



Sustainability-related information

SC INFRA GESTCOMPOST FUND, F.C.R.E.

This document provides information about the financial product in accordance with the Sustainable Finance Disclosure Regulation (SFDR). The information contained in this document is required by the regulation to promote transparency and understanding of the sustainability-related characteristics and/or, the objectives and risks of this financial product, and is not for advertising or marketing purposes.

A. Summary

Summary of the information contained in the different sections of this document.

The indicated financial product (hereinafter the "Fund") managed by SUMA CAPITAL S.G.E.I.C., S.A. (hereinafter the "Management Company") is defined as an article 9 product under the Sustainable Finance Disclosure Regulation (SFDR), defining as its sole objective sustainable investment in the objectives of "climate change mitigation" and "transition to a circular economy" in accordance with the European Taxonomy Regulation. To achieve its sustainable investment objective, the Fund makes Eligible Investments in portfolio companies that operate in projects promoting the energy transition and the circular economy, including, but not limited to, waste treatment and valorisation projects, as well as renewable gases such as biogas and biomethane. In addition, the Fund pursues the objective of reducing carbon emissions in line with the Paris Agreement. Portfolio companies will also contribute to the United Nations Sustainable Development Goals (SDGs) linked to the aforementioned sustainability objectives. The Fund has not designated a benchmark index for the purpose of attaining its sustainable investment objective.

In order to ensure that the Fund meets its defined sustainable investment objectives, independent external experts conduct a due diligence process. This process assesses whether target companies demonstrate a clear intention to promote the defined sustainable investment objective, are able to measure and periodically monitor their performance and contribution and have the capacity to appropriately manage ESG (Environmental, Social and Governance) criteria relevant to their activities.

The Management Company has developed a proprietary methodology for monitoring its investments, enabling the consistent and robust collection of management indicators and metrics. The monitored metrics include impact metrics related to the contribution to the sustainable investment objective, metrics aligned with the Sustainable Finance Disclosure Regulation (SFDR), as well as ESG performance indicators based on internationally recognised frameworks (including GRI, SASB and GRESB, among others). The data provided by portfolio companies is sourced from their internal information systems as well as from external service providers. The performance of the portfolio companies and of the Fund in relation to the sustainable investment objective is monitored on a quarterly and annual basis, alongside financial performance.

Furthermore, the Fund has established an Impact Committee, composed of independent external experts, which defines impact indicators and targets linked to the achievement of the sustainable investment objectives and verifies their fulfilment on an annual basis.

In addition, the Fund aligns the governance and management practices of its portfolio investments with internationally recognised good governance standards and implements the necessary control mechanisms to address identified sustainability risks through its active involvement in the governing bodies of the invested companies.



B. No significant harm to the sustainable investment objective

The Fund has defined sustainable investment as its sole objective and is classified as an Article 9 financial product under the SFDR Regulation.

To ensure that the sustainable investments made by the Fund do not significantly harm any sustainable investment objectives other than its primary objectives ("climate change mitigation" and "transition to a circular economy"), the investment team conducts a pre-investment assessment to evaluate the potential contribution of each asset to such sustainable investment objectives, as well as any potential adverse impacts. The potential harm that an economic activity contributing to one sustainable investment objective may cause to other sustainable investment objectives is taken into consideration, in line with the Management Company's intention to increase, to the extent possible, the proportion of sustainable investments aligned with the EU Taxonomy within the Fund's portfolio.

In addition, prior to the investment, the investment team engages with independent experts in a due diligence process which include the following actions: (a) review and assessment of key sustainability risks and opportunities, including principle adverse impacts (PAIs), to ensure that the Fund's sustainable investments do not generate a significant harm and comply with minimum social and environmental safeguards; (b) identification of potential negative impacts on environmental, social and governance issues, and their corrective measures; (c) assessment of the potential of alignment of the economic activities comprising the transaction with the technical screening criteria of the Taxonomy Regulation.

In addition, the Fund aligns the governance and management practices of its portfolio investments with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight core conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights. The Fund also carries out an assessment of the potential for alignment of portfolio investments with the economic activities included in the Taxonomy Regulation, through the annual review of the technical screening criteria, the no significant harm criteria and the minimum social safeguards, all of which are included in the Regulation and its delegated acts.

Finally, in the portfolio management phase, the Fund monitors sustainability indicators, including the PAIs metrics of the SFDR Regulation, and discloses them to stakeholders on a quarterly and annual basis. The implementation of the Management Company's reporting framework is one of the tools used by the Fund to identify and monitor the negative impacts of sustainable portfolio investments and to follow up on the corrective measures to be implemented.

C. Sustainable investment objective of the financial product

Describe the sustainable investment objective of the financial product.

The Fund defines its sole objective as sustainable investment in the environmental objectives of "climate change mitigation" and "transition to a circular economy", which form part of the environmental objectives set out in the EU Taxonomy Regulation. To achieve its sustainable investment objective, the Fund makes Eligible Investments in portfolio companies involved in projects that promote the energy transition and the circular economy, including, but not limited to, waste treatment and valorisation projects, as well as renewable gases such as biogas and biomethane. In addition, the Fund pursues the objective of reducing carbon emissions in line with the Paris Agreement.



Furthermore, portfolio companies will contribute to the United Nations Sustainable Development Goals (SDGs) linked to the aforementioned sustainability objectives. 100% of the Fund's investments will contribute to one or more SDGs, while potentially generating ancillary contributions across the remaining SDGs.

D. Investment strategy

Description of the investment strategy used to attain the sustainable investment.

The investment strategy used to achieve the sustainable investment objective is based on acquiring majority stakes in portfolio companies headquartered in Spain that promote climate change mitigation and the circular economy, including, among others, projects related to waste treatment and valorisation, as well as renewable gases such as biogas and biomethane—sectors in which the Management Company has extensive experience.

Policy to assess the good governance practices of investee companies, regarding governance structures, employee relations, staff remuneration and compliance with obligations.

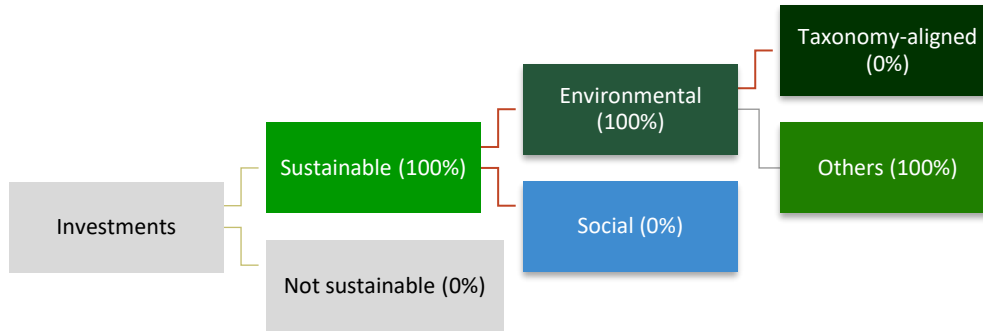
As part of the Fund's investment policy, a due diligence process will be conducted to identify Sustainability Risks, including Governance Risks, in each Target Company, using specialised external resources where necessary. This due diligence process will consider the assessment of good governance practices, including the following aspects: (a) corporate integrity, (b) the existence of programmes for compliance with internal rules and applicable regulations, (c) existing governance structure (Board of Directors, Management Committee, Monitoring Committees, etc.), (d) risk management, (e) business continuity, (f) conflict of interest management, and (g) alignment of interest schemes and corporate social responsibility actions, among others.

In the portfolio management phase, the investment team will ensure that good governance practices are maintained and that the necessary control measures are in place to address the identified sustainability risks, including the minimum social safeguards of the Taxonomy Regulation. The Fund, through the investment team, will have an active presence in the management bodies of the investee companies to ensure adequate monitoring and control of the implementation of good governance practices.

E. Proportion of investments

100% of the Fund's assets will be invested in sustainable investments, defined as investments that contribute to achieving the sustainable investment objectives set out in the EU Taxonomy Regulation. Specifically, the Fund will focus on the environmental objectives of "climate change mitigation" and "transition to a circular economy" as defined in the EU Taxonomy Regulation, through investments in portfolio companies carrying out projects aligned with these themes, including, but not limited to, waste treatment and valorisation projects, as well as renewable gases such as biogas and biomethane. In addition, the Fund will make sustainable investments that contribute to the objective of reducing carbon emissions, in accordance with Article 9(3) of the SFDR. The achievement of these sustainable investment objectives will be measured through a range of sustainability and impact indicators, as detailed in Section F: Monitoring of the Sustainable Investment Objective.

The Asset Allocation is set out below:



The Fund is a thematic product that will primarily invest in projects and companies that promote the energy transition, the circular economy and climate change mitigation and, therefore, are expected to contribute in full to the EU Taxonomy environmental objectives of “climate change mitigation” and “transition to a circular economy”. Due to the ongoing development of the Delegated Regulations underpinning the EU Taxonomy at the date of this document, the Fund does not commit to a minimum proportion of investments qualifying as environmentally sustainable under the EU Taxonomy Regulation. However, the proportion of Taxonomy-aligned sustainable investments within the Fund’s total investments will vary over time as investments and divestments are executed. This information will be disclosed to shareholders through the Fund’s periodic reporting.

F. Monitoring of sustainable investment objective

Description of how the sustainable investment objective and the sustainability indicators used to measure the attainment of the sustainable investment objective, are monitored throughout the lifecycle of the financial product, as well as the related internal or external monitoring mechanisms.

The Management Company, through its proprietary evaluation methodology, which includes the monitoring of indicators and metrics that measure the value and sustainable impact of the economic activities of the investments made by the Fund, periodically monitors the achievement of the Fund’s sustainable investment objectives.

In the agreements entered into between the portfolio companies and the Fund, provisions are included requiring portfolio companies to periodically report financial and non-financial indicators relating to their performance against environmental, social and governance criteria (the “Defined ESG Criteria”), which are used to measure their contribution to the Fund’s sustainable investment objectives.

By way of illustration, the impact indicators associated with the Defined ESG Criteria include, among others, the following:

- a) total energy consumption (kWh);
- b) share of renewable energy consumption (%);
- c) amount of renewable energy generated (kWh);
- d) primary energy from fuels avoided (kWh);
- e) greenhouse gas (GHG) emissions (tCO₂e);
- f) avoided GHG emissions (tCO₂e);
- g) volume of waste valorised (t);
- h) volume of water reused or recycled (m³).



In addition, further social and governance metrics may be defined, together with additional positive environmental impact indicators, depending on the specific sustainable objective addressed by each project.

G. Methodologies

Description of the methodologies used to measure the attainment of the sustainable investment objective and how the sustainability indicators to measure the attainment of that sustainable investment objective are used.

To ensure that the Fund invests in portfolio companies that contribute to the achievement of its sustainable investment objective through the Defined ESG Criteria, independent external experts conduct a due diligence process. This process assesses whether the target companies demonstrate a clear intention to promote the sustainable investment objective defined by the Fund, are able to measure and periodically monitor their performance and contribution and have the capacity to manage appropriately the ESG criteria relevant to their activities.

If the due diligence process concludes that a target company, in contributing to the sustainable investment objective, generates negative impacts on other sustainable investment objectives, this will not automatically lead to the exclusion of the investment opportunity; however, it will constitute a factor to be considered in the asset selection process for the Fund. Once the investment has been completed, the Fund puts in place monitoring mechanisms over the activity and performance of the portfolio company, including compliance with the sustainable investment objective and the improvement of those aspects identified during the ESG due diligence process.

In addition, on an annual basis, the Fund will assess the potential alignment of its portfolio investments with the economic activities included in the EU Taxonomy Regulation, through a review of the technical screening criteria, the do no significant harm criteria and the minimum social safeguards, all of which are set out in the Regulation and its delegated acts.

For each investment, a roadmap is established setting out the action plans relating to the Defined ESG Criteria. The content of these plans is based on the conclusions and recommendations arising from the various ESG assessments conducted, including ESG due diligence, as well as the recommendations of the Investment Committee. The proposed roadmap ensures the alignment of the portfolio company with the Fund's sustainable investment objective and incorporates risk mitigation strategies, value creation levers, and qualitative and quantitative objectives and targets to be achieved during the investment period. Each portfolio company appoints an ESG officer responsible for coordinating the implementation of the action plans and reporting on their progress, as well as any deviations or non-compliance, to the company's Board of Directors or to a specialised committee.

The Management Company has developed a proprietary methodology for monitoring its investments through an internal data management tool, which ensures that relevant indicators and management metrics are collected in a consistent and robust manner. The monitored metrics are selected on the basis of the ESG criteria relevant to the investment activities and are grouped into three categories: Environmental, Social and Governance. The indicators monitored include impact metrics relating to the contribution to the sustainable investment objective, indicators under the SFDR and principal adverse impacts (PAIs), as well as ESG and climate performance metrics included in international frameworks such as the TCFD. In addition, further ESG indicators or metrics linked to the business activities of the portfolio companies may be established, together with improvements to the scope of the monitoring system for indicators and metrics.



The performance of the portfolio companies and of the Fund in relation to the sustainable investment objective is monitored on a quarterly and annual basis, alongside financial performance.

Furthermore, the Fund has established an Impact Committee composed of independent external experts in the fields of impact investing and sustainability, which defines impact indicators and targets associated with the achievement of the sustainable investment objective for each investment made by the Fund. On an annual basis, the Committee verifies compliance with the established objectives and proposes corrective measures to ensure the achievement of the defined sustainable investment objectives.

H. Data sources and processing

Description of the data sources used to achieve the sustainable investment objective of the financial product, the measures taken to ensure data quality, how the data are processed and the proportion of data that have been obtained by estimation.

Performance metrics and indicators are provided directly by the management teams of the portfolio companies or by the technical partners responsible for their operations and are reviewed and consolidated by the Fund's investment team. To ensure the quality, accuracy and comparability of the data provided, the investment team performs various control procedures in collaboration with the portfolio companies—either with their management teams or technical partners—including follow-up meetings, clarification processes and the request for supporting evidence regarding the evolution and performance of the Defined ESG Criteria. The data provided by the portfolio companies is sourced from their internal information systems, as well as from external service providers. The Fund does not rely on estimated data.

I. Limitations to methodologies and data

Description of the limitations of the methodologies and data sources mentioned; and how these limitations do not affect the achievement of the sustainable investment objective.

The methodologies and data sources mentioned above are provided directly by the management teams of the portfolio companies, or by external service providers contracted by the portfolio companies, not by independent third parties. To prevent the resulting limitations from affecting compliance with the environmental and social characteristics, the investment team ensures that it complies with the processes detailed in the above sections, as well as implements any controls it deems necessary to ensure the quality, accuracy and comparability of the data provided.

J. Due diligence

Description of the due diligence measures taken in respect of the underlying assets of the financial product, including external and internal controls over such due diligence.

The due diligence measures adopted by the Fund, including the external and internal controls in place, are detailed in section "G. Methodologies".



K. Engagement policies

Description of the engagement policies applied where engagement is part of the sustainable investment objective, including management procedures applicable to sustainability-related litigation in investee companies.

In the event of an incident, complaint or sanction regarding environmental, social, labour, gender-based violence, exploitation and abuse, occupational health and safety, fatal accidents or retaliation, among others, with the potential to cause a severe or adverse impact on the portfolio companies, the investment team will be informed within 10 days of receipt of the communication to assess its potential impact and communicate it to the Fund's investors. If a portfolio company of the Fund is or may be in breach of the Defined ESG Criteria, the Investment Committee will meet to discuss the nature and extent of the breach(es), assess their impact on the business and achievement of the Fund's objectives, and take steps to ensure compliance.

L. Attainment of the sustainable investment objective

Description of whether a referenced benchmark has been designated to meet the sustainable investment objective, and how that reference benchmark is aligned with the sustainable investment objective of the financial product, including input data, methods used to select that data, rebalancing methods and how the reference benchmark is calculated.

The Fund has not designated a benchmark for the purpose of attaining its sustainable investment objective. The Management Company will monitor the achievement of the Fund's sustainable investment objectives through its proprietary assessment methodology and by tracking the indicators and metrics reported by the portfolio companies, which are designed to measure the impact generated by the economic activities of the portfolio companies in which the Fund invests. Through the monitoring of ESG indicators, the Fund will establish targets and thresholds for the reduction of principal adverse impacts (PAIs), ensuring the mitigation of potential negative effects, reducing their materiality in relation to the Fund's investment activities, and ensuring that its sustainable investments do not cause significant harm to sustainability factors and comply with the minimum safeguards established for the Fund.