

TAGES CAPITAL SGR S.p.A.

Carbon Footprint Analysis

Reporting Year 2023



Tages Capital SGR S.p.A.

Sede legale Corso Venezia 18 – 20121 Milano

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Tages Capital è un marchio registrato

Tages Capital SGR

Tages Capital SGR is a leader in private markets and particularly in the renewable energy sector, representing the second largest photovoltaic operator in Italy. The Gross Asset Value of investments is € 2 billion, approximately € 1.2 billion in commitment raised.

Tages Capital SGR manages three buy and hold funds focused on renewable energy and one Private Debt fund, reserved for qualified investors:

<i>Fund</i>	<i>Description</i>	<i>Characteristics</i>
1 Tages Helios	Tages Helios is the first fund of Tages Capital SGR investing in photovoltaic plants located in Italy. The commitment raised is €253 million, fully invested (fund launch: 2015)	 Renewable energy
2 Tages Helios II	Tages Helios II is focused on PV and wind investments and has raised €477 million, fully invested (fund launch: 2018)	 Renewable energy
3 Tages Helios Net Zero	Tages Helios Net Zero is focused on infrastructure investments related to renewable energy and energy transition. It raised € 360 million at the fourth closing in July 2024 with a target raising of € 750 million for the final closing.	 Energy Transition  Art. 9 SFDR
4 Tages Credit Fund	Tages Credit Fund is Tages Capital SGR's first Private Debt fund that supports the Italian SMEs with customized structured financing. It raised about € 80 million at the first closing in January 2024 with a target raising of € 250 million.	 Private debt  Art. 8 SFDR

Only infrastructure funds were considered when calculating the 2023 carbon footprint, as the Debt Fund became operational in January 2024.

Purpose of the Document and Methodology

Starting in 2022, Tages SGR prepares a Carbon Footprint report together with the "Laboratory of Mobility and Transport" of the Department of Design at the Polytechnic of Milan.

In 2023, the Carbon Footprint calculation with the engineers from the "Laboratory of Mobility and Transport" of the Polytechnic of Milan, Giovanna Marchionni and Paolo Gandini, was extended to include the operating company Delos.

In 2023, it was possible to define the Carbon Footprint of both Tages Capital SGR SPA and Delos Group.

The calculation was performed in compliance with the guidelines and methods specified by the GHG Protocol, published by the World Business Council for Sustainable Development and the World Resources Institute. This protocol establishes comprehensive global standardized frameworks for measuring and managing GHG emissions from both private and public sector operations, as well as value chains and mitigation actions.

From the Operative Boundary perspective, setting the boundary of the activities to be considered allows the identification of the sources of emissions to be included in the calculation of the Carbon Footprint. According to the GHG Protocol, sources of emissions are organized by Scopes, as follows:

- Scope 1: Direct GHG emissions: direct GHG emissions occur from sources that are owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.; emissions from chemical production in owned or controlled process equipment.
- Scope 2: Indirect GHG emissions: it includes all the emissions from all purchased/acquired and consumed electricity, heat, steam, or cooling.
- Scope 3: Other indirect GHG emissions: it includes the emissions indirectly generated by the company's activities outside its ownership and control.

Taking into account the organizational structures, the analysis of the carbon footprint for Delos and Tages considered the following Scope 3 categories: employee commuting, purchased goods, homeworking, and business travel.

The purpose of this of this document is not to present the detailed methodology of the carbon footprint calculation by illustrating the emission factors used, but to provide the results of the analysis for Tages and Delos within the boundaries outlined by the GHG Protocol. Should further information on the methodology be required, the relevant individuals can be contacted on page 8 to provide such additional explanations.

The result of the Carbon Footprint for Tages Capital SGR S.p.A.

For the fiscal year 2023, Tages Capital SGR decided to conduct a voluntary assessment of its carbon footprint.

The summary of the emissions is reported in Table 1, showing the results obtained from the two methods adopted for the estimation of Scope 2 emissions (Location Based-LB and Market Based-MB).

Table 1 – Summary of Co2 emissions Tages Capital SGR SpA – Fiscal Year 2023

Source	Scope	Emissions LB (t)	Emissions MB (t)	Emissions LB (%)	Emissions MB (%)
Fleet	Scope 1	10.12	10.12	12.81%	13.77%
Heating	Scope 2	10.86	10.86	13.75%	14.78%
Heating homeworking	Scope 3	6.62	6.62	8.39%	9.02%
Electricity	Scope 2	5.78	0.00	7.32%	0.00%
Electricity homeworking	Scope 3	0.90	1.17	1.14%	1.60%
Business travel	Scope 3	33.99	33.99	43.05%	46.28%
Purchased goods	Scope 3	4.88	4.88	6.18%	6.65%
Employee commuting	Scope 3	9.67	9.67	12.25%	13.17%
Employee commuting homeworking	Scope 3	-3.87	-3.87	-4.90%	-5.27%
Total		78.95	73.44	100.00%	100.00%

The subsequent Figure graphically summarize the contents of Table 1, showing how Scope 3 – Business Travel is the source of emission that contributes most to the overall Carbon Footprint of the Company.

In some Scope 3 emission categories, such as employee commuting and homeworking, estimates and logical assumptions were made.

In relation to employee commuting, a proprietary data set was created by making an estimation rather than administering a detailed questionnaire. The employee's residence was considered, and the most logical route to reach the worksite located in Milan was assumed.

Commuting and homeworking were calculated considering two factors: the number of remote working days specified in the contract (2) and the number of working days in a year (220).

Carbon offsetting - Tages Capital SGR S.p.A.

With the support of the Green Future Project, Tages Capital SGR offset its 2023 CO₂ emissions by purchasing "Verified Carbon Standard" certified carbon credits to support the "Solar Energy in Madhya Pradesh" project,

which promotes renewable energy in India through the installation of new photovoltaic systems.

The project involves the installation of solar panels in Madhya Pradesh, with a total energy capacity of 250 MW. Implementation of the project ensures energy security, diversification of the energy mix and sustainable growth of the sector.

The result of the Carbon Footprint for Delos Group

Delos Group, through the holdings Delos Power, Delos Power 2, and Net Zero Holding, which control the SPVs, manages all the plants of the energy infrastructure funds.

Delos Group developed a voluntary evaluation of its carbon footprint for the fiscal year 2023. The summary of the emissions is reported in Table 2, showing the results for the two methods adopted for the estimation of Scope 2 emissions (Location Based-LB and Market Based-MB).

Table 2 – Summary of Co2 emissions Delos Group– Fiscal Year 2023

Source	Scope	Emissions LB (t)	Emissions MB (t)	Emissions LB (%)	Emissions MB (%)
Fleet	Scope 1	119.43	119.43	3.68%	2.15%
Heating	Scope 2	9.49	9.49	0.29%	0.17%
Electricity	Scope 2	2,998.37	5,311.61	92.39%	95.54%
Business travel	Scope 3	24.90	24.90	0.77%	0.45%
Purchased goods	Scope 3	52.01	52.01	1.60%	0.94%
Employee commuting	Scope 3	21.29	21.29	0.66%	0.38%
Homeworking	Scope 3	19.86	20.66	0.61%	0.37%
Total		3,245.37	5,559.39	100.00%	100.00%

The subsequent Figure provide a graphical summary of the contents in Table 2, showing how Scope 2 Electricity is the source of emission that contributes most to the Company's overall Carbon Footprint.

The Scope 3 data provided by Delos Group to the engineers are accurate data generated from detailed questionnaires administered to the workforce and the reworking of the specific responses provided. In the case of homeworking, 44 annual working weeks were considered.

The Result of the Carbon Footprint for the Tages Helios, Tages Helios II, and Tages Helios Net Zero funds

Delos' operational activity is to serve the plants owned by the Tages Helios, Tages Helios II, and Tages Helios Net Zero funds.

The question then arose of how to allocate Delos Group's emissions among the three Tages funds. Scope 2 emissions were easily allocable to the three funds since Delos Group serves the plants owned by the three funds. One plant is owned by one fund. In the case of Scope 1 and Scope 3 emissions, they were generated by Delos Group's activities in managing the assets of the three funds. Since these could not be directly associated with the funds, a proportional allocation criterion was identified by engineers from Polytechnic of Milan, taking into account the production of the Tages Helios, Tages Helios II, and Tages Helios Net Zero funds in the fiscal year 2023.

Table 3 - Proportion for the allocation of the CO2 emissions in accordance with the production in Fiscal Year 2023

Fund	Electricity production [MWh]	Proportion for the allocation of emissions [%]
Tages Helios	361,423	36.32%
Tages Helios II	619,044	62.22%
Tages Helios Net Zero	14,509	1.46%
Overall production	994,976	100.00%

Table 4 - CO2 emissions allocated to the fund Tages Helios – Fiscal Year 2023

Source	Emissions LB (t)	Emissions MB (t)	Emissions LB (%)	Emissions MB (%)
Fleet	43.38	43.38	3.88%	2.27%
Heating	3.45	3.45	0.31%	0.18%
Electricity	1,028.39	1,821.43	91.98%	95.29%
Business travel	9.04	9.04	0.81%	0.47%
Purchased goods	18.89	18.89	1.69%	0.99%
Employee commuting	7.73	7.73	0.69%	0.40%
Homeworking	7.22	7.50	0.65%	0.39%
Total	1,118.11	1,911.43	100.00%	100.00%

Table 5 - CO2 emissions allocated to the fund Tages Helios II - Fiscal Year 2023

Source	Emissions LB (t)	Emissions MB (t)	Emissions LB (%)	Emissions MB (%)
Fleet	74.31	74.31	3.59%	2.10%
Heating	5.90	5.90	0.29%	0.17%
Electricity	1,913.35	3,389.77	92.57%	95.65%
Business travel	15.49	15.49	0.75%	0.44%
Purchased goods	32.36	32.36	1.57%	0.91%
Employee commuting	13.25	13.25	0.64%	0.37%
Homeworking	12.36	12.85	0.60%	0.36%
Total	2,067.02	3,543.94	100.00%	100.00%

Table 6 - CO2 emissions allocated to the fund Tages Helios Net Zero – Fiscal Year 2023

Source	Emissions LB (t)	Emissions MB (t)	Emissions LB (%)	Emissions MB (%)
Fleet	1.74	1.74	2.89%	1.67%
Heating	0.14	0.14	0.23%	0.13%
Electricity	56.64	100.41	94.02%	96.53%
Business travel	0.36	0.36	0.60%	0.35%
Purchased goods	0.76	0.76	1.26%	0.73%
Employee commuting	0.31	0.31	0.52%	0.30%
Homeworking	0.29	0.30	0.48%	0.29%
Total	60.24	104.02	100.00%	100.00%



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