

Art. 10 SFDR – Telios European Infrastructure Parking Fund – Fund Level Website Disclosure

Summary

Telios European Infrastructure Parking Fund (“TEIPF” or “Fund”) is a sub-fund of Telios Fund Sicav-Raif SCSp (“Telios”) which offers investors the opportunity to invest predominantly in core/core plus car parks in attractive locations with long term potential in major European cities. The objective of TEIPF is to generate stable and predictable income streams through a buy-and-hold strategy and to provide regular distributions to investors with a focus on the preservation of capital. The Fund promotes ESG friendly investments encouraging sustainable mobility and improved traffic management. The Fund aims to promote environmental and social characteristics through its investment in the context of energy transition, green mobility, environmental impact of operations and human capital. The effect of this strategy will be measured by means of appropriate indicators. TEIPF is managed accordingly to Telios ESG Integration Policy and to the UN Principles for Responsible Investments guidelines.

No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have sustainable investments as its objective.

Environmental or social characteristics of the financial product

The Fund aims to promote environmental and social characteristics by integrating ESG factors valuation throughout the investment process. A negative screening will be executed to exclude certain sectors from the investable universe accordingly to Telios Investments “ESG Integration Policy” (hereinafter “the Policy”).

The environmental and social characteristics that TEIPF promotes are mainly driven by the type of target asset (off-street parking infrastructures) and its peculiarities:

1. **Energy Transition and Infrastructure for Electric Vehicles (“EV”):** Electric vehicles (“EVs”) charged with renewable power can make transport in cities cleaner and quieter, enabling cities to develop and grow sustainably and helping reduce the climate impact. Off-street car parks are going to have a key role in providing the charging infrastructure for EVs in cities, which in turn will be important to promote a successful shift to electric mobility. The Fund in partnerships with a number of leading EV charging suppliers will promote and install charging facilities across the parking locations the Fund will invest in.
2. **Reducing Carbon Footprint:** The Fund aims to gradually reduce carbon emission linked to its portfolio of parking assets on a best effort basis. The Fund is committed to ensure a gradual upgrade to technologies for pollution reduction to bring down environmental impact, (i.e. LED lighting and proximity sensors to reduce power uses, renewable energy sources, etc.). For this purpose, the Fund may partner with leading third-party entities, including recognized certification agencies, which will provide independent qualitative and quantitative assessments of the car parks environmental data.
3. **Sustainable Mobility and Traffic Management:** Off-street car parking facilities in inner city centres maximize the efficient use of ground space and have a materially lower social impact with respect to on-street parking. Efficient parking is a key element of sustainable mobility and traffic management in congested European cities. Optimised traffic flows to designated car parking spaces can minimize unnecessary traffic spent looking for an available parking space and contribute to lower levels of pollution and better air quality. The Fund will seek, throughout the life of the investments, to integrate owned car parks into schemes and solutions to streamline traffic flows and optimise urban planning and mobility. To this aim, the Fund will partner with car park operators, with mobility and technology platforms and, where possible, with local institutions, for example by making use of integrated parking guidance systems and real time functionalities, or by facilitating the development of parking infrastructures to serve interconnected transport options, effectively transitioning into

transportation hubs, parts of a more rational and sustainable mobility chain, where users switch transport modes for the last leg of their journey.

Furthermore, the characteristics and the related indicators are also driven by the acknowledgment of Sustainable Development Goals identified of the United Nations (UN SDGs). The promotion of such characteristics is aimed at contributing to 3 UN SDGs:

- 7. Affordable & Clean Energy;
- 9. Industry, Innovation and Infrastructure;
- 11. Sustainable Cities & Communities.

Investment strategy

As active investment advisors, we conduct bottom-up analysis across all our investments. We identify the structural levels of sustainable growth and how well a target investment is positioned to take advantage of the opportunities the sustainable transition presents, to deliver positive outcomes for society and the environment.

The Fund shall perform an extra-financial analysis to integrate sustainability risks into investment decisions and asset management. These risks are defined as environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of investments.

The Fund investment strategy integrates ESG factors in 4 steps:

Avoid: Application of the “ESG Integration Policy” restriction list shape the investable universe.

Analyse: During the pre-acquisition phase, both financial and ESG drivers of target investments are examined by the Investment Team to weight sustainability risks and opportunities as part of the investment due diligence process. The ESG review might be complemented by the support of an external advisors to better measure identified areas of ESG risks and opportunities uncovered during the due diligence. Once a target investment is deemed to be appropriate, the Investment Team implements an ad hoc ESG Action Plan. The latter would generally include:

- A clearly defined set of key ESG drivers that could create value or avoid risk of value destruction, also potentially beyond a financial dimension
- Put in place an action plan to leverage those drivers over a multi-annual period
- Identify ESG KPIs (Key Performance Indicators) to follow the action plan

Engage: Investments are monitored on an ongoing basis throughout the life of the investment to update the ESG Action Plan if emerge new conditions. Dialogues with car park operators’ top management are the preferred ways to ensure the alignment with the ESG Action Plan. The key ESG action specific to each target investment is to be discussed at the investment committee level of the investment advisor at least once per year.

Communicate: Stakeholders are regularly updated with the last executed actions. Progress on the ESG Action Plan and due diligence activities are carried out throughout the investment period. Moreover, we provide full transparency related to ESG issues through our website, where we publish fund documentation (as the case may be), reports, policies, and insights from our experts.

Binding Elements

Investments must comply with exclusion criteria of “ESG Integration Policy” for all the Fund life cycle. In addition, each investment must promote environmental and/or social characteristics that must be measurable by means of reliable indicators.

Good Governance

The Fund will use all reasonable endeavours to:

- Comply with relevant regulations governing the protection of human rights, occupational health and safety, the environment, and the labour and business practices of the jurisdictions in which the Fund invests;
- Adhere to the highest standards of conduct intended to avoid even the appearance of negligent, unfair or corrupt business practices;

Proportion of investments

Every investment of TEIPF must concur to the promotion of environmental and/or social characteristics. A residual part may refer to liquidity and money market instruments held solely for hedging purposes.

Monitoring of environmental and/or social characteristics

The Fund will collect and monitor ESG data regarding the sustainability indicators used to measure the attainment of the environmental and/or social characteristics. The monitoring process relies on periodic interaction and data collection with portfolio companies.

Methodologies of environmental or social characteristics

ESG factors are integrated throughout the entire investment process.

Moreover, ESG considerations that have been identified during the investment phase, are subsequently monitored through annual measurements.

The following is a non-exhaustive list:

- Carbon footprint of operations, to the extent that the operator can/does provide data on individual parking lots.
- Percentage of renewable energy on the total energy consumption, to the extent that the operator can/consents to provide the data for individual parking lots.
- LED-lighting coverage
- Energy intensity, To the extent that the operator can/consents to provide the data for individual parking lots.
- Number of electric charging stations per parking lot.

Data sources and processing

The Investment Team interacts directly with car park operators evaluated as capable to increase the value of the managed portfolio. The Fund and the car park operator meet at least once per year to discuss the implementation plan of the elements arising from the ESG Aspect Review defined in the “Due Diligence” paragraph below.

Limitations to methodologies and data

The direct interaction with the car park operators should avoid any risk of lacking data, however some data from the car park operators might be available only in aggregate format for the entire portfolio managed by the operator (i.e. the operator cannot/does not provide data on individual parking lots). As such, our methodology and strategy to promote environmental and/or social characteristics may be marginally impacted by aggregation data limitation.

Due diligence

The initial due diligence process includes an in-depth environmental, social and corporate governance (ESG) analysis performed by Telios (and, in certain cases by its external consultants, and/or by any third party appointed by the AIFM) (the "**ESG Aspect Review**"). The ESG Aspect Review is used to identify any significant issues that require a more detailed technical assessment or that need to be handled after the investment.

At the end of the due diligence, the results and the description of the investment opportunity are presented to the AIFM in the form of an investment proposal. The investment proposal (prepared by the investment team) and the transaction evaluation documents prepared by the AIFM's portfolio management real assets department (the "**PMRA**") are submitted to the Investment Committee. The body of the AIFM, having examined the documentation provided, approves, or rejects the transaction.

The Investment Committee receives from the PMRA and Telios regular reports on their approach and on the achievement of the predefined ESG indicators.

Engagement policies

The investment strategy does not rely on engagement as a fundamental part of the environmental and/or social characteristic promotion process. In fact, the interaction with the car park operators is aimed at increase awareness and sharing knowledge, along with periodic data collection and monitoring.

Designated reference benchmark

TEIPF has not designated any index as reference benchmark to measure the attainment of environmental and /or social characteristics promoted.