

## Principal adverse sustainability impacts statement for year 2024

The following definitions shall apply:

- (1) 'scope 1, 2 and 3 GHG emissions' means the scope of greenhouse gas emissions referred to in points (1)(e)(i) to (iii) of Annex III to Regulation (EU) 2016/1011 of the European Parliament and of the Council<sup>1</sup>;
- (2) 'greenhouse gas (GHG) emissions' means greenhouse gas emissions as defined in Article 3, point (1), of Regulation (EU) 2018/842 of the European Parliament and of the Council<sup>2</sup>;
- (3) 'weighted average' means a ratio of the weight of the investment by the financial market participant in an investee company in relation to the enterprise value of the investee company;
- (4) 'enterprise value' means the sum, at fiscal year-end, of the market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents;
- (5) 'companies active in the fossil fuel sector' means companies that derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council<sup>3</sup>;
- (6) 'renewable energy sources' means renewable non-fossil sources, namely wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas;
- (7) 'non-renewable energy sources' means energy sources other than those referred to in point (6);
- (8) 'energy consumption intensity' means the ratio of energy consumption per unit of activity, output or any other metric of the investee company to the total energy consumption of that investee company;
- (9) 'high impact climate sectors' means the sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council<sup>4</sup>;

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<sup>1</sup> Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

<sup>2</sup> Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).

<sup>3</sup> Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

<sup>4</sup> Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains Text with EEA relevance (OJ L 393, 30.12.2006, p. 1-39).

- (10) 'protected area' means designated areas in the European Environment Agency's Common Database on Designated Areas (CDDA);
- (11) 'area of high biodiversity value outside protected areas' means land with high biodiversity value as referred to in Article 7b(3) of Directive 98/70/EC of the European Parliament and of the Council<sup>5</sup>;
- (12) 'emissions to water' means direct emissions of priority substances as defined in Article 2(30) of Directive 2000/60/EC of the European Parliament and of the Council<sup>6</sup> and direct emissions of nitrates, phosphates and pesticides ;
- (13) 'areas of high water stress' means regions where the percentage of total water withdrawn is high (40-80%) or extremely high (greater than 80%) in the World Resources Institute's (WRI) Water Risk Atlas tool "Aquaduct";
- (14) 'hazardous waste and radioactive waste' means hazardous waste and radioactive waste;
- (15) 'hazardous waste' means hazardous waste as defined in Article 3(2) of Directive 2008/98/EC of the European Parliament and of the Council<sup>7</sup> ;
- (16) 'radioactive waste' means radioactive waste as defined in Article 3(7) of Council Directive 2011/70/Euratom<sup>8</sup>;
- (17) 'non-recycled waste' means any waste not recycled within the meaning of 'recycling' in Article 3(17) of Directive 2008/98/EC;
- (18) 'activities negatively affecting biodiversity-sensitive areas' means activities that are characterised by all of the following:
  - (a) those activities lead to the deterioration of natural habitats and the habitats of species and disturb the species for which a protected area has been designated;
  - (b) for those activities, none of the conclusions, mitigation measures or impact assessments adopted pursuant to any of the following Directives or national provisions or international standards that are equivalent to those Directives have been implemented:
    - (i) Directive 2009/147/EC of the European Parliament and of the Council<sup>9</sup>;
    - (ii) Council Directive 92/43/EEC<sup>10</sup>;

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<sup>5</sup> Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol and diesel fuels and amending Council Directive 93/12/EEC (OJ L 350, 28.12.1998, p. 58).

<sup>6</sup> Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1).

<sup>7</sup> Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives (OJ L 312, 22.11.2008, p. 3).

<sup>8</sup> Council Directive 2011/70/Euratom of 19 July 2011 establishing a Community framework for the responsible and safe management of spent fuel and radioactive waste (OJ L 199, 2.8.2011, p. 48).

<sup>9</sup> Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7).

<sup>10</sup> Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.7.1992, p. 7).

- (iii) an Environmental Impact Assessment (EIA) as defined in Article 1(2), point (g), of Directive 2011/92/EU of the European Parliament and of the Council<sup>11</sup>;
  - (iv) for activities located in third countries, conclusions, mitigation measures or impact assessments adopted in accordance with national provisions or international standards that are equivalent to the Directives and impact assessments listed in points (i), (ii) and (iii);
- (19) 'biodiversity-sensitive areas' means Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas ('KBAs'), as well as other protected areas, as referred to in Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139<sup>12</sup>;
  - (20) 'threatened species' means endangered species, including flora and fauna, listed in the European Red List or the IUCN Red List, as referred to in Section 7 of Annex II to Delegated Regulation (EU) 2021/2139;
  - (21) 'deforestation' means the temporary or permanent human-induced conversion of forested land to non-forested land;
  - (22) 'UN Global Compact principles' means the ten Principles of the United Nations Global Compact;
  - (23) 'unadjusted gender pay gap' means the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees;
  - (24) 'board' means the administrative, management or supervisory body of a company;
  - (25) 'human rights policy' means a policy commitment approved at board level on human rights that the economic activities of the investee company shall be in line with the UN Guiding Principles on Business and Human Rights;
  - (26) 'whistleblower' means 'reporting person' as defined in Article 5(7) of Directive (EU) 2019/1937 of the European Parliament and of the Council<sup>13</sup>;
  - (27) 'inorganic pollutants' means emissions within or lower than the emission levels associated with the best available techniques (BAT-AEL) as defined in Article 3, point (13) of Directive 2010/75/EU of the European Parliament and of the Council<sup>14</sup>, for the Large Volume Inorganic Chemicals- Solids and Others industry;

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<sup>11</sup> Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (OJ L 026, 28.1.2012, p. 1).

<sup>12</sup> Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (OJ L 442, 9.12.2021, p. 1).

<sup>13</sup> Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law (OJ L305, 26.11.2019, p. 17).

<sup>14</sup> Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) (OJ L 334, 17.12.2010, p. 17).

- (28) 'air pollutants' means direct emissions of sulphur dioxides (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>), non-methane volatile organic compounds (NMVOC), and fine particulate matter (PM<sub>2.5</sub>) as defined in Article 3, points (5) to (8), of Directive (EU) 2016/2284 of the European Parliament and of the Council<sup>15</sup>, ammonia (NH<sub>3</sub>) as referred to in that Directive and heavy metals (HM) as referred to in Annex I to that Directive;
- (29) 'ozone depletion substances' mean substances listed in the Montreal Protocol on Substances that Deplete the Ozone Layer.

For the purposes of this Annex, the following formulas shall apply:

- (1) 'GHG emissions' shall be calculated in accordance with the following formula:

$$\sum_n^i \left( \frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \times \text{investee company's Scope}(x) \text{ GHG emissions}_i \right)$$

- (2) 'carbon footprint' shall be calculated in accordance with the following formula:

$$\frac{\sum_n^i \left( \frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \times \text{investee company's Scope 1, 2 and 3 GHG emissions}_i \right)}{\text{current value of all investments (€M)}}$$

- (3) 'GHG intensity of investee companies' shall be calculated in accordance with the following formula:

$$\sum_n^i \left( \frac{\text{current value of investment}_i}{\text{current value of all investments (€M)}} \times \frac{\text{investee company's Scope 1, 2 and 3 GHG emissions}_i}{\text{investee company's €M revenue}_i} \right)$$

For the purposes of the formulas, the following definitions shall apply:

- (1) 'current value of investment' means the value in EUR of the investment by the financial market participant in the investee company;
- (2) 'enterprise value' means the sum, at fiscal year-end, of the market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents;
- (3) 'current value of all investments' means the value in EUR of all investments by the financial market participant;

<sup>15</sup> Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC (Text with EEA relevance ), OJ L 344, 17.12.2016, p. 1–31

Table 1

**Statement on principal adverse impacts of investment decisions on sustainability factors**

<p><b>Financial market participant</b> Alternative investment fund <b>SOLAR CORE PLUS KS (the Fund)</b></p>
<p><b>Summary</b></p> <p>SOLAR CORE PLUS KS (the Fund) considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of <b>SOLAR CORE PLUS KS (the Fund)</b>.</p> <p>This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2024 to 31 December 2024</p> <p><b>SOLAR CORE PLUS KS (the Fund)</b> considers adverse impacts of its investment decisions on sustainability factors. The Fund believes in the importance in taking a responsible approach to investments. This approach includes consideration of how investment decisions might have material negative effects on environmental, social and governance factors and consideration of adverse impacts of investment decisions on sustainability factors.</p>
<p><b>Description of the principal adverse impacts on sustainability factors</b></p> <p>The Fund actively monitors Principal Adverse Impact (PAI) indicators for all managed assets based on a Sustainability policy approved by the management board. The policy is reviewed annually or more frequently if circumstances change. Investment decisions are made by the management board and fund-specific Investment committee.</p> <p>PAI indicators are selected based on relevance, materiality, measurability, and feasibility. A stepwise methodology considers likelihood, impact, and potential irremediability for prioritization. Given private investee companies, data is primarily obtained from them, with additional research for quality control.</p>

Indicators applicable to investments in investee companies						
Adverse sustainability indicator	Metric	Impact [2024]	Impact [2023]	Explanation	Actions taken, and actions planned and targets set for the next reference period	
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>						
Greenhouse gas emissions	1. GHG emissions, tCO <sub>2</sub> eq	Scope 1 GHG emissions	0,42	0,49		
		Scope 2 GHG emissions	0	0	Electricity was purchased with Guarantees of Origin, resulting in 0 emissions	
		Scope 3 GHG emissions	2 236	11 740,35		
		Total GHG emissions	2 237,12	11 740,84		
	2. Carbon footprint	Carbon footprint	548,61	653,35		
	3. GHG intensity of investee companies	GHG intensity of investee companies	6 477	40 879	In 2023, the GHG intensity for portfolio companies was high due to major construction activities and the fact that these	

					companies had not yet generated any revenue. By 2023, only two of them had started generating revenue.	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0	0	Portfolio companies do not have investments in companies operating in the fossil fuel sector.	
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	0,43%	0,01%	Portfolio companies do not produce energy from non-renewables. Share consists only from portfolio companies own consumption.	
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	0,002	0,054	Despite operating in a high-energy sector, the company is committed to sustainability by constructing renewable	

					energy solar parks	
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0	0	Portfolio companies are not negatively affecting biodiversity-sensitive areas	
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0	0	Portfolio companies do not generate emissions to water	
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0	0	Portfolio companies do not dispose hazardous waste	
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>						
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0	0	No violations have been detected	

	<p>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</p>	<p>Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises</p>	<p>0.</p>	<p>Currently the portfolio companies does not have relevant policies and procedures.</p>	<p>The company has implemented a Code of Ethics and a Supplier Code of Ethics, which adhere to the UN Global Compact and OECD Guidelines.</p>	<p>The Fund has prepared relevant policies at a Fund level. Each portfolio company takes relevant decisions and adhere to the said policies. The Fund carried out ESG evaluation and no risk relating to this issue was recorded.</p>
	<p>12. Unadjusted gender pay gap</p>	<p>Average unadjusted gender pay gap of investee companies</p>	<p>The portfolio companies has only one board member, and therefore, there is no unadjusted gender pay gap to report.</p>	<p>The portfolio companies has only one board member, and therefore, there is no unadjusted gender pay</p>	<p>The portfolio companies have only one board member.</p>	

				gap to report.		
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	The portfolio companies has only one board member, and therefore, there is no board gender diversity to report.	The portfolio companies has only one board member, and therefore, there is no board gender diversity to report.	The portfolio companies have only one board member. All other functions typically associated with board members are outsourced.	
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0	0	The portfolio companies are not involved in any way with controversial weapons	

**Description of policies to identify and prioritise principal adverse impacts on sustainability factors**

The Fund actively identifies and prioritizes Principal Adverse Impact (PAI) for investment decisions on sustainability factors and continually monitors selected PAIs for all managed assets. The selection of additional PAI indicators follows a comprehensive methodology considering relevance, materiality (both financial and sustainability impact), measurability, and feasibility. A stepwise approach evaluates the probability, severity, and potential irremediability of PAIs, leading to their prioritization.

As investee companies are private, data is primarily obtained from them, with additional research for quality control. Acknowledging challenges in quantifying data accuracy, the Fund commits to verifying data quality by contacting investee companies when suspicions arise.

This summary outlines AJP Capital's systematic and proactive approach to sustainability and PAI management, emphasizing data quality verification for private investments.

**Engagement policies**

AJP Capital, as the manager of its Funds, conducts engagement activities with investee companies to promote sustainable practices aligned with the respective Fund's principles.

Engagement methods include direct communication, monitoring reports, participating in shareholders' meetings, holding positions in management, and collaborating with other shareholders. AJP Capital follows up on engagement and manages conflicts of interest. In case of ESG performance deterioration, corrective measures are pursued, and if compliance isn't restored, actions may include contractual penalties, suspension of disbursements, termination of agreements, or divestment.

**References to international standards**

The Fund identifies Principal Adverse Impact (PAI) indicators based on global sustainability frameworks, including the UN Sustainable Development Goals, UN Global Compact, and international conventions such as OECD Principles of Corporate Governance. It also aligns with the Paris Agreement for environmental and climate risk, expecting investee companies to progress towards decarbonization.

The fund calculates their carbon footprint guided by the GHG protocol. GHG Protocol establishes comprehensive global standardized frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions.

**Historical comparison**

No historical comparison is available.

*Table 2*

**Additional climate and other environment-related indicators**

Adverse sustainability impact	Adverse impact on sustainability factors (qualitative or quantitative)	Metric	Impact [2024]	Impact [2023]	Explanation	Actions taken, and actions planned and targets set for the next reference period
<b>Indicators applicable to investments in investee companies</b>						
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>						
Water, waste and material emissions	1. Non-recycled waste ratio	Tonnes of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average	0	0	All packaging materials used by our portfolio companies, specifically those associated with solar panels, are made from plastic and wood. These materials are fully recycled. And occurs only at the time of installation of the solar park.	

*Table 3*  
**Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters**

<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>						
<b>Adverse sustainability impact</b>	<b>Adverse impact on sustainability factors (qualitative or quantitative)</b>	<b>Metric</b>	<b>Impact [2024]</b>	<b>Impact [2023]</b>	<b>Explanation</b>	<b>Actions taken, and actions planned and targets set for the next reference period</b>
<b>Indicators applicable to investments in investee companies</b>						
Social and employee matters	1. Rate of accidents	Rate of accidents in investee companies expressed as a weighted average	0	0	No accidents in investee companies have been detected	

Version	Amendment	Date of version
1.0		18.06.2025.