

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: SDCL Energy Efficiency Income Trust plc

Legal entity identifier: 213800ZPSC7XUVD3NL94

Sustainable investment objective

Does this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<p><input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 100%</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%</p>	<p><input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What is the sustainable investment objective of this financial product?

The sustainable investment objective of this financial product is climate change mitigation achieved through exclusively investing in energy efficiency projects.

The Company's overall investment objective is to generate an attractive total return for investors comprising stable dividend income and capital preservation, with the opportunity for capital growth. The investment objective is achieved by investing principally in a diversified portfolio of "energy efficiency projects" with high quality, private and public sector Counterparties.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Company's investment policy defines "energy efficiency projects" as those with sustainability-linked outcomes, such as contributing to reductions in greenhouse gas emissions or energy usage.

● ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The principal sustainability indicators used to measure attainment of the sustainable investment objectives are tonnes of carbon saved (measured in tonnes CO₂e) and amounts of electrical and thermal energy saved (measured in kWh).

● ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

The Company confirms that its sustainable investments do not cause significant harm to any environmental or social sustainable investment objective through its ESG management process, which incorporates the Funds' ESG policies into investment due diligence and asset management. New investments are carefully assessed during due diligence throughout investment process, including a red flag review and a questionnaire with a set of ESG questions aligned with the Company's ESG policies, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights, and the relevant principal adverse impact indicators.

— ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

The Investment Manager uses principal adverse impact indicators ("PAI indicators") to confirm that the Company's investee companies do no significant harm. The Investment Manager takes into account all mandatory and additional PAI indicators, excluding those only for sovereigns and supranational and real estate assets, in its due diligence process for new investments and asset management questionnaire for existing investments.

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

The Company invests in sustainable investments which are aligned with the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No



What investment strategy does this financial product follow?

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

As set out in the Company's Prospectus, the Company's Investment Strategy is to invest primarily in operational "energy efficiency projects."

The Company defines an "energy efficiency project" as a project with an objective to achieve one or more of the following criteria:

- reduce energy consumed and/or related greenhouse gas ("GHG") emissions arising from the existing and/or future supply, transmission, distribution or consumption of energy;
- reduce its Scope 1 GHG emissions ("Direct GHG emissions occur from sources that are owned or controlled by the company") and Scope 2 GHG emissions ("electricity indirect GHG emissions from the generation of purchased, or generated on-site, electricity consumed by the company") as defined by the GHG Protocol, directly and/or in conjunction with offsets that may be used to deliver additional net emissions reduction benefits;
- increase the supply of renewable energy generated on the premises of a Counterparty or generated at a site directly associated with the premises of a Counterparty;
- reduce emissions and energy consumption in non-domestic sectors, which include:
 - all forms of energy supply, conversion, distribution or transmission not originating within a private domestic dwelling, including district heating systems and CHP systems;
 - demand for energy in non-domestic buildings including commercially owned or used property and public sector owned buildings;
 - demand for energy in industrial and light manufacturing plant and machinery, operations and logistics;
 - demand for energy in the transport sector; and
 - through the deployment of energy efficiency measures in public and private infrastructure, such as in utilities (including the installation of smart metering equipment) and street lighting, or
 - otherwise satisfy, in the Investment Manager's reasonable opinion, any other criteria or measurement of energy efficiency in an industry or sector, or by using energy efficiency technologies that are compatible with the Company's investment objective and policy.

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

SEEIT's investment strategy in respect of governance requires the highest standards of corporate governance practice in its investments through engaging with its Investment Manager, O&M Providers and other service providers to SEEIT to ensure they meet the standards set out in SEEIT's ESG Policy and Principles. This policy has been approved by the SEEIT Board, which is responsible for overseeing compliance with it on a regular basis,

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

through review with Sustainable Development Capital LLP as Investment Manager (“SDCL” or the “Investment Manager”). This policy will be reviewed annually.

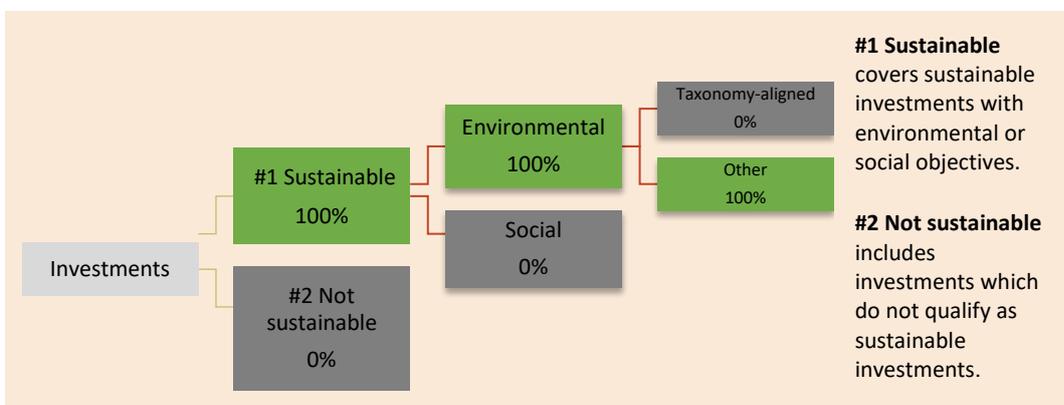
As set out above, the Investment Manager analyses the governance policies, processes and practices of potential investments during due diligence. The ESG due diligence questionnaire sets out questions related to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the PAI indicators relevant to that investment. The questionnaire specifically monitors sound management structures, employee relations, remuneration of staff and tax compliance, and business conduct policies.

Asset allocation describes the share of investments in specific assets.



What is the asset allocation and the minimum share of sustainable investments?

The Company's entire portfolio consists of sustainable investments.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

● How does the use of derivatives attain the sustainable investment objective?

The Company may use derivatives for efficient portfolio management but not for investment purposes.



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

100% of the Company's investments are sustainable investments with an environmental objective.

The minimum share of those investments to be aligned with the EU Taxonomy is 0%.

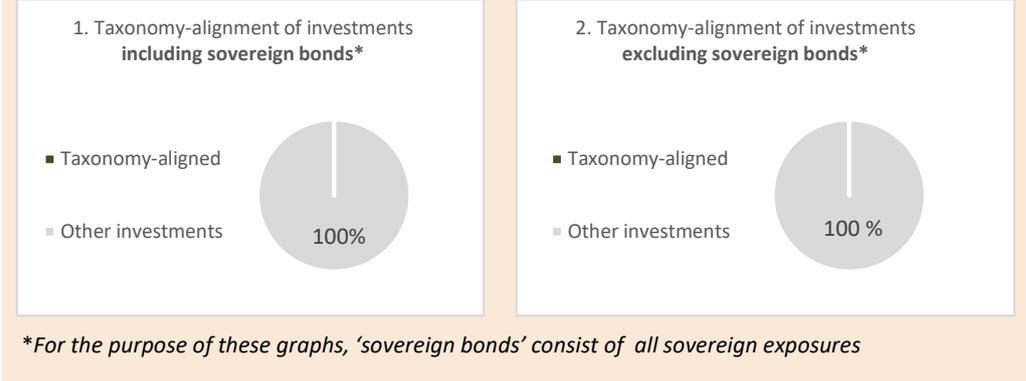
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial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

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

 are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.



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

There is no minimum share of investments in transitional and enabling activities.



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

100% of the Company's investments are sustainable investments with an environmental objective.

There is no minimum share of those investments to be not aligned with the EU Taxonomy.



What is the minimum share of sustainable investments with a social objective?

None of the sustainable investments made by the Company have a social objective.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Not applicable. Other assets of the Company are limited to cash held on deposit and cash equivalent investments, which may include short-term investments in money market type funds and tradeable debt securities.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

There is currently no specific index designated as a reference benchmark.

● **How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?**

Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***
Not applicable.
- ***How does the designated index differ from a relevant broad market index?***
Not applicable.
- ***Where can the methodology used for the calculation of the designated index be found?***
Not applicable.



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.seeitplc.com/> and <https://www.sdclgroup.com/investments/esg/>