject to a multi-layered due diligence process. This includes sanctions checks for all suppliers (both individuals and legal entities) to assess related risks, verification of solar park infrastructure suppliers in the OECD specific instances database, and a requirement to complete a supply chain management questionnaire. The questionnaire covers topics such as compliance and business ethics, the supplier code of conduct, and child labor. In addition, solar park infrastructure suppliers and solar plant developers must comply with the Supplier Code of Conduct, which is integrated into supply contracts and covers legal compliance, labor law requirements, human rights, employee health and safety, environmental protection, business integrity, and conflict of interest policies. Suppliers are also responsible for ensuring compliance throughout their supply chain and must report any violations, which may lead to supplier suspension or corrective action dialogue.

The Subfund recognizes the risk of human rights violations associated with the procurement of solar modules, particularly the risk of forced labor in the photovoltaic infrastructure supply chain. However, as a small purchaser with limited leverage and supply alternatives due to China's dominant market position, the Subfund primarily relies on supplier self-declarations to assess compliance with requirements. Despite these limitations, the Subfund actively monitors sector practices and regulatory developments to adjust its approach if more suitable supply options become available.

III Sustainable investment objective of the financial product

What is the sustainable investment objective of this financial product?

The purpose of the Subfund is to invest the assets in existing (or future) renewable energy and/or other infrastructure and to earn an above average risk-adjusted return thereon.

The sustainable investment objectives of the Subfund are:

- to build a high-quality portfolio of renewable energy projects. Further, the Subfund seeks to contribute to the global environment by investing in solar PV assets and promoting the use of renewable energy (with the opportunity for investors to make a proactive measurable and lasting contribution to reduction of CO2 emissions);
- to substantially contribute to the environmental objective of climate change mitigation within the meaning of the EU Taxonomy regulation.

IV Investment strategy

What investment strategy does this financial product follow?

With a view to achieve the objective of the Subfund, Subfund will invest in green field and brown field renewable energy (solar, wind, biogas, etc.) projects, which will include but be not limited to (i) the construction of new power plants, (ii) the acquisition of existing power plants, (iii) the development and/or acquisition of infrastructure necessary for the operation of power plants, and (iv) the efficient management of existing power plants.

What is the policy to assess good governance practices of the investee companies?

Investments in companies (SPVs) have no employees, its directors are all non-executive and its day-to-day activities, including investment management and administration, are outsourced to external service providers. An assessment of good governance practices, including relationships with local suppliers, regulators, the community and other key stakeholders is part of the pre-investment due diligence. However, because of the fact that the Subfund invests in early-stage renewable energy (solar) projects i.e., investments in companies (SPVs) traditional concerns around governance and the methods of addressing those concerns, such as shareholder voting and setting reporting standards for direct managers of investments are not precisely relevant to the Subfund.

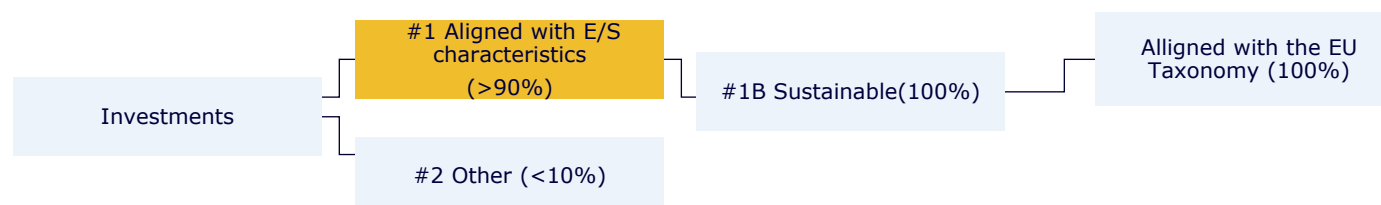
What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Not determined.

V Proportion of investments

What is the asset allocation and what is the minimum proportion of sustainable investments?

The Subfund aims for 90% of its investments to meet its sustainable investment objective, in accordance with the binding elements of the investment strategy, however up to 10% of funds may be held in cash for operational purposes, liquidity management and hedging.



#1 Aligned with E/S characteristics includes the investments of the Fund used to attain the environmental or social characteristics promoted by the Fund.

#2 Other includes the remaining investments of the Fund which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments. See further explanation in this Section below.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

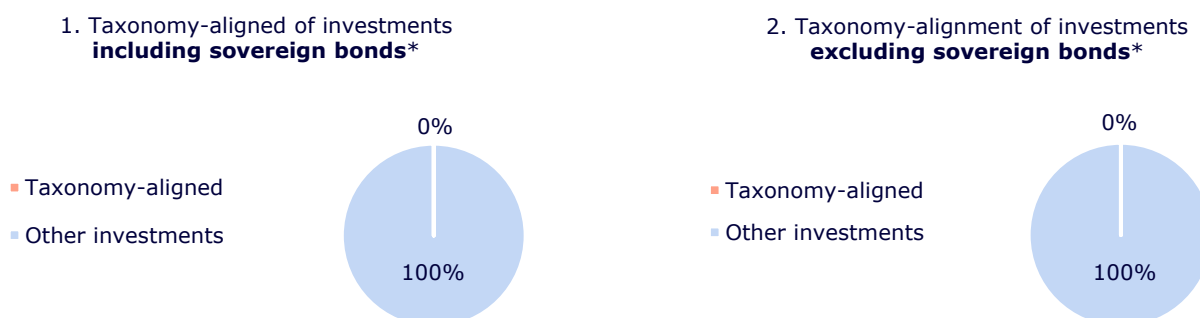
How does the use of derivatives attain the sustainable the environmental or social characteristics promoted by financial product?

Subfund intends to use produced electricity price hedging or related derivatives for securing steady flow of income from electricity generation and ability to finance project development with debt raised from banks and other financial institutions. The Subfund may from time-to-time use derivative financial instruments such as futures, options, futures contracts and swaps (collectively "Derivatives") to protect the Subfund from fluctuations of interest rates, currency prices. The Derivatives will not be used as a means to attain the sustainable investment objective of the Subfund, except when Derivatives are used to secure project bankability. The Subfund does consider minimum ESG safeguards, including that the Derivatives must be traded on a regulated market or by private agreement (OTC) entered with first class financial institutions or reputable entities specialized in this type of transactions.

To what minimum extent are sustainable investments with an environmental objective aligned with the Taxonomy?

The Subfund aims to align all of its project investments with the EU Taxonomy requirements; however, auditor or third-party verification of investment compliance is not required and will not be conducted.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds..*



What is the minimum share of investments in transitional and enabling activities?

0%

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the Taxonomy?

0 %

What is the minimum share of socially sustainable investments?

0%

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

About 10 percent of assets may be held in cash for operational, liquidity management and hedging purposes.

VI Monitoring of the sustainable investment objective

How is the sustainable investment objective monitored throughout the financial product's lifecycle, and how are the sustainability indicators applied to assess the achievement of the sustainable investment objective, including the related internal and external control mechanisms?

The Subfund uses a range of sustainability indicators to measure the attainment of its sustainable investment objective, notably the following Key Performance Indicators (KPIs):

- Installed renewable energy capacity – MW, recognized upon commissioning of the generation facility
- Renewable energy generated – MWh, annual electricity generation sold to the grid, accounted for based on invoices
- CO2 emissions avoided – CO2e tons, calculated using the following formula:

Avoided Emissions=Renewable Energy Generated×Grid Emission Factor

The most recent country emission factors are taken from the following database: <https://www.aib-net.org/facts/european-residual-mix>

Throughout the lifecycle of the Subfund's financial product, the sustainable investment objective and the sustainability indicators used to assess its achievement are monitored through a clearly defined process. Internal control mechanisms include established procedures for data collection and reporting, ensuring data consistency and reliability. Progress is reviewed and overseen by the Subfund's Investment Committee and the Management Company's senior management, who regularly evaluate results and make decisions on further actions to achieve the established objectives.

External control mechanisms are based on objectively verifiable indicators. For example, the amount of renewable energy generated is calculated using third-party invoices for energy sold to the grid, while avoided emissions are calculated based on the latest national emission factors published in external databases. This ensures transparency and objectivity of results and allows for external verification if required.

VII Methodologies

What methodologies are applied to assess whether the sustainable investment objective has been achieved, and how are the sustainability indicators used to evaluate the attainment of that objective?

As noted above, the monitoring of progress toward sustainable investment objectives is primarily based on calculating the avoided CO2 emissions and fossil fuel consumption resulting from the production capacity (and actual production) of solar energy assets within the portfolio. Avoided CO2 emissions are calculated at the asset level, based on the electricity generated by the asset (measured using a standardized methodology) and internationally recognized, harmonized conversion factors. Using this publicly available and widely accepted methodology, avoided CO2 emissions are determined by comparing the emissions associated with the portfolio to a counterfactual scenario.

VIII Data sources and processing

What data sources are used to achieve the sustainable investment objective of the financial product?

To calculate the amount of avoided emissions and fossil fuel consumption, the net renewable energy production must be multiplied by the corresponding conversion factors. Net renewable energy production depends on the specific asset and, depending on whether the data are projected or based on actual electricity generation, comprises:

- actual production of the Subfund's assets (measured); or
- projected production capacity of the Subfund's assets (as specified in technical documentation and specifications) for forecasting purposes.

Asset production data are measured and recorded based on the original equipment manufacturer's meter readings. Data are managed and quality-checked by internal staff. Only forecasts of avoided emissions and related expected or projected production data are calculated. These estimates are based on asset capacity, utilization, and operational lifetime. It is also important to note that while harmonized conversion factors are internationally recognized, they are based on country-specific averages and/or calculations and assumptions related to alternative electricity generation plans.

What measures are applied to ensure data quality?

To ensure data quality, all data related to project development and power plant operation are managed directly by the Subfund, which is responsible for project development and operational control. This ensures the reliability, completeness, and consistency of data sources. Data are collected according to established internal procedures, and key indicators (installed capacity, electricity generated) are verified using actual meter readings and invoices. Estimated indicators (e.g., avoided emissions) are calculated according to approved methodologies using publicly available emission factors. This practice reduces the risk of errors and allows for external verification.

How is the data managed?

All data related to project development and power plant operations are managed directly by the Subfund, which is responsible for collection, storage, and updating. Data are accumulated according to established internal procedures and stored centrally to ensure integrity, consistency, and traceability of changes. Key operational indicators are recorded based on actual meter readings and invoices, while calculated indicators (e.g., avoided emissions) are determined using approved methodologies and external data sources. This data management system ensures reliable reporting and enables both internal and external reviews.

What proportion of the data is estimated?

Most sustainability indicators used by the Subfund are based on actual data — installed capacity and electricity generated are determined using actual meter readings and invoices for energy sold to the grid. The proportion of estimated data is limited to calculations made to determine avoided emissions and certain PAI indicators, such as CO₂ emissions from the construction process or the ratio of non-recycled waste. These indicators are calculated using spreadsheets specifically prepared for the Subfund and publicly available emission factors.

IX Limitations to methodologies and data

What limitations surrounded the described methodologies and data sources (including what actions are taken to address such limitations).

- **Nature of avoided emissions and theoretical calculations**

Avoided emissions are a derived indicator, calculated based on multiple parameters. The calculations reflect a theoretical quantity derived from renewable energy generation data and national grid emission factors. Therefore, these figures provide an indicative estimate but cannot be considered a direct, measured reduction in emissions verified across all system stages.

- **Time lag risk of national emission factors**

Emission conversion factors are sourced from public databases, which may be updated with delays. This means that calculations may rely on historical or temporarily outdated averages, adding uncertainty to the results.

- **Impact of methodological and model assumptions**

Climate risk assessments and scenario modeling are methodological evaluations based on third-party models and assumptions. The results are highly dependent on assumptions regarding future climate conditions, solar irradiation, technology performance, and infrastructure vulnerability, so certainty is not absolute.

- **Limitations of estimated PAI indicators**

Some impact indicators, such as CO₂ emissions from construction or the amount of non-recycled waste, are calculated using specialized spreadsheets and assumption sets. These calculations are estimates and should be treated as indicative rather than direct measurements.

- **Reliability risk of supplier data and self-declarations**

Some information is based on data provided by suppliers or on self-declarations. There is a risk that supplier-provided information regarding social or environmental aspects of the supply chain may be partially inaccurate or insufficiently verifiable. The Subfund's capacity to conduct extensive supplier oversight is limited due to its size and resources.

- **Limited ability to fully verify causal links of climate impacts at the project level**

Although scenario modeling and risk assessments are performed, it is not possible to fully predict how climate change will specifically affect each asset over its operational lifetime. This can lead to discrepancies between modeled results and actual impacts.

What is the impact of these limitations on achieving the sustainable investment objective ?

The limitations of the applied methodologies and data do not have a direct impact on achieving the Subfund's sustainable investment objective—climate change mitigation. The Subfund's investment activity remains focused on the development of renewable energy and the reduction of greenhouse gas emissions. The limitations mainly affect the accuracy of impact measurement and may introduce some uncertainty in evaluating reported results, but they do not alter the actual impact.

generated by the investments. Therefore, the core sustainable objective remains achievable, with the limitations primarily affecting reporting quality and result interpretation rather than the real climate impact.

X Due diligence

What internal and external controls were in place on that due diligence?

Standard procedures are applied, covering legal, technical, ESG, financial, and tax due diligence, conducted by the relevant consultants (or internal staff) to identify any material issues related to the company, assets, planning, environment, community, or other relevant matters. The comprehensive due diligence encompasses all aspects specified and described in the preceding sections.

In executing the proposed development activities, the Subfund conducts thorough due diligence and assesses the viability and suitability of the location and project (including environmental impact assessments). All findings are incorporated into the planning application, and any identified impacts are integrated into the project and the overall project proposal.

XI Engagement policies

How is the engagement policy implemented in cases where engagement forms part of the sustainable investment objective, including all governance procedures applied when addressing sustainability-related issues in investee companies?

The Subfund does not invest in operating companies, but only in renewable energy assets, which are typically held through SPVs (special purpose vehicles). The engagement strategy involves business partners, local communities, management teams and employees, suppliers, industry associations, and initiatives. The Subfund expects all stakeholders to be familiar with the Engagement Policy, its standards, and requirements. Where necessary, the Subfund will also seek to collaborate with government agencies or regulatory authorities to achieve the sustainable development impact objectives of its investment strategy. This commitment is not intended to improperly influence the political process.

More product-specific information can be found on the website www.invl.com.

Version	Changes	Data
Nr. 1	Publication	01-07-2023
Nr. 2	Reduced the proportion of sustainable investments from 100% to 90%. Approximately 10% is retained for liquidity purposes.	01-08-2023
Nr. 3	Process description renewed and described in more details.	29-09-2025