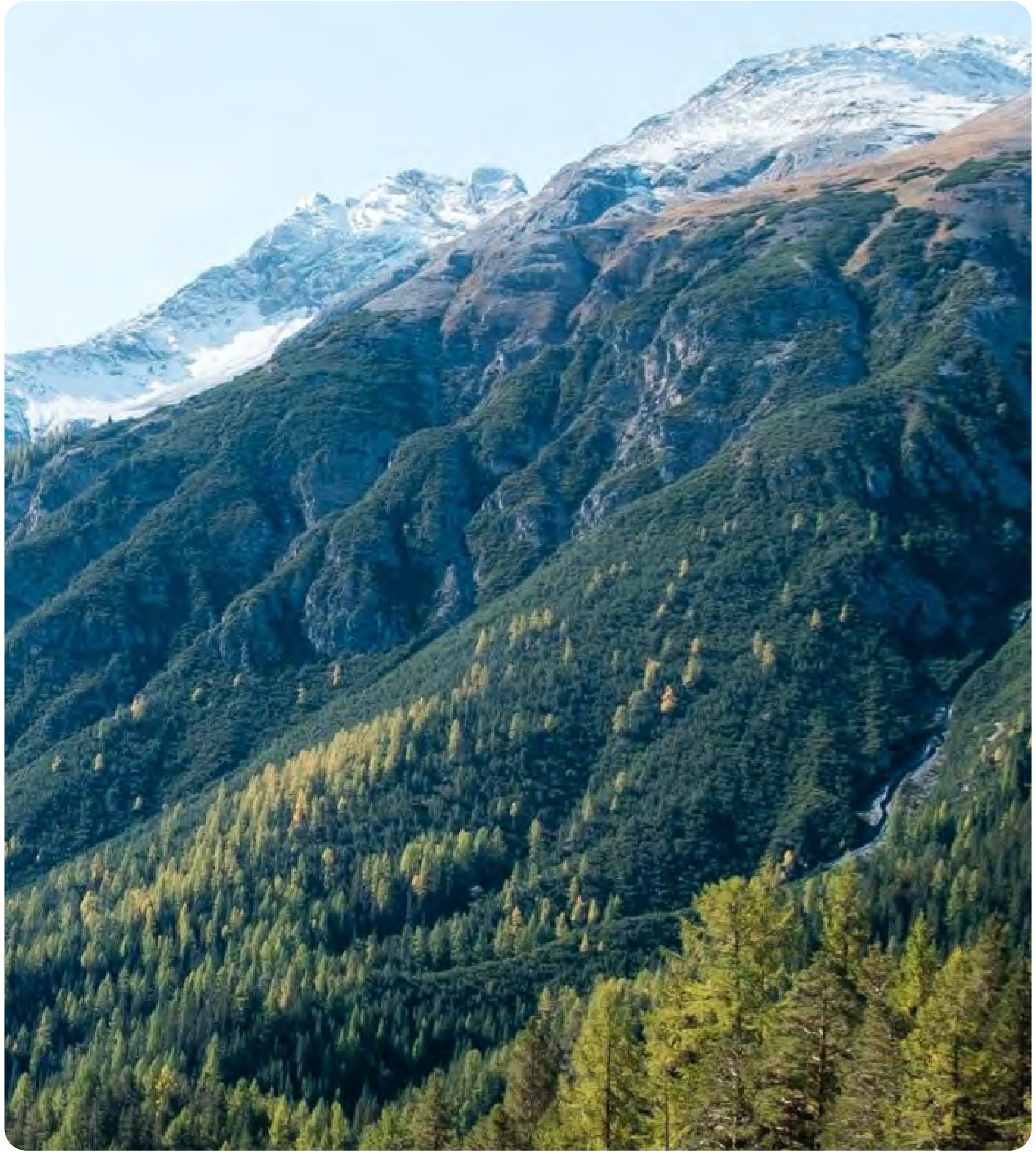
Sustainability Report

2023



Note from the CEO

Dear stakeholders,

Welcome to the 2023 edition of our annual Sustainability Report.

Last year was the hottest on record – and by a good margin. With the human, environmental, and economic costs of climate change becoming more substantial every year, the phaseout of fossil fuels and the commensurate buildout of sustainable energy infrastructure must remain among the highest priorities on the global agenda.

Fundamentally, the buildout of energy transition infrastructure requires long-term capital delivered in a valuable and sustainable manner that allows for a just transition to low-carbon economies. This transformation provides a huge opportunity to redesign our energy systems in a manner that is aligned with environmental needs, and therefore makes a profound contribution to a sustainable future.

In all of this, applying best-practice ESG standards is a vital part of risk management and strategic value creation. This applies equally to the management of investments for the benefit of our clients as well as to our company as a whole. By systematically integrating sustainability principles into our business conduct, we can enhance performance by reducing risks and seizing value creation opportunities, and deliver positive, measurable, and intentional outcomes for the benefit of our stakeholders. ESG integration is, therefore, core to delivering on our key proposition: Impactful Returns.

The purpose of this report is to track our sustainability efforts and progress in this area, both qualitatively and quantitatively. It is part of our endeavour to provide transparency to our stakeholders and to substantiate statements with data.

I therefore hope that this report provides valuable insight into our efforts to drive forward the energy transition in partnership with our clients, our business partners, and communities across the globe – realising a sustainable future, today.

Best regards,

Marco van Daele
CEO

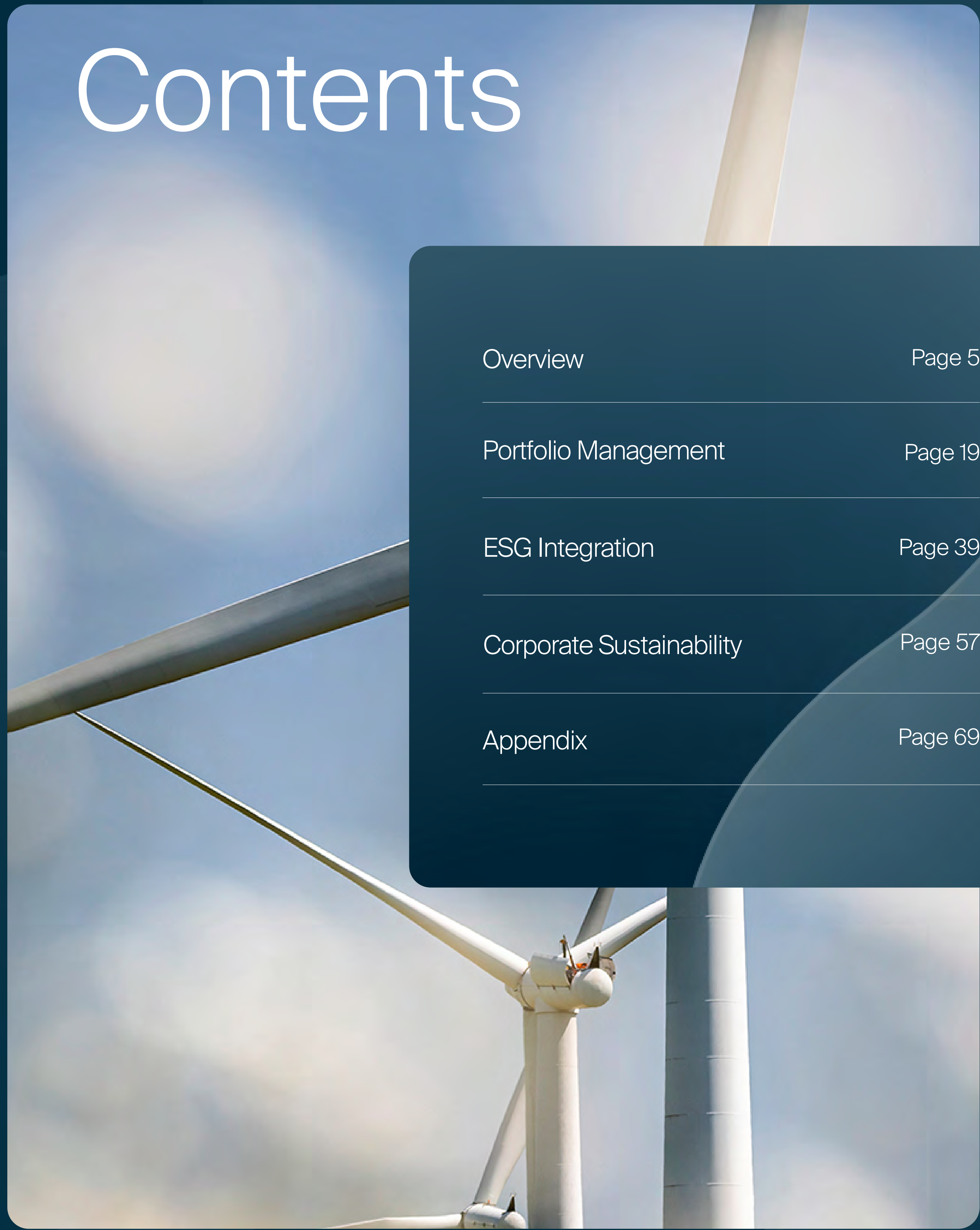
About this Report

This annual Sustainability Report offers insights into our sustainability performance and highlights significant developments from 2023. It is designed to address all stakeholders of SUSI Partners AG and its affiliates, providing a comprehensive overview of the firm's commitment to sustainable investment and corporate practices.

To increase transparency, we adhere to well-established sustainability frameworks such as the Global Reporting Initiative (GRI) and the Task Force for Climate-related Financial Disclosures (TCFD). Alongside these frameworks, we also integrate internally developed criteria into our disclosures and metrics, as detailed in this report.

Unless specified otherwise, all figures in this report are current as of 31 December 2023.

Readers are encouraged to review the important legal information provided at the end of this document on Page 84.



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SUStainable **I**nvestments are in our name. Since inception, we have maintained an exclusive focus on energy transition investments that measurably contribute to climate change mitigation. In our pursuit of clean, reliable, and affordable energy systems, we are committed to sustainable business practices that ensure good governance and take a holistic view on environmental and social impacts of our activities.

SUSI at a Glance

Who we are

SUSI Partners is an independent, Swiss-based, specialist investment manager with an exclusive focus on private market energy transition investments since inception in 2009. With our longstanding, dedicated expertise, we have been early movers in the energy transition space and remain at its forefront.

Why we do it

Our purpose is to realise a sustainable future, today. All our efforts are directed towards the pursuit of a world in which people can prosper for the long term, benefitting from financial security, a flourishing society, and a healthy planet. Climate change is an existential challenge, and we are determined to help achieve a carbon-neutral society to address it.

What we do

We invest institutional capital across the energy transition spectrum to generate attractive risk-adjusted and impactful returns for our clients and their beneficiaries while contributing meaningfully to global climate neutrality.

What sets us apart

We apply our dedicated expertise to holistic energy transition strategies, each comprising investments in a diverse array of energy transition themes. Our longstanding experience allows us to generate proprietary deal flow while systematically identifying and mitigating risks and creating sustainable value.

3 Holistic Energy Transition Strategies

Equity
Establishing and growing platforms in close partnership with high-quality sustainable energy companies

Credit
Senior-secured, asset-backed financing solutions for infrastructure-as-a-service business models

Asia
Sustainable greenfield infrastructure projects in the emerging markets of Southeast Asia

Energy Transition

- Producing Clean Energy
- Enabling Clean Energy Integration
- Increasing Energy Efficiency
- Electrifying Energy Use

1.9
billion Euros total investor commitments*

1.8
billion Euros invested*

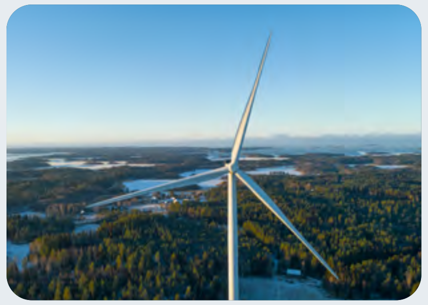
62
team members

100%
investment in businesses providing climate solutions

3.6
million tonnes of CO_2e avoided*

4
funds managed under SFDR 9

3
funds managed under SFDR 8



>10
TWh clean energy produced*

>4.8
TWh energy consumption reduced*

* Total since inception of SUSI Partners

Navigating an Evolving Energy Transition Market

While competition for investments in mainstream energy transition segments increases, we continue to focus on mid-market segments, which allow us to leverage our deep sector expertise.

The energy transition remains among the biggest investment themes of our time with a dynamic set of emerging opportunities. In developed markets especially, generalist investors are crowding into larger-investment brackets, creating much increased competition for investment opportunities. Meanwhile, our investment activities remain focused on mid-market segments that require deep sector expertise to understand and underwrite the associated risks, and that allow us to apply our expertise in pursuing various value-add initiatives across our portfolios.

As energy systems become cleaner, they also shift towards more decentralised, efficient, and resilient designs. The opportunity therefore lies in adding a large number of smaller-scale, distributed energy infrastructure assets that avoid single points of failure and thus significantly improve the overall resiliency of the system.

Investing effectively and at scale in these more fragmented systems requires the efficient aggregation of single projects into larger portfolios, which can enhance expected returns based on lower competition and enhanced portfolio diversification.

Renewable Energy

Renewable energy investments in the mid-market segment continue to be an attractive proposition. Within that, and comprising about two thirds of new renewables capacity, solar PV has been the cheapest form of new energy for a while and is now the most widely deployed renewable energy technology globally.

While utility-scale solar PV and onshore wind remain a focus, especially for our equity strategies, the emergence of distributed solar PV solutions, deployed closer to load centres or directly on the premises of residential or commercial and industrial ("C&I") energy users, have gained further momentum. C&I solar PV has become a major theme of all our investment strategies.

Energy Storage

The buildout of renewable energy generation has increasingly produced a need for energy storage capacity, additional demand for which is currently mostly met by battery solutions. We continue to invest in the theme, both through dedicated battery storage platforms and by leveraging on existing platforms focused on renewable power generation to also pursue opportunities in energy storage. We are also closely monitoring alternatives to hydroelectric facilities for long-duration energy storage.

Energy Efficiency

We continue to invest heavily into energy efficiency, which – spurred by volatile energy prices and reliability concerns – has gained significant pace as an investment theme. Energy efficiency investments, which we have pioneered since 2014, remain a relevant theme for all our energy transition strategies.

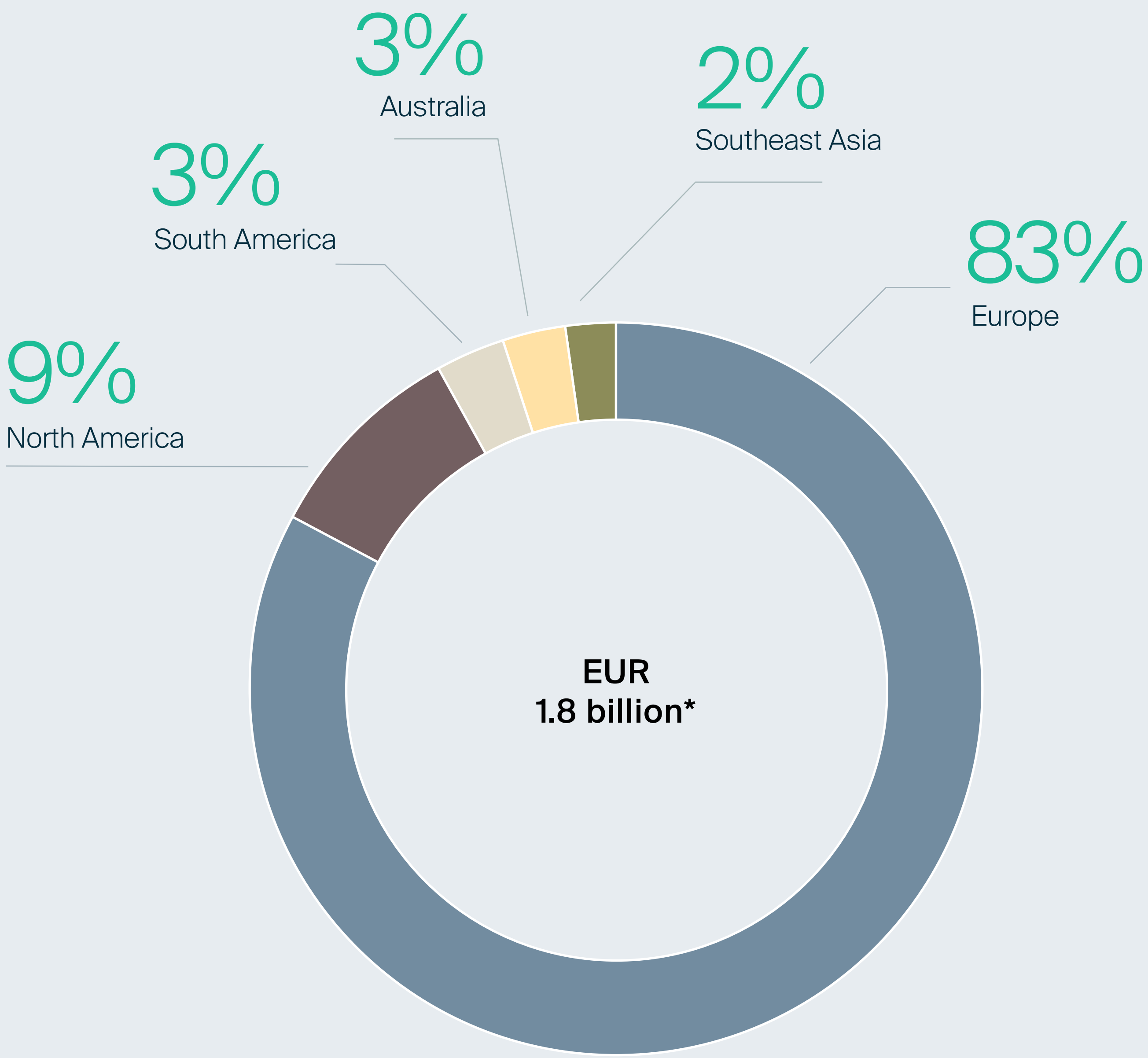
Decarbonising Transport & Heat

The decarbonisation of the transport sector is gaining pace. Having followed the sector very closely since 2019, we made our first investments in electric vehicle charging in 2023 as electric vehicle adoption rates are picking up speed and the lack of charging infrastructure remains a key bottleneck to further adoption. In the wider transport theme, which includes freight, maritime and other modes of transportation, we see vast potential for value-adding decarbonisation initiatives and hence investments.

We are also pursuing opportunities in the heating sector, which is an important and often overlooked energy vector that can become an attractive source of investments over the coming years.

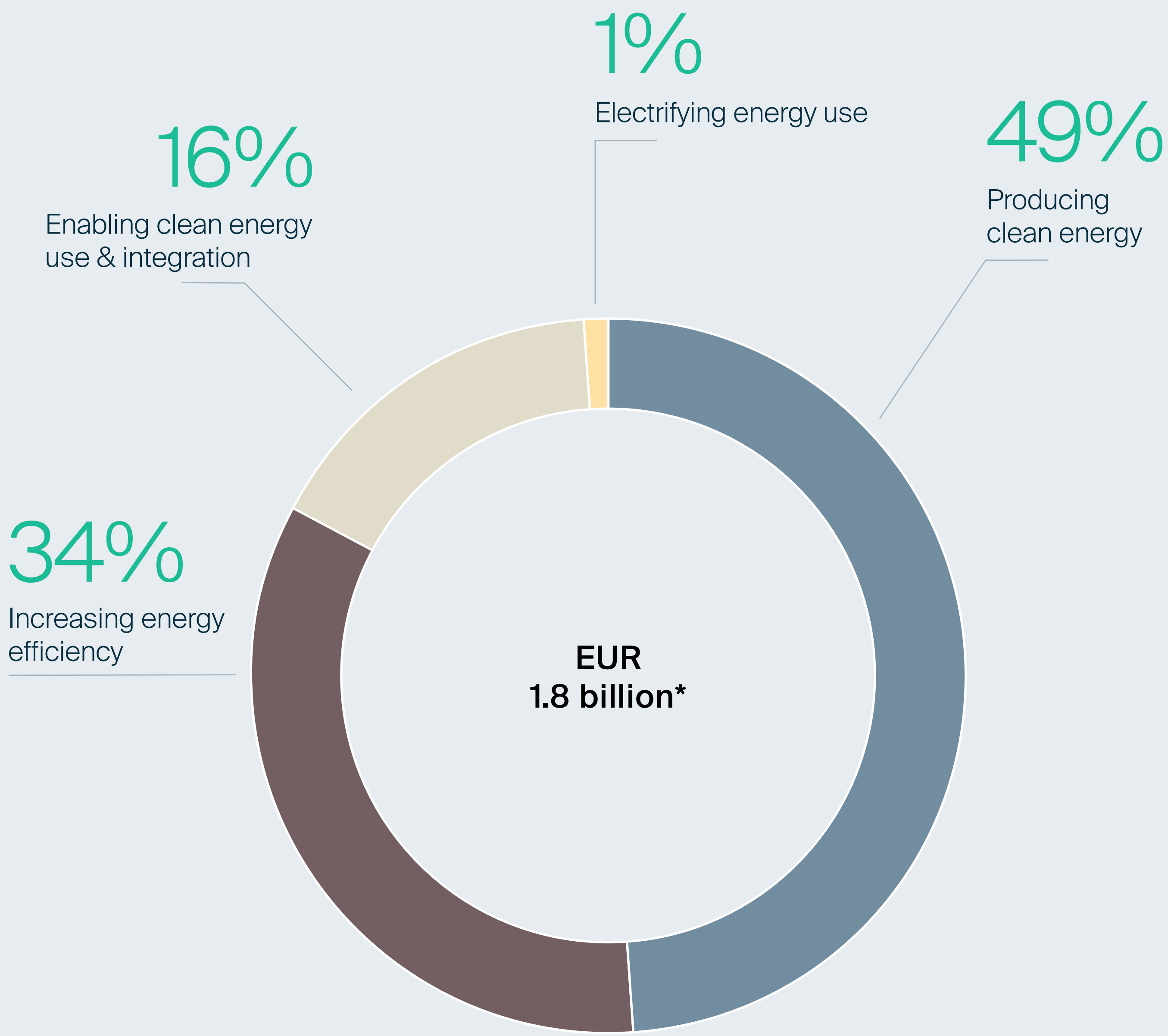
Invested Capital by Region

While Europe remains the focus of our investment activities, we have built a global investment footprint over the years, which includes further core OECD markets such as the U.S., Canada, Australia, and Chile as well as emerging markets in Southeast Asia.



Invested Capital by Theme

With our first investments in electric vehicle charging infrastructure in Europe and the U.S. closed in 2023, we have unlocked a new key theme of the energy transition – electrifying energy use – whose share we expect to grow over the coming years given the rapid transformations e.g. in transport and heating.



* Total since inception of SUSI Partners

Our Stakeholders

We take our fiduciary duty towards our clients seriously, take care of our employees, ensure full compliance with applicable regulation, and foster long-term partnerships with sustainable energy businesses and the communities in whose vicinity we develop, construct, and operate our assets.

Clients & Beneficiaries

We manage investments on behalf of institutional clients. Almost 60% of client capital commitments comes from pension funds that invest the savings of current and future pensioneers and thereby support a financially secure future for thousands of individuals. We target attractive risk-adjusted returns from long-term, private market investments and commit to providing high-quality client services and devising products that align our interests with those of our clients.

Employees

Our people are our main resource. Recruiting, retaining, and developing talented colleagues, and generally taking care of our team members is key to our success. Achieving our goals hinges on our engaged and inclusive team with diverse backgrounds collaborating effectively in a healthy and collaborative work environment.

Business Partners

We select our investment partners diligently and establish long-lasting, mutually beneficial relationships. Our partners are ambitious experts and share our vision of a sustainable energy future. We apply consistent principles to all companies we work with, and our sustainability criteria are decisive for our partner relationships.

Communities

We collaborate with the communities our investments have an impact on. Acknowledging that physical infrastructure assets can be invasive, and that sound investments require a social licence to operate, we actively work with them to mitigate adverse effects and maximise the benefits of our assets.

Regulators

Headquartered in Switzerland, we are licensed and supervised by the Swiss Financial Market Authority (FINMA), and our Singapore subsidiary holds a capital markets license issued by the Monetary Authority of Singapore (MAS). All the funds we manage are domiciled in Luxembourg, and we operate under the EU Alternative Investment Fund Management Directive (AIFMD). We adhere to all applicable laws, regulations, and ethical standards we subject ourselves to.

Shareholders

We are a privately owned company whose shareholders are aligned with our corporate vision and are committed to the development of our firm. Shareholders representing more than 70% of the SUSI Partners ownership have been invested in our firm for more than 10 years. A significant and growing stake is held by, and is designated for, management and employees.

Sustainability is Core to our Conduct

Sustainability is one of the four core values that guide our actions and decisions.

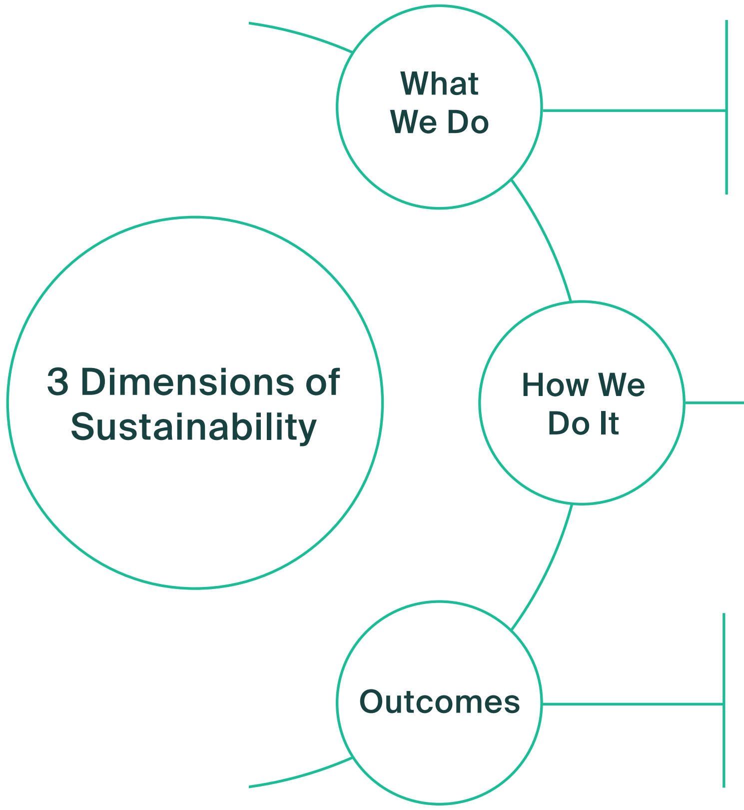
Combined with our other core values – performance, partnership, and innovation – sustainability forms the basis of our cultural identity and supports prioritisation in our strategy setting and daily operations.

We pursue our sustainability objectives by investing in clean energy infrastructure, by factoring environmental, social, and governance ("ESG") aspects into our investment and value creation processes, and by contributing to climate change mitigation.

At its core, it is about embedding sustainable and responsible thinking into each business and investment decision to ensure the long-term success of our company and investments while contributing to the long-term prosperity of societies – in short: to realise a sustainable future, today.

Marco van Daele
CEO

Sustainability is deeply embedded in our corporate culture, processes, objectives and governance to ensure accountability and continuous progress."

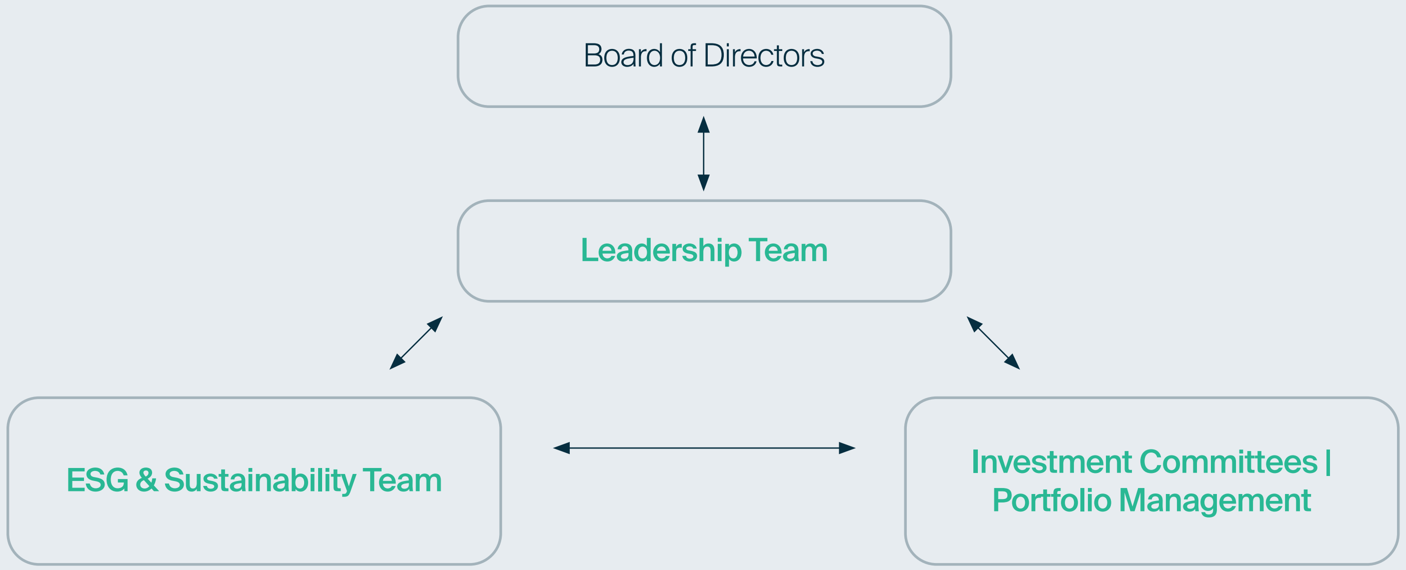


We invest in sustainable energy.
We invest exclusively in projects and companies that contribute to a sustainable energy future.

Applying an ESG lens.
We embed ESG principles into our investment and value creation approach.

Impactful Returns.
We deliver attractive, sustainable returns and positive climate impact.

Our Sustainability Governance



At SUSI Partners, sustainability is not a function, but a way to operate. It is actively supported and advanced by the Leadership Team and permeates through the organisation.

Our Leadership Team defines the sustainability-related objectives and targets and is accountable for the successful implementation of initiatives and application of sustainability principles in line with the firm's overall strategy.

The ESG & Sustainability team, which consists of dedicated professionals, advises the Leadership Team, proposes initiatives and methodologies that form our approach to sustainable investing and corporate sustainability. It works closely with the investment teams and portfolio and investment partners to implement and oversee the application of relevant initiatives and tools.

Investment Committees (ICs), Portfolio Managers, and our Investment and Portfolio Services teams ensure that standard processes and best-practice guidelines are followed in line with our mandates across all strategies.

The Leadership Team and the firm's sustainability approach is actively supervised by our Board of Directors.

Code of Ethics & Sustainable Conduct →

Our Sustainability Journey

While we have always aimed at realising a sustainable future through 'What We Do", namely investing in the global energy transition, we furthermore made substantial and continuous progress in more formally integrating sustainability principles into our activities over the last five years.

2012

Signatory of **UN Principles for Responsible Investment**

Member of **Swiss Sustainable Finance & GIIN**

CO_2 savings quantification methodology with third party

Sustainable Investing Policy approved by Board of Directors

Proprietary **sustainable investing framework**

Regular **sustainable investing trainings** implemented

Responsible Procurement Policy implemented

Opinion paper on greenhouse gas emissions reporting

Request a copy

Formulation of firm-wide **Sustainability Strategy**

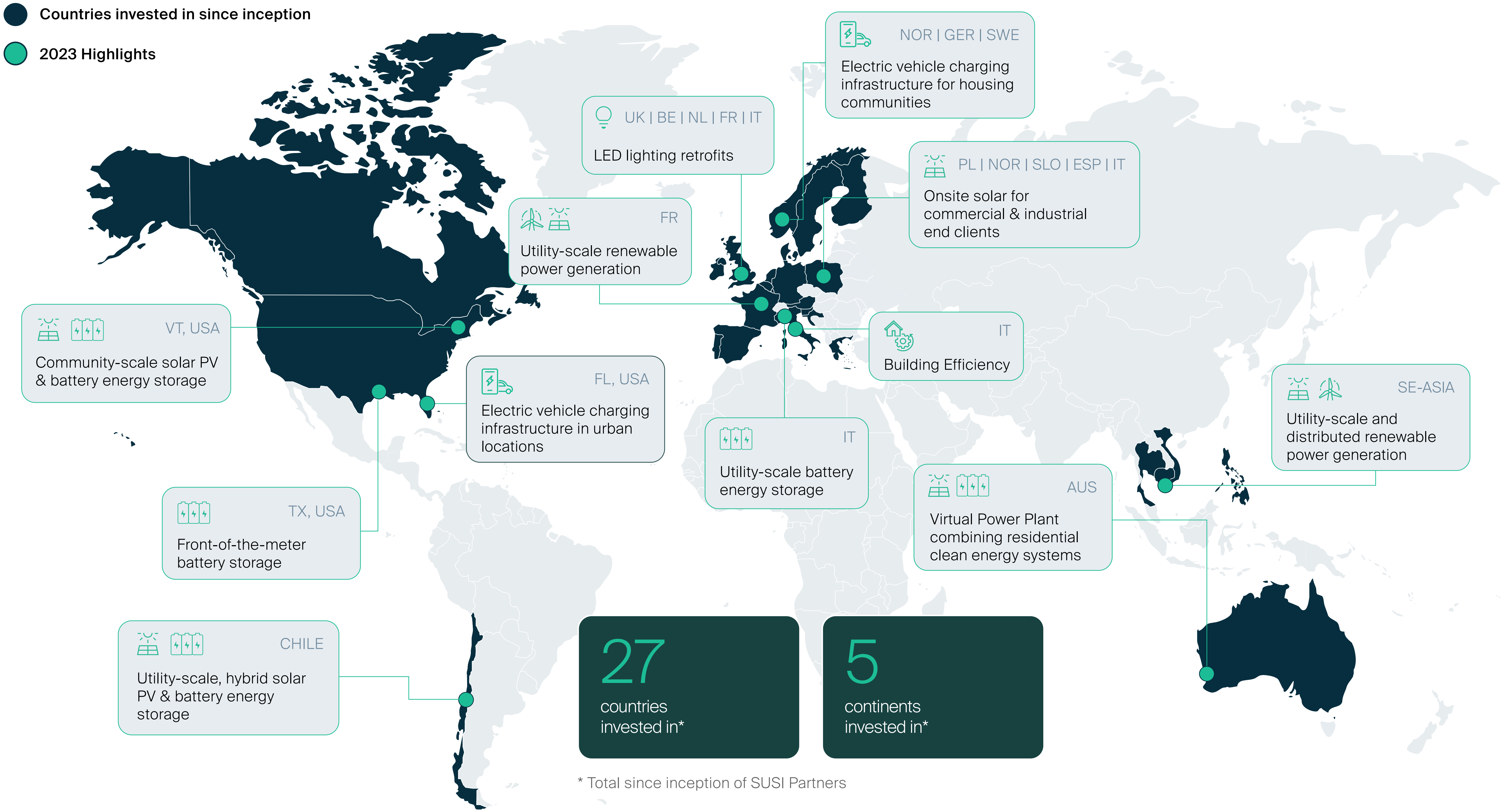
Dedicated **sustainable investing framework for credit strategy**

Methodology update for the reporting of caused and potential GHG emissions

2024

We currently invest across energy transition themes through three strategies – Equity, Credit, and Asia – which are differentiated by risk-return characteristics and geographic focus. We also continue to actively manage several equity and credit portfolios which have concluded their respective investment phases.

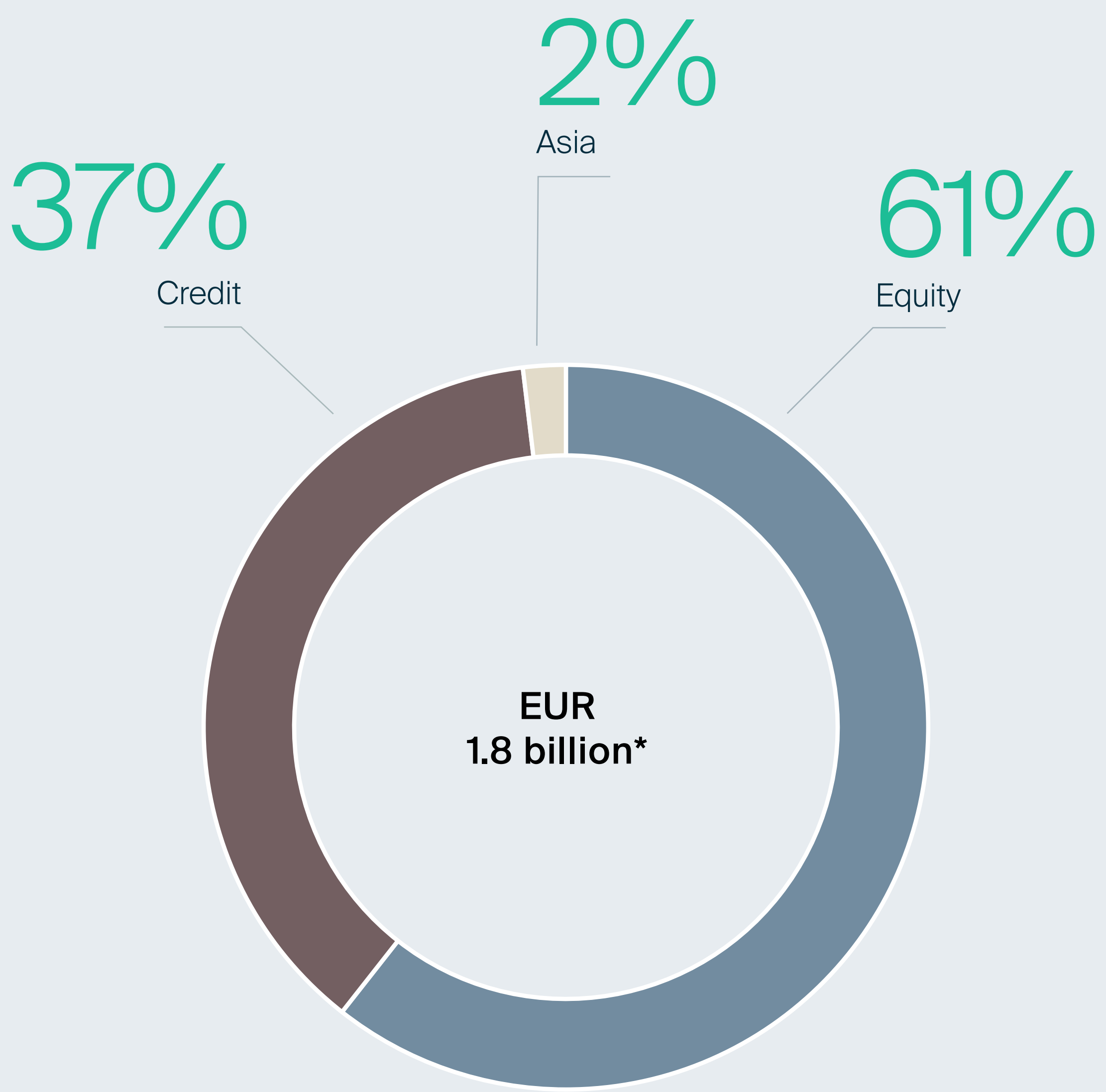
Global Investment Footprint & 2023 Highlights



* Total since inception of SUSI Partners

Invested Capital by Strategy

We have 15 years of experience as a majority equity investor into energy transition assets and companies, and more than a decade-long track record investing in energy efficiency and broader energy transition measures through our credit strategy. In 2021, we expanded our investment footprint further with our first investments executed through our Asia strategy.



Strategy Breakdown

Strategy		Invested Capital (EURm)*
Equity		
Energy Transition (OECD)	Investing	399
Renewable Energy (Europe)	Invested	471
Energy Storage (OECD)	Invested	213
Credit		
Energy Transition (OECD)	Investing	68
Energy Efficiency (Europe)	Invested	602
Asia		
Energy Transition (Southeast Asia)	Investing	31**

* Total since inception of SUSI Partners | **Converted from USD

Equity

Energy Transition (OECD) Investing

Through our Energy Transition (OECD) strategy, we invest in platforms built on close relationships and long-term alignment of interests with experienced, local clean energy companies and their management.

We continued growing our portfolio throughout 2023, adding three platforms and expanding two existing partnerships in addition to successfully completing various portfolio optimisation measures.

Originating attractive new investments

All three new investments were majority stakes in companies whose activities span the development, construction, and operation of community-scale solar PV and battery storage projects in the U.S (Encore Renewable Energy), the buildout of utility-scale onshore wind and solar PV projects in France (APAL MW), and the operation of charging infrastructure for electric vehicles in selected European markets (Elaway).

Building on our partnership-based investment approach

Leveraging on deep partnerships, we furthermore expanded existing platforms in Chile and the U.S.

In early autumn, we expanded an existing framework agreement with developer BIWO Renovables, which was initially focused on distributed solar PV plants in Chile, to also include large-scale hybrid solar PV and battery storage projects. The designated projects have a combined generation capacity of 232 MWp and battery storage capacity of up to 900 MWh. They are located close to energy load in the Santiago metropolitan area and are expected to start construction in 2025. We also secured project financing for a 107 MW portfolio of distributed solar PV projects, which is expected to be fully operational by the end of 2024.

Later in the year, we signed a follow-on agreement with US project developer SMT Energy to potentially double the capacity of our existing battery storage portfolio in Texas from 100 MW to 200 MW. The agreement built on the success of the partnership securing a tax equity investment and overseeing the successful conclusion of the construction process for the now fully operational 100 MW initial project portfolio.

Richard Braakenburg
Co-CIO

"The evolution of the energy transition is also reshaping the project development landscape, increasingly shifting the focus towards mid-sized clean energy companies with specialised expertise."

Meanwhile, our Italian solar PV development platform, which we expanded in September 2022 to also develop battery storage projects, has significantly outpaced our initial targets and by the end of 2023 had over 850 MW under development, which represents one of the most advanced battery storage project portfolios in Italy.

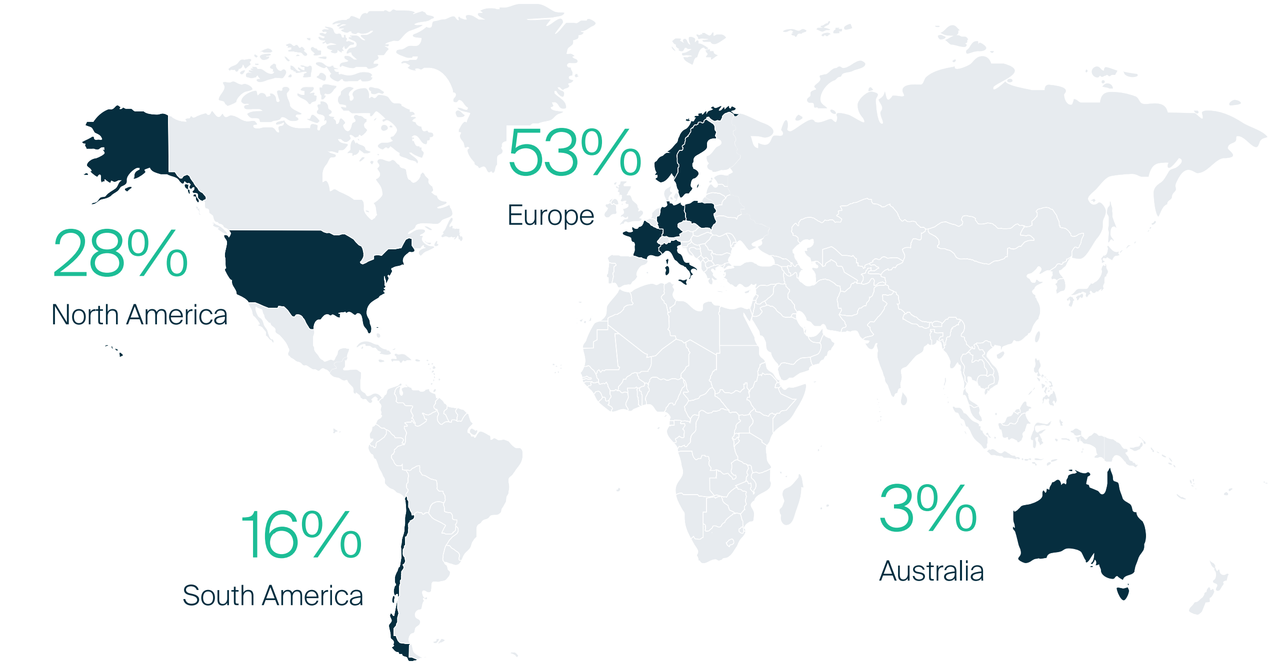
Overall, we saw our partnership-driven strategy fully come to bear in 2023 with all platforms well on track to grow in line with our ambitions and reaching important milestones. Accordingly, further strengthening these partnerships and facilitating the sharing of knowledge and best practices among portfolio companies will remain a key focus for the strategy.

399
million Euros invested*

9
portfolio companies

37k
tonnes of CO_2e avoided*

Invested Capital by Region*



>3
GW capacity under construction/development

25
energy efficiency projects

100
MW of operating battery energy storage capacity

17,000
EV charging systems in operation

3.9
Lost Time Injury Frequency Rate in 2023

34
community projects supported in 2023

* Total since inception of strategy

Western Australia's first minimum demand virtual power plant

Our Australian portfolio company Starling Energy, which services customers through their Plico Energy brand, activated Western Australia's first minimum demand virtual power plant ("VPP") in 2023.

Through the VPP structure, Starling's fleet of residential rooftop solar and battery systems are combined and bid into the wholesale electricity market as a single power plant. Plico can thus further optimise consumption and dispatch patterns to provide essential services to help stabilise the grid and generate additional revenues.

Going forward, Plico customers' systems will not only work in tandem to supply stored electricity to the grid in times of peak demand but will also manage oversupply in times of high levels of solar supply and low demand by switching off production and charging batteries from the grid – all to help stabilise grids, avoid blackouts, and ultimately drive forward the switch to renewable energy supplies.

9 Portfolio Companies

Our Equity Energy Transition (OECD) portfolio currently comprises 9 platforms spanning seven countries on four continents. It covers investments in a wide range of energy transition opportunities, including utility-scale and distributed solar PV as well as onshore wind at various development stages, energy efficiency, battery storage, electric vehicle charging infrastructure, and residential customer energy solutions.

FR

APAL MW

A French onshore wind and solar PV developer

NOR / GER / SWE

Elaway

European operator of electric vehicle charging infrastructure for multi-family buildings

VT, USA

encore RENEWABLE ENERGY

U.S. developer of distributed solar PV and battery storage projects

CHIL

ENERGÍAS RENOVABLES CHILE

Partnership for clean energy projects with Chilean developer BIWO Renovables

TX, USA

ETG TEXAS

Partnership for battery storage projects with U.S. developer SMT Energy

IT

GENERA GROUP

Italian energy sevice company specialised in energy efficiency measures

PL

LUNEOS GREEN ENERGY

Partnership for clean energy projects with Polish energy service company Luneos

IT

ReFeel NEW ENERGY

Italian clean energy platform focusing on solar PV and battery storage projects

AUS

Starling ENERGY GROUP

Australian residential + storage solutions provider (Plico Energy)

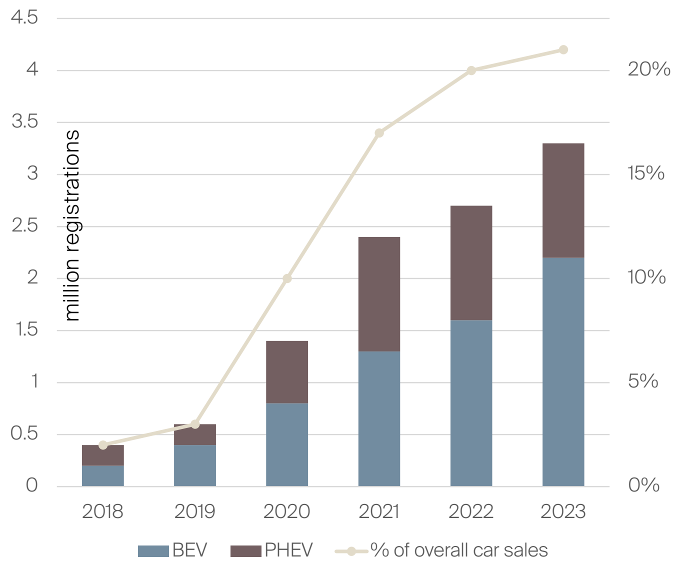
Case Study: Charging Electric Vehicle Adoption

In the summer of 2023, we acquired a majority stake in Elaway, a Norwegian-headquartered operator of electric vehicle ("EV") charging infrastructure through our Equity Energy Transition (OECD) strategy.

Co-founded by Norwegian utilities Hafslund AS and Eviny AS, who retained minority stakes, the company focuses on providing one-stop, as-a-service EV charging solutions for residential customers in housing communities, apartment buildings, and multi-family houses. Having established itself as one of the leading charge-point operators in Norway, Elaway is rolling out its offering in further European markets including Germany and Sweden.

The adoption of battery-powered EVs has picked up significant pace in recent years with electrified transport recording the largest absolute gain of all energy transition sectors according to Bloomberg New Energy Finance.[1]

EV sales in Europe (2019-2023)[2]

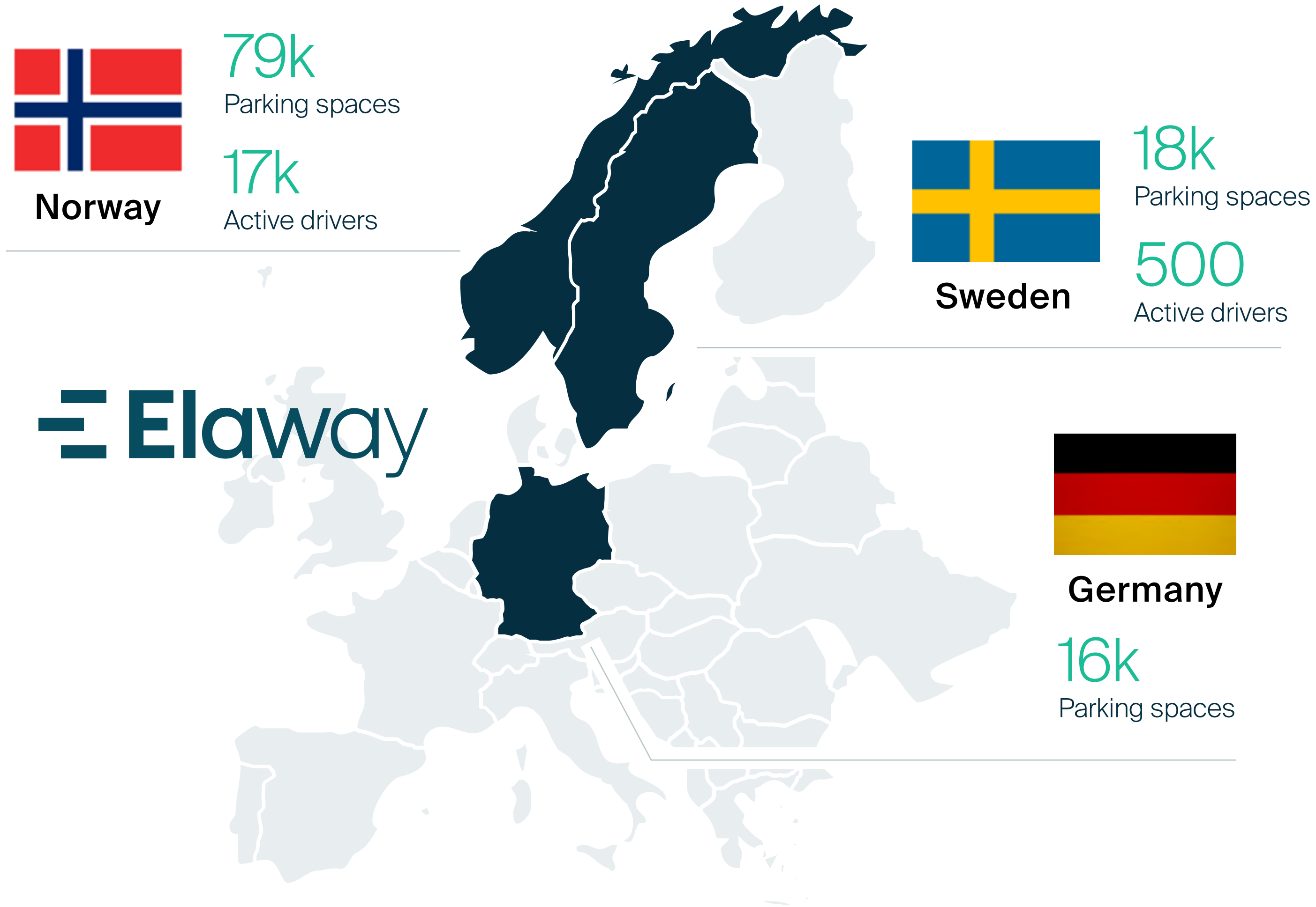


EV adoption is mainly driven by reduced EV costs, increased range and quality, a wider offering, high conventional fuel prices, and a continued drive for sustainable transport. However, the availability of charging infrastructure remains a key bottleneck, with a lack thereof inhibiting faster adoption rates. According to the International Renewable Energy Agency's "1.5°C Scenario", over USD 300 billion need to be invested in charging infrastructure globally until 2050.[3]

Investments in charging infrastructure therefore act as a key enabler of the transition towards low-carbon road transport. We estimate that in Elaway's current target markets (Norway, Germany, and Sweden), 20-30% of electricity demand from EV charging will come from housing communities by 2040, as the home remains the most convenient and preferred charging location for many EV drivers.[4]

Elaway specifically targets this crucial customer segment by serving owners of building complexes with procuring, installing, and operating the charging infrastructure that residents increasingly demand – and which building owners are increasingly required to offer. By overseeing and designing the installation of the required facility infrastructure, the number of installed charge points can subsequently be adjusted and scaled efficiently in line with demand from residents.

Elaway's business model ensures the resource-efficient rollout of EV charging infrastructure and enables broader EV adoption. Data shows that EV penetration rates are higher in locations served by Elaway than in the broader market, meaning that Elaway has a tangible impact on EV adoption thus contributing to transport decarbonisation and broader climate mitigation efforts.



[1] Source: BloombergNEF (2024), Energy Transition Investment Trends 2024.
[2] Source: IEA 2024, Global EV Outlook 2024. BEV = Battery Electric Vehicle; PHEV = Plugin Hybrid Electric Vehicle
[3] Source: IRENA (2023), Energy Tarnsitions Outlook 2023.
[4] SUSI-commissioned research

Equity

Renewable Energy (Europe) & Energy Storage (OECD) Invested

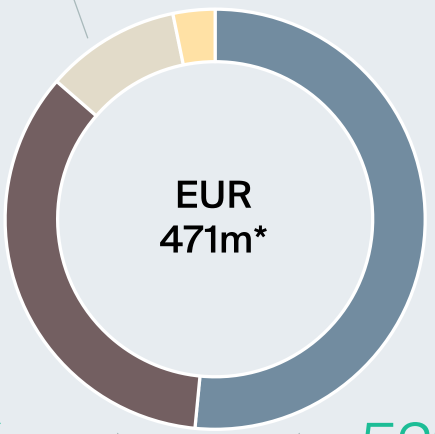
For our European renewable energy and global energy storage portfolios, held across closed funds, we continued actively managing onshore wind, solar PV, and battery storage assets at more advanced stages of their investment cycle.

We initiated capacity expansions on existing sites, advancing planning work to add 6 further turbines for 25 MW additional capacity to an existing 209 MW wind farm, and in another case doubling production capacity by developing a 95 MW solar PV plant on the same plot of land where we already operate a 95 MW wind farm. These projects benefit from lean implementation at comparatively lower cost while optimising the use of land, existing infrastructure, and the already established grid connections.

Both projects exemplify our active approach to value creation with our in-house Portfolio Services team overseeing various value-add initiatives. Our efforts in fostering mutually beneficial relationships with the local communities were another important prerequisite for these expansions.

We furthermore completed the construction and started commercial operations of our 240 MW UK battery storage portfolio, which consists of seven utility-scale battery sites distributed across England, Scotland, and Northern Ireland. Bringing all projects online represents an important accomplishment amid supply chain challenges arising during the pandemic and underlines the importance of our established track record as an early mover in the broader energy storage market.

Renewable Energy (Europe)



663
MW installed capacity of operating assets**

2.9
million tonnes of CO_2e avoided*

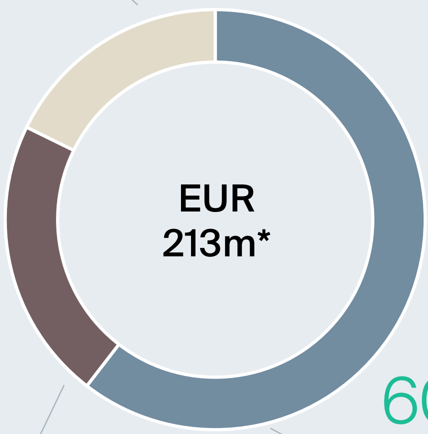
28
operating assets**

1,742
GWh clean energy produced in 2023

0.0
Lost Time Injury Frequency Rate in 2023

37
local community projects supported in 2023

Energy Storage (OECD)



201
MW installed capacity of operating assets

151k
tonnes of CO_2e avoided*

100
MW capacity under construction

3
assets under construction

3.8
Lost Time Injury Frequency Rate in 2023

10
local community projects supported in 2023

* Total since inception of strategy (includes a liquidated portfolio accounting for EUR 69m)

** excludes assets already liquidated

Credit

Energy Transition (OECD) Investing

Energy Efficiency (Europe) Invested

Our energy transition credit strategy focuses on senior-secured, asset-backed financing solutions for energy efficiency and wider infrastructure-as-a-service business models.

We started 2023 by completing the investment cycle of our second credit vehicle and concluding our first investment in electric vehicle ("EV") charging infrastructure by way of a financing agreement with U.S. operator OBE Power. Subsequently, we transitioned our activities to our third credit vehicle, which builds on the success of our first two funds, and which by the end of 2023 had invested over EUR 68m with 10 investment partners into a highly resilient portfolio of approx. 361 underlying contracts, diversified across 9 countries and over 210 counterparties.

Alexander Hunzinger
Co-CIO

"The fragmented markets we are addressing are not easy and simple to tackle but offer all the more rewarding opportunities if managed effectively."

New and Renewed Partnerships

Leveraging on our extensive network with energy service companies and technology providers built over nearly a decade, we expanded on several partnerships through the third credit vehicle. By the end of the year, financing was provided from the third vehicle for applications ranging from C&I solar PV installations and LED lighting retrofits to industrial process optimisation and broader building efficiency measures in the Netherlands, Poland, Italy, Spain, Slovenia, and Norway.

We also extended our partner network by signing two new framework agreements, in Spain and Italy respectively. Together with the new Italian partner, we financed public concession agreements with two Italian municipalities to upgrade and manage the heating and lighting systems of several public buildings and facilities, including townhalls, schools, public parks, cemeteries, libraries, a police station, a retirement home, and entire traffic light systems. Technical solutions implemented included latest generation condensing heat generators, refurbished piping and electrical systems, thermal insulation systems, photovoltaic systems, and new LED luminaires for indoor and outdoor public lighting.

Proactive Risk Management

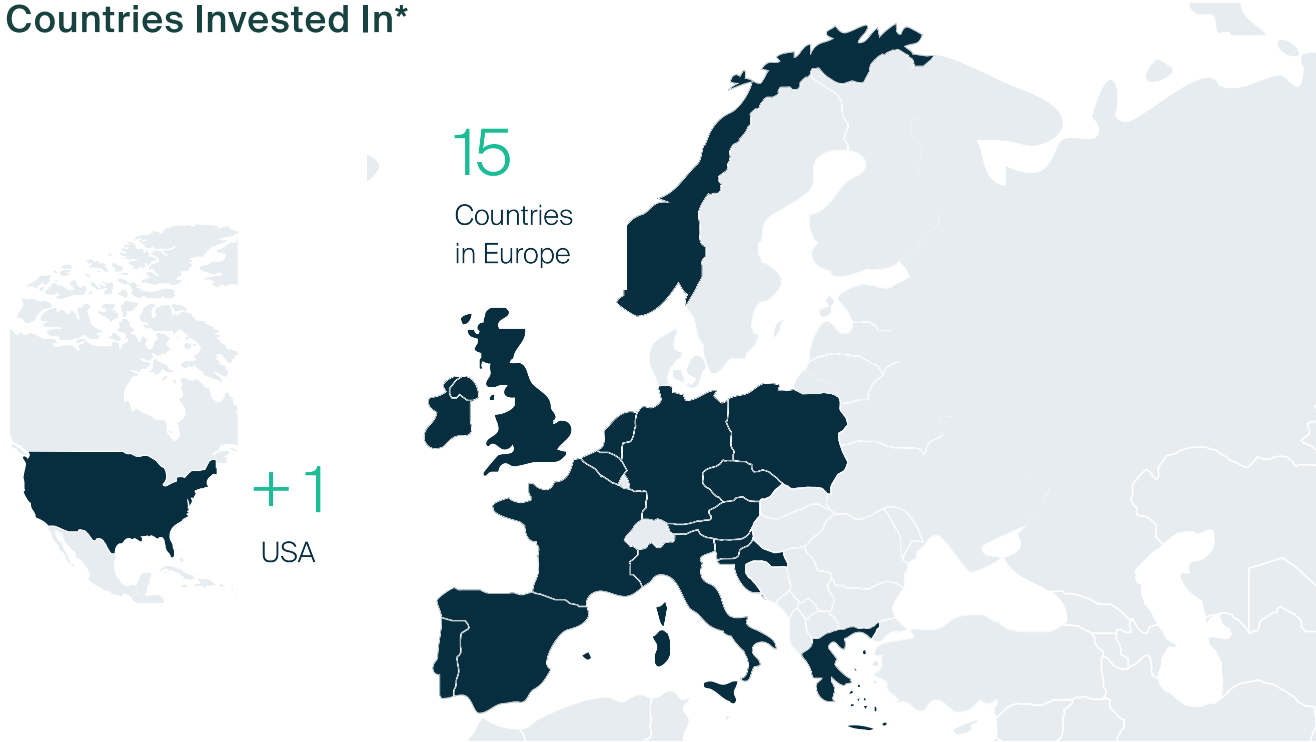
In managing existing credit portfolios, we remained focused on proactive risk management, applying our bespoke and highly efficient credit data base system. As a result, we recorded not a single write-off in the year 2023, which further contributed to a strong track record of low default rates thanks to the defensive structuring and high focus on risk management in this strategy.

670
million Euros invested*

27
framework agreements*

908k
tonnes of CO_2e avoided*

Countries Invested In*



84
investments*

>4k
projects financed*

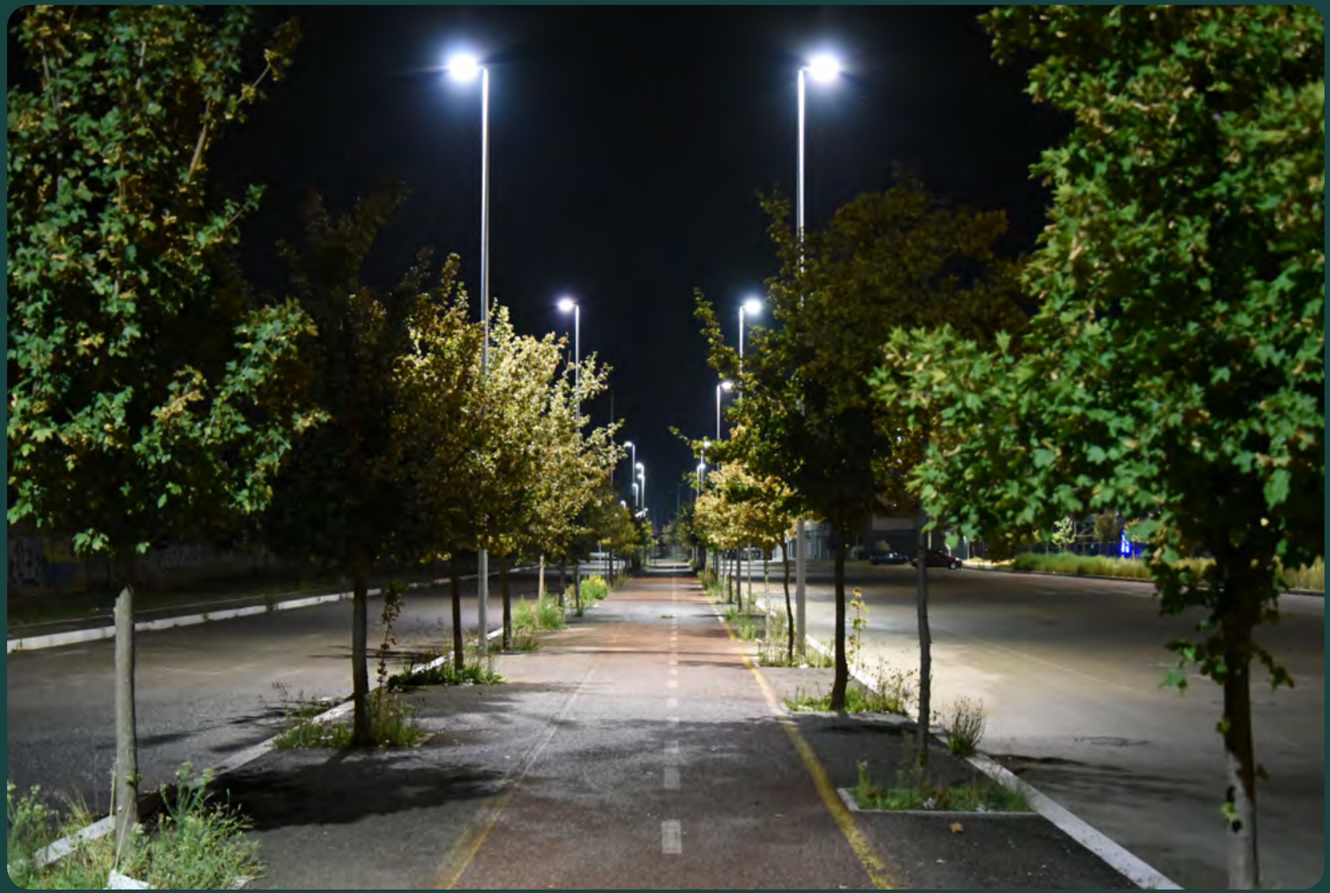
20%
public projects financed*

4.8
TWh energy consumption reduced*

0
write-offs in 2023

8.6
average term of financing*

* Total since inception of SUSI Partners



Long-term partnership with leading lighting manufacturer

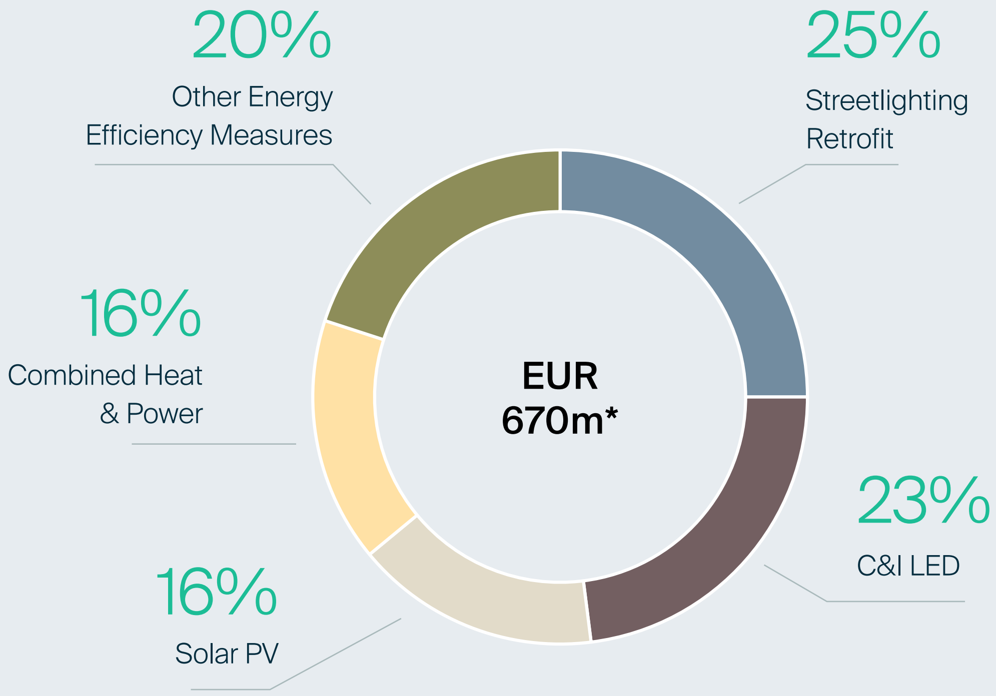
We forged a long-term partnership with Signify, one of the leading lighting manufacturers worldwide, shortly after we first launched our credit business nearly a decade ago. Under the arrangement, vehicles managed by SUSI Partners are the preferred financing partner for large-scale LED retrofit projects across Europe.

Signify specialises in retrofits of existing lighting systems with efficient and intelligent LED technology that enables remote monitoring and optimised maintenance at much lower energy consumption. Top-quality LEDs are considered to use at least 75% less energy, and last up to 25 times longer than incandescent lighting.

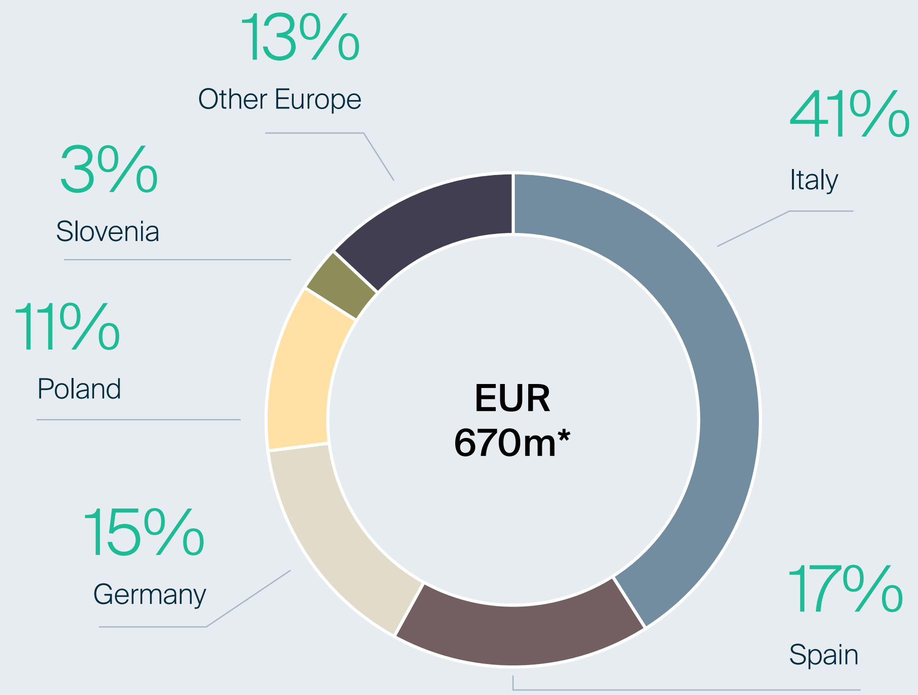
Signify's customers range from small and medium-sized companies to large multinationals across various industries. Our financing enables a "Lighting-as-a-Service" business model that requires neither the technology provider nor the end customer to cover capex costs, and whereby the energy savings achieved cover the regular payments under the as-a-service contract.

In 2023, we renewed our longstanding partnership with Signify in the construction of our third credit portfolio. The cooperation with Signify has been a steadfast part of each of our credit strategies and is exemplary of SUSI's long-term and partnership-based investment approach.

Invested Capital by Technology*



Invested Capital by Country*



* Total since inception of strategy

Asia

Energy Transition (Southeast Asia) Investing

Our Asia energy transition strategy focuses on sustainable greenfield infrastructure projects across Southeast Asia, a region with substantial and growing demand for clean, reliable, and affordable energy.

The portfolio continued growing in 2023, with our local team in Singapore executing three additional investments and accelerating deployment through previously established platforms.

All new investments were focused on the production of clean energy but well diversified across project sizes and focus markets. We formed a joint venture with regional developer Pacific Impact, which targets utility-scale projects with a focus on solar PV, onshore wind, and small hydro power plants. The other two investments support the buildout of on-site solar PV installations for C&I end clients – one being an investment in Asia Clean Capital Vietnam, which focuses on more fragmented market segments, and another partnership with global developer Baywa r.e. primarily targeting larger-scale C&I projects of up to 20 MWp in the region.

As of year-end 2023, our regional platforms had deployed capital into projects in Vietnam, the Philippines, Thailand, and Cambodia. Across all platforms, we had approved investment in projects combining for 105 MW clean energy production capacity, of which 66 MW is utility-scale solar PV, 32 MW C&I solar PV, and 8 MW biogas-to-energy capacity. Noticeably, solar PV is the predominant technology applied but diversified over various project types and sizes while energy efficiency measures made up for the rest of the deployed capital.

Onsite Waste-to-Energy Biogas Plants in Thailand

Our energy efficiency joint venture with Invest Energy acquired an operating 6MW biogas plant in Thailand to kickstart our buildout of an onsite waste-to-energy platform in December 2022. We began by improving operations and expanding the initial project in Nakhon Ratchasima, Thailand to 8 MW in early 2023 and are currently commencing construction for a second greenfield 6MW biogas plant at Roi Et, Thailand.

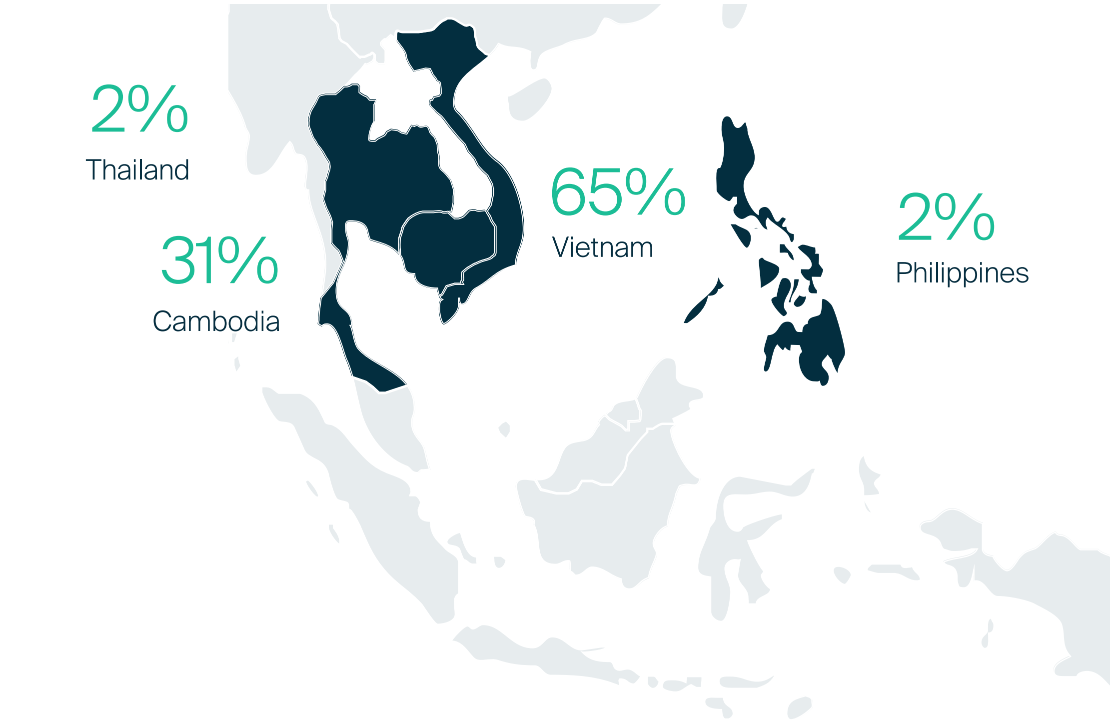
Both plants are built onsite at starch factories which produce food products from cassava tapioca. These biogas plants use starch waste to produce biogas and electricity, which is then entirely consumed by the factories. The use of waste to produce energy not only reduces the factories' reliance on grid power, but also prevents the waste product from emitting methane into the atmosphere if it were otherwise left to decompose in the disposal pools.

34
million USD invested*

5
investments*

3.5k
tonnes of CO_2e avoided*

Invested Capital by Country*



>170
MW capacity under construction/development

6
operating assets

9
assets under construction

21.2
GWh clean energy produced in 2023

0
Lost Time Injury Frequency Rate in 2023

1
community project supported in 2023

* Total since inception of strategy

ESG Integration

In executing and managing energy transition investments, we are dedicated to sustainable practices that ensure long-term value creation and environmental, social, and governance ("ESG") excellence. We believe that responsible investment not only mitigates risks but also unlocks value for our stakeholders. We therefore enhance resilience, promote social equity, and further innovation in sustainable development through the strategic integration of ESG considerations.

Sustainability as a Strategic Value Driver

Through the lens of value creation, 2023 marked a significant transition for our portfolio management teams. As our equity portfolios have evolved from mostly physical assets to companies that in turn develop and manage physical assets, we have aligned our investment and portfolio management processes accordingly.

In lockstep, we have also further evolved our approach to sustainable investment by taking an active role in supplier selection and continuously following up on ESG topics through board representation and engagement (more on page 44). Our ESG frameworks are designed to integrate value creation throughout an investment's lifecycle and support investment teams in focusing on potential areas for value generation. Structured and formalised processes are in place to identify material environmental, social, and governance factors and drive value for our internal and external stakeholders.

In infrastructure, sustainability is both an ethical imperative and a strategic tool for value creation. By integrating sustainability principles into investment decisions and management practices, we believe substantial long-term value can be realised.

Operational Excellence

Implementing sustainable practices, for example those focused on resource efficiency, promotes operational efficiency and resilience, and can significantly reduce costs. It ensures that operations are not only economically viable but also socially responsible and environmentally benign, aligning with the growing global emphasis on sustainable development.

Active Stakeholder Management

Engaging with stakeholders - including investors, financiers, communities, government entities and employees – on sustainability matters can improve relationships and enhance a firm's reputation. Positive stakeholder relationships are crucial for smooth operations, especially of physical assets, and can facilitate easier access to new markets, quicker project approvals, and the general social license to operate.

Risk Mitigation

Sustainability-oriented strategies help identify and mitigate a wider range of risks which might otherwise be underappreciated. This includes risks from regulatory changes, physical impacts of climate change, resource efficiency and recycling requirements, and community opposition to projects. By addressing these risks proactively, companies can avoid costs associated with delays, fines, or remediations, and maintain their license to operate.

Regulatory Landscape

Governments are tightening regulations related to climate change, resource usage, pollution, and labour practices. Sustainable practices ensure compliance with these evolving regulations, avoiding penalties and benefiting from incentives for sustainable development. This not only helps in maintaining operational legality but also positions firms as leaders in compliance and governance standards.

Driving Sustainability Performance in our Portfolios

Throughout 2023, we continued to develop and execute our sustainability strategy across the group. In particular, we prioritised portfolio engagement and reporting, working with companies on the importance of understanding and managing material ESG risks and opportunities.

As a majority investor, we recognise the opportunity and responsibility to protect and create value. This is where our active-ownership model comes into play. It helps our companies drive forward their sustainability initiatives, supports them in their innovation efforts and ultimately increases their competitive advantage. We continue to make progress in this area, which we track through the data we collect from our platforms.

Data quality is a key priority for us, as it supports informed decision-making and serves to credibly demonstrate progress at the portfolio level. It is relevant for the entire investment cycle and for each strategy. Sustainability reporting is also important from a regulatory perspective. We are working with our portfolio companies to prepare them for new and incoming regulation, such as the EU Corporate Sustainability Reporting Directive (CSRD).

Raphaela Schmid
Head of ESG & Sustainability

"Reflecting on our achievements in 2023, we are excited by the progress our portfolio companies have made. With a sustained focus on key areas, we are confident that our sustainability program will effectively support our goals of enhancing businesses and generating sustainable value for our stakeholders."

Engagement

Sustainable investing is ever evolving and staying ahead of the curve requires continuous interaction with stakeholders.

We systematically gather intelligence from our stakeholders to ensure we are in tune with market trends and regulatory developments. Based on these inputs, we then decide what topics require further attention and can address them through relevant communication channels.

We monitor material and relevant ESG risks and opportunities on an ongoing basis during ownership. Our dedicated portfolio services team is responsible for implementing monitoring strategies during the portfolio management period. Monitoring of sustainability-related topics is conducted through detailed and standardised reporting, site visits/inspections and regular meetings with stakeholders. We believe that active ownership by way of regular monitoring of sustainability matters can support sustainable outcomes and value creation.

We also collaborate closely with the management of our portfolio companies and investment partners and, where needed, incorporate our ESG policies into their business practices. Our investment and portfolio services professionals are active members on supervisory boards of portfolio companies and ensure that our high sustainability standards are maintained.

We maintain close working relationships and wide-open channels of communication with the management and key personnel of our portfolio companies. By fusing our longstanding sector expertise with their intricate knowledge of the local specifics, we are able to identify and mitigate potential risks early, are in tune with the needs of local communities and ecosystems, and can grasp opportunities to provide tangible benefits to a wider set of stakeholders.

Applying Dedicated ESG Frameworks

We integrate environmental and social considerations into every stage of our investment process, from due diligence, over the holding and value creation phase, through to exit. This ensures that ESG management is a core part of our investment principles, strategy, policies, and procedures.

During due diligence, we apply our proprietary ESG tool to identify potential risks and opportunities, which are then integrated into the business cases and deliberated by our investment committees. Our Sustainability & ESG team provides a second, expert view on the risk assessments and mitigation strategies proposed by investment teams and signs off on the final investment cases. Identified risks must be effectively mitigated through a detailed ESG risk mitigation plan that outlines specific objectives, required actions, and recommended best practices.

After an investment is made, the implementation of the ESG plan is monitored by the respective portfolio company board of directors and consistently included as a standing agenda item at each board meeting. We exert our respective governance rights to establish bespoke ESG objectives for each portfolio company and monitor the success of the measures we implement. We promote good governance by maintaining clear structures and rules, aligning incentives, and facilitating knowledge sharing and policy dissemination. This approach exemplifies how we embed ESG considerations into our investment process.

ESG Assessment throughout the Investment Lifecycle

Origination

- Pre-screening and alignment based on investment strategies and predefined exclusion criteria as per our Sustainable Investing Policy

View the Policy

Due Diligence

- Materiality assessment based on proprietary ESG due diligence tool and definition of scope of further focus areas
- In-depth assessment of identified material ESG risk factors and value creation opportunities, supported by dedicated external and internal professionals

Execution

- Definition of governance model and integration of ESG principles into contractual agreements
- Implementation of governance model and robust ESG reporting

Active Ownership

- Responsible ownership with a long-term value creation focus
- Active involvement in development and construction processes
- Regular engagement with portfolio companies and counterparties
- Monitoring of performance and regular reporting
- ESG track record at exit

Applicable to all strategies

Applicable to Equity & Asia strategies only

Measuring Sustainable Outcomes

Outcomes & Impacts

"Sustainable outcomes" and "sustainable impacts" are terms often used interchangeably in the context of ESG and sustainability but they have distinct meanings. Understanding the difference between them is crucial for effectively measuring and managing ESG performance.

Sustainable Outcomes

Sustainable outcomes are direct results achieved through the application of ESG practices and initiatives and can often be quantified. Examples include: Improved operational efficiencies, lower accident rates through improved health and safety practices, and license to operate through improved stakeholder engagement.

Sustainable Impacts

Sustainable impacts refer to broader, long-term effects of sustainable practices on the environment, society, and economy. Impacts encompass the wider and more systemic changes that result from achieving sustainable outcomes. Examples include: The reduction/greening of energy consumption leads to lower greenhouse gas emissions, contributing to air quality improvement and mitigating climate change over the next decades.

We are convinced that material ESG standards tangibly support long-term value creation and protection - our intended sustainable outcome.

As an active owner, we focus on executing ESG initiatives at the investment level, from project development through the construction and operations phases. We aim to leverage this role to implement high ESG standards and practices that align with established international standards and norms across all our investments.

*1,846 GWh clean energy produced**

*82 community projects supported**

Environmental

Focus on: Avoided Emissions (PAE), GHG Emissions, Biodiversity & Habitat, Waste Management

While our clean energy infrastructure investments generally have low GHG footprints and intensities, they do generate emissions throughout their value chain, primarily from construction activities. As a result, we have broadened the scope of our GHG methodologies and tools and are currently implementing them across our portfolio companies. In addition, we assess potential adverse impacts on biodiversity and natural ecosystems, striving to enhance performance through continuous post-investment engagement.

Social

Focus on: Health & Safety, Responsible Procurement, Human Rights & Labour Conditions, Community Engagement

Infrastructure investments typically involve extensive construction and maintenance activities, which inherently carry significant physical safety risks. Consequently, worker safety is a paramount concern for us. We proactively collaborate with portfolio and partner companies to ensure that the highest standards and policies for health, safety, and wellbeing are established and maintained. Other critical social issues include human rights, forced labour, and responsible procurement. Enhancing standards and improving transparency throughout the supply chain are central objectives of our ESG framework.

Health & Safety KPIs →

Responsible Procurement →

Governance

Focus on: Stakeholder Management, Anti-Bribery & Corruption, Cybersecurity, Compliance with Global Guidelines

We recognise that robust, transparent policies and governance structures are essential for effectively managing ESG risks and opportunities. Effective governance, both within our own operations and across our investments, facilitates structured and transparent engagement on ESG matters. Governance performance is a crucial aspect of our ESG evaluation, encompassing sustainability management (both policies and practices), whistleblower systems, and operational readiness.

80% code of conducts in place

* Total in 2023

Benchmarking our Sustainability Performance

Each year, we conduct assessments to measure impact and pinpoint areas for improvement, benchmarking against the best practices in the industry. The outcomes of these assessments help set the priorities for enhancements in the following period.

4
funds managed under SFDR 9

All our active energy transition mandates meet the requirements of SFDR Article 9.

EU Taxonomy

For our active energy transition mandates, we initiated an EU Taxonomy assessment for all our portfolio companies to evaluate their business activities. We utilised documented evidence provided by the portfolio companies and compiled the results into individual reports for each portfolio company, detailing their business activities and their alignment with the EU Taxonomy. The non-aligned portions of business activities were primarily due to activities not yet included in the EU Taxonomy (non-eligible business activities) and the unverified taxonomy alignment of older vintage mandates.

Sven Simonis
Head of Client Solutions

"By being transparent and providing quantifiable evidence, we can demonstrate that integrating ESG considerations not only positively impacts the environment and society but is also integral to securing attractive financial returns."

PRI | Principles for Responsible Investment

Our UN PRI Score

In our latest UN PRI assessment from November 2023, we received a 5-star rating in all categories and performed well above the industry average across the board.

Full Report →

Our Partnerships

PRI is the world's leading advocate for responsible investments. Our Head of ESG & Sustainability, Raphaela Schmid, is a member of the Human Rights and Social Issues Reference Group.

Swiss Sustainable Finance (SSF) is the leading Swiss association in the field of sustainable finance, within which we are a member of the Impact Investing Focus Group.

We are a member of the Global Impact Investing Network (GIIN), the global champion of impact investing, focusing on reducing barriers to impact investment so more investors can allocate capital to fund solutions to the world's most intractable challenges.

Responsible Procurement: How We Act on our Commitments

Background

While pivotal in combating climate change, the solar PV industry faces significant challenges related to human rights abuses, environmental degradation, and unethical labour practices in its supply chains. By implementing responsible procurement practices, companies can mitigate these risks, ensuring the ethical sourcing of materials and fair labour conditions.

Our Responsible Procurement Policy

Since the introduction of our Responsible Procurement Policy in 2022, we require each portfolio company to incorporate its requirements into contractual agreements with suppliers, obliging them to adopt these standards in their own operations and throughout their supply chains. This also provides a contractual basis for potential remedies should issues arise.

Responsible Procurement Policy

E
- Compliance with international and local laws
- Industry best practices

S
- No child & forced labour, fair wages & labour conditions
- Freedom of association, no harassment and dissemination

G
- Procedures for anticorruption and antibribery
- Prevention of conflicts of interest

View the Policy

Responsible Procurement in Practice

We actively engage with equipment suppliers on material ESG topics and apply our responsible procurement standards, which we introduced in 2022, across our portfolios. We collaborate with third-party advisors and key suppliers to develop supply chain mappings of critical components. The results are then used to preselect preferred suppliers.

Over the last few years, we have been focusing particularly on mapping and monitoring solar supply chains and have integrated our responsible procurement policy into all our investments and partnerships using this technology. In practice, this involves screening each potential manufacturer's technical and commercial capabilities, their ESG practices and supply chain traceability down to raw material extraction. We also appoint third-party advisors to conduct on-site factory audits to ensure our requirements are met.

Our Focus Going Forward

Aggregation of Procurement Requirements across Platforms:

We will further aggregate procurement requirements across our platforms to increase our influence on suppliers.

Rollout of Responsible Procurement across Technologies:

We have already started rolling out our approach in our battery energy storage system ("BESS") procurements where transparency and traceability along supply chains are currently still less developed compared to solar PV.

Illustrative Procurement Process for 100 MW Batch of Solar PV Panels

ESG screening during procurement

Screening of potential suppliers on ESG criteria pre-defined in accordance with SUSI's Responsible Procurement Policy

Assessment and engagement with suppliers during tender stage

ESG manufacturer audit including dedicated questionnaires following the UN Principles dedicated to the solar industry

Contractual agreement with supplier

ESG clauses in contractual arrangements are of utmost importance and, as a minimum, require suppliers to accept third-party-audits and commit to standards of conduct such as our responsible procurement policy

Pre-production factory audit

Supply chain mapping and assessment of the supplier's traceability procedures and performance

Continuous monitoring of supplier's ESG performance

Tracking and tracing of all raw materials used in ordered PV modules: module, cell, wafer, ingot and polysilicon

Measuring Sustainable Impacts

As an investment manager specialised in sustainable energy investments, we prioritise the UN Sustainable Development Goals ("SDG") 7, 9, 13, and 17. We use data-based evaluations to show how our investment practices support these goals and the wider goals of the 2030 Agenda.

7 AFFORDABLE AND CLEAN ENERGY

SDG Target 7.1 & 7.2

Through our financing of renewable energy infrastructure projects, we enable communities to access clean and affordable energy. We produced 1,846 GWh of clean energy in 2023. This demonstrates tangible progress in advancing the share of renewable energy in the global energy mix.

492k
European households supplied with electricity in 2023

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

SDG Target 9.1 & 9.4

By financing projects that improve the quality and resilience of energy infrastructure, we support sustainable energy generation and distribution, thereby fostering economic growth and job creation.

301
MW installed battery energy storage capacity*

13 CLIMATE ACTION

SDG Target 13.3

Our investment activities mobilise climate finance for clean energy projects. By investing in wind, solar, and energy storage infrastructure, we attract private capital to climate-resilient investments and support the scaling up of clean energy deployment in Europe, and beyond, aligning with national and international climate finance objectives.

3.6
million tonnes of CO_2e avoided since inception

17 PARTNERSHIPS FOR THE GOALS

SDG Target 17.17

Our investment activities contribute to enhancing multi-stakeholder partnerships for sustainable development. By engaging with businesses, local communities, investors, and beneficiaries, we participate in collaborative efforts to advance sustainable infrastructure development in Europe and beyond.

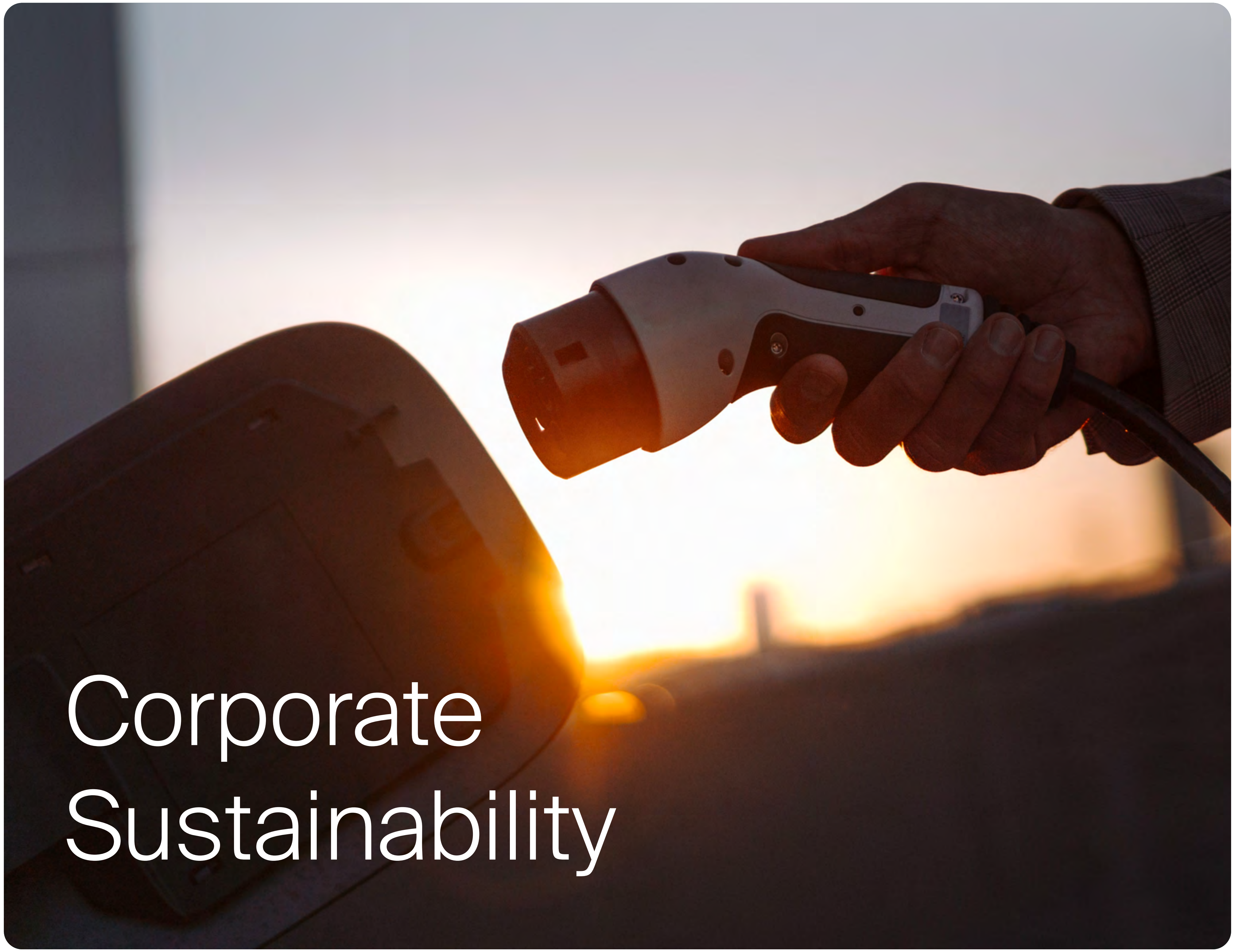
82
community funds or social projects supported in 2023

Potential Avoided Emissions (PAE)

Each of our investments is required to measurably contribute to climate change mitigation. Externally verified avoided emissions are reported to investors on an annual basis.

		Annual PAE (2023)	Accumulated PAE since inception	PAE across technology life
	Producing Clean Energy	609,380	2,865,328	17,805,579
	Enabling Clean Energy Use & Integration	16,155	37,757	219,012
	Increasing Energy Efficiency	165,207	734,793	1,914,017
	Electrifying Energy Use	9,398	9,398	407,230
	Total	**800,140**	**3,647,275**	**20,345,838**
	PAE equal to emissions of flights ZRH-LHR*	**1.7m**	**7.8m**	**43.8m**

* Assumes an economy-class return flight Zurich ZRH to London LHR for one traveller (~1,600km) equal to 0.465 tonnes of CO_2e (Source: https://co2.myclimate.org/en/flight_calculators/new)



Corporate Sustainability

To ensure we reliably serve our clients' needs and consistently deliver impactful returns to them, we are focused on maintaining an efficient, effective, and resilient organisation that fosters a healthy culture rooted in ethical integrity, entrepreneurial action, and mutual respect.

Corporate Carbon Footprint

Given our activities as an investment manager, we have no Scope 1 and only very minimal Scope 2 emissions to report. As a result, 99.2% of our reported emissions are Scope 3 emissions, of which 70% arise from business travel.

As a sustainable investment manager, we transparently report our corporate greenhouse gas ("GHG") emissions footprint. Following practices outlined by the GHG Protocol, we report on our caused Scope 1, Scope 2, and Scope 3 GHG emissions.

Scope 2 Emissions (0.8% of overall carbon footprint)

Of the 9 tonnes of CO_2 reported as our Scope 2 GHG emissions, which mainly arise from purchased electricity, a significant part is attributed to our main Zurich office, which accounts for 73% of both the share of purchased electricity and the corresponding emissions. To ensure accuracy in our Scope 2 reporting, we engaged with EWZ, our electricity provider to obtain granular data on our "EWZ Natur" purchased electricity for our Zurich office. This data includes a breakdown of the related emissions factors, origin, and composition of our purchased electricity, which came from wind, solar, and nature-made hydropower from Switzerland and Europe.

17

tonnes of CO_2e per employee in 2023

Scope 1: Direct GHG emissions that occur from sources that are controlled or owned by the reporting organisation

Scope 2: Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling

Scope 3: Emissions arising from assets not owned or controlled by the reporting organisation but that the organisation indirectly affects in its value chain

Our 2023 Carbon Footprint

Scope	2023 Emissions (in tCO_2e)
Scope 1	0
Scope 2	9
Scope 3	1,059
Total	**1,068**

Scope 3 Emissions (99.2% of overall carbon footprint)

Our Scope 3 emissions include indirect emissions such as those from purchased goods and services, capital goods, business travel, and employee commuting. Note that category 15 (investments) is excluded from our corporate Scope 3 emissions. The biggest contributor to our Scope 3 emissions is category 6 (business travel), which makes up 70% of our overall GHG emissions.

Zurich Office in sustainable district meeting the requirements of the Swiss 2,000-Watt Society

Our GHG Accounting Methodology

Our GHG accounting methodology adheres to established standards, using emission factors sourced from the UK Department for Environment, Food and Rural Affairs ("DEFRA"). GHG emissions have been measured in tonnes of CO_2 equivalent.

For our Scope 3, category 6 (business travel), we applied consistent methods and emission factors. For air travel, we considered factors such as flight distance and class to measure the carbon footprint accurately.

For approximately 14% of air travel in 2023, we had to use an estimation method due to the lack of data availability. Going forward, we aim to report on all air travel using a universal methodology and leveraging our business travel tool, Navan, which uses UK DEFRA emission factors for calculating the GHG emission footprint of its air travel.

A Great Place to Work

Employee fedback received through internal and third-party surveys showed very positive results, which are reflected in an improved retention rate of 93%.

We encourage feedback from employees by ensuring an inclusive culture that hears and respects everyone's opinion, and by regularly conducting structured employee surveys that provide a consistent and anonymised feedback channel.

The results of the 2023 survey, concluded in November, were very positive with agreement rates in nearly all categories stable or up from already high levels of 2022. The biggest increases in satisfaction were recorded in the areas of people development, employees' engagement and identification with the company's purpose and mission, and in the general work environment. Internal access to information and internal communication were identified as areas for improvement.

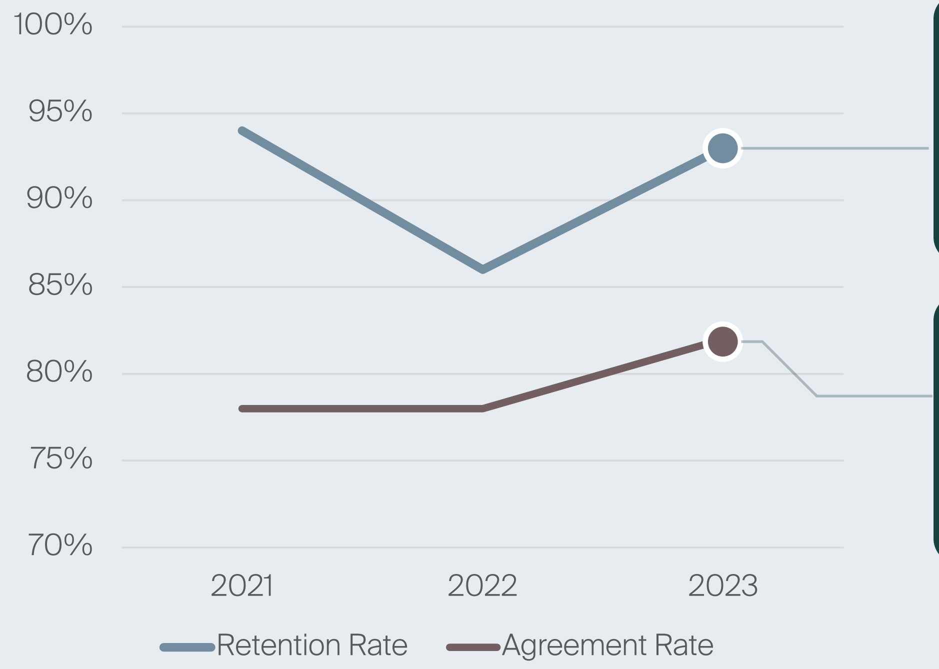
In addition, based on an externally conducted assessment, we were officially certified as a "Great Place to Work" in 2023, scoring consistently above industry benchmarks.

The positive employee feedback across channels was also reflected in the stable workforce with a staff retention rate of 93% for 2023.

Our Employee Survey

Our annual employee survey addresses four categories: engagement, leadership, development, and work environment. Questions are answered anonymously. The completion rate in 2023 was 91%, meaning over 9 in 10 employees completed the survey.

Retention & Satisfaction



93%
retention rate in 2023

82%
employee survey agreement rate in 2023

79%
Work Environment

83%
Development

77%
Leadership

89%
Engagement

Work Environment

This category covers how and to what extent our company culture and values are applied and experienced in our day-to-day business conduct.

Diversity, Equity, and Inclusion (“DEI”)

Diverse perspectives and backgrounds, coupled with an inclusive culture, significantly improve the quality of decision-making, and thus support our long-term success. For us, inclusion means practising proactive tolerance, not permitting discrimination of any kind, creating an open feedback culture, and enabling everyone to contribute their ideas and be heard for the benefit of all.

Female representation remains a key diversity vector for us, which we are working towards increasing by ensuring unbiased hiring practices and creating conditions that enable and encourage women at SUSI to progress and advance their careers internally. A dedicated working group meets regularly to discuss concrete steps that can tangibly support female advancement and advises the Leadership Team.

The often conflicting requirements of work and family life was identified as a key hurdle for female advancement, so we made improvements by extending parental leave well beyond the statutory levels and by increasing corporate childcare allowances.

Our continued efforts have already translated into a significant improvement in our employees’ assessment of diversity and inclusion at SUSI with the respective agreement rate increasing from 71% in 2022 to 82% in 2023. Crucially, they are also reflected in the percentage of female representation within the company: 43% of new hires in 2023 are women, which led to an increase of overall female representation from 22% in 2022 to 26% in 2023 – still well below our ambitions, but an important step in the right direction nevertheless.

Flexible Working

We want our people to draw energy from stimulating joint work, while being mindful of individual circumstances and helping employees balance professional and personal commitments. To collaborate well while providing flexibility and independence to employees, we apply a hybrid working model, which combines flexible working practices, enables remote working, and fosters collaborative working in our office locations.

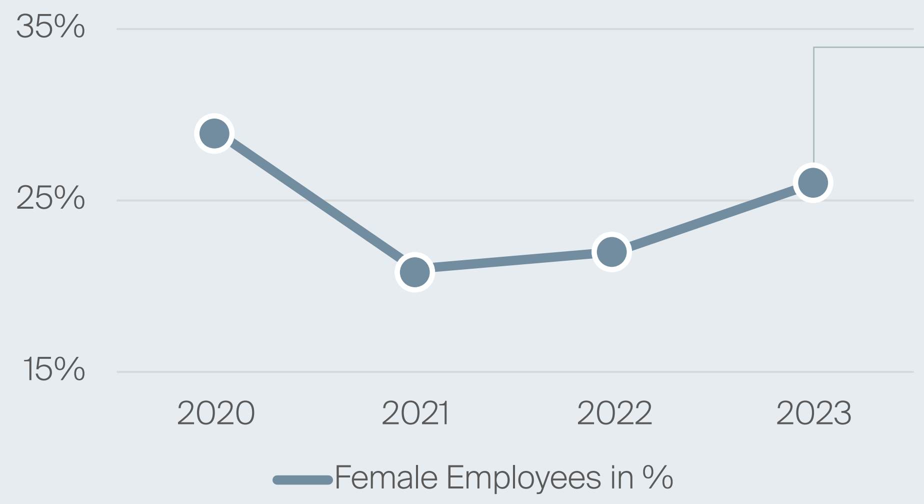
Our trust-based culture and hybrid working model continue to be widely appreciated, which is reflected in the results of the employee survey with the agreement rate assessing the compatibility of professional and personal commitments rising from 69% in 2022 to 82% in 2023.

14
languages spoken

5%
part-time employees

Female Recruiting Event - Zurich, 2023

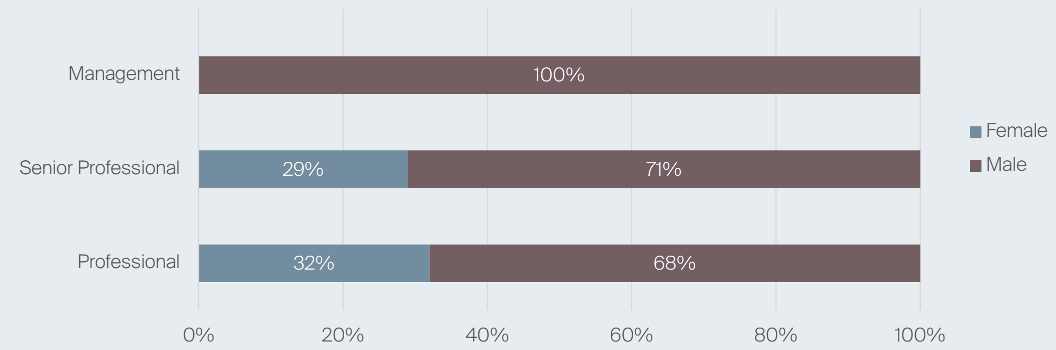
Gender & Age Diversity

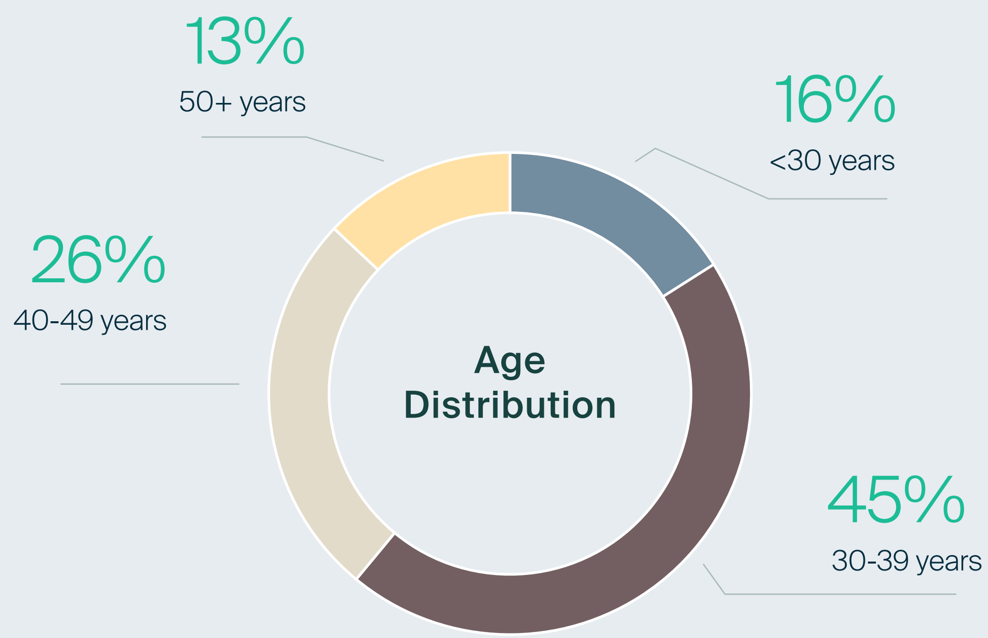


26%
female employees

43%
female new hires in 2023

Seniority by Gender





Development

We foster talent and recognise achievements by facilitating learning opportunities, providing internal and external trainings, and accommodating people's further education ambitions with time allocations and financial support.

In 2023, we covered trainings in diversity, equity, and inclusion as well as communication and investment-specific trainings. In addition, we continue to support our employees in their efforts to obtain external certifications such as CFAs, CAIAs, and other relevant degrees and certificates.

The average time spent on development activities per employee dropped from 47 hours in 2022 to 19 hours in 2023. This is mainly due to a drop in the hours spent on attending external courses (from 33h to 7h), as the average hours spent on internal courses only decreased minimally (from 13h to 12h). Given the size of our company, average results can significantly move with small changes in the number of external courses taken. Accordingly, large year-on-year variability can result. Our support for external courses remains unchanged, which is also reflected by an agreement rate in the Development section of the employee survey, which increased by 8% compared to 2022.

19
avg. hours per employee spent on trainings*

11
further education courses sponsored

15%
share of employees promoted*

2
internships provided*

* Total in 2023

Leadership

Under the Leadership category, we collect our employees' assessment of their respective team leads as well as how senior leadership's strategic vision is communicated to the rest of the company.

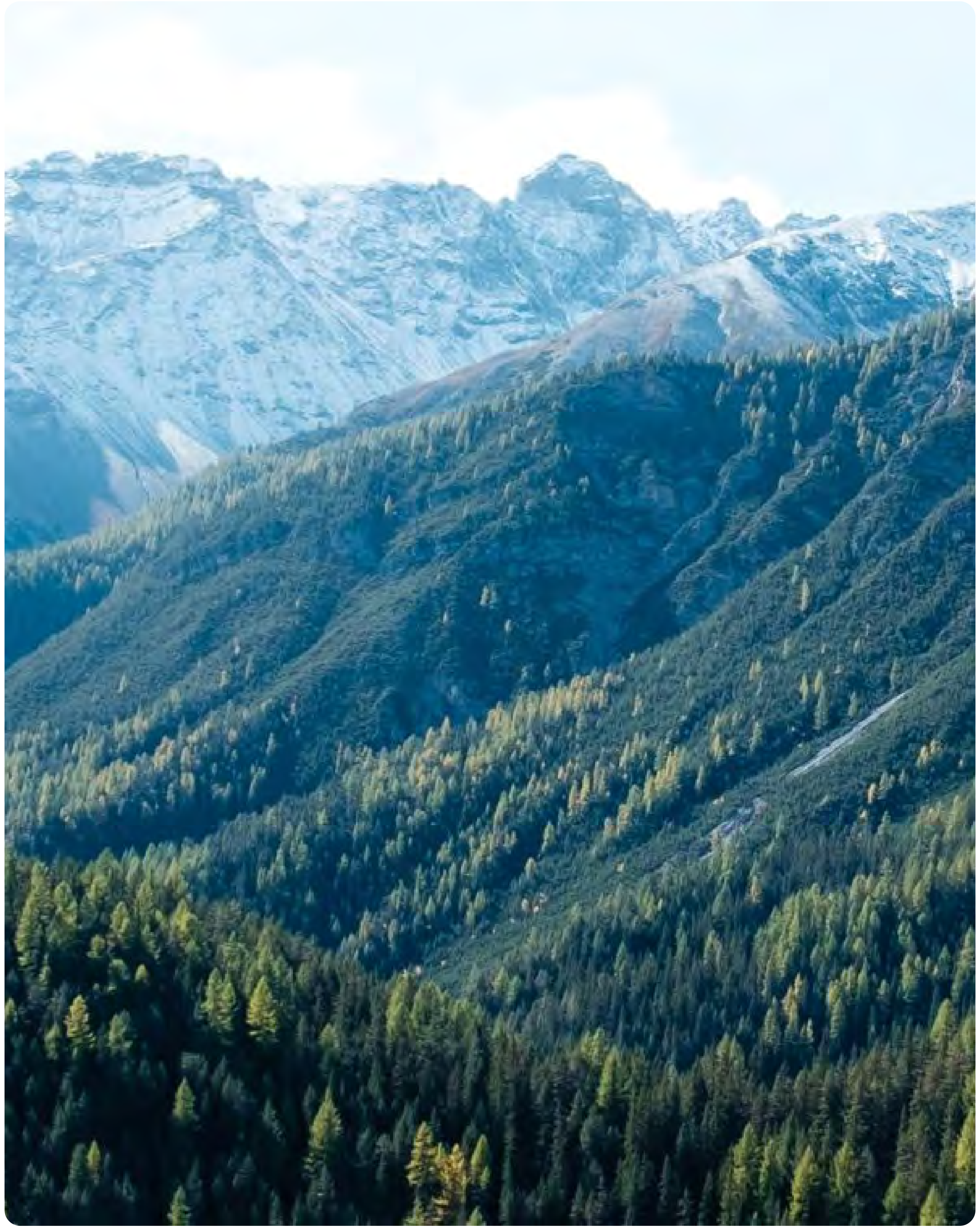
We evolved and broadened our leadership team in 2023, ensuring continuity while enabling the progressive development of the company. We also undertook initiatives to further sharpen our vision and objectives, and to improve the content and cadence of internal communication to the entire team. In addition to quarterly townhall meetings, all employees are briefed monthly on the most important developments at SUSI. We are also implementing a comprehensive internal reporting framework with the aim to increase transparency further, and are targeting to introduce a revised, integrated, company-wide target setting framework by the end of this year.

Engagement

In 2023, we continued to foster our values-based culture, embodied by an energetic team operating with entrepreneurial spirit, integrity, and mutual respect. 94% of respondents in the annual employee survey agreed that the company's values are aligned with their own. We also saw our firm-wide sustainability strategy take hold across departments and reflected in survey results with 96% recognising the importance of sustainability practices for the success of the company.

Adrian Lüönd
Head of Finance & Corporate Operations

"Our common vision of a sustainable future unites us in a common pursuit – at and outside of the workplace."



Governance & Organisation

Governance

SUSI Partners AG is a privately held company limited by shares (Aktiengesellschaft) with headquarters in Zug (Switzerland), regulated and holding a licence issued by the Swiss Financial Markets Authority. We operate in accordance with applicable Swiss law and relevant regulations as well as our articles of association, organisational rules, and policies.

SUSI Partners Asia Pte. Ltd is a private limited company registered in Singapore and subsidiary of SUSI Partners AG, which acts as an investment manager and adviser to investment vehicles it manages. It holds a license and is regulated by the Monetary Authority of Singapore.

The company acts as the portfolio manager of the SUSI funds, which are overseen by alternative external investment fund managers (AIFMs) in Luxembourg, and controlled by subsidiaries of SUSI Partners AG which are general partners of the SUSI funds. Our investment activities are overseen by Investment Committees comprising senior staff as well as independent experts. These Investment Committees review proposed transactions (acquisitions, add-ons, divestitures, financings, and other important portfolio decisions) and oversee compliance with the various investment mandates and processes.

Supervisory oversight of SUSI Partners AG lies with the shareholder-appointed Board of Directors (Verwaltungsrat), with executive functions delegated to management. The Board meets regularly (at least quarterly), and at least one third of its members are independent. The board has broad information rights and is responsible for appointing executive management, ensuring proper organisational and legal structures, governance, risk management and audit processes, and oversees the company's financial standing.

Our Code of Ethics and Sustainable Conduct provides the compliance framework and commits all directors, and staff to adhere to a common set of values and standards, and to conducting business in an ethical, professional, and sustainable manner.

Board of Directors

Supervisory oversight | Appointing management

Leadership Team

Executive functions, including strategy formulation and execution, management of funds / investment portfolios, company financials, compliance and risk, and operations

Client Solutions | **Operations** | **Portfolio Management**

Valuation Committee | **Investment Committees**

Leadership Team

Our senior leadership structure evolved in 2023 to see Marco van Daele, formerly Co-CEO and Chief Investment Officer ("CIO"), now leading the firm as sole CEO and head of our Leadership Team, which further consists of Richard Braakenburg and Alexander Hunzinger as Co-CIOs, Sven Simonis as Head of Client Solutions, and Adrian Lüönd as Head of Finance & Corporate Operations.

In their expanded roles as Co-CIOs, Richard Braakenburg and Alexander Hunzinger have retained their respective portfolio management responsibilities for SUSI's Equity and Credit platforms while now also leading the formulation and execution of the investment approach across the firm's OECD-focused strategies. For continuity in investment assessment and underwriting, Marco van Daele continues to chair the Investment Committees. Adrian Lüönd, previously Head Finance and Controlling, now consolidates core operational functions, including finance, under his remit. The Leadership Team has been completed by Sven Simonis, who joined us in April 2024 to head our Client Solutions team.

From left to right: Alexander Hunzinger, Sven Simonis, Richard Braakenburg, Marco van Daele, Adrian Lüönd

ICT & Cybersecurity

Information and Communications Technology ("ICT") is a key component of our corporate operations, which ensures that people's workflow is not disrupted, our data and infrastructure are secure, and our hardware procurement is in line with our sustainability principles.

Our ICT services are now fully insourced, which has enabled a faster, more reliable, and more customised support while maximising the protection of data and intellectual property. Our approach to cybersecurity includes investments in state-of-the-art infrastructure, firm-wide awareness trainings, and attack simulations to test our defences and identify potential vulnerabilities. In addition, we have launched initiatives to streamline internal data processing and increase the use of artificial intelligence and other automation tools in an effort to increase workflow efficiency.

0 cybersecurity breaches in 2023

10 attack simulation campaigns con-ducted in 2023


Appendix

Health & Safety KPIs

Ensuring health and safety standards is essential for us. We have a strong internal framework, with clear KPIs that show how we care for the well-being of our workers and investments.

KPI	Energy Transition (OECD)	Energy Transition (SEA)	Renewable Energy (Europe)	Energy Storage (Europe)
Number of workdays lost to injuries, accidents, fatalities, illness of investee companies	26	0	0	4
Lost Time Injuries (LTI)	6	0	0	1
Lost Time Injuries Frequency Rate (LTIFR)	3.9	0.0	0.0	3.8
Total Recordable Injuries (TRI)	6	0	0	1
Total Recordable Injury Frequency Rate (TRIFR)	3.9	0.0	0.0	3.8
Number of “near misses”	11	3	16	0

GRI Mapping

The Global Reporting Initiative (GRI) provides a detailed framework that helps organisations report their environmental, social, and governance (ESG) impact. The following table shows indicators that align with our strategic ESG goals and represent the materiality of our business operations.

GRI Standard	Disclosure	Reference Section	Level	Pages
GRI 2: General Disclosures 2021	2-1 Organizational details	About this Report	SUSI Partners	3
	2-2 Entities included in the organization's sustainability reporting	About this Report	SUSI Partners, Investment	3
	2-3 Reporting period, frequency and contact point	About this Report, Important Legal Information	SUSI Partners	3; 83-84
	2-6 Activities, value chain and other business relationships	SUSI at a Glance	SUSI Partners, Investment	7-8
	2-7 Employees	Work Environment	SUSI Partners	63-64
	2-9 Governance structure and composition	Governance & Organisation	SUSI Partners	67-68
	2-13 Delegation of responsibility for managing impacts	Governance & Organisation	SUSI Partners	67-68
	2-16 Communication of critical concerns	Governance & Organisation	SUSI Partners	67-68
	2-22 Statement on sustainable development strategy	Note from the CEO	SUSI Partners	2
	2-23 Policy commitments	Responsible Procurement: How We Act on our Commitments	SUSI Partners	51-52
	2-27 Compliance with laws and regulations	Measuring Sustainable Outcomes; Governance & Organisation	SUSI Partners, Investment	47-48; 67-68
	2-28 Membership associations	Our Partnerships	SUSI Partners, Investment	50
	2-29 Approach to stakeholder engagement	Our Stakeholders	SUSI Partners, Investment	13-14
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Driving Sustainability Performance in our Portfolios	SUSI Partners, Investment	43-44
	3-2 List of material topics	Driving Sustainability Performance in our Portfolios	SUSI Partners, Investment	43-44
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Measuring Sustainable Impacts; Potential Avoided Emissions (PAE)	Investment	53-56

GRI Standard	Disclosure	Reference Section	Level	Pages
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Corporate Carbon Footprint (under Scope 2)	SUSI Partners	59
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Governance & Organisation	SUSI Partners	67-68
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Corporate Carbon Footprint	SUSI Partners	59-60
	305-2 Energy indirect (Scope 2) GHG emissions	Corporate Carbon Footprint	SUSI Partners	59-60
	305-3 Other indirect (Scope 3) GHG emissions	Corporate Carbon Footprint	SUSI Partners	59-60
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Retention & Satisfaction; Work Environment	SUSI Partners	61-64
	401-3 Parental leave	Work Environment	SUSI Partners	63
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Health & Safety KPIs	Investment	71-72
	403-10 Work-related ill health	Health & Safety KPIs	Investment	71-72
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Development	SUSI Partners	65
	404-2 Programs for upgrading employee skills and transition assistance programs	Development	SUSI Partners	65
	404-3 Percentage of employees receiving regular performance and career development reviews	Development	SUSI Partners	65
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, Equity, and Inclusion (“DEI”)	SUSI Partners	63-64
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Measuring Sustainable Impacts: SDG 17: “82 community funds or social projects supported in 2023”.	Investment	53-54
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	Case Study: Charging Electric Vehicle Adoption	Investment	29-30

TCFD Reporting

Governance

Management of climate risk is set and overseen at the highest levels of our firm, and firmly embedded in our governance structures.

The strategic direction of SUSI Partners, which encompasses climate-related risks and opportunities, is primarily governed by our Board of Directors and Executive Management.

The Sustainability Committee , comprised of our CEO and experts in sustainability with backgrounds in investment and consulting, leads our sustainability oversight. This committee spearheads our climate strategy initiatives, continuously improves our frameworks, and actively participates in industry-wide discussions on sustainability. Our governance structure, inclusive of our approach to sustainability, is formalized in a dedicated charter.

Our ESG approach incorporates the identification, assessment, and management of climate-related risks and opportunities, which is supported by allocated budgets. Our investment committees also evaluate and provide insights on investment prospects that may be significantly impacted by climate risks. The responsibility for implementing climate risk management procedures lies with our ESG team in collaboration with the respective investment teams.

During the pre-investment due diligence phase, we utilize an ESG screening tool to detect potential climate-related risks. Our ESG team scrutinizes the investment teams' risk assessments and advises on further due diligence. Following investment, the ESG and Asset Management teams undertake the responsibility of implementing the ESG strategy. This responsibility includes assessing climate-related physical and transition risks using our established climate change matrix, aiding assets in measuring their greenhouse gas (GHG) emissions, and enhancing climate resilience through active engagement and the provision of resources like tools and consultancy services. Additionally, the ESG team ensures the availability of resources for effective climate risk management and conducts climate change training for the broader SUSI team.

Strategy

Net zero is our long-term vision and we are integrating climate opportunities into our business, building on our existing strengths and capabilities. As a long-term investor specializing in multiple clean energy infrastructure funds, we view climate change as both a considerable risk and a significant opportunity. Climate-related risks can affect various phases of our operations, with potential physical and transition risks during the tenure of our investments.

We are committed to supporting the global energy transition, with 100% of our Assets under Management (AuM) dedicated to clean energy infrastructure, and we plan to continue our investments in this vital sector.

Active Engagement to Drive Net Zero Progress Across Our Value Chain

A key component of our strategy is collaborating with each asset to develop customized decarbonization plans that contribute to our overarching net zero objective. We actively engage with our investee companies on climate resilience through our annual ESG path questionnaire and have started measuring GHG emissions footprints last year. However, we acknowledge the need to enhance the accuracy of our GHG data.

Moving forward, we are focused on assisting our investee companies in creating and implementing robust decarbonization plans.

Integrating Climate Considerations into Our Corporate Culture

The final aspect of our strategy is to practice what we preach. Since 2020, we have been monitoring our own GHG emissions, actively reducing emissions where feasible, and offsetting what remains.

Risk Management

We consider climate change to be a material risk, including both physical risks such as extreme weather events and transition risks such as increased volatility, regulatory risk, increased cost of capital and stranded asset risk.

Processes for Addressing Climate Risk

Climate risk considerations are integrated into our ESG framework.

In 2023, we conducted a high-level screening for climate change risks, assessing both physical and transition risks across all assets within our equity platform.

Our climate change heat map revealed that 2% of the assets analysed are exposed to low levels of physical risk, with a small fraction also facing low transition risks.

Stakeholder Engagement on Climate Issues

We address climate-related risks in our discussions with various stakeholders, including employees, investors, and investee companies.

Metrics and Targets

We track and report on opportunities and risks associated with climate change by accurately measuring the GHG Footprint of Our Portfolio and Setting Short-term Net-Zero Targets. In 2023, our initial group of investee companies began utilizing the greenhouse gas measurement tools we provide to quantify their carbon footprints.

We plan to enhance and broaden this dataset in 2024, committing to collaborate with our investee companies and the broader industry to measure and mitigate Scope 3 emissions throughout our value chain.

These measurements will play a vital role in tracking our progress towards achieving net zero status as an investor.

Glossary

People

Community Project

Community projects can cover topics such as welfare, charity, and economic development, always focusing on the local community and its inhabitants.Amounts contributed to projects can vary significantly.

Diversity, Equity, and Inclusion (DE&I)

DE&I involves creating environments where different backgrounds and perspectives are welcomed (Diversity), everyone gets fair opportunities and treatment (Equity), and all individuals feel respected and included (Inclusion).

Health & Safety

Lost Time Injuries (LTI)

LTI includes workplace injuries that resulted in an employee being unable to work their next full workday.

Lost Time Injury Frequency Rate (LTIFR)

LTIFR is the number of total lost time injuries (LTI) per 1.000.000 hours worked (standardized rate), divided by total hours the employees worked in the reporting year (2023) .

Number of "near misses"

Near misses are unplanned events which could have resulted in injury or property damage but didn't.

Number of mandatory safety trainings provided

Safety training is the process of educating individuals about potential hazards, safe practices, emergency procedures, and guidelines for maintaining a safe working environment. Daily toolbox talks and safety briefings are not included under this definition.

Total Recordable Injuries (TRI)

TRI includes workplace incidents such as fatalities, lost time injuries (LTI), restricted work injuries (RWI; requiring an employee to be given an alternative job assignment), and medical treatment injuries (MTI; requiring professional medical treatment beyond first aid).

Total Recordable Injury Frequency Rate (TRIFR)

TRIFR is the total number of total recordable injuries (TRI) per 1.000.000 hours worked (standardized rate), divided by total hours the employees worked in the reporting year (2023).

Emissions

Carbon Dioxide Equivalent (CO2e)

The universal unit of measurement to indicate the global warming potential (GWP) of greenhouse gases, expressed in terms of the GWP of one unit of carbon dioxide. This is often expressed in the number of metric tons of CO2e, written as tCO2e. The purpose of this technical unit is to combine the emissions of multiple greenhouse gases, which have different potencies.

Emission Factor

An emission factor is a coefficient that reflects how much GHG is released per unit of activity, for example, tCO2e per Megawatt-hour (MWh) of electricity used, or per litre of fuel consumption.

Greenhouse gas (GHG) Emissions

Gases emitted as by-products of combustion or materials extraction, production, and disposal that when emitted to the atmosphere, intensifies the absorption of infrared radiation from the sun resulting atmospheric temperature to increase. Seven greenhouse gases related to human activities, as included in the Kyoto Protocol (UN Climate Change Conference, COP3 1997), are commonly reported: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

Potential Avoided Emissions (PAE)

PAE is an indicator of the theoretical reduction in GHG emissions attributed to a specific project or product, throughout the reporting period.

Scope 1

Direct GHG emissions from emission sources owned or controlled by the reporting organisation.

Scope 2

Indirect GHG emissions which occur from the generation of electricity, heating, cooling, and steam produced by a third-party, purchased and consumed by the reporting organisation.

Scope 3

Other indirect GHG emissions which occur from activities related to the upstream and downstream value chain of the reporting organisation, from sources not owned or directly controlled by the reporting organisation.

United Kingdom Department for Environment, Food & Rural Affairs (UK DEFRA)

UK DEFRA is a government department responsible for policies and regulations on environmental protection, food production, and rural communities in the UK. It aims to ensure a healthy environment, sustainable farming, and thriving rural economies.

Cybersecurity

Cybersecurity breaches

A security incident where unauthorized access to data or systems occurred.

Frameworks & Organisations

Corporate Sustainability Reporting Directive (CSRD)

The CSRD is a regulation that entered into force on January 5, 2023. It modernises and strengthens the rules concerning the social and environmental information that companies have to report. A broader set of large companies, as well as listed SMEs, will be required to report on sustainability going forward.

Glossary (continued)

Global Reporting Initiative (GRI)

The GRI is an independent international organization that helps businesses, governments, and other organizations to understand and communicate their effects on issues such as climate change, human rights, and corruption.

Sustainable Finance Disclosure Regulation (SFDR)

The SFDR is a European regulation that imposes mandatory Environmental, Social, and Governance (ESG) disclosure obligations for asset managers and other financial market participants.

Task Force on Climate-related Financial Disclosures (TCFD)

The TCFD is a global organization formed to develop a set of recommended climate-related disclosures that companies and financial institutions can use to better inform investors, shareholders, and the public of their climate-related financial risks.

United Nations Principles for Responsible Investment (UN PRI)

The UN PRI is an international network of investors working together to implement a set of voluntary principles that provide a framework for integrating environmental, social, and governance (ESG) considerations into investment decision-making and ownership practices.

United Nations Sustainable Development Goals (UN SDGs)

The SDGs are a collection of 17 global goals and 169 associated targets that all UN member states agreed to in 2015 to support sustainable development and tackle social, economic, and environmental issues. The SDGs strive to end poverty, safeguard the planet, and ensure prosperity for everyone.

SUSI PARTNERS

www.susi-partners.com

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