Disclosure for the financial products pursuant to the Article 10 of the Sustainable Finance Disclosure Regulation (EU) 2019/2088 and the delegated regulation

Future Energy Ventures Fund I, SCA SICAV-RAIF (the "**Fund**" or the "**FEV Fund I**") has been initiated and formed by Future Energy Ventures (as defined below) to capitalise on the investment opportunities which exist as a result of the accelerating pace at which digital players are transforming the energy ecosystem with new technologies.

Future Energy Ventures GmbH is a German limited liability company and the investment services provider of the LRI Invest S.A., a public limited company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg acting as the alternative investment fund manager (AIFM) of the Fund, in respect of the Fund (the "**FEV**"). The FEV's wholly-owned subsidiary, FEV GP S.à r.l., a Luxembourg limited liability company (*société à responsabilité limitée*; S.à r.l.) is the Fund's general partner (the "**General Partner**" and together with FEV "**Future Energy Ventures**").

1. Summary

The Fund will invest in sustainable investments within the meaning of the Sustainable Finance Disclosure Regulation ("**SFDR**")[1] but the investments will not be aligned with the Taxonomy Regulation[2] and FEV as advisor to the Fund will give investment recommendations accordingly. The fund will only conduct investments that contribute to the objective to reduce greenhouse gas ("**GHG**") emissions and to decarbonization (collectively "**Decarbonization Objective**"). The Decarbonization Objective is the Fund's sustainability objective within the meaning of Article 9 of SFDR and it is measured by the carbon and GHG emissions reduction impact resulting from the products and services of the portfolio companies of the Fund (collectively "**Decarbonization Impact**").

The investment strategy follows the Decarbonization Objective. Consequently, the Fund will invest in three focus areas called "Future Energy, "Future Cities" and "Future Technologies". In the Future Energy focus area, FEV Fund I will invest in companies that support the energy transition from a fossil-based energy system to a renewable, low-carbon energy system. The Future Cities focus area concerns companies that support the decarbonization of the wider economy, including in transportation, buildings, industry, construction, and smart city infrastructure. The Future Technologies focus area encompasses companies that support decarbonization through specialist technology development, e.g. artificial intelligence and

[1] 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 as amended from time to time.
[2] Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment.

machine learning, blockchain technology (restricted only to use cases which contribute to the Decarbonization Objective), and edge computing.

The Fund and FEV with its investment recommendations ensure that no significant harm to the sustainable investment objective is done by taking into account the Adverse Impacts (as defined below) in all phases of an investment (due diligence, acquisition of a stake in the portfolio company, monitoring the investment and the exit). The due diligence on each potential portfolio company will focus on (i) the Decarbonization Impact as a measure for the attainment of the Decarbonization Objective and (ii) Adverse Impacts. In the process of screening and conducting due diligence on potential investment targets, ESG considerations play a key role. The information the Fund and FEV collect will be documented in FEV's investment recommendations. These factors will play an important role in FEV's advice regarding investment and divestment decisions. After the investment the Fund and FEV will conduct an on-boarding workshop, establish an ESG Action Plan, and closely interact with the portfolio companies in regular meetings with each portfolio company.

On a quarterly basis, each portfolio company will be required to report on their attained Decarbonization Impact. Given the stage of the portfolio companies, the emissions from owned or operated assets ("**Scope 1 emissions**") and emissions from purchased energy ("**Scope 2 emissions**") are expected to be limited. Instead, the Decarbonization Impact of FEV Fund I's portfolio companies is expected to derive from their ability to help corporates or individuals to reduce their carbon and GHG impact through using portfolio companies' products or services, and thus to reduce overall value chain emissions and to contribute to avoided emissions. Given the size and stage of the companies, it is likely that the companies will not have dedicated in-house or external support for ESG and impact reporting, and FEV and the Fund will have to rely primarily on the management team to provide accurate and diligent information. Therefore, calculations of Decarbonization Impact will rely on the diligence and accuracy of portfolio companies providing their reported emissions reduction, although the FEV team will verify the information.

2. No significant harm to the sustainable investment objective

Next to the Decarbonization Objective, the FEV Fund I pursues to avoid any negative sustainability impact of its investments by taking into account (i) the adverse impacts on sustainability factors outlined in the Table 1 of the (EU) Delegated Regulation 2022/1288 (the "**Regulatory Technical Standards**") of the SFDR as well as (ii) a set of the relevant indicators in Tables 2 and 3 of the Annex I ((i) and (ii) collectively "**Adverse Impacts**"). FEV Fund I will make reasonable best efforts to take into account all Adverse Impacts.

The Fund will send an ESG Questionnaire containing the items of the Tables 1, and a relevant set of items of 2 and 3 of Annex I of the Regulatory Technical Standards to its portfolio companies as part of due diligence process prior to the investment into a portfolio company and post-investment on a quarterly basis and will review and "sense check" them with the assistance of FEV to ensure consistency with the company's performance and discussions in board meetings and with company's management team. ESG-focused milestone meetings will be conducted with the Fund, FEV and the portfolio companies as needed (e.g. following significant business model pivots, new funding rounds). For these meetings, the agreed upon metrics / milestones will be reviewed and adapted (if necessary), and to identify any new areas of support that can be provided. The FEV Fund I will report the aggregated Adverse Impactsbased on its portfolio on a yearly basis to its investors in accordance with Annex I of the Regulatory Technical Standards.

The Fund will consider/monitor the following Adverse Impacts by measuring them against predefined thresholds:

- Scope 1, 2 and 3 GHG emissions as defined in Annex I of the Regulatory Technical Standards emitted by the portfolio company;
- Carbon emission reduction initiatives aimed at aligning with the Paris Agreement at the level of the portfolio company (required answer "yes");
- Unadjusted gender pay gap;
- Company involved in manufacturing or selling of controversial weapons (required answer "no");
- Involvement in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (required answer "no"); and
- Policies on the protection of whistle-blowers (required answer "yes").

In case a portfolio company breaches a threshold, the Fund and FEV will raise the topic with management and request a plan and a timeline for improvements within the next 12 months. If the threshold is still breached and no plan or timeline is presented after a quarter, the Fund and FEV will give the management a reminder. After a second quarter in breach the Fund and FEV will raise the topic at board level of the portfolio company. As a last reminder, if the breach has not been remedied after three quarters, the Fund and FEV will raise the topic at board level for the second time. 3 months after the last reminder the Fund and FEV will evaluate whether the portfolio company has made any progress. In case no significant improvement has been made, follow-on investments can be declined. If sufficient time still remains before next funding round, the Fund and FEV will continue to encourage improvement.

The Fund's investments are primarily made in small companies that may not have the same capacities as larger enterprises to adhere to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. However, the Fund aims to observe the recommendations of these Guidelines and Guiding Principles or other equivalent safeguards to the extent possible by screening investments during the due-diligence phase. The Fund requests information on existing policies regarding compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights from the potential portfolio companies and offers support to establish necessary policies and internal procedures.

3. Sustainable investment objective

FEV Fund I aims to use 100% of its capital invested in portfolio companies for sustainable investments that contribute to the objective to reduce GHG emissions and to decarbonization, i.e. to its Decarbonization Objective. The Decarbonization Objective is the Fund's sustainability objective within the meaning of Article 9 of the SFDR. The attainment of this Decarbonization Objective is measured by the carbon and GHG emissions reduction impact, resulting from the products and services of the portfolio companies of the Fund.

As a venture capital fund investing primarily in early-stage technology companies, FEV Fund I will measure the achievement of the Decarbonization Objective through assessment of the Decarbonization Impact at the level of each individual portfolio company. The majority of investments are expected to have less than 50 employees, with a limited carbon footprint. Therefore, alignment to a climate index on an individual company basis (e.g. EU Climate Transition Benchmark, or EU Paris-aligned benchmark) is not considered to be relevant given the stage of the portfolio companies, with limited Scope 1 and Scope 2 emissions at the time of our investment.

Instead, the Decarbonization Impact of FEV Fund I's portfolio companies is expected to derive primarily from their ability to help corporates or individuals to reduce their carbon and GHG impact through using portfolio companies' products or services, and thus to reduce overall value chain emissions and to contribute to avoided emissions. FEV Fund I will assess the Decarbonization Impact through actually achieved, as well as planned reduction of carbon and GHG emissions.

4. Investment strategy

The investment strategy of the Fund follows a clear decarbonization strategy. FEV Fund I will take a thematic and thesis-driven investment strategy to identify investment opportunities. The investment strategy of FEV Fund I covers three investment areas, i.e. Future Energy, Future Cities, and Future Technologies. In each of these focus areas, FEV Fund I intends to make investments in early-stage companies that have a clear Decarbonization Impact:

- In the Future Energy focus area, FEV Fund I will invest in companies that support the energy transition from a fossil-based energy system to a renewable, low-carbon energy system. Using examples from investments previously managed by members of FEV's team who will be transferred at or around the first Fund closing from subsidiaries of E.ON SE to FEV ("**FEV Team**"), this could include companies working to improve building energy efficiency, manage electric vehicle ("**EV**") charging schedules, develop next generation photovoltaic cells, or manage distributed energy resources (DERs).

- In the Future Cities focus area, FEV Fund I will invest in companies that support the decarbonization of the wider economy, including in transportation, buildings, industry, construction, and smart city infrastructure. Using examples from investments previously managed by the FEV Team, this could include companies developing EV charging infrastructure, companies identifying ways to improve the energy efficiency of existing buildings, or smart home heating solutions.

- In the Future Technologies focus area, FEV Fund I will invest in companies that support decarbonization through specialist technology development, for example, with artificial intelligence ("**AI**") and machine learning ("**ML**"), blockchain technology (restricted only to use cases which contribute to the Decarbonization Objective), and edge computing. Using examples from investments previously managed by the FEV Team, this could include companies using AI and ML to optimize and control building energy use, and financial software to support the securitization of renewable project deployment.

The binding elements of the investment strategy are as follows:

- The Fund will only invest in portfolio companies that are able to contribute to its Decarbonization Objective based on the requirements described above.

- The Fund ensures that it measures and annually reports on the Decarbonization Impact of its investments using the sustainability indicators described under "6. Monitoring of sustainable investment objective".

- The Fund ensures that it supports its portfolio companies in increasing the annual achieved GHG emissions' reduction or avoidance compared to the baseline emissions.

- The Fund ensures that all investments that may not have a clearly quantifiable Decarbonization Impact are aligned with the technical standards outlined in the Delegated Regulation (EU) 2021/2139, and

- The Fund ensures that all portfolio companies fill out an ESG Due Diligence Questionnaire

Assessment of good governance practices consists of a legal due diligence with the objective to find any legal or reputational red flags.

5. Proportion of investments

FEV Fund I aims to use 100% of its capital invested in portfolio companies for sustainable investments that contribute to the Decarbonization Objective. (In addition, FEV Fund I may maintain a reasonable liquidity reserve.) The Decarbonization Objective is the Fund's sustainability objective within the meaning of Article 9 of the SFDR.

Please note that this financial product does not pursue an environmental objective pursuant the Taxonomy Regulation. For some investments, the Decarbonization Impact will be clearly quantifiable. However, other investments may support the deployment of decarbonization technology, but may not have a clearly quantifiable Decarbonization Impact. For the latter the

Decarbonization Impact will be described qualitatively only but in addition all of these investments will be aligned with the technical screening standards of the EU Taxonomy (Delegated Regulation (EU) 2021/2139) to compensate for the fact that the Decarbonization Impact is not quantifiable. These investments will be aligned with the technical screening standards of the aforementioned Delegated Regulation, but they will not be fully aligned with the EU Taxonomy in its entirety. Therefore, the minimum extent of sustainable investments with an environmental objective aligned with the EU Taxonomy is 0%. The investments of the Fund cannot be considered fully aligned with the EU Taxonomy, as the Fund does not see itself in a position to assess the compatibility of the potential portfolio companies and the international standards contemplated in Article 18 EU Taxonomy.

6. Monitoring of environmental or social characteristics

ESG terms and goals, outlining how ESG matters will be handled during the life of the investment, will be negotiated with the portfolio companies prior to the investment and added to the legal documentation. Similar to commercial goals, ESG goals agreed on with the portfolio companies will not be binding. Binding ESG reporting obligations on Decarbonization Impact and Adverse Impacts will be negotiated and agreed with the portfolio companies.

Following the investment, metrics indicating the attainment of the Decarbonization Objective and Adverse Impacts will be requested from portfolio companies on a quarterly basis, providing the input data for calculating total carbon reduction impact from portfolio companies.

For most investments, it is expected that the data will be calculated and reported directly by the management team of the portfolio companies. Given the size and stage of the companies, it is likely that the companies will not have dedicated in-house or external support for ESG and impact reporting, and FEV and the Fund will have to rely primarily on the management team to provide accurate and diligent information. Thus, the data received by the portfolio companies will be verified. In some cases, key metrics may be calculated by third-party service providers, particularly for later stage companies and associated Scope 1 and 2 emissions, and if possible value chain emissions.

The attainment of the sustainable investment objective will be measured by the carbon and GHG emissions reduction impact resulting from the products and services of the portfolio companies of the Fund, i.e. the Decarbonization Impact. The GHG emissions reduction impact will be aligned with key commercial metrics, such as carbon and GHG reduction, i.e. CO2-eq, per customer or per product sold. The Decarbonization Impact is measured by annually reporting on the following sustainability indicators:

- The average GHG emissions to be addressed by the products and services of the portfolio companies of the Fund before deployment of these products and services per portfolio company (baseline emissions),

- The average reduction or avoidance of GHG emissions resulting from the products and services of the portfolio companies of the Fund per portfolio company,

- The total reduction or avoidance of GHG emissions resulting from the products and services of the portfolio companies of the Fund

The share of investments that may not have a clearly quantifiable Decarbonization Impact and that are aligned with the technical standards outlined in the Delegated Regulation (EU) 2021/2139.

In addition, the Fund will use the share of portfolio companies answering the ESG Due Diligence questionnaire as the sustainability indicator to ensure that all portfolio companies are in line with the Fund's investment strategy.

7. Methodologies

In the due diligence phase, the Decarbonization Impact assessment is focused on the expected carbon and GHG mitigation (i.e. reduction, avoidance or removal of GHG emissions) potential of the portfolio companies' core business activities. The due diligence seeks to analyze the CO2-eq[3] reduction potential combining decarbonization potential with core commercial metrics wherever possible. The right key metric will be chosen for the relevant portfolio company, e.g. CO2-eq reduction potential per customer or per product sold or per unit of revenue.

At the time of investment, the expected GHG emissions reduction from a portfolio company's activities will be estimated in two time horizons (planned carbon emissions reduction over the next 5 years, and potential carbon emissions reduction to 2050), by identifying the main driver(s) for emissions reduction potential.

On a quarterly basis, each portfolio company will be required to report on their attained Decarbonization Impact. To calculate Decarbonization Impact derived from the ability to help corporates or individuals to reduce their carbon and GHG impact through using portfolio companies' products or services, portfolio companies will be requested to adopt the following methodology (or adapted according to their particular requirements):

1. Identify the drivers of GHG emission reduction (e.g. reduction of energy consumption, reduction of gas power plant running times).
2. Estimate reduction of emissions per customer / per product sold (or similar suitable unit metric). Where possible, reduction of emissions can be directly estimated; however where emissions reduction impact is more difficult to define, the following approach is suggested:

[3] CO2-equivalent.

   a. Estimate or assess baseline level of GHG emissions that would have been produced without their product / service offering. This could rely on emissions in previous years, emissions of a “control group” (where the product / service has not been used), or calculations or modelling backed by empirical data.
   b. Calculate or estimate actual emissions as a result of their product / service.
   c. Decarbonization impact is calculated as the delta (difference) between the actual emissions and the calculated baseline emissions.
3. Multiply the Decarbonization Impact per one unit by the number of units actually sold in the market.

8. Data Sources and processing

On a quarterly basis, each portfolio company will be required to report on their attained Decarbonization Impact. Given the size and stage of the companies, it is likely that the companies will not have dedicated in-house or external support for ESG and impact reporting, and FEV and the Fund will have to rely primarily on the management team to provide accurate and diligent information. Therefore, calculations of Decarbonization Impact will rely on the diligence and accuracy of portfolio companies providing their reported emissions reduction, although the FEV team will verify the information.

As the Decarbonization Impact calculations are expected to rely not only on portfolio company’s data, but also on the GHG emissions data for their customers (e.g. the reduction in GHG emissions from their customers’ operations), it is envisaged that comprehensive verification of emissions reduction data will be difficult to conduct. Therefore, verification of decarbonization may include evaluating a portfolio company’s customer / sales lists, evaluating the methodology for GHG emissions reduction, triangulating reported data with external information sources and third-party information, among other approaches.

9. Limitations to methodologies and data

See answer to previous question.

10. Due diligence

The due diligence on each potential portfolio company will focus on (i) the Decarbonization Impact as a measure for the attainment of the Decarbonization Objective and (ii) Adverse Impacts. In the process of screening and conducting due diligence on potential investment targets, ESG considerations play a key role. The information the Fund and FEV collect will be documented in FEV’s investment recommendations. These factors will play an important role in FEV’s advice regarding investment and divestment decisions. They will be essential for the Fund’s investment process and investment decision, as in case of harm to other ESG considerations (Adverse Impacts) the investment would not be recommended by FEV.

The following tools are used at this stage to probe the company, its activities and the founding team's thinking around ESG:

- ESG and Decarbonization Impact screening questions (to be considered by FEV and the Fund)
    - Is it likely that the company significantly contributes to the Fund's Decarbonization Objective?
    - Is it unlikely that the company causes or will cause significant harm to other ESG factors (Adverse Impacts)?

- ESG Due Diligence Questionnaire (to be filled out by each company; the answers are considered by FEV and the Fund):
    - Are there any issues or risks (e.g. non-compliance, ESG risks) along the lines of our comprehensive DD checklist?
    - How could ESG considerations impact the viability of the business model?

- Consulting external sector-specific experts (if required, e.g. around data security)

- ESG terms and goals will be negotiated and added to the legal documentation outlining how ESG matters will be handled during the life of the investment. Similar to commercial goals, ESG goals will not be binding. Binding ESG reporting obligations on Decarbonization Impact and Adverse Impacts will be negotiated and agreed with the portfolio companies.

11. Engagement policies

Once the Fund has invested in a company, ESG considerations will further guide the advice by FEV with a focus on both, risk mitigation and value creation.

- FEV will work with the portfolio companies to develop an ESG Action Plan customizing proposed actions with the focus of the company and its current stage of development. Many third-party ESG service providers also offer recommendations for companies to further improve their ESG performance. FEV will also develop an outline of best practices, leveraging existing industry work, to share with portfolio companies, highlighting processes they can adopt.

- On-boarding workshop: modelled on and harmonised with the due diligence checklist, FEV's on-boarding workshop for every new portfolio company includes an ESG framework exercise to address their blind spots and company priorities based on stage / sector / region (from both a risk and strategic value perspective). The outcome of this initial workshop is to agree on reporting metrics beyond the metrics for measuring the Decarbonisation Impact and Adverse Impacts agreed already in investment legal documentation (e.g. diversity, equity and inclusion ("DEI") of growing team) covering various ESG elements, set goals for improvements and set out a plan of action and support requirements.

- On a quarterly basis, the Fund will ask portfolio companies to report on the sustainability indicators, i.e. metrics indicating the attainment of the Decarbonization Objective and Adverse Impacts. FEV will support the Fund in this task.

- Alongside ongoing management support, ESG-focused milestone meetings will be conducted with FEV and the portfolio companies as needed (e.g. following significant business model pivots, new funding rounds). For these meetings, the agreed upon metrics / milestones will be reviewed and adapted (if necessary), and to identify any new areas of support that can be provided.

- FEV will also leverage their position as Board Director or Board Observer (where relevant) to discuss and encourage portfolio companies to adopt ESG initiatives.

12. Attainment of the sustainable investment objective

The majority of investments are expected to have less than 50 employees, with a limited carbon footprint. Therefore, alignment to a climate index on an individual company basis (e.g. EU Climate Transition Benchmark, or EU Paris-aligned benchmark) is not considered to be relevant given the stage of the portfolio companies, with limited Scope 1 and 2 emissions at the time of our investment.

For some investments, the attainment of the decarbonization goal will be clearly quantifiable. However, other investments may support the deployment of decarbonization technology, but may not have a clearly quantifiable Decarbonization Impact. For the latter the Decarbonization Impact will be described qualitatively only but in addition all of these investments will be aligned with the technical standards outlined in the Delegated Regulation (EU) 2021/2139 supplementing the EU Taxonomy Regulation (EU) 2020/852 to compensate for the fact that the Decarbonization Impact is not quantifiable. For the avoidance of doubt, this means these investments will be aligned with the technical standards of the aforementioned Delegated Regulation but it will not be reviewed whether or not they are fully aligned with the EU Taxonomy (legally they are therefore qualified as “not aligned”).

As there are neither EU Climate Transition benchmarks nor EU Paris-aligned benchmarks for VC funds available yet, the Fund will not measure its Decarbonization Impact with a benchmark. Due to the complexity and the additional burden on the limited personnel resources of the Fund and FEV, the Fund is not aligned with the methodological requirements set out in Commission Delegated Regulation (EU) 2020/1818 and will measure the attainment of the Decarbonization Impact as stated above.