ANNEX V

Template periodic 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

NextPower V SCSp ("NPV" or the "Fund")

Legal entity identifier: 98450076E53FE0D37E14

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.

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made sustainable investments with an environmental objective: 65.3%	☐ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but did not make any sustainable investments

To what extent was the sustainable investment objective of this financial product met?

NPV is a solar investment fund, which is currently active both in the acquisition of solar PV assets on the secondary market, as well as investing in solar PV assets that are under development (e.g., at the stage of origination, project planning or construction) when acquired.

The NPV sustainable investment objective is :

- To generate a more sustainable future by leading the transition to clean energy.

The fund objective contributes to the Article 9 qualification, under "economic activities that qualify as environmentally sustainable under the EU Taxonomy[1]" and more specifically, qualifies as <u>contributing substantially to climate change mitigation within the meaning of the EU Taxonomy.</u>

NPV's integration of ESG factors is currently driven by the fund's alignment with the Investment adviser's Sustainable Investment Policy (SIP) and its underlying standards. The SIP refers to alignment with the UN Principle of Responsible Investors (PRI), the Equator Principles (EP), IFC Performance Standards (IFC PS), UN Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and generally industry best practice. ESG factors are integrated through a due diligence process that seeks to apply these standards to each acquisition in particular regarding biodiversity, climate, water, community engagement, working conditions, health and safety, and supply chain risks amongst others.

Furthermore, NPV continues to integrate the NextEnergy Group's Sustainable Investment Policy's methodologies into the NPV investment decision-making processes, to further enhance and strengthen the existing consideration of ESG factors.

Monitoring of progress against the sustainable investment objectives is primarily based on the calculation of GHG emissions and fossil fuel volume avoided by utilization of the solar assets and their output in MW. Data can be used to create forecasts or can be based on actual historic power output data to provide GHG emission and fossil fuel avoided figures.

The Investment Adviser is also developing its work to quantify the impact of potential NPV biodiversity commitments, with a view to including this information in future reports as part of the Fund's contribution toward climate change mitigation. The Investment Adviser sees nature-related impact as a strategic risk management issue, and is an inaugural Taskforce on Nature-related Financial Disclosures (TNFD) Early Adopter.

[1] Regulation (EU) 2020/852 of European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, OJ L 198, 22.6.2020, p. 13-42.

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

How did the sustainability indicators[2] perform?

The table reports historical performance indicators (i.e., CO2e avoided) up to the current reporting year.

Metric	Units	2023
GHG Avoided	$ktCO_2e$	0
NO_x Avoided	tonnes	0
SO_x Avoided	tonnes	0
$PM_{2.5}$	tonnes	0
PM_{10}	tonnes	0
Fossil Fuels avoided	kilotonnes oil equivalent (ktoe)	0

The 2023 performance indicators are based on the renewable electricity generation (GWh) related to 2023 calendar year (i.e. 1st Jan 2023 to 31st Dec 2023). Due to the infancy of the fund, there are currently no operational/generating assets to date, and all performance indicators are therefore 0.

It is fully expected that, as existing and/or newly acquired assets begin to generate electricity (anticipated in 2024), these figures will change for the next Annex V disclosure, for the 2024 reporting period.

...and compared to previous periods?

At present, due to the infancy of the fund, historical data is not available.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

NPV's investment decision making process ensures that investments do not only contribute to climate objectives, but also cause no significant harm to other environmental objectives as defined by the EU Taxonomy and are conducted in accordance with minimum safeguards on matters such as social responsibility, human rights and labour conventions._A robust due

[2] **Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

diligence process captures all the relevant key risks associated with the Solar PV industry. The risks are aligned with the Do No Significant Harm (DNSH) approach of the Taxonomy (with extension beyond) and include:

- Climate change;
- Circular economy;
- Biodiversity and ecosystems.

In the event that any risks were identified, these were captured/recorded and either mitigated or the transactions were halted and not progressed.

From a climate change mitigation perspective, NPV substantially contributes to the objective by avoiding CO2e emissions to the atmosphere and fossil fuel use. NPV reports the amount of CO2e avoided consistently year on year through a publicly available report called the Green Impact Report which is prepared independently by the Green Investment Group.

For more information on the NextEnergy Capital/NPV due diligence process, please refer to the ESG Disclosure document on the NextEnergy Capital website.

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.

How were the indicators for adverse impacts[3] on sustainability factors taken into account?

NPV invests only in solar PV assets, and the investment decision is based on the outcome of due diligence which includes ESG adverse impacts as explained above. The due diligence process, as detailed in the Sustainable Investment Policy and NextEnergy Capital ESG Disclosure document, reviews all aspects of the asset(s) and counterparties (contractors, and suppliers) and the associated adverse impacts (including environmental, social and employee, human rights, anti-corruption etc.) during the pre-investment stage. When gaps are identified, mitigation measures are proposed, and action plans are agreed during the approval process. Cost for implementation of ESG actions is also allocated into the financial model, to ensure capital can be deployed for these activities during the lifetime of the asset.

Post-acquisition of the assets, all relevant contractors which construct or operate the asset and are requested to provide their ESG Key Performance

[3] **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.

Indicators (KPI). These include resource consumption, GHG scope 1, 2, and 3, H&S, biodiversity, diversity, and other relevant ESG indicators at the asset level. A full set of KPI related to PAI has been developed consistently with the requirements of Table 1, Annex 1 of the Regulatory Technical Standard (RTS). The performance against these indicators will be released by end of Q1 2024.

For operating assets, WiseEnergy (the Asset Manager) will manage the PAI data collection from the Operator Maintenance contractors and the data are then reviewed by a third-party provider. In addition to collect data related to PAI, WiseEnergy also provides regular updates on the implementation of the ESG Action Plans to ensure that each asset continues to comply with any national requirements and to be aligned with the NextEnergy Capital Sustainable Investment Policy.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Yes. NextEnergy Capital/NPV has a strong Sustainable Investment Policy and Human Rights Position Statement aligning with the associated requirements of OECD Guidelines for Multinational Enterprises and the UN Guiding Principles. NPV policies require NPV to perform due diligence on both its own activities and its business relationships with the objective of acting upon any findings.

For more information, please refer to the Human Rights Position Statement on NextEnergy Capital's website.

How did this financial product consider principal adverse impacts on sustainability factors?

Principal Adverse Impacts (PAI) are considered throughout all stages of the investment process.

As per the Sustainable Investment policy and other governing documents, NPV's sustainability approach is based on a four-step approach: identify, manage, report and engage. If, during a due diligence process, a PAI is identified, it is managed and reported internally to the Investment Committee for further considerations. Where possible, mitigation actions are put forward through specific action plans which are implemented and monitored during the ownership phase. In addition, NPV will also report based on specific KPIs which are aligned with Table 1 of Annex I of the Regulatory Technical Standard, as well as additional KPIs aligned with material SDG.

Further details on the reporting and KPI approach can be found in the ESG Disclosure document on the NextEnergy Capital website.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: calendar year 2023 (1st January 2023 – 31st December 2023).

What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

Largest Investments	Sector	% Assets	Country
Solar PV Assets	Solar PV	65.3%	USA

Asset allocation describes the share of investments in specific assets.

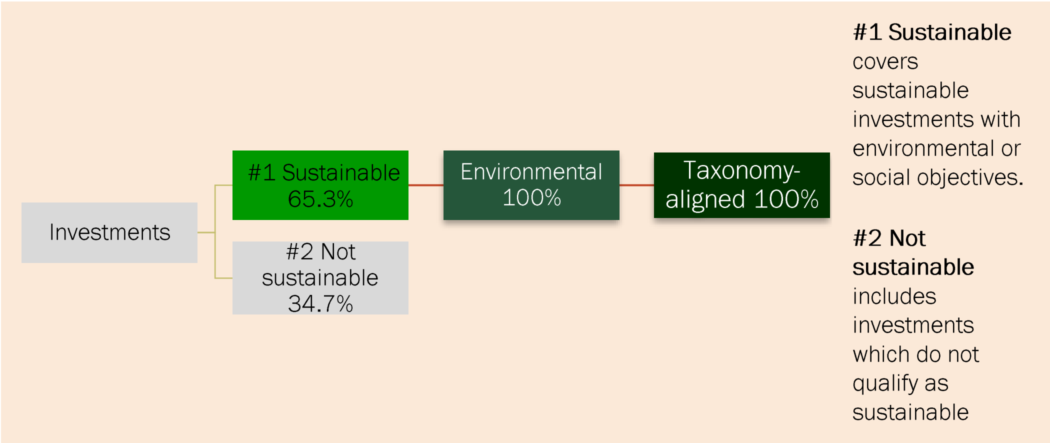
What was the proportion of sustainability-related investments?

At the end of the reference period (1st January 2023- 31 December 2023), the portfolio allocation was as follows:

- 65.3% of the Fund's investment was sustainability-related. All of this investment is aligned with the EU Taxonomy.
- 34.7% of the Fund's NAV was held in cash, bank deposits and other cash equivalents for liquidity purpose and hence classified as "non sustainable".

These figures are reflective of the early state of the fund. The portfolio allocation is fully expected to change over time, with an increase in sustainability-related investment in-line with the Fund objectives and minimum commitments as set out in the pre-contractual Annex III disclosure.

What was the asset allocation?



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

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

In which economic sectors were the investments made?

The investments were made in the renewable energy sector.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?[4]

The NPV fund is 65.3% aligned with the EU Taxonomy. Specifically, 65.3% of NPV investment is designated for the acquisition of solar PV assets and associated facilities, while the other 34.7% is retained for liquidity purposes. All the investments into solar PV and associated facilities are aligned with the EU taxonomy because i) they substantially contribute to climate mitigation through the generation of clean energy and avoidance of GHG emissions and fossil fuel; ii) they do not do significant harm to the other

[4] Taxonomy-aligned activities are expressed as a share of:

(i) **turnover** reflecting the share of revenue from green activities of investee companies;

(ii) **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy; and

(iii) **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The relevant legislation does not provide a definition of "*investee company*", however, we have interpreted this term as intended to refer to an entity in which the relevant fund intends to make an investment, or has made an investment, on behalf of its investors, which would include the SPV which owns each asset.

environmental objective of the taxonomy and iii) they meet minimum social safeguard.

a) The investment objective of climate mitigation will be 100% attained through the generation of clean energy. In particular, the performance of the sustainability indicator, GHG emissions avoided, will be accounted for and reported annually. The objective of climate mitigation remains the core business of the funds' investments and 100% of asset allocation remains investing in renewable energy infrastructure.
b) Each NPV investment has to undertake a due diligence process pre-and post-investment which ensures that No Significant Harm (DNSH) is done to any other environmental objective considered material to the activity of the fund (Solar PV generation). These other objectives are climate change adaptation, biodiversity and circular economy.
c) The due diligence also considers additional safeguard such as human rights, community engagement, and labour conditions, amongst others. The due diligence is in alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and other international conventions on human rights, as per NextEnergy Capital's Human Rights Position Statement.

- Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[5]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

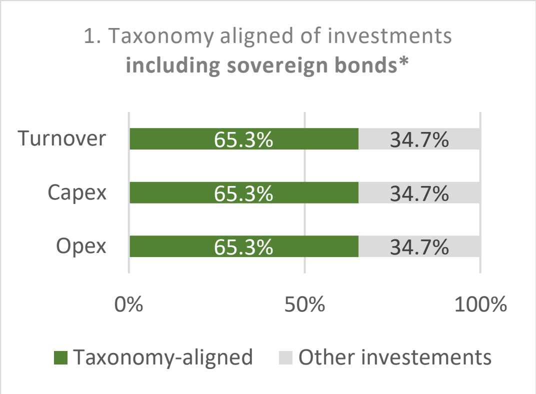
☒ No

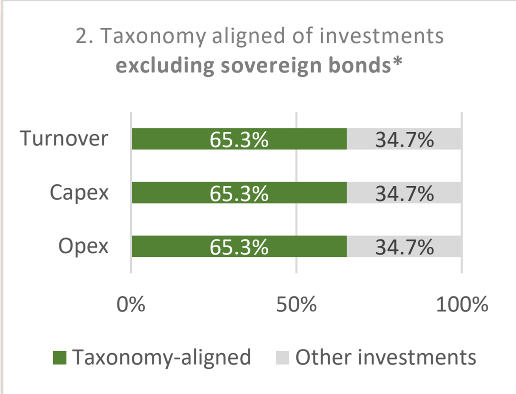
[5] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

The 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.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

The 65.3% indicated in the graph above, all of those investments are EU Taxonomy-aligned as at the date of publication of the present version of Annex V.

- *What was the share of investments made in transitional and enabling activities[6]?*

0%.

- *How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?*

Due to the infancy of the fund, no previous reference period is available.

[6] **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective, while **transitional activities** are activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund solely invests in renewable energy assets and commits to Taxonomy-aligned investments. The share of sustainable investments with an environmental objective that are not aligned with EU Taxonomy is 0%.

What was the share of socially sustainable investments?

0%

What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

The investments of the Fund classified as “not sustainable” are primarily composed of cash and cash-equivalents which are held within highly credit rated institutions. Minimum environmental or social safeguards are therefore not applicable.

What actions have been taken to attain the sustainable investment objective during the reference period?

NPV’s objective to substantially contribute to climate change mitigation will be met by producing clean sustainable energy and therefore reducing the amount of fossil fuel used to meet energy demand, along with avoiding emissions to air that would arise as a result. The commitment of the fund to continually invest and increase the amount of clean energy generation ensures contribution to climate mitigation.

Due diligence is carried out to identify any potential risk and ensure that the investment is aligned with the Do No Significant Harm criteria. This includes the review and consideration of climate adaptation, circular economy and biodiversity, amongst others. In addition, the due diligence covers additional safeguard considerations, including alignment with the requirements of the OECD guidelines on Multinational Enterprise and the UN Guiding Principles on Business and Human rights, which form part of the business principles of NPV set of policies and position statements.

Key indicators, such as GHG emissions avoided and fossil fuel avoided, will be used to track and ensure continued progress against the climate mitigation objective. These indicators, along with annual performance against them, will be detailed in a NPV emissions avoided report, which will be available on the NextEnergy Capital website. Progress on key indicators is also discussed through internal and external stakeholder meetings as required.

How did this financial product perform compared to the reference sustainable benchmark?

NPV has not designated a specific index as a reference sustainable benchmark.

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

- *How did the reference benchmark differ from a broad market index?*

Not applicable.

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?*

Not applicable.

- *How did this financial product perform compared with the reference benchmark?*

Not applicable.

- *How did this financial product perform compared with the broad market index?*

Not applicable.

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