Transparency in sustainable investments

Information pursuant to Article 10 of the Disclosure Regulation

Summary

Commerz Real Fund Management S.à r.l. ("AIFM"), LEI-Code: 529900FAXUZRLWRIFD51, in its role as Alternative Investment Fund Manager, discloses the following information pursuant to Art. 10 of Regulation (EU) 2019 / 2088 on Sustainability-Related Disclosures in the Financial Services Sector ("Disclosure Regulation") for the Commerz Real Institutional Renewable Energies Development Fund I SCA SICAV-RAIF ("Fund"), LEI-Code: 529900Q54PCVPEOEC036, as a financial product referred to in Art. 9 of the Disclosure Regulation.

The Fund's objective is to acquire and invest in infrastructure in the form of renewable energies assets as specified hereinafter indirectly, through participations in legal entities owning the Renewable Energies Assets, directly or indirectly through legal entities ("Renewable Energies Vehicles" or "Renewable Energies Companies"), or acquire and invest in participations in Renewable Energies Vehicles, and to develop, by such acquisitions and investments, a diversified portfolio consisting of photovoltaic assets including innovation drivers such as agrivoltaic, floating photovoltaic and photovoltaic-storage hybrid projects, onshore and off-shore wind farms and future technologies of the energy transition such as grid-connected storage technologies, biomass and fuels and power-to-x investments. The focus of the Fund is on the development of systems for the generation and where appropriate, storage of renewable energy. Investments in transmission grids are provided for as a complementary measure at best. The Fund wishes to create value by the development of early-, mid- and late-stage renewable energies projects under contract to preselected local partners. After completion of the developments, the Renewable Energies Assets are to be constructed by the Fund and sold or put into operation for an initial period of eight (8) to ten (10) years at the longest.

The sustainable investment objective of the Fund is to make a positive measurable[1] contribution to environmental objectives as defined in the 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"), in particular climate change mitigation and climate change adaption. The Fund intends to use its investments to positively contribute to the transition of the European energy system by ensuring or increasing the share of green electricity in the power grid to generate a positive environmental contribution. By pursuing its investment objective, the Fund seeks to contribute to the long-term limitation of global warming in accordance with the objectives of the United Nations Framework Convention on Climate Change 2015 (the "Paris Agreement").

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[1] Statements on the "avoidance" or "measurability" of CO_2 emissions or similar statements regarding CO_2 and/or CO_2e (this refers to the CO_2 equivalent, which takes other greenhouse gases such as methane (CH_4), nitrous oxide (N_2O) or hydrofluorocarbons (HFCs) into account in addition to the greenhouse gas carbon dioxide (CO_2). For better readability, however, the term CO_2 is used here) should always be read and understood in the context of the methodology explained at https://crfm.commerz-real.com/en/measurable/renewable-energies-development-fund/. The measurable contribution is that the Fund calls for electricity generation from renewable energies, thereby avoiding CO_2 emissions that were produced during electricity generation from fossil fuels. CO_2 avoidance is calculated on the basis of country-specific avoidance factors of the Technical Working Group of International Financial Institutions (IFI), based on the Combined Margin Approach of the United Nations Framework Convention on Climate Change (UNFCCC), taking into account sector-specific CO_2 upstream emission factors of the German Environment Agency. Avoidance factors will decrease in the future due to the expected increase in the proportion of electricity generated from renewable sources in the electricity mix. Statements on achieved or planned CO_2 avoidance are not a reliable indicator of actual future CO_2 avoidance. Targets can be exceeded as well as fallen short of.

The Fund intends to ensure that at least 75 % (seventy-five per cent) of the amount invested in Renewable Energies Assets and future technologies of the energy transition of the Partnership qualify as sustainable investments within the meaning of Article 2 Number 17 of the SFDR by making a minimum of 75 % (seventy-five per cent) in environmentally sustainable investments whereas “sustainable investments” shall have the meanings of investments in alignment with an environmental objective as defined in the Taxonomy Regulation.

Sustainability indicators for each investment are continuously monitored to ensure compliance with the Fund’s commitments. Internal processes and guidelines provide the framework for assessment and monitoring. If criteria are not met, the asset may be sold or adjusted. Compliance with the Disclosure Regulation is ensured through internal and external controls.

The Fund aims to use its investments to positively contribute to the transition of the European energy system by ensuring or increasing the share of green electricity in the power grid to generate a positive environmental contribution. The Fund considers for each sustainable investment the amount of green power generated and determines the specific share of the total amount of green power generated in the specific country and the European Union.

The Fund measures its sustainable investment contributions primarily through kilowatt-hours generated from renewable energies (“Key Sustainability Indicator”). It also tracks CO2e[2] emissions per kilowatt-hour for each investment, following EU directives, ISO standards, and the GHG Protocol for Scope 2 and 3 emissions. Data is mainly sourced internally during acquisition due diligence, with estimates used if necessary. Data quality is ensured through internal checks and IT systems.

At present, it is not expected that there will be any restrictions in terms of methods and data sources that would impair the achievement of the sustainable investment target.

Due diligence is essential for evaluating Renewable Energy projects or Companies, especially with changing legal conditions. This involves compiling information and assessing opportunities and risks. The Regional Sustainment Framework (“RSF”) evaluates investments based on profitability, sustainability, and formal criteria. An “impact and ESG due diligence” is conducted by advisors to ensure compliance with fund and sustainability strategies. Post-acquisition, investments are regularly monitored to minimize sustainability risks. Internal controls and annual external audits ensure compliance with regulatory requirements, including the Disclosure Regulation.

Participation policy or engagement is not an active part of the Fund’s investment strategy. However, engaging contractors is an important part of proactively mitigating potential sustainability risks. To the extent that sustainability-related controversies are identified in projects and/or in companies in which investments are made, these controversies are assessed for their materiality. This can have a significant impact on the investment decision and may also lead to a negative investment decision.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the Fund.

The Fund complies with the disclosure requirements pursuant to Article 9 of the Disclosure Regulation.

[2] CO_2e refers to the CO_2 equivalent, which takes other greenhouse gases such as methane (CH_4), nitrous oxide (N_2O) or hydrofluorocarbons (HFCs) into account in addition to the greenhouse gas carbon dioxide (CO_2).

Zusammenfassung

*Die Commerz Real Fund Management S.à r.l. („**AIFM**“) legt in ihrer Rolle als Verwalter alternativer Investmentfonds die nachfolgenden Informationen gemäß Art. 10 der Verordnung (EU) 2019/2088 über nachhaltigkeitsbezogene Offenlegungspflichten im Finanzdienstleistungssektor („**Offenlegungsverordnung**“) für den Commerz Real Institutional Renewable Energies Development Fund II SCA SICAV-RAIF („**Fonds**“) als ein in Art. 9 Offenlegungsverordnung genanntes Finanzprodukt offen.*

*Anlageziel des Fonds ist der Erwerb von und die Investition in Infrastruktur in Form von Vermögenswerten aus erneuerbaren Energien. Dies soll indirekt über Beteiligungen an juristischen Personen, die Eigentümer der Vermögenswerte aus erneuerbaren Energien sind, direkt oder indirekt über juristische Personen („**Erneuerbare-Energien-Vehikel**“ oder „**Erneuerbare-Energien-Unternehmen**“), oder den Erwerb von und die Investition in Beteiligungen an Erneuerbare-Energien-Vehikeln ermöglicht werden. Zudem soll durch solche Akquisitionen und Investitionen ein diversifiziertes Portfolio aufgebaut werden, welches aus Photovoltaik-Anlagen einschließlich Innovationstreibern wie Agro-Photovoltaik, schwimmenden Photovoltaik- und Photovoltaik-Speicher-Hybridprojekten, Onshore- und Offshore-Windparks und Zukunftstechnologien der Energiewende wie netzgekoppelten Speichertechnologien, Biomasse und Brennstoffen sowie Power-to-X-Investitionen besteht. Der Schwerpunkt des Fonds liegt auf der Entwicklung von Systemen zur Erzeugung und ggf. Speicherung erneuerbarer Energien. Investitionen in Übertragungsnetze sind allenfalls als ergänzende Maßnahme vorgesehen. Der Fonds möchte durch die Entwicklung von Projekten im Früh-, Mittel- und Spätstadium der Entwicklung erneuerbarer Energien im Rahmen von Verträgen mit vorausgewählten lokalen Partnern Investmentwerte schaffen. Nach Abschluss der Projektentwicklungen sollen die Erneuerbare-Energien-Anlagen vom Fonds errichtet und verkauft oder für einen Zeitraum von zunächst acht (8) bis längstens zehn (10) Jahren in Betrieb genommen werden.*

*Das nachhaltige Anlageziel des Fonds besteht darin, einen positiven, messbaren[3] Beitrag zur Erreichung von Umweltzielen im Sinne der Verordnung (EU) 2020/852 des Europäischen Parlaments und des Rates vom 18. Juni 2020 über die Schaffung eines Rahmens zur Erleichterung nachhaltiger Investitionen und zur Änderung der Verordnung (EU) 2019/2088 („**Taxonomie-Verordnung**“) zu leisten, insbesondere dem Klimaschutz („climate change mitigation“) und der Anpassung an den Klimawandel („climate change adaption“). Der Fonds beabsichtigt, durch seine Investitionen einen positiven Beitrag zur Umstellung des europäischen Energiesystems zu leisten, indem er den Anteil von Ökostrom im Stromnetz sicherstellt oder erhöht, um dadurch wiederum einen positiven Umweltbeitrag zu leisten. Der Fonds ist bestrebt, durch die Verfolgung seines Anlageziels zur Erreichung der langfristigen Begrenzung der Erderwärmung gemäß der Ziele des Übereinkommens der Vereinten Nationen über Klimaänderungen 2015 (das „Pariser Abkommen“) beizutragen.*

Der Fonds beabsichtigt sicherzustellen, dass es sich bei mindestens 75 Prozent (fünfundsiebzig

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[3] Aussagen zu „Vermeidung“ oder „Messbarkeit“ von CO_2-Emissionen oder ähnliche Aussagen bezüglich CO_2 und/oder CO_2e (gemeint ist hier das CO_2-Äquivalent, das neben dem Treibhausgas Kohlendioxid (CO_2) weitere Treibhausgase wie Methan (CH_4), Lachgas (N_2O) oder Fluorkohlenwasserstoffe (FKW) berücksichtigt. Zur besseren Lesbarkeit wird hier jedoch der Term CO_2 verwendet.) sind grundsätzlich im Zusammenhang mit der auf https://crfm.commerzreal.com/en/measurable/renewable-energies-development-fund/ erläuterten Methodik zu lesen und zu verstehen. Der messbare Beitrag besteht darin, dass der Fonds die Strom-erzeugung aus erneuerbaren Energien fördert und dadurch CO_2-Emissionen, die bei der Stromerzeugung aus fossilen Energieträgern entstanden wären, vermieden werden. Die CO_2-Vermeidung wird auf Basis von länderspezifischen Vermeidungsfaktoren der Technical Working Group of International Financial Institutions (IFI) basierend auf dem Combined Margin Approach der United Nations Framework Convention on Climate Change (UNFCCC) unter Berücksichtigung von sektorspezifischen CO_2-Vorkettenemissionsfaktoren des Umweltbundesamtes berechnet. Vermeidungsfaktoren sinken perspektivisch aufgrund des voraussichtlich steigenden Anteils an regenerativ erzeugtem Strom im Strommix. Aussagen zur erzielten oder geplanten CO_2-Vermeidung sind kein verlässlicher Indikator für tatsächliche zukünftige CO_2-Vermeidung. Zielsetzungen können sowohl über- als auch unterschritten werden.

Prozent) des in Erneuerbare Energien Anlagen investierten Kapitals des Fonds um Nachhaltige Investitionen im Sinne des Art. 2 Nr. 17 Offenlegungsverordnung handelt, indem der Fonds mindestens 75 Prozent (fünfundsiebzig Prozent) in Ökologisch Nachhaltige Investitionen investiert, wobei der Ausdruck „nachhaltige Investitionen“ meint, dass die Investitionen mit einem der Umweltziele gemäß der Definition in der Taxonomie-Verordnung in Einklang stehen.

Die Nachhaltigkeitsindikatoren für jede Investition werden kontinuierlich überwacht, um die Einhaltung der Verpflichtungen des Fonds zu gewährleisten. Interne Prozesse und Richtlinien bilden den Rahmen für die Bewertung und Überwachung. Wenn die Kriterien nicht erfüllt werden, kann der Vermögenswert verkauft oder angepasst werden. Die Einhaltung der Offenlegungsverordnung wird durch interne und externe Kontrollen sichergestellt.

Der Fonds zielt darauf ab, mit seinen Investitionen einen positiven Beitrag zur Umstellung des europäischen Energiesystems zu leisten, indem er den Anteil von Ökostrom im Stromnetz sicherstellt oder erhöht, um einen positiven Umweltbeitrag zu leisten. Der Fonds berücksichtigt für jede nachhaltige Investition die Menge des erzeugten Ökostroms und bestimmt den spezifischen Anteil an der Gesamtmenge des im jeweiligen Land und in der Europäischen Union erzeugten Ökostroms.

Der Fonds misst seine Beiträge zu nachhaltigen Investitionen in erster Linie anhand der aus erneuerbaren Energien erzeugten Kilowattstunden („Key Sustainability Indicator“). Er verfolgt auch die CO_2e-Emissionen pro Kilowattstunde für jede Investition und folgt dabei den EU-Richtlinien, den ISO-Normen und dem GHG-Protokoll für Scope 2 und 3 Emissionen. Die Daten werden hauptsächlich intern während der Due-Diligence-Prüfung von Akquisitionen beschafft, wobei bei Bedarf Schätzungen verwendet werden. Die Datenqualität wird durch interne Kontrollen und IT-Systeme sichergestellt.

Derzeit ist nicht zu erwarten, dass es Einschränkungen in Bezug auf Methoden und Datenquellen geben wird, die das Erreichen des Ziels nachhaltiger Investitionen beeinträchtigen würden.

Für die Bewertung von Erneuerbare-Energien-Projekten oder -Unternehmen ist eine Due-Diligence-Prüfung unerlässlich, insbesondere bei sich ändernden rechtlichen Rahmenbedingungen. Dazu gehört die Zusammenstellung von Informationen und die Bewertung von Chancen und Risiken. Das sog. Regional Sustainment Framework („RSF“) bewertet Investitionen anhand von Rentabilität, Nachhaltigkeit und formalen Kriterien. Eine „Impact and ESG Due Diligence“ wird von Beratern durchgeführt, um die Übereinstimmung mit den Fonds- und Nachhaltigkeitsstrategien sicherzustellen. Nach dem Erwerb werden die Investitionen regelmäßig überwacht, um die Nachhaltigkeitsrisiken zu minimieren. Interne Kontrollen und jährliche externe Prüfungen gewährleisten die Einhaltung der regulatorischen Anforderungen, einschließlich der Offenlegungsverordnung.

Die Beteiligungspolitik oder das Engagement ist kein aktiver Teil der Investitionsstrategie des Fonds. Die Einbindung von Vertragspartnern ist jedoch ein wichtiger Bestandteil der proaktiven Minderung potenzieller Nachhaltigkeitsrisiken. Soweit bei Projekten und/oder Unternehmen, in die investiert wird, nachhaltigkeitsbezogene Kontroversen festgestellt werden, werden diese Kontroversen auf ihre Wesentlichkeit geprüft. Dies kann einen erheblichen Einfluss auf die Investitionsentscheidung haben und auch zu einer negativen Investitionsentscheidung führen.

Für die Erreichung des nachhaltigen Anlageziels des Fonds wurde kein Index als Referenzwert für die mit dem Finanzprodukt angestrebten nachhaltigen Investitionen festgelegt.

Der Fonds erfüllt die Offenlegungsanforderungen gemäß Artikel 9 der Offenlegungsverordnung.

No significant harm to the sustainable investment objective

The Fund's investments do not lead to a significant impairment of the Sustainable Investment objective of the financial product.

The requirement is addressed by the Fund as part of the so-called "Do No Significant Harm" assessment for the respective investments. In this regard, the Fund is committed to the environmental objectives defined within the framework of the EU Taxonomy. For each potential investment, the Fund performs a so-called "impact and ESG due diligence" during the acquisition process. Any negative impact on the five environmental goals is assessed and evaluated. Thus, the Fund meets the requirement to consider sustainability holistically at the project level and to invest in accordance with the EU Taxonomy with regard to defined environmental objectives. To ensure that the investments do not cause significant harm to environmental or social investment objectives, the Fund considers the Indicators for Principle Adverse Impacts on sustainability factors and ensures that the investments of the Fund comply with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. In the event of potential adverse impacts on sustainability factors, the AIFM reports at Fund level by means of the so-called “Principal Adverse Impact Statement”. The Fund considers the 14 (fourteen) ‘mandatory’ indicators. The adverse impacts on sustainability factors are taken into account in both investment decisions and auditing. This is ensured through sustainability analyses applied both as part of the due diligence in order to determine the Taxonomy alignment with EU Taxonomy of for the Fund’s investments and as part of ongoing monitoring of its investments.

In order to take into account the most important negative effects of the Fund on the sustainability factors, the AIFM measures in particular the indicators in the greenhouse gas emissions category. As a key parameter, the AIFM measures CO_2e emissions per kilowatt-hour directly associated with each investment of the Fund to consider the major negative impacts of the Fund on sustainability factors. These measurements are conducted in line with relevant EU directives as well as ISO standards or equivalent measurement methodologies. For investment decisions as well as for the audit, the AIFM additionally takes into account the mandatory indicators.

This is ensured by means of a sustainability analysis that is applied both as part of the due diligence process for investments by the Fund and as part of the ongoing monitoring of its investments.

In addition, the AIFM seeks to ensure that the Fund's investments do not counteract to local environmental objectives, for example that wind or solar plants are not built in protected areas and that they do not have a significant negative impact on local biodiversity.

If a potential investment of the Fund would have a significant negative impact on one or more of the environmental or social objectives and such a significant negative impact is identified during the due diligence, the investment will be rejected. Furthermore, the Fund intends that the sustainability aspects of a particular investment of the Fund will always outweigh any non-sustainable aspects of such investment so that the achievement of the Fund's overall sustainable investment objective is not compromised. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Regarding investment decisions on behalf of the Fund, the AIFM applies due diligence procedures and policies to ensure that social and labor concerns, respect for human rights, anti-bribery, and anti-corruption are achieved and that investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the conventions identified in the Declaration of the International Labor

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Organization. The application of these procedures and guidelines includes reviews of key service providers and partners associated with investment decisions and potential investments by the Fund to ensure that they are operating in compliance with human rights standards, to the best of the Fund's knowledge. These reviews are based on the United Nations "Protect, Respect and Remedy" framework, in recognition of the role of corporate entities being special organs of society that perform specific functions and are required to comply with all applicable laws and to respect human rights. Further, the AIFM draws on information to be provided by the Fund's key service providers and partners such as sustainability reports and specifications of the ultimate beneficial owner as well as publicly available information such as press articles and analyst reports.

Sustainable investment objective of the financial product

The sustainable investment objective of the Fund is to make a positive measurable[4] contribution to environmental objectives as defined in the Taxonomy Regulation, in particular climate change mitigation and climate change adaption. The Fund intends to use its investments to positively contribute to the transition of the European energy system by ensuring or increasing the share of green electricity in the power grid to generate a positive environmental contribution. By pursuing its investment objective, the Fund seeks to contribute to the long-term limitation of global warming in accordance with the objectives of the United Nations Framework Convention on Climate Change 2015 (the "Paris Agreement").

The Fund intends to ensure that at least 75 % (seventy-five per cent) of the amount invested in Renewable Energies Assets and future technologies of the energy transition of the Partnership qualify as sustainable investments within the meaning of Article 2 Number 17 of the SFDR by making a minimum of 75 % (seventy-five per cent) in environmentally sustainable investments whereas "sustainable investments" shall have the meanings of investments in alignment with an environmental objective as defined in the EU Taxonomy.

Mentions of the quota of 75 % (seventy-five per cent) Sustainable Investments as defined by the EU Taxonomy shall have the following meaning within this document: This quota is derived from the formula according to Art. 17 para. 1 of the Commission Delegated Regulation (EU) 2022/1288 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory standards which is the "market value of all investments of the financial product in environmentally sustainable economic activities / market value of all investments of the financial product" resulting in "the degree to which investments are in environmentally sustainable economic activities". Whereas, "investments of the financial product in environmentally sustainable economic activities" are taxonomy-compliant assets. The quota does not include short-term Cash Management Investments with a duration of one year or less.

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[4]Statements on the "avoidance" or "measurability" of CO_2 emissions or similar statements regarding CO_2 and/or CO_2e (this refers to the CO_2 equivalent, which takes other greenhouse gases such as methane (CH_4), nitrous oxide (N_2O) or hydrofluorocarbons (HFCs) into account in addition to the greenhouse gas carbon dioxide (CO_2). For better readability, however, the term CO_2 is used here) should always be read and understood in the context of the methodology explained at https://crfm.commerz-real.com/en/measurable/renewable-energies-development-fund/. The measurable contribution is that the Fund calls for electricity generation from renewable energies, thereby avoiding CO_2 emissions that were produced during electricity generation from fossil fuels. CO_2 avoidance is calculated on the basis of country-specific avoidance factors of the Technical Working Group of International Financial Institutions (IFI), based on the Combined Margin Approach of the United Nations Framework Convention on Climate Change (UNFCCC), taking into account sector-specific CO_2 upstream emission factors of the German Environment Agency. Avoidance factors will decrease in the future due to the expected increase in the proportion of electricity generated from renewable sources in the electricity mix. Statements on achieved or planned CO_2 avoidance are not a reliable indicator of actual future CO_2 avoidance. Targets can be exceeded as well as fallen short of.

The taxonomy-compliant assets comprise portfolio and project developments. The market value is derived from the respective appraised market value plus borrowed capital. Taxonomy conformity is ensured as part of the impact due diligence by an external consultant. Project developments for renewable energies can be classified as taxonomy-compliant, but will be indicted separately. They are recognized at market value according to their construction progress. The market value of the investments of the renewable funds is further determined by external appraisers. As the values determined do not include borrowed capital, such must be added as well. Project developments are also recognized at market value according to the progress of construction.

Investment strategy

The Fund's objective is to acquire and invest in infrastructure in the form of Renewable Eenergies Assets as specified hereinafter indirectly, through participations in legal entities owning the Renewable Energies Assets, directly or indirectly through legal entities ("Renewable Energies Vehicles" or "Renewable Energies Companies"), or acquire and invest in participations in Renewable Energies Vehicles, and to develop, by such acquisitions and investments, a diversified portfolio consisting of photovoltaic assets including innovation drivers such as agrivoltaic, floating photovoltaic and photovoltaic-storage hybrid projects, onshore and offshore wind farms and future technologies of the energy transition such as grid-connected storage technologies, biomass and fuels and power-to-x investments. The focus of the Fund is on the development of systems for the generation and where appropriate, storage of renewable energy. Investments in transmission grids are provided for as a complementary measure at best.

The Fund's objective is to directly or indirectly acquire participations and invest in Renewable Energies Vehicles and the administration, management, control, disposal and development of such participations and investments in compliance with the Law on Reserved Alternative Investment Funds ("RAIF") Law.

The Fund's investment strategy is focused on project developments. In particular, the Fund wishes to create added value by the development of early-, mid- and late-stage renewable energies projects under contract to selected local partners, indirectly through its participations and investments in Renewable Energies Vehicles. This involves securing suitable sites, the achievement of a complete approval situation required to develop and operate the site by the development partners (a so-called "ready-to-build-status"), the controlling and financing of the development including the provision of any grid connection guarantees, the tendering of the construction service including the procurement of all components required for the construction of the facilities and the financing of the construction phase through equity as well as structuring of bridge or long-term financing.

The Renewable Energies Vehicles will invest into projects for the development of wind- and solar power plants as well as future technologies of the energy transition ("Renewable Energies Assets"). Through the development, construction and operation of these Renewable Energies Assets, the Fund contributes to increasing the share of renewable energy in Europe and improving the European energy mix. In this context, the Renewable Energies Vehicles in which the Fund invests have an economic activity that contributes to the achievement of an environmental goal, measured by the Key Sustainability Indicator as defined in detail in the Offering Document.

The strategy of the Fund will thus primarily be focused on Value-Added investments. For purposes hereof, “Value-Added” refers to an investment strategy that targets medium risk Renewable Energies Vehicles characterized by the opportunity to develop Renewable Energies Assets by obtaining all approvals and reaching a ready-to-build-status.

After completion of the ready-to-build-status of the developments, the Renewable Energies Assets are to be constructed and put into operation for an initial period of eight (8) to ten (10) years at the longest during which the Fund will indirectly hold the Renewable Energies Assets.

Depending on the asset-specific strategy, the generated energy is to be marketed primarily via Power-Purchase-Agreements (“PPA”) with a standard market term of up to ten (10) years. For energy from selected projects with (planned) ready-to-build-status in strong market cycles, the conclusion of PPAs can be abstained from, and marketing is expected to initially take place on the spot market to maintain the greatest possible flexibility in the event of a sale of these assets.

For the avoidance of doubt, an investment in Renewable Energy Assets may require the fund to acquire ownership of land and/or other rights in rem to land.

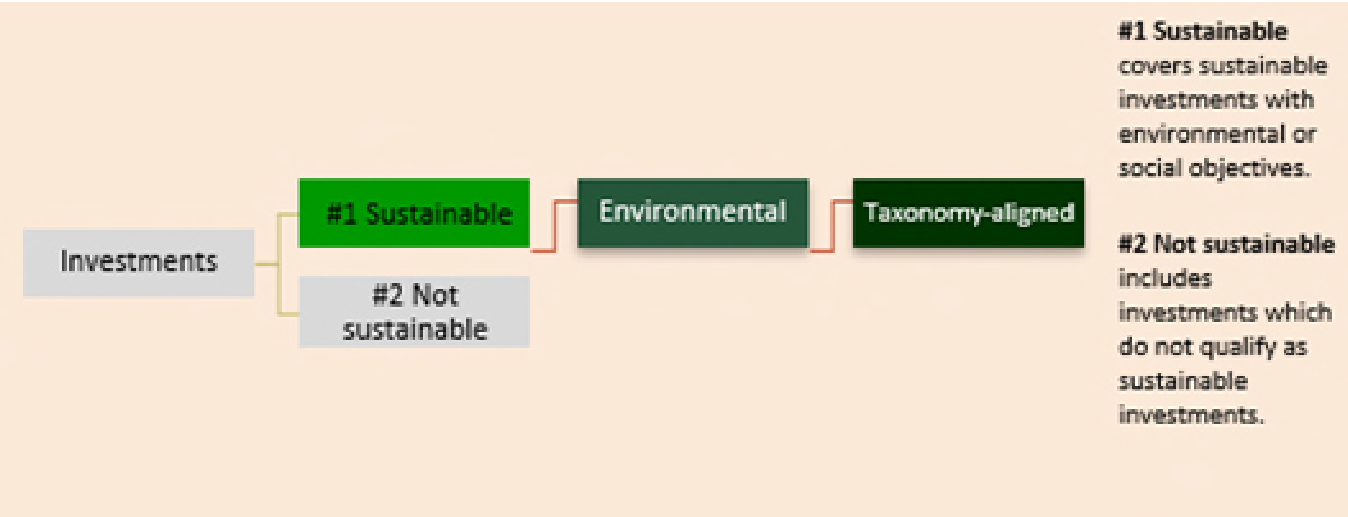
In addition, the Fund may invest only a minor portion into cash and derivatives for hedging purposes to mitigate currency and/ or interest rate risks only.

The Fund may hold Renewable Energy Assets directly or indirectly through (i) one or more local or foreign subsidiaries or (ii) minority interests in companies or special purpose entities (the “Renewable Energy Companies”). Investments in the Renewable Energy sector in which the Fund holds equity interests may be financed by loans and other debt instruments (securitized or unsecuritized, with or without conversion rights, subordinated or unsubordinated, with fixed or variable interest rates, with or without maturity) and combinations thereof.

The AIFM aims to drive and support good management procedures in order to ensure good governance at the relevant infrastructure companies. The AIFM will therefore use its position to have a positive impact on the activities of the infrastructure companies it has invested in on behalf of the fund.

Proportion of investments

The Fund intends to ensure that at least 75 % (seventy-five per cent) of the Fund’s capital invested in assets are sustainable investments (“#1 Sustainable”). Of these investments falling under the category “#1 Sustainable” all of them shall be sustainable investments with an environmental objective that are Taxonomy aligned. Consequently, the maximum percentage of investments in assets that cannot be considered sustainable (“#2 Not sustainable”) is limited to 25 % (twenty-five per-cent).



The minimum percentage of investments that are aligned with an environmental objective (sustainable investments) as defined in the EU Taxonomy is set to 75 % (seventy-five per cent). More investments could be aligned with the EU Taxonomy, but the Fund is not currently in a position to specify the exact proportion of the Fund's underlying investments which do not take into account the EU criteria for environmentally sustainable economic activities. The minimum percentage of investments in transitional and enabling activities as defined in the EU Taxonomy is set to 0 % (zero per cent).

The Fund also invests in assets that cannot be considered as sustainable ("#2 Not sustainable"). Amongst others, the Fund invests in derivatives to hedge currency, credit and interest risks of the Fund. Further, the Fund invests in money market instruments or other liquid instruments that are held for the purpose of distributions, redemptions or maintaining the day-to-day business operations. The intended use of these investments does not consider environmental or social minimum safeguards.

Monitoring of sustainable investment objective

The Fund applies the following binding elements in selecting investments to achieve its sustainable investment objective:

- The Fund will not invest in assets in sectors of energy production that are attributable to the fossil fuel sector;
- At least 75 % (seventy-five per cent) of the assets are sustainable investments as defined by the Taxonomy Regulation.

As a key parameter, the AIFM measures CO_2e emissions per kilowatt-hour directly associated with each investment of the Fund to consider the major negative impacts of the Fund on sustainability factors. These measurements are conducted in line with relevant EU directives as well as ISO standards or equivalent measurement methodologies. For investment decisions as well as for the audit, the AIFM additionally takes into account the mandatory indicators.

The sustainability indicators used to measure the sustainable investment objective of each investment are continuously monitored throughout the life cycle of an investment to ensure compliance with the fund's sustainability commitments.

Internal processes and guidelines provide the general framework within which a detailed assessment and monitoring is carried out. If the specified criteria are no longer met, this may result in the asset having to be sold within a reasonable period of time or the prescribed minimum percentage must be reached again. Compliance with the applicable requirements of the EU Disclosure Regulation is part of the internal and external control mechanisms.

A monthly review of compliance with the minimum taxonomy ratio is carried out. Taxonomy conformity is ensured as part of the impact due diligence by an external consultant.

Methodologies

The Fund's investment strategy is to make a positive measurable[5] contribution to achieving environmental goals, in particular climate change mitigation and climate change adaptation. By pursuing its investment strategy, the Fund endeavors to contribute to achieving the long-term limitation of global warming in accordance with the goals of the Paris Agreement of the United Nations Framework Convention on Climate Change of 2015 (future-oriented climate scenario).

As a key parameter, the AIFM measures CO_2e emissions per kilowatt-hour directly associated with each investment of the Fund to consider the major negative impacts of the Fund on sustainability factors. These measurements are conducted in line with relevant EU directives as well as ISO standards or equivalent measurement methodologies. For investment decisions as well as for the audit, the AIFM additionally takes into account the mandatory indicators.

In addition, the AIFM makes every effort to ensure that the AIFM's investments do not run counter to local environmental objectives, e.g. that wind or solar installations are not built in protected areas and that they do not have a significant negative impact on local biodiversity. The indicators used by the AIFM for social and employee concerns primarily include the parameters of the Taxonomy Regulation. In addition to the expertise of the Commerz-Real Group in the ESG area, the AIFM or the investment advisor may also use external service providers as a data source for assessing the sustainability of the investment assets acquired by the AIFM.

The AIFM applies due diligence procedures and guidelines as part of its activities for the Fund in relation to investment decisions to ensure that social and labor concerns, respect for human rights and anti-bribery and anti-corruption are achieved. The application of these procedures and guidelines includes conducting reviews of key service providers and partners in relation to investment decisions and potential investments of the Fund to ensure that they operate in accordance with human rights standards to the best of the Fund's knowledge. These reviews are based on the United Nations "Protect, Respect and Remedy" framework, which is based on the recognition of the role of business enterprises as specialized organs of society that perform specific functions and are obliged to comply with all applicable laws and respect human rights. In addition, the AIFM relies on information to be provided by the Fund's key service providers and partners, such as sustainability reports and specifications of the ultimate beneficial owner, as well as publicly available information

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[5] Statements on the "avoidance" or "measurability" of CO_2 emissions or similar statements regarding CO_2 and/or CO_2e (this refers to the CO_2 equivalent, which takes other greenhouse gases such as methane (CH_4), nitrous oxide (N_2O) or hydrofluorocarbons (HFCs) into account in addition to the greenhouse gas carbon dioxide (CO_2). For better readability, however, the term CO_2 is used here) should always be read and understood in the context of the methodology explained at https://crfm.commerz-real.com/en/measurable/renewable-energies-development-fund/ . The measurable contribution is that the Fund calls for electricity generation from renewable energies, thereby avoiding CO_2 emissions that were produced during electricity generation from fossil fuels. CO_2 avoidance is calculated on the basis of country-specific avoidance factors of the Technical Working Group of International Financial Institutions (IFI), based on the Combined Margin Approach of the United Nations Framework Convention on Climate Change (UNFCCC), taking into account sector-specific CO_2 upstream emission factors of the German Environment Agency. Avoidance factors will decrease in the future due to the expected increase in the proportion of electricity generated from renewable sources in the electricity mix. Statements on achieved or planned CO_2 avoidance are not a reliable indicator of actual future CO_2 avoidance. Targets can be exceeded as well as fallen short of.

such as press articles and analyst reports. In addition, the AIFM has adopted a Code of Conduct in which it undertakes to respect human rights.

Data Sources and processing

The AIFM primarily draws on data that is already available internally and was collected during the acquisition as part of the due diligence process. If no data is available internally, it is provided by the direct contractors, e.g. construction companies or operators. If direct contractors cannot provide the required data, estimates are used where necessary, which are calculated on the basis of scientific methodologies. The amount of estimated data cannot be quantified. However, the majority of data, particularly that relating to sustainability factors, is collected and not estimated. This may change over time. Data quality is ensured by internal plausibility checks. Data processing is carried out using internal IT systems. The respective internal teams, e.g. Sustainability Team, Asset Management and Fund Management, are responsible for assessing data quality. In particular, an internal plausibility check is carried out before the data is integrated or processed in internal systems in accordance with the principle to ensure the quality of the data.

In order to take into account the main negative impacts of the fund on sustainability factors, the AIFM measures the CO_2e emissions per kilowatt hour directly associated with each investment of the fund as a key factor. These measurements are carried out in accordance with the relevant EU directives and ISO standards or equivalent measurement methods. The GHG Protocol is used to calculate greenhouse gas emissions. In the area of renewable energies, Scope 2 and 3 emissions are calculated accordingly in accordance with the GHG Protocol.

- Emissions from operation: The operation of renewable energy plants requires the purchase of external electricity. At present, some of this electricity is still obtained from non-renewable sources (so-called grey electricity), which results in Scope 2 emissions in accordance with the GHG Protocol for the current real asset investments in the area of renewable energies, in particular for the wind turbines and solar parks. A switch to green/eco-electricity is planned and will be implemented subsequently for the individual investments (if technically possible) in the near future. As part of the calculation, the conventionally sourced electricity (grey electricity) is multiplied accordingly by the electricity emission factor of the respective country in which the real asset investment is located. These factors are reviewed and updated annually (see country-specific average electricity emission factors per kWh of electricity provided based on net generation including imports from abroad dated January 13, 2023 for 2022 "VDA emission factors 2022" available at https://www.vda.de/de/aktuelles/publikationen/publication/vda-emissionsfaktoren-2022).
- Emissions from the upstream chain: As part of the determination of Scope 3 emissions in accordance with the GHG Protocol, the emissions for the production of tangible asset investments in the area of renewable energies must be recorded. The CO2 emissions emitted in the upstream chain (materials and construction) are mapped in a technology-specific upstream chain emission factor. This means that the greenhouse gas emissions emitted during production or construction are set in relation to the MWh of electricity fed into the system. The upstream emission factor is multiplied by the electricity fed into the grid in MWh. These upstream emission factors are reviewed and updated annually (see upstream emission factors (technology-specific) as of September 2021 / January 2022 "Emissions balance of renewable energy sources Determination of avoided emissions in 2021 by the Federal Environment Agency (UBA)" available at https://www.umweltbundesamt.de/sites/default/files/medien/1410/publikationen/2022-12-09_climate-change_50-2022_emissionsbilanz_erneuerbarer_energien_2021_bf.pdf).

Limitations to methodologies and data

At present, it is not expected that there will be any restrictions in terms of methods and data sources that would impair the achievement of the sustainable investment target.

Due diligence

The examination of renewable energy projects or entire companies in the context of upcoming transactions requires the performance of due diligence. A careful analysis of a company or project is indispensable, especially in times of constantly changing legal and regulatory conditions. In an ongoing as well as a recurring due diligence process, the necessary information is carefully compiled and subjected to an opportunity and risk assessment.

Three aspects are relevant for the evaluation of real asset investments in the field of renewable energies, which, in accordance with the RSF framework, examine the suitability of the respective real asset investment for inclusion in the respective fund portfolio:

- Profitability (return)
- Sustainability
- Formal criteria (Formal)

The RSF process can be used to identify real asset investments that contribute both to an attractive risk-adjusted return and demonstrably to the achievement of the fund's defined sustainability targets without violating formal criteria.

As part of the purchase of real asset investments in the field of renewable energies for funds that fulfill the transparency obligations pursuant to Art. 9 of the Disclosure Regulation, the AIFM therefore carries out a so-called "impact and ESG due diligence" (sometimes also referred to simply as impact due diligence) in order to review in particular the aspects of sustainability and formal criteria of the real asset investment in accordance with the respective fund strategy and the sustainability strategy of the AIFM. The physical climate risks at property level (by preparing the so-called "climate risk analysis") is identifyied and assessed and the review of taxonomy conformity in accordance with the Taxonomy Regulation by external third parties is managed. Following these procedures. various decisions are ultimately made with regard to the Fund as well as the AIFM.

The AIFM further ensures compliance with minimum human rights standards when an investment is selected. In this sense, when making an investment decision, the AIFM applies due diligence procedures and guidelines to ensure that social and labor concerns, respect for human rights and the fight against bribery and corruption are achieved. The application of these procedures and guidelines includes conducting reviews of key service providers and partners in connection with investment decisions and potential investments of the Fund to ensure that, to the best of the Fund's knowledge, they are operating in accordance with human rights standards. These reviews are based on the United Nations "Protect, Respect and Remedy" framework, which is based on the recognition of the role corporates as specialized organs of society that perform special functions and are obligated to respect all applicable laws and to respect human rights. The AIFM, which has the required expertise and experience in the field ESG respectively sustainable investments, will apply the due diligence procedures and guidelines. The Fund's due diligence procedures and guidelines intend to assess the governance practices of potential and existing investments, including whether they have sound management and compensation structures, employee relations and remuneration of staff and tax compliance practices. Thereby, the AIFM relies on information obtained by the key service providers and partners of the Fund, such as sustainability reports and specifications of the ultimate beneficial owner, as well as publicly available information such as press articles and analyst reports.

Following the acquisition of investments, regular monitoring is carried out both at portfolio level and at asset level. The aim of regular monitoring is to minimize sustainability risks over the entire term of the investment.

The internal control mechanisms range from a four-eyes check within the teams to risk-based controls by the compliance and audit function. In addition an annual audit is carried out by external audit firms with regard to all regulatory requirements, including those arising from the Disclosure Regulation.

Engagement policies

Participation policy or engagement is not an active part of the Fund's investment strategy. However, engaging contractors is an important part of proactively mitigating potential sustainability risks. To the extent that sustainability-related controversies are identified in projects and/or in companies in which investments are made, these controversies are assessed for their materiality. This can have a significant impact on the investment decision and may also lead to a negative investment decision.

Attainment of the sustainable investment objective

No reference benchmark has been designated for the purpose of attaining the Sustainable Investment objective of the Fund. The fund does not currently invest with reference to an index (including EU benchmarks for climate-related change or Paris-aligned EU benchmarks within the meaning of Title III Chapter 3 a) of Regulation (EU) No. 2016 / 1011 of the European Parliament and of the Council) and does not intend to do so in the future.

List of amendments according to Art. 12 of the Disclosure Regulation

31.07.2024: The initial version of this document has been published.