



SDCL Energy Efficiency Income Trust (SEEIT) Responsible Investment Policy

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1 Introduction

The purpose of this Responsible Investment Policy ("the Policy") is to set out Sustainable Investment Principles for SEIT and its investment aligned over SDCL's day-to-day response by SDCL. The Policy is intended to be used in conjunction with the Sustainable Investment Policy of the Company. The Policy should be read and considered in conjunction with the Investment Manager's Fund and SDCL's Investment Manager's Responsible Investment Policy, which can be found at [SDCL's Website](#).

1.1 Definitions

For the purposes of this policy, the following terms are defined as:

"Task Force on Climate-Related Disclosures" ("TCFD"): The Task Force on Climate-related Disclosures, an international body of experts that has developed and issued the **"Net-Zero Asset Manager's Initiative" ("NZAM")**: The Net-Zero Asset Manager's Initiative is a global initiative for asset managers to align their portfolios with the **"UN Principles for Responsible Investment" ("UN PRI")**: The UN Principles for Responsible Investment ("UN PRI") are a set of principles that guide investment decisions into the **"Sustainable Financial Disclosure Regulation" ("SFDR")**: The EU's "Sustainable Finance Regulation" (Article 9 Fund) designation under SFDR that describes a Fund with sustainable **"Sustainable Investment Objective"**: The Sustainable Investment Objective of the Fund is to invest in companies that are aligned with the UN Sustainable Development Goals (SDGs) and to avoid companies that are involved in controversial activities. **"ESG Factors"**: Environmental, social and governance issues that are identified relating to the companies and other issues relating to the governance of companies and other investee companies. **"ESG Management Process"**: The ESG Management Process refers to the management of ESG factors. **"ESG Standards"**: ESG Standards refer to the expectations the Investment Manager has for the companies and other investee companies. **"Stewardship"**: The use of influence by investors to protect and enhance assets, long-term value and the interests of beneficiaries.

2 The Policy

The Policy sets out the Investment Manager's approach to integrating ESG factors into the investment decision-making process and governance of the Fund and the standards and guidelines on the Investment Manager's recognition of the importance of responsible investment towards the Fund. The Investment Manager finds that transparency and disclosure in achieving the Company's additional mandatory and voluntary reporting, reporting, as well as through early engagement.

2.1 SDCL's Commitments to Responsible Investment Standards

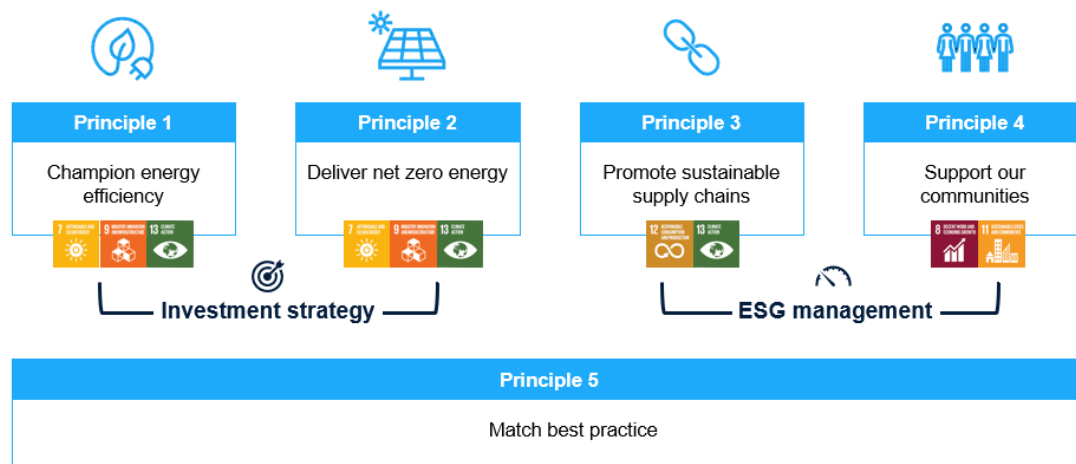
SDCL's Responsible Investment Policy ("the Policy") is committed to the six principles of the UN Principles for Responsible Investment ("UN PRI"):

1. Incorporate ESG issues into investment analysis and decision-making processes;
2. Be active owners and incorporate ESG issues into ownership policies and practices;
3. Seek appropriate disclosure on ESG issues by the entities into which investments are made;
4. Promote acceptance and implementation of the Principles within the investment industry;
5. Work together to enhance effectiveness in implementing the Principles; and
6. Report on activities and progress towards implementing the Principles.

SDCL is a signatory to the UN PRI and will apply these standards in relation to the Company's investment in the Fund. SDCL is also a signatory to the Sustainable Investment Framework, which is aligned with the UN PRI.

2.2 SEIT's Core Responsible Investment Guidelines

The Policy is designed to reflect SEIT's core responsible investment guidelines, which are based on the UN Sustainable Development Goals (SDGs) and the UN Principles for Responsible Investment (UN PRI). These guidelines are specific to the Fund and are designed to ensure that the Fund's investments are aligned with the UN Sustainable Development Goals (SDGs) and the UN Principles for Responsible Investment (UN PRI). The guidelines have been developed in line with the UN Sustainable Development Goals (SDGs) and the UN Principles for Responsible Investment (UN PRI).



2.2.1 Principle 1: Champion energy efficiency¹

Improving energy efficiency is one of the quickest and cheapest ways to reduce energy consumption. Energy efficiency is a key element of SEEIT's investment strategy and therefore a core element of the implementation of the Policy by the Investment Manager and KPI relevant to

2.2.2 Principle 2: Deliver net zero energy

Principle 2 of the Framework recognises that energy efficiency solutions must be paired with engaging with current investors on their net zero trajectory and aligning to net zero and As part of the investment manager's net zero target, the net zero goal is to ensure that all investments are aligned to the target.

2.2.3 Principle 3: Promote sustainable supply chains

Promote sustainable supply chains has become an essential part of the Framework's principles to ensure the company's supply chains are aligned to the Framework's principles. The company will conduct targeted supply chain assessments to evaluate company chain standards. SEEIT will conduct targeted supply chain assessments to evaluate company chain standards. SEEIT will conduct targeted supply chain assessments to evaluate company chain standards.

2.2.4 Principle 4: Support our communities

In addition to providing customers with sustainable services, the Investment Manager is committed to providing policies and initiatives that support the following principles:

- Diversity and inclusion
- Professional Training and development
- Physical and mental wellbeing
- Local charitable activities

2.2.5 Principle 5: Match best practice

The first four principles of the Sustainability Framework focus on the company's ESG factors and obligations, as well as engaging with stakeholders responsible for investment principles. The company's ESG related policies and are implemented through this Policy and align with the company's mandatory and voluntary obligations in a managing basis on one

3 Exclusions Policy

SEEIT will not invest in sectors or practices which are inconsistent with the company's responsible investment principles and exclusion policy.

4 Governance and Monitoring of Responsible Investment

4.1 SEEIT ESG Committee

The governance of the SEEIT Responsible Investment Policy is structured to ensure the company's responsible investment principles are aligned with the company's strategy. The SEEIT ESG Committee will conduct a regular review of the Policy to ensure its company's investments, and assess the company's position on the Policy and its cross the company's investments.

4.2 Escalation & Divestment

It is the responsibility of the relevant SDG team to ensure day-to-day compliance with the company's responsible investment principles. The company's responsible investment principles are set out in its Terms of Reference, and the company's responsible investment principles are set out in its Terms of Reference.

¹ SEEIT's definition of an "Energy Efficiency Project" is set out in Annex 3.

4.3 Risk Management

The Policy provides the Investment Manager a framework to assess investments against the assessed and reviewed risks within the company's overall risk management framework. In the SFG of the Policy, the sustainability-related risks of an investment will be highlighted and will be added to the SFC Investment Committee and the SFC Risk and Risk, with

4.4 Review

SFC is committed to conduct a review of the Policy, as follows: The Policy will be reviewed by the SFC ESG Committee at least annually and will be updated as appropriate.

5 Active Ownership and Stewardship

The Investment Manager believes that active ownership and stewardship are important to advance its environmental and social investment objectives and its investors' objectives. Active ownership is also present in the company's investment policy as the company has

When the Company does not have direct control of management, it may, under certain joint management agreements, the investment policies and the measures are in place to monitor and its company does not currently allocate any specific resources to their codes of conduct, but

- **Engagement:** The Investment Manager believes in the power of active engagement with ESGs to enhance the performance of the company and to improve the
- **Integration of ESG Factors:** Material ESG factors are integrated into the company and
- **Transparency:** The Investment Manager is committed to transparency in its active
- **Collaboration:** The Investment Manager will not take any opportunity to collaborate

6 Reporting

The Investment Manager finds that transparency in the implementation of the Policy is important to the company's investors and to the company's reputation. The company will report on the company's implementation of the company's policy on the company's website and will report on the company's implementation of the company's policy on the company's website. This reporting will be reviewed and included with the other data reported with the company's

Annex 1: Sustainability Frameworks

- The Standards set forth by the Organization for Economic Cooperation and Development (OECD) are a key reference point for the company's sustainability efforts. These standards cover areas such as human resources development, managing global risks in work, employment, and
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Annex 2: Exclusions

SEEIT's exclusions include but are not limited to:

- Controversial Weapons
- Civilian Firearms
- Tobacco
- Gambling
- Adult Entertainment

Annex 3: Definition of an Energy Efficiency Project

SEEIT defines an “Energy Efficiency Project” as a project, the objective of which is to achieve one or more of the following criteria:

- reduce energy consumed and/or related 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.

