Statement on Principal Adverse Impacts of Investment Decisions on Sustainability Factors

Financial Market Participant CYCAP Capital Management GmbH (LEI: 3912003ILVYMZ0TBN829)

Summary

CYCAP Capital Management GmbH (formerly CEE Kapitalverwaltungsgesellschaft mbH) in its capacity as an alternative investment fund manager ("AIFM") considers principal adverse impacts of investment decisions on sustainability factors. This declaration is the consolidated declaration of CYCAP Capital Management GmbH on principal adverse impacts of investment decisions on sustainability factors. This declaration on principal adverse impact factors on sustainability factors covers the reference period from January 1 to December 31, 2024.

CYCAP Capital Management GmbH currently manages alternative investment funds ("AIFs"; hereinafter also referred to as "financial products") that fall within the scope of Articles 6 and 9 of Regulation (EU) 2019/2088. CYCAP Capital Management GmbH considers indicators for capturing principal adverse impacts on sustainability factors in its investment decisions. The corresponding indicators are determined for CYCAP Capital Management GmbH and the AIFs it manages and published in so-called PAI statements. The reports for the AIF are made available to investors as part of the respective ongoing reportings.

Indicators in accordance with Table 1 of Annex I der Delegated Regulation (EU) 2022/1288:	
Adverse sustainability indicator	**Indicator**
Greenhouse gas emissions	GHG emissions
Greenhouse gas emissions	Carbon footprint
Greenhouse gas emissions	GHG intensity of investee companies
Greenhouse gas emissions	Exposure to companies active in the fossil fuel sector
Greenhouse gas emissions	Share of non-renewable energy consumption and production
Greenhouse gas emissions	Energy consumption intensity per high impact climate sector
Biodiversity	Activities negatively affecting biodiversity-sensitive areas
Water	Emissions to water
Waste	Hazardous waste and radioactive waste ratio
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
Social and employee matters	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
Social and employee matters	Unadjusted gender pay gap
Social and employee matters	Board gender diversity
Social and employee matters	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Indicators in accordance with Table 2 of Annex I der Delegated Regulation (EU) 2022/1288:	
Adverse sustainability indicator	**Indicator**
Emissions	Investments in companies without carbon emission reduction initiatives

Indicators in accordance with Table 3 of Annex I der Delegated Regulation (EU) 2022/1288:	
Adverse sustainability indicator	**Indicator**
Anti-corruption and anti-bribery	Lack of anti-corruption and anti-bribery policies

For each of the applied indicators, the specific value and a brief explanation of the indicator are shown for the relevant reporting years. Furthermore, the measures taken and planned and targets for the next reference period are described. With regard to the AIFM, the principal adverse impacts on sustainability factors arise from the CO2 equivalent emissions of the renewable energy assets held by the AIFs (primarily direct and indirect emissions from the necessary self-consumption of electricity and the upstream processes, i.e., in particular the manufacture of wind and solar plants), potential impacts on biodiversity, water, and waste during the construction and operation of the renewable energy assets, as well as violations of the UNGC Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and the lack of anti-corruption and bribery measures. The identification and presentation of the indicators for recording the material adverse sustainability impacts takes place on the relevant level of causation of the relevant indicator, i.e. directly at the level of the investment management company or the level of the AIF or its assets.

	Description of the principal adverse impacts on sustainability factors					
	Indicators applicable to investments in investee companies					
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
	CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Greenhouse gas emissions	GHG emissions	Scope 1 GHG emissions	50.01	100.47	Procurement of energy sources, in particular the use of diesel and gasoline for business trips with company-owned vehicles.	For the individual investments, the KVG determines the expected greenhouse gas emissions that arise in the case of investments in renewable energies, in this case solar and wind power plants in Europe and the associated infrastructure including energy storage, primarily as part of the construction of the plants. The construction and operation of the plants makes a significant contribution to the transition to low-greenhouse gas electricity production, i.e. renewable energy sources (here: electricity from wind and solar energy) are used instead of fossil energy sources. By using renewable energies, a net avoidance of greenhouse gas emissions is achieved. In this respect, the investments aim to reduce
		Scope 2 GHG emissions	47.47	49.36	Purchase of energy sources such as electricity and district heating.	
		Scope 3 GHG emissions	42.87	45.79	Procurement of services and products by third parties, such as raw materials and supplies (including paper and water), business travel (flights) and services used.	
		Total GHG emissions	140.34	196.13	Sum of Scope 1, Scope 2 and Scope 3 emissions.	
	Carbon footprint	Carbon footprint	49.30	45.27	GHG emissions of the AIFM in CO2 equivalents per million invested in euros (tCO2e/€M)	

	GHG intensity of investee companies	GHG intensity of investee companies	369.82	310.07	GHG emissions of the assets in CO2 equivalents per million invested in euros (tCO2e/€M); emissions from the assets from upstream chains are taken into account in the ongoing calculation	the greenhouse gas emissions of the European energy industry as a whole. In addition, care is taken at investment level to ensure that, as far as possible, the investments themselves obtain their own energy requirements exclusively from renewable sources. The mandates managed by the KVG do not currently invest in any other asset classes.
	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0	0	The AIFs managed by the AIFM invest exclusively in assets for the generation and/or storage of electricity from renewable energies.	
	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	0	0	The AIFs managed by the AIFM invest exclusively in assets for the generation and/or storage of electricity from renewable energies. The necessary own electricity is also sourced from renewable energies.	
	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	0	0	-	
Biodiversity	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee	0	0	-	As part of the investment, the necessary environmental impact assessments are carried out at the respective plant location in accordance with the applicable regional and

		companies negatively affect those areas				national standards. This also includes the implementation of any compensatory measures, i.e. measures that reduce any adverse effects or achieve compensation elsewhere.
Water	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0	0	-	As part of the investments, the necessary tests are carried out with regard to environmental compatibility at the respective plant location and compliance with the technical specifications for the proper operation of the plants in accordance with the applicable regional and national standards. Care is also taken to ensure that the technical maintenance concepts of the facilities and occupational safety requirements in relation to the service providers are suitable for preventing the release of harmful and potentially water-polluting substances or, in the event of such substances leaking, for preventing, containing or reducing their entry into the ground and soil - and thus, if necessary, into surrounding bodies of water or groundwater.
Waste	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR	0	0	-	As part of the investment, during construction, operation and dismantling/recycling, the

		invested, expressed as a weighted average				necessary checks are carried out and taken into account with regard to waste management at the respective plant location and compliance with the (technical) specifications for the proper handling of hazardous waste in accordance with the applicable regional and national standards. Care is also taken to ensure that the technical maintenance concepts of the facilities and occupational safety requirements in relation to the service providers are suitable to ensure proper waste management and to avoid, contain or reduce any significant negative impacts. In addition, care is taken when making investments to ensure that appropriate waste management regulations are included in the contracts wherever possible.
	INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0	0	-	As part of the investments and the ongoing management of the mandates, appropriate screenings are carried out via suitable data providers with regard to relevant violations of the corresponding standards of the UN Global Compact and

						the OECD guidelines with regard to multinational companies. In the case of investments in renewable energies, priority is also given to acquiring companies that do not have their own employees, in particular plants for generating electricity from wind and solar energy. The KVG and its parent and sister companies themselves have company-wide standards and regulations in place to ensure compliance with the aforementioned frameworks, standards and principles. Information pursuant to Art. 7 of Regulation (EU) 2019/2088 in relation to the financial products managed by the company is provided in the pre-contractual information. The timing and scope of the respective information depends on the respective product category and classification in relation to Regulation (EU) 2019/2088.
	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0	0	The compliance requirements applicable at CYCAP apply accordingly to the management of the AIF assets.	
	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	n/a	n/a	The investment objects of the AIF are plants for the generation and storage of electricity from renewable energies. The project companies do not have any employees of their own.	
	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	n/a	n/a	The investment objects of the AIF are plants for the generation and storage of electricity from renewable energies. The project companies do not have any employees of their own.	
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	0	-	

	and biological weapons)					
	Additional indicators concerning principal adverse impacts of investment decisions on sustainability factors					
	Additional climate and other environment-related indicators in accordance with Table 2 of Annex I Delegated Regulation (EU) 2022/1288					
	Indicators applicable to investments in investee companies					
	CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Emissions	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	0	0	The AIFs managed by the AIFM invest exclusively in plants for the generation and/or storage of electricity from renewable energies.	-
	Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters in accordance with Table 3 of Annex I Delegated Regulation (EU) 2022/1288					
	INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
	Indicators applicable to investments in investee companies					
Bekämpfung von Korruption und Bestechung	Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	0	0	The compliance requirements applicable at CYCAP apply accordingly to the management of the AIF assets.	-
	Description of policies to identify and prioritise principal adverse impacts on sustainability factors With regard to the strategies for identifying and prioritizing principal adverse impacts on sustainability factors pursuant to Article 4(2)(a) of Regulation (EU) 2019/2088, the procedure is described below. The current strategy for taking into account the most important adverse sustainability impacts is reviewed annually by the ESG department and the responsible managing director. The approval is carried out in connection with the annual publication of the PAI statement for the respective previous calendar year. In this context, the assessment of principal adverse impacts includes qualitative and quantitative assessment criteria relating to energy, water, and wastewater management, the handling of residual materials, potential climate risks, and risk factors in the areas of environmental protection, human rights, occupational safety, and corporate governance. The AIFs managed by the capital management company currently invest exclusively in “renewable energy assets”, i.e. one or more assets for generating electricity and/or heat by converting onshore wind and/or solar energy into electricity/renewable energy sources and any associated exploitation and/or usage rights as well as infrastructure and facilities associated with such assets, e.g. for the storage, conversion and transport of electricity/renewable energy sources as well as other adjacent infrastructure to supply these assets. The assets are each managed by independent companies (i.e., corporations and/or partnerships), so the PAI indicators for companies according to Table 1 of Annex I to Delegated Regulation (EU) 2022/1288 apply accordingly and best reflect the structure of the assets. In addition, the AIFM has included additional indicators according to Tables 2 and 3 of Annex I to Delegated Regulation (EU) 2022/1288, which are considered additionally relevant indicators for the initial and ongoing evaluation of the projects. In principle, the factors identified as part of the risk processes are equally weighted. In the case of acquisition due diligence, a review of materiality is carried out within the overall context of the transaction. For significant adverse sustainability impacts, appropriate measures are identified to avoid, limit, or mitigate the risk if it occurs. A traffic light system is generally used for this purpose. In the case of the climate risk and vulnerability analyses conducted for renewable energy plants, a					

	traffic light categorization into five categories (excluded, not relevant, low, medium, and high) is used. If a corresponding risk is identified in the medium category, action plans are defined. Risk assessments are an integral part of all investment decisions. After the acquisition, risks are continuously monitored as part of the group-wide risk management process. The risk is determined based on the expected loss given default and the expected probability of default. The overall risk is then calculated from the sum of the individual risks. The current strategy is reviewed and updated as necessary at least once a year, before publication, by the ESG department of the capital management company in coordination with the responsible managing director. The last approval by the managing director took place before the publication on the website [15.04.2026]. The capital management company strives to keep the error rate for the determination of PAI indicators below 5%, as this was achieved in the reporting year 2024, with estimated values used only to a negligible extent. The publication of the respectively updated strategy takes place as part of the annual publication of the PAI statement. Regarding the renewable energy assets, the AIFM has direct access to the data of the individual projects, as the projects are directly managed by CYCAP companies – particularly in the areas of investment and asset management, as well as commercial and technical operations management – so that production/performance data, in particular, is available. The same applies to the availability of data relating to any violations of, for example, environmental regulations or compliance requirements, which can be accessed directly through direct support from CYCAP companies. Regarding the determination of emission factors, which form one of the essential bases for many of the indicators, publicly available data from the Umweltbundesamt (German Federal Environment Agency) and Fraunhofer ISE are used. At the level of the capital management company, the indicators relating to greenhouse gas emissions are primarily based on billing data from electricity and water suppliers, as well as the ecocockpit tool from the Efficiency Agency NRW. In the areas of social affairs and employment, external data providers (e.g., Dow Jones), public sources (including sanctions lists), and internal data from CYCAP's HSS&E (Health, Safety, Security & Environment) division are used. Since the determined indicators are partly based on estimates due to limited data availability or transparency, these values are subject to uncertainty. The AIFM continuously examines opportunities to further improve the indicators and reduce any errors and inaccuracies. Any corrections compared to previous years are transparently disclosed and explained in the context of the historical comparison in the PAI statement.
	Engagement policies Given the business activities of the AIFM, the AIFs it manages, and their assets, no separate engagement policy has been formulated. It should be noted that the invested companies are companies whose purpose is the construction and operation of renewable energy assets. They do not have their own employees, and their organizational structure and processes are subject to the regulatory framework specified by the AIFM or CYCAP companies. Influence on the assets of the AIFs is therefore not limited to the exclusive exercise of voting rights.
	References to international standards The AIF mandates of the AIFM invest in renewable energies, primarily solar and wind power plants in Europe and associated infrastructure, including energy storage, and thus make an important contribution to climate protection. These activities thus actively support the achievement of the 2030 energy transition and the implementation of the Paris Climate Agreement. The investments therefore generally make a significant positive contribution to a sustainable economy. The AIFM is a member of the UN Principles for Responsible Investments (UN PRI) and the UN Global Compact (UN GC) and considers their principles and guidelines in its investment activities. Indicators used to consider principal adverse impacts on sustainability factors pursuant to Article 6(1) of Delegated Regulation (EU) 2022/1288 and to measure the compliance or alignment referred to in paragraph 1 include esp. the following PAI indicators: 1. PAI indicator in accordance with Table 1 of Annex I Delegated Regulation (EU) 2022/1288 – Social and employee matters – No. 10) Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

	2. PAI indicator in accordance with Table 2 of Annex I Delegated Regulation (EU) 2022/1288 – Emissions – No. 4) Investments in companies without carbon emission reduction initiatives 3. PAI indicator in accordance with Table 3 of Annex I Delegated Regulation (EU) 2022/1288 – Anti-corruption and anti-bribery – No. 15) Lack of anti-corruption and anti-bribery policies In this context, no forward-looking climate scenario is used for the asset selection, as this is not of significant relevance to the principles of the UN PRI and UN GC, which focus on human rights, labor rights, environmental protection, and anti-corruption, and the invested assets themselves actively contribute to the avoidance of CO2e emissions. Nevertheless, climate risk and vulnerability analyses are being conducted for the wind and solar assets to assess the physical risks for each location within the framework of Environmental Protection Objective 2 "Adaptation to Climate Change" from the EU Taxonomy Regulation (2020/852). SSP scenarios (IPCC 2021/2022) are used in these assessments.
	Historical comparison The PAI indicators were collected for the first time in the 2023 financial year. This data forms a starting point for future comparisons. Compared to 2024, the following developments can be seen: The prior-year figures reported for the 2023 reporting year were subjected to a quality review in the course of preparing the PAI Statement 2024. In this process, individual key figures were adjusted on the basis of a refined calculation methodology and an improved database. The adjustments are also partly due to a methodological refinement for tracing data back. The corrected figures for 2023 are shown in the tables above and replace the originally published figures. Total GHG emissions were reduced from a total of 196.13 t CO_2e (2023) to 140.35 t CO_2e (2024), which corresponds to a reduction of 28.4%. The biggest improvement was achieved in Scope 1 emissions. This is partly due to the fact that we have added more e-cars to our company fleet, and partly because our refined calculation method in 2024 enabled us to record emissions values more precisely, resulting in more accurate values than in the previous year. The CO_2 footprint increased slightly from 45.27 to 49.3 tCO_2e/€M (+8.9%), which is related to the fact that the number of employees has increased and therefore also energy consumption. The GHG emission intensity of the companies in which investments are made also increased from 310.07 to 369.82 t CO_2e, as we acquired more photovoltaic assets in 2024 and PV systems have a higher emission factor than wind turbines.