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Statement on principal adverse impacts of investment decisions on sustainability factors	
Financial market participant	ALFI Renewables, upravljanje alternativnih investicijskih skladov, d.o.o. on behalf of the ALFI Green Energy Fund, SIS
<p>Summary</p> <p>This document represents the statement related to consideration of risks related to sustainability in the business procedures of the Fund and related to adverse impacts of investment decisions on sustainability factors, all in accordance with the provisions of the 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 Regulation"). The ALFI Green Energy Fund, SIS (the "Fund" or "ALFI Green") considers and monitors all main adverse impacts of its investment decisions on sustainability factors.</p> <p>This document includes all the necessary information determined by applicable law and market practice. The information herein enables all stakeholders to obtain the needed information to assess the Fund's commitments related to environmental, social and governance aspects which may have and influence on sustainability aspects of the Fund's investments and businesses.</p> <p>This statement on principal adverse impacts on sustainability covers the reference period from the 1st of January 2025 to the 31st of December 2025.</p> <p>The Fund in accordance with its investment strategy and policy directs its investments in projects, where the main goal is the development, construction and operation of facilities for the production of electric energy from renewable sources, in this case exclusively from onshore wind and solar photovoltaic energy.</p>	
<p>Description of the principal adverse impacts on sustainability factors</p> <p>The Fund invests in onshore and photovoltaic electric energy production from renewables in accordance with its investment strategy and policy. One of the main goals at every project we decide to enter in, being it in the development phase or further stages, is the influence on the decrease of emissions of greenhouse gasses. In fact, every successfully developed and operating project for the production of electric energy from renewables, where all the energy produced derives from wind and solar energy, contributes to a higher percentage of renewable electric energy produced and consumed and at the same time decreases the electric energy needed and produced from fossil or other sources.</p>	

In the context of sustainability, the main objective of the investments of the Fund is the environmental objective of climate change mitigation with the decrease of greenhouse gas emissions for the production and consumption of the amount of energy produced by the facilities owned by the Fund. Alongside the mentioned objective there is additionally a minor need and use of fossil sources for electric energy production. This derives from the fact that operating renewable electric energy production facilities, sourcing power from wind and solar energy, decrease the need for electric energy produced from fossil sources, such as from lesser quality coal (lignite), which is the most common fossil source for electric energy production in the region where the Fund concentrates its investments.

When assessing possible adverse impacts on sustainability of its investments the Fund is basing its evaluation on its specific activity or investment strategy and the fact that its only financial product is based on its investments, which have the objective to establish an effective electric energy production from renewables as a sustainable investment. Consequently, all the risks for adverse impacts manifestation are divided into specific environmental, social and governance risks, which can be present or happen at the development, construction or operating phase of the investment at the production of electric energy from wind and solar energy, taking also in consideration market standard technological conditions and standards. At the same time the Fund consider risks for adverse impacts on sustainability of general nature which may have an influence on the business processes.

The policy for identification and monitoring of possible adverse impacts on sustainability, along with chosen measures to decrease the sustainability related risks, are performed and enforced in different procedures and business phases of the Fund. These are essentially divided into two subgroups. The first relates to the core business of our investments, where we see specific risks and possible adverse impacts that need to be tackled in a specific manner. The other is concentrated on general aspects of business procedures, where risks and eventual adverse impacts tend to be of a more general nature, which is of course taken into consideration when defining business processes set up for risk and impact identification and mitigation.

Risk and adverse impacts referred to in this document are subject to evaluation and mitigation as defined in internal acts of the Fund and regular procedures for risk identification and mitigation measures definition. In a case of actual risk identification related to sustainability aspects (that is of environmental, social or governance nature) it is first established if the risk can be decreased with appropriate mitigation measures. If this is not possible and the aspect identified represents an intolerable high risk for the Fund's operations, all the processes with the investment may be stopped.

Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Impact (2025)	Impact (2024)	Explanation	Actions taken and actions planned and targets set for the next reference period

Climate and other environment-related indicators						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	0,0	0,0	There are no GHG emissions from this group in functioning ALFI Green investments.	
		Scope 2 GHG emissions	141,90 t	504,19 t	The electric energy production facilities from wind and solar energy have at certain times the need to accept and consume energy delivered from the grid. These relatively small energy amounts are taken into consideration along with the emission factor of the country where the investment is located for calculating the	The Fund does not have any influence on facilities' own consumption, which depends on the source of energy and equipment actual functioning. ALFI Green. The fund opted for market standard top tier equipment.

					amount of GHG emissions and correlated indices.	
		Scope 3 GHG emissions	No data	No data	At ALFI Green we cannot monitor this type of GHG emissions or other emissions released at production of all equipment used due to limited resources and unavailable or non-reliable data.	
		Total GHG emissions	141,90	504,19 t		
	2. Carbon footprint	Carbon footprint	1,6497	0,000011	The carbon footprint depends on the electric energy needs of the facility which are delivered from the grid and the emission factor of the country where the facility is located.	The Fund cannot have any influence on the facilities' won consumption, which depends on the source of energy and equipment actual functioning. The only feasible and reasonable mitigation is

						then to use market standard top tier equipment at construction and operating of the facility. The difference between the two values is a consequence of a mistake in calculations for 2024.
	3. GHG intensity of investee companies	GHG intensity of investee companies	5.784.751	41.943.300	This data is calculated on the basis of Scope 2 GHG emissions, which is in turned calculated from the facilities' own consumption and the emission factor of the country, where the investment is located.	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0,0 %	0,0 %		

	5. 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 sources compared to renewable energy sources, expressed as a percentage of total energy sources	0,00129 %	0,0013 %	We presented the relation between the electric energy, produced on ALFI Green investments and the own consumption energy needs of those facilities. When simplifying the calculation we did not take into consideration any emission factor at own consumption. If this is taken into account the amount of own consumption energy would be even lower.	It is not reasonable to implement any eventual mitigating action, since the result depends in its entirety on energy produced and energy used for own consumption. The Fund does not have any influence on the first or the latter.
	6. Energy consumption intensity per high impact climate sector	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee	0,0 %	0,0 %	The Fund does not invest in business activities which are defined as high impact climate sector.	

		companies negatively affect those areas				
Biodiversity	7. 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 companies negatively affect those areas.	0,0 %	0,0 %	ALFI Green investments do not perform activities which could negatively affect biodiversity-sensitive areas. If there is any possibility of such an influence, a internal or external assessment is executed, all in accordance with relevant national and international standards. The assessment identifies all possible and actual influences and eventual mitigation measures.	
Waste	9. Hazardous waste and	Tonnes of hazardous waste and	Negligible	Negligible	The Fund will, with the help of	Considering the nature of the

	radioactive waste ration	radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average.			special service providers, regularly and professionally measure the quantities of regular solid and hazardous waste produced at construction and operating.	Fund's investments and the technologies used we do not expect any radioactive waste. Hazardous waste may be present in very small quantities and are almost negligible. Consistent quantities of hazardous waste may be produced only in cases extraordinary damages events. The risk of such events is decreased with establishing exact working procedures and expected due diligence implementation.
Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters						
Social and employee matters	10. Violations of UN Global Compact principles and	Share of investments in investee companies that have been involved in	No data	No data	The Fund is not collecting information on eventual	

	Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			violations of the UNGC principles or OECD Guidelines for Multinational Enterprises from enterprises in which it has invested.	
	11. 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 mechanism to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	No data	No data	The Fund does not collect data on mechanisms for control of compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises present in companies in which it has invested.	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	No data	No data	All employees in companies, in which the Fund has its shares, owning and managing facilities for	

					power production are males.	
	13. Board gender diversity	Average ration of female to male board members in investee companies, expressed as a percentage of all board members	0,0 %	0,0 %	There are no female board members in companies, in which the Fund has its shares, owning and managing the facilities for power production.	
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons.	0,0 %	0,0 %	There is no such exposure in the Fund's investments.	
Indicators applicable to investments in sovereigns and supranationals						
Adverse sustainability indicator	Metric	Impact (2025)	Impact (2024)	Explanation	Actions taken, and actions planned and targets set for the next reference period	

Environmental	15. GHG intensity	GHG intensity of investee countries	n.a.	n.a.		
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United nations principles and, where applicable, national law	n.a.	n.a.		
Indicators applicable to investments in real estate assets						
Adverse sustainability indicator		Metric	Impact (2025)	Impact (2024)	Explanation	Actions taken, and actions planned and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	n.a.	n.a.		

Energy efficiency	18. Exposure to energy-efficient real estate assets	Share of investments in energy-inefficient real estate assets	n.a.	n.a.		
Other indicators for principal adverse impacts on sustainability factors						
Adverse impact on sustainability factors		Metric	Impact (2025)	Impact (2024)	Explanation	Actions taken and actions planned and targets set for the next reference period
Emission of air pollutants		Tonnes of air pollutants equivalent per million EUR invested, expressed as a weighted average	3,2995	0,0000000000281	The Fund monitors as emission of air pollutants emissions of CO2 which are produced for the generation of electric energy needed for the facilities' own consumption. The tonnes of CO2 are calculated taken into consideration the emission factor of the country where each facility is located.	The difference between the two values is a consequence of a mistake in calculations for 2024.

Non-recycled waste ratio	Tonnes of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average	Negligible	Negligible	The Fund is measuring the quantities of regular solid and hazardous waste at its investments in the construction and operation phase.	
Natural species and protected areas	<p>1. Share of investments in investee companies whose operations affect threatened species</p> <p>2. Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in, or adjacent to, a protected area of high biodiversity value outside protected areas</p>	<p>1. 0</p> <p>2. 0</p>	<p>1. 0</p> <p>2. 0</p>	The Fund performs all needed due diligence procedures before entering into an investment, establishing if there is a mandatory or existing procedure to identify an eventual adverse impact on threatened species or protected areas. If an environmental study is mandatory according to applicable law	

				and the possibility of an adverse impact on threatened species or protected areas is defined as likely after performing such evaluation or a specialised environmental study, then an independent advisor conclude if such impact is tolerable, and also defines additional mitigating procedures and procedures to monitor the effect of such mitigation.	
Rate of accidents	Rate of accidents in investee companies expressed as a weighted average	0	0	In all SPV companies managing the facilities in which the Fund owns shares the number of accidents in construction	

				and operation is monitored.	
Number of days lost to injuries, accidents, fatalities or illness	Number of workdays lost to injuries, accidents, fatalities or illness of investee companies expressed as a weighted average	0	0	The Fund is monitoring and keeping evidences of workers active at each facility in which it invested with the help of the construction coordinator and the operations and management coordinator. Every SPV owning facilities, in which the Fund invested, is keeping records of the work performed by third party service providers.	
Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	Number of convictions and amount of fines for violations of anti-corruption and anti-bribery laws by investee companies	0	0	The Fund has an operative and structured policy and working procedures for risk probability	

				decrease and prevention of money laundering and terrorism financing. Before entering in any investment and after that on a regular timely basis a thorough check is performed and eventual findings recorded and saved.	
Non-cooperative tax jurisdictions	Investments in jurisdictions on the EU list of non-cooperative jurisdictions for tax purposes	0	0	The Fund does not invest in projects located in countries which are inserted in lists of non-cooperative tax jurisdictions. All transactions performed in the interest of eventual business partners are subject to same controls and scrutiny.	

<p>Description of policies to identify and prioritise principal adverse impacts on sustainability factors</p> <p>The Fund has, when establishing its internal business procedures concentrated on setting up and monitoring the chosen mechanism of sustainable investment processes, with its internal acts substantially and procedurally forming business procedures, which enable the Fund, also considering its strategic decision, nature of its investments and consequent requirements of relevant applicable law, to maintain a business conduct of sustainable nature, further controlled with regular internal control procedures.</p> <p>The Fund in its internal act Internal procedures for sustainable business risk management defines the need to enact appropriate policies for identifying and prioritized sorting of main adverse impact on sustainability factors. The mentioned internal act furthermore determines the process for these policies enactment and application. The policy for identifying and sorting of main adverse impacts define in detail the risks and possible adverse impacts which may happen during the course of business, dividing the adverse impacts in general and specific ones. Every risk or adverse impact is categorized as of environmental, social or governance nature, as it is also defined how every risk or adverse impact is monitored and which are possible procedures to be implemented in the course of business to decrease risk probability or adverse impact manifestation.</p> <p>The content of this Statement on principal adverse impacts of investment decisions on sustainability factors is controlled by the ESG officer on a regular basis and the ESG officer informs the management of the Fund of eventual needs for changes. This opinion is based on the assessment of the current business operations of the Fund, that is from developing, constructing, operating and decommissioning of a facility as investment. If a new risk or adverse impact is observed during those regular assessments, then this needs to be included in the procedures. In the same but opposite way a risk or adverse impact can be put out of focus if it can be reasonable deducted it is not possible or actual at existing or future investments.</p> <p>The ESG officer in collaboration with the investment manager delivers an assessment of the influence of risks and possible adverse impacts on the investment already in the process of identifying potential investments, when confirming an investment and of course during investment monitoring as well. The Fund in its Guidelines for providing adequate procedural diligence specifically prescribes the ESG officer's activities in all processes before entering an investment as well as when monitoring investments and provides for the procurement of internal reports of identified risks and possible adverse impacts, along with an assessment of possible measures for tackling and mitigating identified impacts. The ESG officer must, taking into consideration the characteristics of the investment or facility project, include in the report an evaluation regarding the need for a consistent separate environmental study or a study regarding sustainability aspects to be procured by an independent reputable service provider.</p> <p>The business procedures of the Fund, in detail determined and formalized in internal acts, regulating interdependent processes, define the cooperation of the ESG officer in regular procedures for risk identification and risk management, where the person responsible for general risk management evaluation independently evaluates particular risks related to sustainability as well.</p>					

When choosing the indicators measured, used in calculations and disclosed in the context of this statement the main principle followed was to concentrate on indicators which are most probable, and which are related to an adverse impact that is the most relevant if the whole lifecycle of an investment is taken into consideration. The second principle which follows the one previously mentioned by importance is accessibility and reliability of data; reliability is in fact crucial for data and results recording, since it represents the basis of a credible depiction of investments impact. In all cases where a reliable, accessible and trustworthy method for relevant indicator monitoring could not be performed we decided it is more appropriate to state this information is not collected and disclosed along with an explanation of the reasons, all with the aim to assure transparency and exactness. Moreover, as a compromise we decided to disclose a theoretically larger impact or probability of adverse impact manifestation at all identified fallacies in data sources and calculation execution in used methodologies for data collection and metric calculation, if considering the absence of appropriate data or a correct calculation mechanism it was not possible to state with an adequate level of certainty that the impact of an sustainability indicator is lower.

Engagement policies

The Fund in its Fund Management Rules specifically defines in detail how the Fund enters into investments and how the Fund assures the management of its investments takes into consideration the interest of the investors while at the same time focusing on the Fund's goals, strategies and policy in terms of sustainability.

Considering the nature of the investments, a lower number of potential partners at each project, proper coordination between the needs of business processes, reasonable corporate governance and market practice, the Fund manages its investments in the phase of development, construction or operation by managing companies with limited liability owning single production facilities.

In accordance with the Fund's strategy and the Fund Management Rules the Fund must have at least half of the ownership share of the limited liability company owning the renewable energy facility production. An eventual ownership share, lower than 50 % of all the shares is permitted only if it is determined in an efficient way both substantially and procedurally that the Fund's interest cannot be overruled at decisions which are important for the development and management of a project. The investment managers are very scrupulous at investment identification and potential partner choices. Before deciding whether to enter in an investment the investment manager thoroughly assesses the reliability, fairness, effectiveness and expertise of a potential partner in a project or other shareholder in a limited liability company which is the owner of a renewable energy facility production. This choice is of the utmost importance because of the nature of investments and the need for daily operative coordination. In all current investments of the Fund the decisions with the partners on the management and shareholders level were taken unanimously.

The Fund is included in corporate governance in all companies it has invested aiming to develop and optimally manage the functioning of projects or facilities, always considering the strategy of the Fund, including the sustainable nature of the investments and the interests of the investors. All the decisions on the management and shareholders level at the proper venues or procedures are aimed to achieve an optimal development of the project, effective and cost-efficient construction or setting up, with the most reasonably set electric energy production management. It is important to stress the Fund is intensely entwined in the specific business processes of each company owned

as investment, especially in the business-related data obtaining, facilities and related infrastructure construction and operation. This enables the Fund to have full access to all relevant data which are relevant for monitoring of indicators set for sustainable business conduct control, monitoring of investments consequences and chosen adverse impacts. On the other hand, the Fund has with the help of its rights secured in statutory documents of companies owning the production facilities and shareholders arrangements with its partners in the projects, where the Fund is not the only shareholder managing the facility as an investment, the possibility to enforce the interests of the Fund at crucial decisions, also in relation to sustainable business conduct policies in a wider sense, collecting the chosen data and implementing changes in business procedures if it finds out this to be necessary consequent to findings pointing to unacceptable manifestations of unpredictable or considerable adverse impacts in a specific reporting period.

The Fund does not invest in joint stock companies.

References to international standards

n.a.

Historical comparison

In the year 2025 the Fund sold two investments in companies which owned several roof top photovoltaic power plants in Slovenia. The installed power of those power plants was relatively small and did not have an influence in the data and calculations in this statement, considering also the data presented in the statement for the year 2024. Also, the solar power plant Aleksinac started to produce, but considering its installed power, energy produced and impacts that are measured in this statement, it does not have an important influence on the data and calculations compared to the year 2024.