

# TEMPORIS IMPACT STRATEGY V L.P.

## SFDR DISCLOSURE STATEMENT

### 1. Introduction

This website disclosure statement is made in accordance with the requirements as set out in the EU Sustainable Finance Disclosure Regulation (“SFDR”) and its accompanying Regulatory Technical Standards.

The statement relates to Temporis Impact Strategy V L.P. (“Impact Strategy V” or the “Fund”).

Impact Strategy V is managed by Temporis Investment Management Limited (“Temporis” or the “Manager”), which is registered as an Alternative Investment Fund Manager (“AIFM”) with the Central Bank of Ireland.

### 2. Summary of Sustainability Approach

Temporis is a specialist impact investment manager focussed on sustainability and the energy transition to a zero-carbon economy. Temporis invests in and manages renewable infrastructure assets on behalf of its clients.

Temporis has integrated a number of global sustainability initiatives into its investment processes; for example, it is a signatory of the UN’s Principles for Responsible Investment (“PRI”). A description of how Temporis has implemented each of the Principles is set out in its ESG Investment Policy, which is held on the Temporis website.

The Policy also sets out how Temporis aligns its business activities to the relevant UN Sustainability Development Goals (“SDG’s”). Temporis also takes account of the Equator Principles and will review projects against those provisions, where appropriate.

The assessment of relevant ESG factors and benefits applies throughout the investment cycle - for new assets it includes deal screening and due diligence processes, and for existing portfolio investments it includes asset management protocols and controls, monitoring, reporting and exit processes (as appropriate).

Temporis is actively involved in the management and oversight of the portfolio companies formed to hold the physical assets of the Fund and for each company, Temporis employees ordinarily assume one or more Board positions.

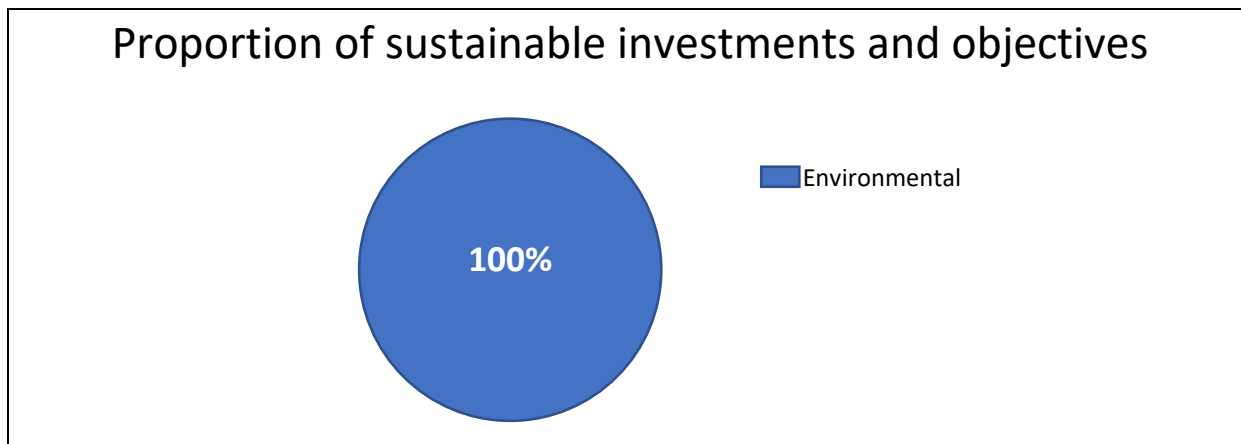
### 3. Sustainable Investment Objective(s) Being Pursued

Impact Strategy V invests in a diversified portfolio of renewable energy projects and enabling technologies and in businesses enabling greater penetration of renewable energy, focusing predominantly on the United Kingdom. The Fund primarily invests in the development stage of renewable energy projects to construct. It will also seek to operate and to acquire some construction and operating projects.

For the purposes of the Taxonomy Regulation, Temporis has taken the view that the investments underlying the Fund contribute positively to climate change mitigation, an environmental objective as set out in the SFDR.

#### 4. Proportion of Investments Adhering to ESG or Sustainability Factors

The Fund will allocate all its commitments to sustainable infrastructure projects of the type described above, that is, renewable energy projects and technologies and in businesses enabling greater penetration of renewable energy. The fund will not be investing in any other type of assets. As required under SFDR rules, a graphical illustration is provided below.



#### 5. Proportion of Investments aligned with the EU Taxonomy

The EU Taxonomy is a classification system of environmentally sustainable economic activities which applies to sustainable investments with environmental objectives initially, and from 1 January 2022 to the climate change mitigation and adaptation objectives.

As above, the Fund will contribute to the climate change mitigation and adaption environmental objectives under the Taxonomy Regulation. Various types of renewable energy are subject to the technical screening criteria for economic activities that contribute substantially to climate change mitigation. Temporis will therefore seek to align the Fund's investments with the Taxonomy Regulation to the extent possible.

Temporis will report on alignment of the portfolio with the Taxonomy Regulation as part of its ongoing reporting to investors.

The Fund may invest in economic activities that are not environmentally sustainable because the economic activity is not covered by the EU Taxonomy. The Fund may also not be able to obtain relevant information of certain investment assets to assess alignment with the EU Taxonomy.

For sustainable investments within the scope of the Taxonomy Regulation and in taxonomy-aligned activities, prior to making the investment, Temporis will, in accordance with the criteria in the Taxonomy Regulation, ensure that the investment does no significant harm to other environmental objectives. For all other investments, prior to making the investment, Temporis will apply the significant harm test outlined in Section 6 below.

During the Fund’s period of ownership, Temporis will monitor the investment and ensure, to the extent possible, that the investment does not significantly harm other sustainable investment objectives in accordance with the criteria described above.

The Fund will invest in both transitional and enabling activities - transitional activities, such as renewable energy, contribute to climate change mitigation by supporting the transition to a climate-neutral economy, by phasing out greenhouse gas emissions. Enabling activities directly enable other activities to contribute to climate change mitigation or adaption, such as energy storage or distribution.

## 6. No Significant Harm to the Sustainable Investment Objective

Examples of sustainability issues that could manifest into adverse impacts for investors and other stakeholders are actioned as set out in below:

Environmental Issues	Temporis Actions
Planning	Temporis ensures that all projects are managed in accordance with planning laws and permissions and that land and access rights are respected.
Ecology	Temporis monitors its projects through the entire life cycle to ensure that there is no ecological damage. This often includes appointing suitably qualified third-party experts.
Noise, Shadow Flicker, TV and Radio Interference	Impact assessments are undertaken prior to construction to determine if any dwellings might be impacted. In certain cases, equipment may be installed at construction to have an immediate remedy available. All complaints are treated sympathetically and quickly with remedies implemented at the cost of the project.
Landscaping	Landscaping is implemented in accordance with planning with sympathy to the local environment. On decommissioning, the site will be restored to the agreed planning condition ordinarily back to its original status.
Hydrology	Hydrological factors are considered throughout the project lifecycle to ensure there is no damage to local watercourses or ground water supplies. Where necessary, third-party experts are utilised, and statutory authorities such as SEPA are engaged.
Archaeology	Working with third party experts (who are often local) Temporis ensures that site archaeology is monitored carefully throughout the project lifecycle.
Biodiversity	Temporis ensures the full implementation of any biodiversity monitoring or management planning conditions throughout the project lifecycle. Working with third party experts, all local species are sympathetically treated. Where necessary, this may include ongoing study, such as specific bird or bat species monitoring.

Health and Safety	Temporis evaluates the health and safety records and practices of contractors and monitors them closely during construction and operation. Temporis adopts industry best practice and has a zero-tolerance attitude for unsafe practices.
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The due diligence processes summarised in Section 10 below aim to exclude any investments that could significantly harm sustainability.

## **7. Investment Strategy as it relates to ESG Characteristics / Sustainability Objectives**

The Fund's strategy is to invest in a diversified portfolio of renewable energy projects and technologies and in businesses enabling greater penetration of renewable energy.

Temporis, together with the Impact Strategy V portfolio companies it manages, is committed to complying with all national laws and regulations in the jurisdictions in which it operates and will seek to follow ESG best practice (seeking specialist third party advice where necessary) in the following areas:-

### Environmental Standards

Temporis will comply with all applicable laws relating to the environment, climate change and planning, as administered by environmental and health protection agencies, local authorities, energy regulators and other relevant regulatory bodies. It will also take appropriate steps to avoid or mitigate the environmental impacts on areas with regard to biodiversity, ecology, air quality, noise, waste management and archaeology, as applicable to the particular asset.

Temporis will also seek to ensure contractors and operators apply appropriate industry standards and will ensure that data provided to energy and other regulators complies with relevant quality assurance standards.

### Social Standards

Temporis will adhere to all applicable laws relating to employment, health & safety, human rights, and public safety. It will engage with local communities, ensuring that land and access rights are properly observed, and assets are managed in accordance with planning laws and permissions.

### Governance Standards

Temporis will seek to ensure that its corporate governance arrangements comply with mandatory statutory standards and operate in accordance with the regulatory body with jurisdiction over the relevant business / asset. It will also operate in accordance with internal policies relating to anti-financial crime and conflicts of interest.

Temporis has also ensured that its remuneration policy and organisational structures are consistent with its ESG Policy.

As referred to in Section 2 above, Temporis will ordinarily assume one or more Board appointments in the portfolio companies established to hold the assets of the Fund. Board representation enables Temporis to play a direct and active role in overseeing relevant governance matters, ensuring that ESG issues are considered in the context of corporate strategy, operational performance, and broader stakeholder relationships. Typically, the portfolio companies will not have any employees, but where

relevant, Temporis will also oversee the specific provisions of the SFDR guidance such as employee relations, remuneration and tax compliance.

## 8. Monitoring of Sustainable Investment Objective

The sustainability objective of mitigating climate change is monitored by way of obtaining and reviewing performance data on the clean energy generated for each asset individually and across the fund portfolio, together with figures on cumulative CO2 emissions savings, expressed both in tonnage and as an annual equivalent of homes powered.

## 9. Methodologies for Measuring Attainment of Sustainable Investment Objective

The sustainability performance metrics referred to in Section 8 above are discussed and agreed with clients prior to investment. Sustainability performance is reported to fund investors on a quarterly basis.

## 10. Investment Due Diligence

Temporis’s sustainability due diligence policy is contained as an appendix to its ESG Investment Policy. Examples of the “green impacts” considered during investment due diligence are set out below.

Green Criteria	Green Impact Evaluation
Reduction of Greenhouse emissions	A positive contribution to resource sustainability, including (where appropriate) GHG savings.
Advancement of efficiency in the use of natural resources	A positive contribution to renewable energy generation, active engagement to make renewable energy more efficient.
Protection or enhancement of the natural environment	<p>The presence of improvements to, or the avoidance or satisfactory mitigation of any adverse impacts on, the natural environment, including but not limited to:</p> <ul style="list-style-type: none"> <li>• adverse impact on visual amenity of the landscape, together with any other applicable loss of amenity (e.g. fishing);</li> <li>• noise pollution affecting populated areas together with any other loss of amenity; and</li> <li>• disturbance and long-term damage to the quality of the land or water environment, including adverse impact on the local surface water, ground water or soil environment, impacts to water flow or quality, including those arising directly or indirectly from hazardous waste and other forms of pollution.</li> </ul>

Protection or enhancement of biodiversity	<p>The presence of improvements to, or the avoidance or satisfactory mitigation of any adverse impacts on biodiversity, including but not limited to:</p> <ul style="list-style-type: none"> <li>• impact on biodiversity resulting from the construction or operation of the plant and associated infrastructure, including where relevant the impact on natural species, including air-borne and water-borne life; and</li> <li>• any other effect that demonstrably reduces net loss and improves net gain to biodiversity arising from the project.</li> </ul>
Protection of environmental sustainability	<p>The presence of:</p> <ul style="list-style-type: none"> <li>• a commitment to continual improvement in environmental performance by applying prevailing good industry practice; and</li> <li>• additional benefits that may contribute to the transition to a green economy beyond the investment, including the potential for the future life-extension of the green infrastructure.</li> </ul>

Following the satisfactory completion of due diligence, an Investment Committee meeting of the Fund will be held to discuss the findings of due diligence and to determine whether to proceed with the investment, and on what terms.

Once Investment Committee approval has been obtained, the investment will proceed towards financial close, with the Investment team responsible for ensuring that ESG criteria are considered in the drafting of deal documentation, particularly with respect to the incorporation of representations, covenants and default events into financing documentation. Specialist external legal support may assist in the drafting process.

#### **11. Minimum social safeguards**

The Taxonomy Regulation requires Temporis to ensure that an activity that qualifies as environmentally sustainable under the Taxonomy Regulation is carried out in compliance with minimum safeguards aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The OECD guidelines for multinational enterprises bring together various areas of business responsibility, including human rights and labour rights, as well as information disclosure, environment, bribery, consumer interests, science and technology, competition, and taxation. The UN Guiding Principles on Business and Human Rights are a global standard for preventing human rights violations, and addressing any potential risk, resulting from economic activities.

As described above, Temporis will adhere to all applicable laws relating to employment, health and safety, human rights, and public safety. It will engage with local communities, ensuring that land and access rights are properly observed, and assets are managed in accordance with planning laws and permissions. Temporis will also seek to ensure that its corporate governance arrangements comply

with mandatory statutory standards and operate in accordance with the regulatory body with jurisdiction over the relevant business / asset. It will also operate in accordance with internal policies relating to anti-financial crime and conflicts of interest.

## **12. Engagement Policies**

Engagement in relation to the renewable assets held by the Fund will principally take the form of community involvement. Accordingly, Temporis will proactively involve the local community throughout the life of the assets and respond quickly and sympathetically to public enquiries.

Community benefit schemes, which will vary from site to site, are often a critical part of sharing economic benefit locally by supporting local, community-based schemes.

## **13. Data Sources and Processing**

The Fund is expected to invest primarily in the development of investments of renewable energy projects to construct; it will also seek to operate and to acquire construction and operating projects. CO<sub>2</sub> emission savings will be achieved for each kWh generated by the investments that are developed, constructed, and/or operated by the Fund. The CO<sub>2</sub> emission savings arising from the development, construction and/or future operations of renewable energy schemes will be forecast by reference to the annual estimated generation of the schemes over their operational lifespan.

The annual estimated generation is typically computed by an independent technical advisor who utilises local long term resource data and technology production curves to make a forecast of the statistical long-term average generation (known as the “the P50 generation”). The operational lifespan of mainstream renewable energy schemes is expected to be at least 25 years. The Department for Business Energy & Industrial Strategy’s “all non-renewable fuels” emissions statistic of 440 tonnes of carbon dioxide per GWh of electricity supplied in the Digest of UK Energy Statistics (July 2021) gives an indication of the CO<sub>2</sub> emissions that could be displaced by each kWh generated by the Fund’s investments. These government forecasts are updated periodically (and we will update our calculations accordingly). The gross CO<sub>2</sub> displacement for a new renewable energy scheme created by the Fund is forecast as the P50 generation multiplied by the lifespan of the project multiplied by the displaced carbon dioxide. The net CO<sub>2</sub> displacement is calculated by deducting the estimated emissions associated with construction and operations. Where operational projects have been acquired, we do not consider the CO<sub>2</sub> emissions that would have previously been incurred during construction.

The CO<sub>2</sub> emission savings achieved each year by the Fund’s operational renewable energy schemes is calculated by reference to the actual export from the schemes, rather than the forecast P50 generation. The method of capturing generation data varies by renewable energy technology. For wind schemes, software from each wind turbine is reported each 10 minutes over the entire life of the wind farm by a SCADA system. Data can be monitored on a real time basis by way of a performance dashboard via a dedicated portal run by each turbine manufacturer. Additionally, all operational wind investee companies employ software created by Greenbyte called “Breeze” to analyse and present generation data—again in real time and on a granular basis. This data is “pulled” from the turbines via internet connections. For hydro assets, generation data is available online through web portals. For all operational projects, the measurement of the actual exported power to the grid (i.e. less the losses caused by resistance in the cables between the turbines and the meters) is also captured. Third-party electricity offtakers also have access to the meters and pay the investee companies for the electricity generated, which acts as a further control on data accuracy. The impact of investments in enabling technologies and businesses is a bespoke analysis depending on the nature of investment. It

will rely on an estimation of the additional renewable energy capacity and generation that is enabled, facilitated, or increased, as multiplied by the rate of CO<sub>2</sub> displacement.

#### **14. Limitations to Methodologies and Data**

The data from the turbines and meters accurately measure all clean energy generated. There is no generation that is not measured and verified in some capacity by a third party who agrees to pay the Fund's investee company for said generation.

The method involved in forecasting the CO<sub>2</sub> displacement of the schemes developed and constructed by the Fund relies on an estimation of the future generation. This estimation is typically performed by an independent technical advisor.

The method involved in forecasting the CO<sub>2</sub> displacement of enabling technologies and businesses is a bespoke analysis that assesses the *indirect* impact on renewable energy capacity and generation and involves estimation.

Whilst the government statistics on carbon emissions in the UK per kWh do contain some estimates and assumptions, they are outside the control of the Fund.

#### **15. Attainment of Sustainable Investment Objective**

The sustainability performance of the Fund measured by the amount of clean energy generated for each asset and across the Fund portfolio, together with cumulative CO<sub>2</sub> emissions savings, shows that the sustainability investment objective of the Fund is being attained.

#### **16. Objective of a Reduction in Carbon Emissions**

Renewable energy generation by its very nature contributes to the reduction in carbon emissions across society. As set out in Section 8 above, Temporis attempts to quantify this for the Fund by measuring, monitoring and reporting metrics for clean power generated and CO<sub>2</sub> emissions savings.

#### **17. Further Information**

For further information on the sustainability features of the Fund or the ESG policy of the Manager, please contact Andres Senouf at [Andres.senouf@temporiscapital.com](mailto:Andres.senouf@temporiscapital.com).

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