

SUSTAINABILITY-RELATED DISCLOSURES

As of 1st JAN 2023

Fidelio KA Infrastructure Opportunities Fund SICAV-RAIF SCA – Fidelio KA Infrastructure Debt Fund Europe 2 (“Sub-fund 2”)

a) Summary

Sub-fund 2 promotes environmental and/or social characteristics in alignment with financial products referred to in Article 8(1) of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852.

b) No sustainable investment objective

Sub-fund 2 promotes environmental and/or social characteristics, but will not make any sustainable investments, as such term is defined under the Disclosure Regulation.

c) Environmental or social characteristics of the financial product

As active investors in critical EU infrastructure through Sub-fund 2, the Investment Advisor and the AIFM's investment activities naturally align with environmental and social objectives. By financing renewable energy development projects as well as vital social and IT infrastructure, Sub-fund 2 promotes environmental sustainability and aims to improve the quality of life in the regions in which it invests, notably by broadening and/or facilitating access to medical and elderly care, clean water, education or new job opportunities.

d) Investment strategy

Sub-fund 2 seeks to provide Investors with returns through investments in Financial Assets originated by Kommunalkredit Austria AG used to finance the acquisition, development, and operation of infrastructure assets in EU member states or in OECD member states.

The Target Region of the Debt Portfolio will be EU Member States (other OECD countries on a case-by-case basis).

e) Distribution of investments

In order to achieve the Investment strategy, the General Partner has determined that the following investment powers and restrictions shall apply to all investments made by Sub-fund 2:

1. Sub-fund 2 shall not invest or commit to invest more than 30% of its total Commitments in a single Financial Asset.
2. Sub-fund 2's exposure to one single borrower will not exceed 30% of its total Commitments.
3. Sub-fund 2 shall grant Euro denominated Financial Assets only.
4. Sub-fund 2 will not invest in derivatives, including but not limited to CMBS, RMBS and CDOs.

Investments in Subsidiaries will be disregarded for the purpose of the above restrictions (i) to (ii). The underlying investments of a Subsidiary will be treated as if they were direct investments of Sub-fund 2.

The above restrictions (i) to (ii) will not apply during the Fundraising Period and may be amended by the unanimous consent of the Limited Shareholders.

The Sub-fund 2 shall not engage in any investment for speculative purposes, including but not limited to, short sales.

f) Monitoring of environmental or social characteristics

Each project that the Investment Advisor and the AIFM, through Sub-fund 2 finance or invest in is analysed and assessed from an environmental and social perspective.

g) Methods

The indicators listed below are evaluated and the impact of each project on such indicators is classified as "negative", "neutral" or "positive":

Environmental indicators:

1. Impact on the reduction of air polluting substances;
2. Impact on the reduction of CO2 emissions;
3. Protection of the bio-diversity;
4. Impact on the conservation of soil and/or water quality;
5. Impact on the reduction of energy consumption or improvement of energy efficiency.

Social indicators:

1. Diversity: impact on the participation and equal rights of minorities in society;
2. Gender: impact on gender equal rights;
3. Impact on regions with a weak infrastructure;
4. Impact on number of jobs and employment rate;
5. Impact on level of education and on the education system;
6. Impact on infrastructure as a productivity factor;
7. Impact on the availability of medical care and/or elderly care.

h) Data sources and processing

The information that is used to assess the criteria is supplied by either the Asset Sourcer or one of the various parties involved in the project, depending on the structure of the transaction.

(i) limitations on methods and data

The AIFM and the Investment Advisor with respect to Sub-fund 2, do not currently consider principal adverse impacts of investment decisions on sustainability factors. The relevant data needed to identify and weight principal adverse sustainability impacts is not yet available in the market to a sufficient extent or of the required quality.

The AIFM and/or the Investment Advisor, if applicable, with respect to Sub-fund 2 will review the data situation on a regular basis and, if necessary, decide again on this basis on the possibility of taking into account principal adverse impacts of investment decisions on sustainability factors as part of internal strategies.

j) Due diligence

An initial screening of each project is applied based on exclusion criteria, with any investment being immediately rejected if it fails to pass this test. Exclusion criteria are:

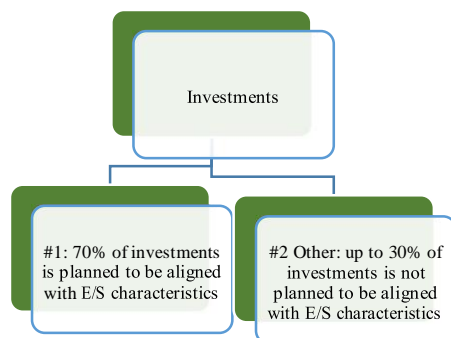
1. Fracking,
2. Pornography,
3. Arms and weapons,
4. Corruption,
5. Human exploitation,
6. Nuclear power,

7. Coal mining (thermal coal), coal extraction, energy production from coal and/or the financing of thermal (coal-fired) power stations and petroleum,
8. Controversial environmental behavior,
9. Labour exploitation
10. Production or trade of tobacco.

Following the initial screening process, the AIFM and the Investment Advisor, as part of their due diligence on each project, assess certain environmental and social sustainability indicators, as mentioned hereinabove (see “Methods”). When assessing the environmental and social criteria that are outlined previously in this document, the AIFM and the Investment Advisor apply a positive, neutral or negative rating to each of the various criteria.

This allows the Investment Advisor and the AIFM to assess the overall environmental and social impact that a project may have and therefore supports their ultimate decision whether the impact is acceptable for inclusion in Sub-fund 2.

k) Participation policy



Some of the Investment Advisor/AIFM's investments with respect to Sub-fund 2 may not align directly with certain social or environmental aspects (e.g. data centers, motorways or cargo transportation), but they will provide benefits to Sub-fund 2's portfolio in terms of diversification and/or yield. Nevertheless, the Investment Advisor and the AIFM have implemented a list of strict exclusion criteria as part of Sub-fund 2's investment strategy, as listed below:

1. Fracking,
2. Pornography,
3. Arms and weapons,
4. Corruption,
5. Human exploitation,
6. Nuclear power,
7. Coal mining (thermal coal), coal extraction, energy production from coal and/or the financing of thermal (coal fired) power stations and petroleum,
8. Controversial environmental behavior,
9. Labour exploitation,
10. Production or trade of tobacco.