

(A) Summary

The Sustainable Finance Disclosure Regulation (“SFDR” or “the Regulation”), effective from 10 March 2021, was introduced by the European Commission as part of the Action Plan on Sustainable Finance. Under Article 10 of SFDR, SDCL (the “Company”) must disclose information regarding its sustainable investment objectives, investment strategy, and information on methodologies used to assess the effectiveness of the investments.

(B) No Significant Harm to the Sustainable Investment Objective

The Company ensures that its investments do no significant harm by taking account of the principal adverse impact indicators and ESG best-practice standards during investment due diligence and asset management. New investments undergo substantial ESG due diligence, including a red flag review and a broader questionnaire, based on the Company's ESG policies, international guidelines, and principal adverse impact indicators. Existing investments are monitored annually through questionnaires to ensure alignment with ESG standards, principal adverse impact indicators and sustainable objectives.

(C) Sustainable Investment Objective of the Financial Product

The sustainable investment objective of this financial product is climate change mitigation achieved through exclusive investment in energy efficiency projects.

(D) Investment Strategy

The Company's Investment Strategy is to invest primarily in operational “energy efficiency projects,” defined as a project with a sustainability-linked objective such as a reduction in carbon emissions and energy usage, or an increased supply of clean energy delivered to the end-user.

Pursuant to its strategy of investing for the long-term in sustainable projects, the Company assesses the governance and employment policies of potential investments and monitors them once acquired.

(E) Portion of Investments

The Fund invests 100% of its net assets in sustainable investments.

For efficient portfolio management, the Company may have a portion of its assets in cash held on deposit or cash equivalent investments. The Company intends only to hold cash or cash equivalents on a short-term basis and for efficient management and hedging, not as an investment.

(F) Monitoring of Sustainable Investment Objective

The sustainable investment objective of the Fund is to mitigate climate change through investments into energy efficiency projects. As such, the Investment Manager has chosen the following key performance indicators as the Company's principal “Sustainability Indicators”:

- Tonnes of Carbon Saved (measured in tCO₂e)
- Amount of Electrical and Thermal Energy Saved (measured in kWh)

(G) Methodologies

Through regular questionnaires, the Investment Manager collects energy performance data from its investments, including energy generation and consumption, carbon and energy savings, and greenhouse gas emissions. The Investment Manager reviews and analyses this data to monitor its sustainability indicators.

(H) Data sources and processing

Most of the data used to calculate the sustainability indicators comes directly from the investments through regular reporting, such as energy consumption and generation data. Greenhouse gas emissions are calculated using local grid carbon intensities, as published by the local government, and the UK Government's GHG Conversion Factors. The Investment Manager gathers, processes and reviews this data with the help of third-party consultants to ensure accuracy.

(I) Limitations to Methodologies and Data

The data gathering process is primarily manual and relies on accurate reporting from asset-level management teams. The Investment Manager is committed to continuously improving market practices and seeking up-to-date and accurate data for each investment.

(J) Due Diligence

The ESG investment review process predominately consists of two stages: the early identification of ESG red flags followed by detailed due diligence, including an ESG questionnaire consisting of questions around the principal adverse impact indicators and ESG best-practice standards. Technical due diligence supported by third parties is conducted where required.

The Investment Manager frequently updates the questionnaire to reflect best practices and regulations.

(K) Engagement Policies

Though the Company does not have a strict engagement policy, it regularly works with investments to drive efficiency improvements, reduce carbon emissions, and achieve its sustainable investment objective.

(L) Attainment of the sustainable investment objective

There is no specific index designated as a reference benchmark to determine whether this financial product is aligned with the sustainable investment objective that it promotes.

(B) No Significant Harm to the Sustainable Investment Objective

The Company confirms that its sustainable investments do not cause significant harm to any environmental or social sustainable investment objective through its ESG management process, which incorporates the Funds' ESG policies into investment due diligence and asset management. New investments are carefully assessed during due diligence throughout investment process, including a red flag review and a questionnaire with a set of ESG questions aligned with the Company's ESG policies, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and

Rights at Work and the International Bill of Human Rights, and the relevant principal adverse impact indicators.

Each new investment is scored based on risk for each indicator. In the case of a score indicating high risk for specific indicators, further diligence is done to clarify those risks and determine potential mitigation and management strategies. If a new investment raises red flags during ESG due diligence and is found to cause significant harm that cannot be mitigated, that investment will not be made.

Once an investment is made, that project or business is monitored through annual questionnaires to continue to ensure that it does no significant harm to the sustainable investment objective and that it is in-line with the Company's ESG policies and principles.

Principal adverse impact indicators

The Investment Manager uses principal adverse impact indicators ("PAI indicators") to confirm that the Company's investee companies do no significant harm. The Investment Manager takes into account all mandatory and additional PAI indicators, excluding those only for sovereigns and supranational and real estate assets, in its due diligence process for new investments and asset management questionnaire for existing investments.

The Investment Manager considers the mandatory principal adverse impact indicators from Table 1 of Annex 1 of SFDR through specific questions in its due diligence questionnaire for new investments. The completion and review of the questionnaire highlights any potential red flags that could cause significant harm to any other of the other sustainable investment objectives. The PAI indicators are then monitored during asset management through an ESG questionnaire which asks specific questions based around said indicators.

For each potential investment, the additional climate and social indicators from Table 2 and 3 of Annex 1 of SFDR are also assessed based on relevance to that project. If an indicator is deemed to be irrelevant, a reason must be provided, and if an indicator is relevant an answer must be provided and reviewed to determine if there is a risk that new investment will cause significant harm to the other sustainable objectives.

(C) Sustainable Investment Objective of the Financial Product

The sustainable investment objective of this financial product is climate change mitigation achieved through exclusively investing in energy efficiency projects.

The Company's overall investment objective is to generate an attractive total return for investors comprising stable dividend income and capital preservation, with the opportunity for capital growth. The investment objective is achieved by investing principally in a diversified portfolio of "energy efficiency projects" with high quality, private and public sector Counterparties.

The Company's investment policy defines "energy efficiency projects" as those with sustainability-linked outcomes, such as contributing to reductions in greenhouse gas emissions or energy usage, as defined below.

(D) Investment Strategy

As set out in the Company's Prospectus, the Company's Investment Strategy is to invest primarily in operational "energy efficiency projects."

The Company defines an "energy efficiency project" as a project with an objective to achieve one or more of the following criteria:

- reduce energy consumed and/or related GHG emissions arising from the existing and/or future supply, transmission, distribution or consumption of energy.
- reduce its Scope 1 GHG emissions ("Direct GHG emissions occur from sources that are owned or controlled by the company") and Scope 2 GHG emissions ("electricity indirect GHG emissions from the generation of purchased, or generated on-site, electricity consumed by the company") as defined by the GHG Protocol, directly and/or in conjunction with offsets that may be used to deliver additional net emissions reduction benefits.
- increase the supply of renewable energy generated on the premises of a Counterparty or generated at a site directly associated with the premises of a Counterparty.
- reduce emissions and energy consumption in non-domestic sectors, which include:
 - all forms of energy supply, conversion, distribution or transmission not originating within a private domestic dwelling, including district heating systems and CHP systems.
 - demand for energy in non-domestic buildings including commercially owned or used property and public sector owned buildings.
 - demand for energy in industrial and light manufacturing plant and machinery, operations, and logistics.
 - demand for energy in the transport sector; and
 - through the deployment of energy efficiency measures in public and private infrastructure, such as in utilities (including the installation of smart metering equipment) and street lighting; or
 - otherwise satisfy, in the Investment Manager's reasonable opinion, any other criteria or measurement of energy efficiency in an industry or sector, or by using energy efficiency technologies that are compatible with the Company's investment objective and policy.

The Investment Manager remains focussed on maximising value and securing attractive returns for the Company on a risk-adjusted basis.

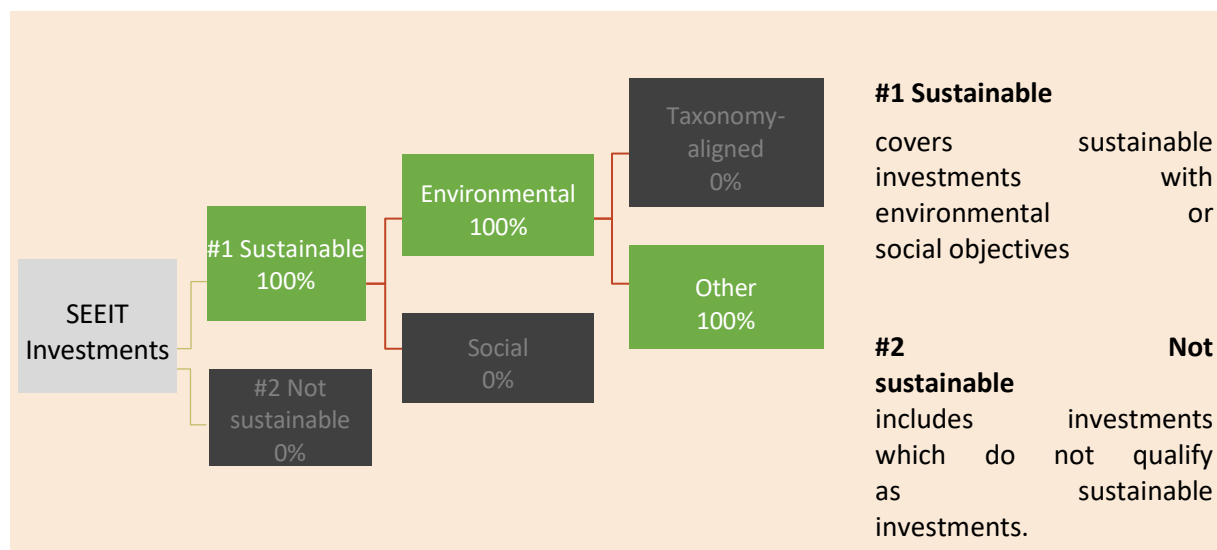
Policy to Assess Good Governance Practices of Investee Companies

As set out above, the Investment Manager analyses the governance policies, processes and practices of potential investments during due diligence. The ESG due diligence questionnaire sets out questions related to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the PAI indicators relevant to that investment. The questionnaire specifically monitors sound management structures, employee relations, remuneration of staff and tax compliance, and business conduct policies.

(E) Portion of Investments

Asset allocation and the minimum share of sustainable investments

The Company's entire portfolio consists of sustainable investments.



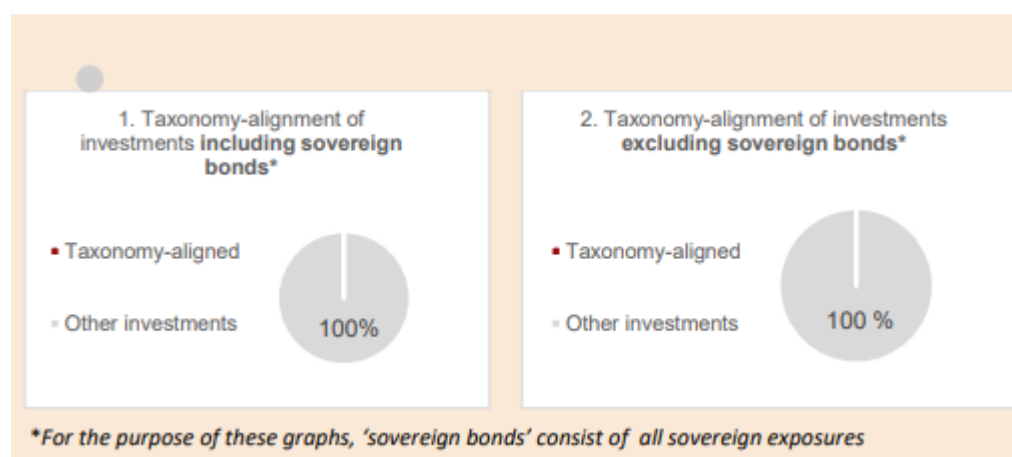
Use of derivatives to attain the sustainable investment objective

The Company may use derivatives for efficient portfolio management but not for investment purposes.

Minimum Share of Sustainable Investments with an Environmental Objective aligned with the EU Taxonomy

100% of the Company's investments are sustainable investments with an environmental objective.

The minimum share of those investments to be aligned with the EU Taxonomy is 0%.



Minimum share of investments in transitional and enabling activities

There is no minimum share of investments in transitional and enabling activities.

Minimum Share of Sustainable Investments with an Environmental Objective Not Aligned with the EU Taxonomy

100% of the Company's investments are sustainable investments with an environmental objective.

There is no minimum share of those investments to be not aligned with the EU Taxonomy.

Minimum Share of Sustainable Investments with a Social Objective

None of the sustainable investments made by the Company have a social objective.

Investment Included Under “#2 Not Sustainable”

Not applicable. Other assets of the Company are limited to cash held on deposit and cash equivalent investments, which may include short-term investments in money market type funds and tradeable debt securities.

(F) Monitoring of Sustainable Investment Objectives

The sustainable investment objective of the Fund is to mitigate climate change through investments into energy efficiency projects. As such, the Investment Manager has chosen the following to key performance indicators as the Company's principal “Sustainability Indicators” are:

- Tonnes of Carbon Saved (measured in tCO₂e)
- Amount of Electrical and Thermal Energy Saved (measured in kWh)

When an investment goes through due diligence, the ability of that project to save energy and carbon is a consideration in order to satisfy the Company's investment policy. These indicators are then further assessed and tracked during asset management through the environmental performance questionnaires. The regular questionnaires include the investment's actual energy consumption and generation data used to calculate the sustainability indicators.

(G) Methodologies

The Investment Manager collects carbon and energy savings, along with energy generation and usage data, regularly from operational investments in-scope of the energy performance analysis. This includes investments with physical projects that generate energy, whether that project is part of a larger business or a stand-alone infrastructure asset.

When analysing the energy performance data of these assets, the Investment Manager follows several key principles to maintain a consistent approach:

- where possible, capture fundamental data regarding project performance from the project itself. Examples of this data include energy generated (kWh) and fuel consumed (kWh);
- use publicly available emissions factors from government sources as specific to the project location as possible. In instances of an investments with assets spread across a region, use the average emission factors of that region;

- where a project was commissioned or purchased by SEEIT mid-way through the reporting period, only the portion of the period after commissioning or purchase date should be recognised; and
- where SEEIT owns less than 100% of a project, the total project savings and energy generation is reduced pro-rata with the ownership percentage.

The Investment Manager calculates the energy and carbon savings data of the Company's investments based on the following definitions and calculation methodologies:

Carbon Savings:

Definition

Carbon savings refer to the quantified reduction in GHG emissions achieved by a particular project when compared to a relevant counterfactual, specifically in the absence of said investment.

Calculation Methodology

Carbon savings are calculated on an asset-by-asset basis as the indicator is dependent on the energy-related technology, the energy services the investment provides to the customer and the location of said investment. First, the Investment Manager chooses and agrees on a relevant counterfactual for how the customer could receive those energy-related services in the absence of the investment. The carbon emissions of that relevant counterfactual are then compared to the actual carbon emissions of the investment. Where the carbon emissions of the relevant counterfactual are higher than the actual carbon emissions of the investment, the delta between the two becomes the "carbon savings" for that investment.

Energy Savings:

Definition

Energy that is not consumed by the customer at the point of use due to the Investment's energy efficiency intervention / retrofit. These savings result from energy efficiency upgrades such as LED lighting, more efficient HVAC systems, and improved building and boiler controls.

Calculation Methodology

The energy savings for a particular investment are based on projected energy saving assessments either calculated annually by the project team or at the point of financial close. These projected energy savings are based on the energy demand of the customer before the energy efficiency retrofit.

(H) Data sources and processing

Data Sources

Individual investments report directly on much of the data needed to calculate the carbon savings data, such as amount of energy generated or consumed. The carbon emissions of the relevant counterfactual are calculated using the carbon intensity of the electrical grid as published by the local government. The carbon factors for the fuel sources are from the UK Government's GHG Conversion Factors and are updated regularly.

The source for the energy savings data is the team that manages that asset and is frequently projected savings based on the original service contract.

Data Quality

The carbon and energy savings data are both part of the wider energy performance data analysis, which, in addition to SEEIT's SFDR Sustainability Indicators, includes asset energy generation and scope emissions data. The energy data goes through an iterative process of checking and double checking with third party consultants and the Investment Manager to ensure accuracy. The environmental performance data analysis is then presented to the Investment Committee for review and then approval to be included in periodic reporting.

Data Processing

The environmental performance data is first collected and reported on by the management team through the environmental performance questionnaire. Third party consultants receive, check, aggregate and analyse that data, calculating energy performance KPIs such as carbon savings and scope emissions.

As described above, the Investment Manager reviews the analysis in detail, confirming accuracy of reported data with the individual investment when relevant.

Estimated Data

The energy generation and consumption data for each investment is based on data regularly reported based on actual usage. That said, both the carbon and energy savings are calculated using counterfactual scenarios for what would happen in the absence of that project. The counterfactual scenario is inherently an estimation as the investment does exist.

(I) Limitations to Methodologies and Data

Limitation with Energy Savings Indicator

The main limitation with the energy savings data is that the methodology only captures MWhs not consumed by the end user due to an energy efficiency retrofit, meaning it does not capture the efficiency benefits of decentralised energy generation or green energy distribution. Therefore, not all of the Company's assets have associated energy savings under this methodology, but the Investment Manager is committed to regularly reviewing data gathering and may choose to alter the methodology in due course. Notwithstanding this limitation, the current methodology is sufficient to measure the attainment of the sustainable investment objective.

Limitation with Carbon Savings Indicator

The main limitation of the carbon savings data is its reliance on the assessment of the current reference case, often represented by the carbon intensity of the electrical grid for electricity generation. As the electrical grid incorporates more low-carbon energy sources, the carbon savings of the Company's investments will decrease over time. Notwithstanding this potential future limitation, at present the current methodology is sufficient to allow for attainment of the sustainable investment objective.

Limitations with Data Gathering Process

Additionally, the data gathering process is predominantly manual and therefore dependent on accurate reporting from the management teams and other sources at the asset level. Market practice and processes keep improving and the Investment Manager is actively engaged in seeking the most up to date and accurate data for each of the investments. Further, notwithstanding this limitation, the current methodology is sufficient to measure the attainment of the sustainable investment objective.

(J) Due Diligence

The ESG investment review process is conducted in two main stages, beginning with early identification of any ESG red flags and followed by a second phase of detailed due diligence to resolve concerns and confirm that climate-related targets can be met during each project's contracted life. The detailed due diligence is conducted through an ESG questionnaire, which includes questions on SEEIT's ESG standards and is organised around the four ESG focus areas.

The Investment Manager frequently updates the Company's ESG due diligence questionnaire to reflect best practices and emerging regulations. In addition to any feedback from IC meetings, the due diligence covers the following aspects:

- assessment of the transaction's ESG risks, impacts and opportunities.
- assessment of the investee company's compliance against applicable standards/requirements, such as the EU taxonomy, relevant principal adverse impact indicators, including guidance on the information to be reviewed;
- confirmation of ESG inherent risk categorisation.
- assessment of the investee company's ESG commitment, capacity and track record (where applicable); and
- preparation of due diligence reports; and
- engagement of consultants (where appropriate).

In some cases, additional technical due diligence will be needed to assess compliance with regulatory standards and SEEIT's investment objective.

(K) Engagement Policies

The Company does not have a specific engagement policy defined as part of meeting its sustainable investment objective. That said, the Company does engage with its investments to drive efficiency improvements and reduce carbon emissions. The Company does this through further follow-on investments into a project, such as new equipment or energy retrofits, and through additional engagement with end users around efficient energy usage.

(L) Attainment of the Sustainable Investment Objective

There is no specific index designated as a reference benchmark to determine whether this financial product is aligned with the sustainable investment objective that it promotes.