

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

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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 according 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

The long-term objective of the Fund is to build a portfolio such that every investment concurs to the promotion of environmental and/or social characteristics.

It may however be possible that in particular circumstances, especially during the Investment Period and/or during the liquidation phase, the Fund may temporarily be required to maintain a substantial amount of liquidity and money market instruments.

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 list¹:

- Number of electric charging stations per parking garage
- Provision of fast EV charging services
- LED-lighting coverage and other measure undertaken to reduce energy consumption
- Percentage of renewable energy on the total energy consumption
- Energy Intensity
- Carbon footprint of operations

Data sources and processing

The Investment Team interacts directly with car park operators evaluated as capable to increase the value of the managed portfolio. On a case by case, Fund will establish suitable rules of engagement and/or framework with the car park operator for the implementation and monitoring of the elements arising from the ESG Aspect Review defined in the “Due Diligence” paragraph below and of ESG initiatives and improvements identified during the life of the investment, in line with the ESG policy.

Limitations to methodologies and data

Some of the data might be in possession of the car park operator and there could be instances in which the third party operator might not be contractually obliged to share such information, may not consent or provide certain data on individual parking lots or such data might only be available in aggregate form at a portfolio level. In such instances the data, for example related to the energy consumption, for that individual car park might not be available. While the management will aim at enacting a measurement framework for each infrastructure, there is no guarantee that the data will be available on individual infrastructures. As such, the reporting methodology may be impacted by aggregation or data limitation.

Due diligence

The initial due diligence process includes an in-depth environmental, social and corporate governance (ESG) analysis performed by the investment team (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, as well as the ESG indicators and objectives of over the investment period.

The ESG analysis is an integral part of the investment process: the investment committee of the AIFM evaluates each individual investment within the framework of the investment policy, investment strategy and investment objectives and the ESG criteria of the fund.

- Initially, the investment team prepares the financial and extra-financial information as well as the necessary legal, technical, commercial, environmental, social and governance due diligence checks. Third parties may be appointed to carry out the due diligence.
- Results of preliminary assessment are shared with the AIFM and the General Partner which are in charge of supervising overall due diligence process and approving the investment project.
- At the end of the due diligence, the results and the description of the investment opportunity are presented to the AIFM investment committee in the form of an investment proposal. The body of the AIFM, having examined the documentation provided, approves, or rejects the transaction.

- The AIFM asks the AIF managers to report on their approach and on the achievement of the predefined ESG indicators.
- The AIFM monitors the investments on an ongoing basis in relation to non-financial or ESG performance covering a multitude of areas, including the fund's ability to stay in line with its objectives.

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.