ANNEX NO 2: **REVIEW OF THE INTEGRATION OF SUSTAINABILITY RISKS**

Last updated: 21. 5. 2024

*This document constitutes the disclosure of information by ALFI Renewables, Management of Alternative Investment Funds, Ltd. ("**Fund Manager**"), which manages the alternative investment fund ALFI Green Energy Fund, Special Investment Fund ("**Fund**" or "**ALFI Green**"), in relation to the transparency of the promotion of environmental or social features and the review of sustainable investments in the pre-contractual disclosure in accordance with the requirements, rules and principles of the provisions of Articles 6 and 9 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**").*

The document shall contain all the necessary information required by applicable law and market practice to enable stakeholders to obtain relevant information on the Fund's stated objectives in relation to the achievement of sustainability criteria, the promotion of the environmental or social characteristics of the Fund's investments, and the ways in which the sustainability of the investments is measured.

The investor may request more detailed information by sending a written request to the Fund Manager ALFI Renewables d.o.o., Verovškova ulica 55A, 1000 Ljubljana, Slovenia, or by e-mail to renewables@alfi.si. The Fund Manager shall provide more detailed information to the investor within 15 days.

1. Introduction

In line with its investment strategy and policy, the ALFI Green Energy Fund (ALFI Green) focuses its investments on projects whose main objective is the development, construction and operation of renewable energy generation facilities, namely in solar and onshore wind energy.

In formulating its investment strategy and policy, ALFI Green has taken into account,

PRILOGA 2: **PREGLED VKLJUČEVANJA TVEGANJ GLEDE TRAJNOSTNOSTI**

Nazadnje posodobljeno: 21. 5. 2024

*Ta dokument predstavlja razkritje informacij s strani družbe ALFI Renewables, upravljanje alternativnih investicijskih skladov, d.o.o. ("**Upravljavec Sklada**"), ki upravlja alternativni investicijski sklad ALFI sklad zelenih virov energije, Specialni investicijski sklad ("**sklad**" ali "**ALFI Green**"), v zvezi s preglednostjo spodbujanja okoljskih ali socialnih značilnosti in pregledom trajnostnih naložb v predpogodbenem razkritju v skladu z zahtevami, pravili in načeli določb 6. in 9. člena Uredbe (EU) 2019/2088 Evropskega parlamenta in Sveta z dne 27. novembra 2019 o razkritjih, povezanih s trajnostnostjo, v sektorju finančnih storitev ("**Uredba SFDR**").*

Dokument vsebuje vse potrebne informacije, ki jih določajo uporabno pravo in običaji na trgu, s pomočjo katerih deležniki lahko pridobijo ustrezne podatke o zastavljenih ciljih sklada v zvezi z doseganjem meril trajnostnosti, spodbujanja okoljskih ali socialnih značilnosti investicij sklada ter postavljenih načinov merjenja trajnostne narave investicij

Vlagatelj lahko zahteva podrobnejše informacije, tako da pošlje pisno zahtevo na naslov Upravljavca Sklada ALFI Renewables d.o.o., Verovškova ulica 55A, 1000 Ljubljana, Slovenija ali po elektronski pošti na naslov renewables@alfi.si. Upravljavec Sklada vlagatelju podrobnejše informacije posreduje v roku 15 dni.

1. Uvod

V ALFI skladu zelenih virov energije (ALFI Green) v skladu s svojo naložbeno strategijo in politiko sklada usmerjamo svoje investicije v projekte, katerih glavni cilj je razvoj, izgradnja in obratovanje naprav za proizvodnjo električne energije iz obnovljivih virov energije, in sicer izključno v sončno in kopensko vetrno energijo.

Pri oblikovanju svoje naložbene strategije in politike sklada je ALFI Green med drugim among other things, the sustainable nature of its investments and, in particular, the sustainability impacts that the Fund's investments may have. Methods of including sustainability risks in its investment decisions have therefore been integrated by ALFI Green into its operations and investment monitoring work processes. At the same time, we have put in place a system to make transparent the results of the assessment of the likely impact of sustainability risks on the returns of the financial products offered by the Fund.

upošteval trajnostno naravo svojih naložb, predvsem pa vplive, ki jih naložbe sklada lahko imajo na trajnostnost. V ALFI Green smo zato v svoje poslovanje in spremljanje naložb v delovne procese vključili načine, s katerimi vključujemo tveganja glede trajnostnosti v naše investicijske odločitve. Hkrati smo vzpostavili sistem preglednosti rezultatov ocene verjetnih vplivov tveganj glede trajnostnosti na donos finančnih produktov, ki jih sklad ponuja.

Given the strategy and orientation of the Fund, the Fund's financial products aim at sustainable investment, as electricity generation is an economic activity that contributes to an environmental objective within the meaning of the provisions of Article 2(1)(17) of the SFDR. We also consider that the Fund's investments have an objective of the climate change mitigation as defined in Article 9(1)(a) of Regulation (EU) 2020/852 of the 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 (Taxonomy Regulation).

Glede na strategijo in usmerjenost sklada imajo finančni produkti sklada za cilj trajnostno naložbo, saj proizvodnja električne energije predstavlja gospodarsko dejavnost, ki prispeva k okoljskemu cilju v smislu določb 17. točke prvega odstavka 2. člena Uredbe SFDR. Prav tako ocenjujemo, da imajo naložbe sklada kot cilj blažitev podnebnih sprememb kot to definira točka (a) prvega odstavka 9. člena Uredbe (EU) 2020/852 Evropskega parlamenta in Sveta z dne 18. junija 2020 o vzpostavitvi okvira za spodbujanje trajnostnih naložb ter spremembi Uredbe (EU) 2019/2088 (Uredba o taksonomiji).

In accordance with the provisions of Articles 6 and 9 of the SFDR on transparency of the integration of sustainability risks and transparency of sustainable investments in pre-contractual disclosures, hereafter ALFI Green shall provide all the necessary information regarding sustainable investment as an objective of ALFI Green's financial product.

V skladu z določbami o 6. in 9. členu Uredbe SFDR o preglednosti vključevanja tveganj glede trajnostnosti in preglednosti trajnostnih naložb v predpogodbenih razkritjih v nadaljevanju ALFI Green posreduje vse potrebne informacije v zvezi s trajnostno naložbo kot ciljem finančnega produkta sklada ALFI Green.

2. Pre-contractual disclosure for the SIF unit financial product under Article 9 of the SFDR

2. Predpogodbeno razkritje za finančni produkt Enote SIS po določbah 9. člena Uredbe SFDR

Pre-contractual disclosure for a financial product in accordance with paragraphs 1 to 4a of Article 9 of the SFDR and Article 5 of the Taxonomy Regulation

Predpogodbeno razkritje za finančni produkt v skladu z odstavki 1 do 4a Uredbe SFDR in 5. člena Uredbe o taksonomiji

Name of the financial product: SIF (2pecialized investment fund) unit

Ime finančnega produkta: Enota SIS (specialnega investicijskega sklada)

LEI: /

LEI: /

SUSTAINABLE INVESTMENT OBJECTIVE

CILJ TRAJNOSTNIH NALOŽB

Does this financial product have a sustainable investment objective?

Ali ima ta finančni produkt cilj trajnostnih naložb?

YES

The financial product will have as its objective sustainable investment at a ratio of 100% in terms of environmental objectives in economic activities that are considered environmentally sustainable according to the EU taxonomy.
The financial product does not have a sustainability objective in the sense of a social objective.

What is the sustainable investment objective of this financial product?

In line with its investment strategy and policy, ALFI Green invests in projects in the field of electricity generation from renewable energy sources (RES), i.e. wind and solar. Starting with the development stage of every project, one of its key objectives is to have an impact on reducing greenhouse gas emissions and therefore carbon dioxide emissions, thereby meeting the long-term global warming targets of the Paris Agreement, because every successful investment project in electricity generation, where the electricity is produced entirely from wind and solar energy, means a higher proportion of green electricity generated and consumed, and a lower proportion of fossil-fuel electricity generated.

Consequently, in the context of sustainability, the main objective of sustainable investments is to mitigate climate change by reducing greenhouse gas emissions in the context of electricity production or consumption. At the same time, this effect also results in less use and burning of fossil fuels, as the additional generation capacity, which uses wind and solar power, also means less need for electricity generated from lower quality coal, which is still the main fossil fuel source of electricity generation in the region where ALFI Green focuses its activities. In order to achieve these objectives, the Fund has established a way of measuring the impact of its investments, using benchmarks defined by the Fund and publicly available data on the share of electricity generation by source in the country of investment to identify the impact of GHG and fossil fuel reductions at investment level and overall at Fund level. The data, the explanation of the calculation and the results are available on the relevant website of the Fund once the

DA

Finančni produkt bo imel kot cilj trajnostno naložbo, in sicer v razmerju 100 % v smislu okoljskih ciljev v gospodarskih aktivnostih, ki se obravnavajo kot okoljsko trajnostna po taksonomiji prava Evropske Unije (EU).
Finančni produkt nima cilja trajnostne narave v smislu socialnega cilja.

Kaj je cilj trajnostnih naložb tega finančnega produkta?

V ALFI Green v skladu z naložbeno strategijo in politiko vlagamo v projekte proizvodnje električne energije iz obnovljivih virov energije (OVE) vetra in sonca. Pri vsakem projektu od faze razvoja naprej je tako eden izmed naših ključnih ciljev tudi vpliv na zmanjševanje izpustov toplogrednih plinov in torej tudi ogljikovega dioksida ter s tem doseganje dolgoročnih ciljev Pariškega sporazuma glede globalnega segrevanja, saj vsak uspešno izpeljan projekt investicije v proizvodnjo električne energije, kjer je električna energija v celoti proizvedena iz energije vetra in sonca, pomeni večji delež proizvedene in porabljene zelene električne energije ter manjši delež električne energije, ki je proizvedena iz fosilnih goriv.

V okviru trajnosti je posledično glavni cilj naložb kot trajnostnih naložb blažitev podnebnih sprememb zaradi zmanjševanja izpustov toplogrednih plinov v okviru proizvodnje ali odjema električne energije. Hkrati z omenjenim učinkom dosežemo tudi manjšo uporabo in izgorevanje fosilnih goriv, saj dodatne proizvodne zmogljivosti, kjer koristimo moč vetra in sonce, pomenijo tudi manjšo potrebo po električni energiji, ki se proizvaja iz manj kvalitetnega premoga, to je pa v regiji, kjer ima ALFI Green osredotočene svoje aktivnosti, še vedno glavni fosilni vir proizvodnje električne energije. Zaradi omenjenih ciljev je sklad vzpostavil način merjenja učinkov svojih naložb, kjer s pomočjo s strani sklada opredeljenih referenčnih vrednosti in javno objavljenih podatkov o deležih proizvodnje električne energije po viru v državi naložbe opredeli učinek zmanjšanja toplogrednih plinov in porabe fosilnih goriv na ravni naložbe in skupno na ravni Sklada. Podatki, obrazložitev izračuna in rezultati so dostopni na ustreznem investment becomes operational.

spletnem mestu Sklada po začetku obratovanja naložbe.

<u>What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?</u>

<u>Kateri kazalniki trajnostnosti se uporabljajo za merjenje doseganja cilja trajnostnih naložb tega finančnega produkta?</u>

ALFI Green will measure, for each of its investments in electricity generation from RES, the impact on the reduction of carbon dioxide emissions from electricity generation. The calculation will be based on a comparison to the amount of carbon dioxide emissions from fossil fuel consumption as a conventional energy source for electricity generation in the South East Europe (SEE) region.

ALFI Green bo pri vsaki svoji investiciji v proizvodnjo električne energije iz OVE meril učinek na zmanjšanje izpustov ogljikovega dioksida pri proizvodnji električne energije. Izračun temelji na primerjavi s količino izpustov ogljikovega dioksida pri proizvodnji električne energije s porabo fosilnih goriv kot običajnega energenta za proizvodnjo električne energije v regiji jugovzhodne Evrope (SEE).

The positive impact of each ALFI Green investment on sustainability in terms of reducing the share of electricity generated from non-renewable energy sources is measured in terms of the amount of electricity generated by each plant over a given period of time. In calculating the reduction of carbon dioxide emissions, we take as a reference the last published emission factor for electricity generation in the country where the ALFI Green investments are located, and assume that in the case of electricity produced from ALFI Green investments, carbon dioxide emissions are zero and therefore reduced by the corresponding amounts of carbon dioxide emitted in a country for the generation of the same amount of energy.

Pri pozitivnem učinku, ki ga ima vsaka naložba ALFI Green na trajnostnost v smislu zmanjševanja deleža električne energije, proizvedene iz neobnovljivih virov energije, merimo količino električne energije, ki jo posamezna naprava proizvede v določenem časovnem razdobju. Pri izračunu zmanjšanja izpustov ogljikovega dioksida vzamemo za referenco zadnje objavljeni emisijski faktor za proizvodnjo električne energije v državi lokacije naložbe oz. elektrarne za proizvodnjo enake količine električne energije, in predpostavljamo, da so v primeru električne energije, proizvedene iz naložb ALFI Green, izpusti ogljikovega dioksida enaki nič in torej zmanjšani za ustrezne količine ogljikovega dioksida glede na omenjeni emisijski faktor proizvodnje električne energije.

ALFI Green will also measure the impact of its RES electric energy production investments in every state where ALFI Green investments will be present and operative. The calculation will derive from the amount of electric energy produced by ALFI Green investments and then will be compared with an average yearly household power consumption.

ALFI Green bo obenem meril vpliv naložb v proizvodnjo električne energije iz OVE na delež električne energije, ki je v posamezni državi proizvedena iz OVE. Izračun bo temeljil na letni proizvodnji vseh naložb ALFI Green v posamezni državi, primerjal pa se bo s porabo povprečnega gospodinjskega odjemalca v državi lokacije naložb oz. elektrarn..

<u>How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?</u>

<u>Kako trajnostne naložbe ne škodujejo bistveno nobenemu okoljskemu ali socialnemu cilju trajnostnih naložb?</u>

a) *<u>How have the indicators for adverse impact on sustainability factors been taken into account?</u>*

a) *<u>Kako so se upoštevali kazalniki za škodljive vplive na dejavnike trajnostnosti?</u>*

In line with its obligations under the SFDR and the principle of transparency towards the investors, ALFI Green has published its sustainability impact and policy statement,

ALFI Green je v skladu s svoji obveznostmi po Uredbi SFDR in načelom transparentnosti do vlagateljev objavil svojo izjavo o vplivih in politikah trajnostnosti poslovanja, v kateri je which states the specific and general risks and adverse impacts identified, how it integrates risks into its investments and operations, and how it monitors, records and reports adverse impacts. Extensive information on these topics is publicly available on the website.

navedel prepoznana specifična tveganja in škodljive vplive, prepoznana splošna tveganja in škodljive vplive, način vključevanja tveganj pri investicijah in poslovanja ter spremljanje, beleženje in poročanje o škodljivih vplivih. Obsežne informacije o navedenih tematikah so javno dostopne na spletni strani.

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

ALFI Green follows these guidelines with regard to its operations and adapts its work processes in terms of due diligence requirements and the implementation of specific procedures to mitigate environmental, social and governance risks that may affect the value of investments. As part of this, during the development, construction and operation phases of its RES electricity generation plants as investments, ALFI Green sets out and requires certain procedures, permits and expert opinions to reduce or prevent the occurrence of the following identified risks: adverse land disturbance during construction, biodiversity loss, impact on life in protected areas, negative impact on the life of the local community, and negative impact on workers and workers' rights.

b) *Kako so trajnostne naložbe usklajene s smernicami OECD za mednarodna podjetja in vodilnimi načeli ZN o podjetništvu in človekovih pravicah?*

ALFI Green pri svojem poslovanju upošteva omenjene smernice in prilagaja svoje delovne procese v smislu zahtev po skrbnosti in izpeljavi konkretnih postopkov za zmanjševanja okoljskih, družbenih in upravljavskih tveganj, ki lahko vplivajo na vrednosti naložb. V sklopu tega ALFI Green v fazi razvoja, gradnje in delovanja svojih proizvodnih obratov električne energije iz OVE kot naložb vzpostavlja in zahteva izpeljavo določenih postopkov, pridobitev dovoljenj in strokovnih mnenj, s katerimi zmanjšuje ali preprečuje pojav sledečih prepoznanih tveganj: škodljiv poseg v prostor pri gradnji, zmanjšanje biotske raznovrstnosti, vpliv na življenje v zavarovanih območjih, negativni vpliv na življenje lokalne skupnosti in negativni vpliv na delavce in delavske pravice.

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

YES

ALFI Green takes into account, in its own professional judgement, all potential specific and general adverse impacts on the sustainability of its business, which it discloses to all investors and which are made publicly available on the Fund's website in the Business Sustainability Impact and Policy Statement in accordance with the provisions of Articles 3 and 4 of the SFDR. The Fund considers that, given the nature of the Fund's investments, specific and general sustainability risks have a decisive impact on the realisation and therefore the return on the Fund's investments. Appropriate risk mitigation thus enables each of the Fund's investments to be developed, constructed and operated.

Ali ta finančni produkt upošteva glavne škodljive vplive na dejavnike trajnostnosti?

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ALFI Green upošteva po lastni strokovni oceni vse možne škodljive vplive na trajnost svojega poslovanje, tako specifične kot splošne narave, ki jih razkriva vsem vlagateljem in so javno dostopni na spletni strani sklada v Izjavi o vplivih in politikah trajnostnosti poslovanja v skladu z določbami 3. in 4. člena Uredbe SFDR. Sklad ocenjuje, da glede na naravo naložb sklada specifična in splošna tveganja glede trajnostnosti odločujoče vplivajo na realizacijo in torej donosnost naložb sklada. Ustrezno zmanjševanje tveganj tako omogoči razvoj, izgradnjo in obratovanje vsake naložbe sklada.

__What investment strategy does this financial product follow?__

ALFI Green's investment strategy is based on investing in the development, construction and operation of renewable electricity generation plants using onshore wind and solar energy. ALFI Green's activities are therefore focused on potential and existing projects in the target region, as defined in the Fund's rules, which, in ALFI Green's professional judgement, represent and can achieve the potential to justify the Fund's investment and thus the reasonable expectations of investors in the financial product, as presented by ALFI Green to investors in its pre-contractual disclosures and the Fund's rules.

a) *__What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?__*

ALFI Green's investment strategy, which is consistently implemented in the Fund's rules and in all of the Fund's work processes and is based exclusively on investments in onshore wind and solar power generation in the target region, represents a major and extremely important element enabling ALFI Green to fully achieve its objectives in all its investments in terms of sustainable investment objectives, compliance with the EU taxonomy and the "do no significant harm" principle.

b) *__What is the policy to assess good governance practices of the investee companies?__*

ALFI Green identifies a number of risks and adverse impacts in its operations, both specific and general, that could affect the Fund's operations, including from a management perspective in the context of sustainability, and explicitly identifies and evaluates these in its sustainability impact and policy statement. In the case of companies with which the Fund may carry out its activities in accordance with its strategy, ALFI Green shall carry out reviews and ensures respect of the rules, principles and compliance processes in place in the areas of good corporate governance, prevention of money laundering and terrorist financing, protection of personal data and handling of personal data, prevention of risks of conflicts of interest and corruption risks, to the extent

__Katera naložbena strategija se uporablja za ta finančni produkt?__

Naložbena strategija sklada ALFI Green temelji na vlaganjih v razvoj, gradnjo in obratovanje enot za proizvodnjo električne energije iz OVE vetra na kopnem in sončne energije. Dejavnost ALFI Green se tako osredotoča na potencialne in obstoječe projekte v ciljni regiji, kot je opredeljena v pravilih sklada, ki po strokovni oceni ALFI Green predstavljajo in lahko dosežejo potencial, da upravičijo naložbo sklada in s tem utemeljena pričakovanja vlagateljev v finančni produkt, kot jih ALFI Green predstavlja vlagateljem v svojih predpogodbenih razkritjih in pravilih sklada.

a) *__Kateri so zavezujoči elementi naložbene strategije, ki se uporablja za izbiro naložb za doseganje cilja trajnostnih naložb?__*

Naložbena strategija ALFI Green, ki se dosledno uveljavlja v pravilih sklada in vseh delovnih procesih sklada in temelji izključno na naložbah v proizvodnjo električne energije iz kopenske vetrne energije in sončne energije v ciljni regiji, predstavlja glavni in izredno pomemben element, ki ALFI Green omogoča, da v celoti in pri vseh svojih naložbah dosega zastavljene cilje v smislu ciljev trajnostnih naložb, skladnosti z EU taksonomijo ter načela nebistvenega škodovanja.

b) *__Kakšna je politika ocenjevanja praks dobrega upravljanja podjetij, v katera se vlaga?__*

ALFI Green pri svojem poslovanju prepoznava številne tveganja in škodljive vplive tako specifične kot splošne narave, ki bi lahko vplivali na poslovanje sklada tudi z upravljavskega vidika v kontekstu trajnostnosti in jih izrecno opredeljuje in ovrednoti v svoji izjavi o vplivih in politikah trajnostnosti poslovanja. V primeru družb, v sklopu katerih lahko sklad izvaja svojo dejavnost po zastavljeni strategiji, ALFI Green opravi preglede in v razumno pričakovanem obsegu z zadostno mero skrbnosti poskrbi, da se spoštujejo pravila in načela ter vzpostavljeni procesi zagotavljanja skladnosti na področjih ustreznega korporativnega upravljanja, preprečevanja pranja denarja in financiranja terorizma, varstvo osebnih podatkov in ravnanja z osebnimi podatki, preprečevanje tveganj z reasonably foreseeable and with a sufficient degree of due diligence. ALFI Green ensures this through defined work processes and proper adherence to established standards in contractual clauses.

nasprotji interesov in koruptivnimi tveganji. ALFI Green to zagotavlja z vzpostavljenimi delovnimi procesi in ustreznim spoštovanjem vzpostavljenih standardov v pogodbenih določilih.

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

Kakšna sta naložbena struktura in minimalni delež trajnostnih naložb?

All ALFI Green investments are sustainable investments with the objective of environmental sustainability and are fully aligned with the EU taxonomy, which means that they meet all three of these criteria in their overall (100%) share.

Vse naložbe ALFI Green so trajnostne naložbe s ciljem okoljske trajnosti in v celoti usklajene s taksonomijo EU, kar pomeni, da v celotnem (100 %) deležu ustrezajo vsem trem omenjenim kriterijem.

Exceptionally, the Fund or SPV for investments may, for the purposes of future investment, reinvestment, redemption or for the purposes of liquidity management or cash management or risk management, such as currency risks, for a limited period of time retain cash in time deposits, liquid money market instruments, debt securities or money market funds. The Fund or SPV of the Fund may also invest in derivatives for the purpose of hedging the Fund or SPVs for investments against fluctuations in interest rates or exchange rates. ALFI Green does not plan to enter into these transactions, but there may be a need to do so in exceptional circumstances. In such cases, ALFI Green will consider their nature and impact on the sustainability objectives and adjust its sustainability disclosures as necessary.

Sklad ali namenska družba sklada za naložbe lahko izjemoma za bodočo naložbo, reinvesticijo, izplačilo ali namene upravljanja likvidnosti oz. gotovinskega poslovanja ali obvladovanja tveganj kot npr. valutnih tveganj samo za določen čas obdrži denarna sredstva v vezanih depozitih, likvidnih instrumentih denarnega trga, dolžniških vrednostnih papirjih ali deležih skladov denarnega trga. Prav tako lahko sklad ali namenska družba sklada investira v izvedene finančne instrumente za namen zavarovanja sklada ali namenskih družb za naložbe pred nihanji obrestnih mer ali menjalnih tečajev. Omenjenih poslov ALFI Green ne načrtuje, lahko pa se izjemoma pokaže potreba po sklenitvi v izrednih primerih. V takem primeru bo ALFI Green obravnaval njihovo naravo in vpliv na trajnostne cilje ter po potrebi prilagodil svoja razkritja glede trajnostnosti.

a) *How does the use of derivatives attain the sustainable investment objective?*

a) *Kako uporaba izvedenih finančnih instrumentov dosega cilj trajnostnih naložb?*

ALFI Green may enter into derivative transactions as part of its activities, provided that these mitigate the risks arising from possible changes in interest rates, changes in the value of relevant currencies and changes in market prices of electricity. Each derivative transaction entered into is thus a means of reducing risk in the Fund's core business and, by the very nature of all investments under the Fund's strategy, an indirect instrument for achieving the objective of sustainable investments.

ALFI Green v sklopu svojih dejavnosti lahko sklepa posle z izvedenimi finančnimi instrumenti, če ta zmanjšujejo tveganja zaradi morebitne spremembe obrestnih mer, spremembe vrednosti ali razmerij med relevantnimi valutami in spremembe tržnih cen električne energije. Vsak sklenjen posel z izvedenim finančnim instrumentom je tako sredstvo zmanjševanja tveganja pri osnovni dejavnosti sklada in tako zaradi same narave vseh naložb po strategiji sklada posredno instrument doseganja cilja trajnostnih naložb.

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

V kakšnem minimalnem obsegu so trajnostne naložbe z okoljskim ciljem usklajene s taksonomijo EU?

All ALFI Green sustainable investments are fully (100%) aligned with the EU taxonomy.

Vse trajnostne naložbe ALFI Green so v celoti (100 %) delež usklajene s taksonomijo EU.

a) *Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?*

a) *Ali finančni produkt vlaga v dejavnosti, povezane z zemeljskim plinom in/ali jedrsko energijo, ki so skladne s taksonomijo EU?*

No.

Ne.

b) *What is the minimum share of investment in transitional and enabling activities?*

b) *Kolikšen je minimalni delež naložb v prehodne in omogočitvene dejavnosti?*

All ALFI Green's sustainable investments have the objective of sustainable investment and the achievement of the climate change mitigation objective as per point (a) of Article 9(1) of the Taxonomy Regulation, which is why we estimate that we do not have any investments in transition and enabling activities (0%).

Vse trajnostne naložbe ALFI Green imajo za cilj trajnostno naložbo in doseganje cilja blažitve podnebnih sprememb kot po točki (a) prvega odstavka 9. člena Uredbe o taksonomiji, zaradi česar ocenjujemo, da nimamo nikakršnih naložb v prehodne in omogočitvene dejavnosti (delež 0 %).

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

Kolikšen je minimalni delež trajnostnih naložb z okoljskim ciljem, ki niso usklajene s taksonomijo EU?

All ALFI Green investments are sustainable investments with the aim of mitigating climate change and are fully aligned with the EU taxonomy. This part of the Fund's strategy and rules will remain unchanged. The minimum allowable percentage is therefore zero or 0%.

Vse naložbe ALFI Green so trajnostne naložbe s ciljem blažitve podnebnih sprememb in v celoti usklajene s taksonomijo EU. Strategija in pravila sklada se v tem delu ne bodo spreminjali. Najmanjšega dopustnega deleža tako ni oz. znaša 0 %.

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

Kolikšen je minimalni delež trajnostnih naložb s socialnim ciljem?

In its operations, ALFI Green identifies risks and the potential for adverse impacts in the context of the social aspects of sustainability, while establishing mechanisms to measure and mitigate these risks and adverse impacts. Nevertheless, ALFI Green does not set or envisage specific sustainability targets in social terms.

ALFI Green v svojem poslovanju prepoznava tveganja in možnost škodljivih vplivov v kontekstu družbenih vidikov trajnostnosti in hkrati vzpostavlja mehanizme merjenja in zmanjševanja teh tveganj in nastanka škodljivih vplivov. Ne glede na to si ALFI Green v družbenem smislu ne postavlja ali predvideva doseganja specifičnih ciljev trajnostnosti z družbenega vidika.

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

Katere naložbe so vključene pod »#2 Netrajnostne«, kakšen je njihov namen in ali obstajajo minimalni okoljski ali socialni zaščitni ukrepi?

None of ALFI Green's investments qualify as non-sustainable.

Nobena izmed naložb ALFI Green se ne opredeljuje kot ne-trajnostna.

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

Ali je opredeljen poseben indeks kot referenčna vrednost zadoseganje cilja trajnostnih naložb?

ALFI Green defines criteria for achieving sustainable investment objectives in the context of reducing carbon dioxide emissions by reducing the overall share of electricity not generated from RES and reducing the consumption of fossil fuels as non-renewable resources by increasing the share of electricity generated from RES. Given the specific nature of ALFI Green's investments, once operational, each investment contributes to the long-term global warming goals of the Paris Agreement. For this reason, ALFI Green does not use generic indices or benchmarks, but sets specific benchmarks for measurement and calculation, depending on the characteristics of each investment and the country of investment. As a result of the selected criteria, ALFI Green will publish for each RES generation project an estimated timeline for the start of operation and therefore the start of meeting the sustainable investment objectives. Once the project is operational, ALFI Green will record the impact of each plant and refresh the data and objective achievement on an annual basis for each plant and collectively for all ALFI Green investments in operation.

ALFI Green opredeljuje merila za doseganje ciljev trajnostnih naložb v kontekstu zmanjševanja izpustov ogljikovega dioksida zaradi manjšega splošnega deleža električne energije, ki ni proizvedena iz OVE ter manjše porabe fosilnih goriv kot neobnovljivih virov zaradi povečanja deleža električne energije proizvedene iz OVE. Glede na specifično naravo naložb ALFI Green vsaka naložba po začetku obratovanja prispeva k doseganju dolgoročnih ciljev Pariškega sporazuma glede globalnega segrevanja. Iz tega razloga ALFI Green ne uporablja splošnih indeksov ali referenčnih vrednosti, temveč glede na značilnosti vsake naložbe in države naložbe postavi specifične referenčne vrednosti za merjenje in izračun. Zaradi izbranih meril bo ALFI Green za vsak projekt proizvodnje iz OVE objavil predvideno časovnico začetka obratovanja in torej začetek izpolnjevanja ciljev trajnostne naložbe. Po začetku obratovanja projekta bo ALFI Green beležil učinke posameznega obrata ter na letni osnovi osvežil podatke in doseganje ciljev za vsak obrat ter skupno za vse naložbe ALFI Green v obratovanju.

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

Due to the very nature of ALFI Green's investments, in conjunction with the strict sustainability criteria set out in the Fund's strategy, the sustainability aspects set out above are necessarily taken into account on an ongoing basis alongside all of the Fund's activities, as the achievement of the sustainability objectives is entirely dependent on the Fund's core activity of investing in the generation of electricity produced from RES from onshore wind and solar energy.

a) *Kako referenčna vrednost upošteva dejavnike trajnostnosti na način, ki je stalno usklajen s ciljem trajnostnih naložb?*

Zaradi same narave naložb ALFI Green v povezavi s strogo zastavljenimi merili glede trajnosti v strategiji sklada se postavljeni vidiki trajnosti nujno stalno upoštevajo hkrati z vsemi dejavnostmi sklada, saj je doseganje zastavljenih ciljev trajnosti v celoti odvisna od osnovne aktivnosti sklada vlaganja v naložbe proizvodnje električne energije, ki se proizvaja iz OVE vetra na kopnem in sončne energije.

b) *How is that the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

The calculation method is set out in a relatively simple and, above all, transparent way. Taking into account the ALFI Green strategy, there cannot be a mismatch between the investment strategy and the way the sustainability objectives are calculated.

b) *Kako se stalno zagotavlja usklajenost naložbene strategije z metodologijo indeksa?*

Metoda izračuna je zastavljena relativno enostavno in predvsem pregledno. Ob upoštevanju strategije ALFI Green se neusklajenost naložbene strategije in načina izračuna zastavljenih ciljev trajnostnosti ne more zgoditi.

c) *How does the designated index differ from a relevant broad market index?*

The chosen calculation method is specific to ALFI Green activities and potential projects in development and operation. In addition to the above, ALFI Green will provide stakeholders with a transparent view of the impact of ALFI Green investments on the overall objectives of the Paris Agreement and the targets set by the European Green Deal.

d) *Where can the methodology used for the calculation of the designated index be found?*

The ALFI Green calculation does not refer to any specific index as explained above.

Where can I find more product specific information online?

Further information on a specific product can be found on the alfi.si website.

c) *Kako se opredeljeni indeks razlikuje od ustreznega splošnega tržnega indeksa?*

Izbrani način izračuna je zastavljen specifično glede na aktivnosti ALFI Green in potencialne projekte v razvoju in obratovanju. Poleg zgornjega načina objav doseganja zastavljenih ciljev bo zainteresiranim deležnikom ALFI Green omogočil na pregleden način vpogled v učinke naložb ALFI Green na splošno zastavljenih ciljev Pariškega sporazuma in ciljev, ki jih postavlja Evropski zeleni dogovor.

e) *Kje je mogoče najti metodologijo, uporabljeno za izračun opredeljenega indeksa?*

Izračun ALFI Green se ne naslanja na specifičen indeks, kot je obrazloženo zgoraj.

Kje lahko najdem več informacij o posameznih produktih na spletu?

Dodatne specifične informacije o produktu je mogoče dobiti na spletni strani alfi.si.