

## Fund 4 ESG Screening Checklist

**Post Mitigation Risk Score:** 0 = no presence; 1–2 = low risk; 3 = medium risk; 4 = high risk; 5 = automatically excluded

Project Name	Date	Description

Does the Target Asset Meet the Fund Technology Criteria?	Yes/No
--	--------

To comply with the Fund's exclusion criteria, there must be a "yes" answer to at least one of the following:

Is the target asset a Renewable Energy/BESS Asset?	Yes
Is the target asset in a Electrification Enabling Asset?	Yes

LGIM Future World Protection Compliance	Yes/No
---	--------

To comply with the Fund's exclusion criteria, there must be a "yes" answer to the following:

Confirm that any of the portfolio companies being acquired/invested into or Tier 1 contractual parties are <u>not</u> on the LGIM Future World Protection List? <a href="https://am.landg.com/asset/49c4cf/globalassets/ligim/document-library/capabilities/future-world-protection-list-table.pdf">https://am.landg.com/asset/49c4cf/globalassets/ligim/document-library/capabilities/future-world-protection-list-table.pdf</a>	Yes
Comment:	
Confirm that the portfolio companies being acquired/invested into or Tier 1 contractual parties comply with the Exclusions Element of the EU Climate Transition Benchmark (CTB) i.e. To be CTB Compliant, the investment company (SPV) must exclude contracting with companies involved in controversial weapons, tobacco, and companies that violate United Nations Global Compact (UNGC) principles or are in violation of the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	
See link here to LGIM Databases of CTB Exclusion Companies (updated quarterly):	
Comment:	

### Substantial Contribution to Climate Mitigation - GENERAL QUESTIONS

To comply with EU taxonomy requirements, there must be a "yes" answer to at least one of the following:

Fund Qualification Question (If the project is comprised of a hybrid of the technologies outlined below, select "Yes" for each technology in the hybrid.)	Yes/No
Will the asset generate electricity using solar PV technology?	Yes
Will the asset generate electricity using wind power?	Yes
Will the asset comprise of the construction and/or operation of electricity storage?	Yes
Will the asset comprise of the construction and/or operation of Grid Enhancement?	Yes
Will the asset comprise of the construction and/or operation of Decarbonised District Heating?	Yes
Will the asset comprise of the construction and/or operation of Decarbonised Industrial Heating?	Yes
If the given asset technology is not specified above, please tick "yes" in the box, explain below and notify the NTR ESG team for further guidance	Yes
Explain:	

### Substantial Contribution to Climate Mitigation - TECHNOLOGY SPECIFIC QUESTIONS

If the technology is not specified below, please contact the NTR ESG team for further guidance

If the project is comprised of a hybrid of the technologies outlined below, complete for each technology in the hybrid.

Solar PV Generation	Yes/No
Solar PV projects automatically qualify as substantially contributing to Climate Mitigation under EU Taxonomy Provided You DNSH:	
Is the technology a Solar PV Technology	Yes
Explain?	
Does the Solar Project Do Any Significant Harm? (Automatically Picked Up from the DNSH Questionnaire)	No
<b>Result - Solar PV Project Taxonomy Aligned?</b>	<b>Yes</b>

Wind Energy Generation	Yes/No
Wind Energy projects automatically qualify as substantially contributing to Climate Mitigation under EU Taxonomy Provided You DNSH:	
Is the technology Wind Energy Technology	Yes
Explain?	
Does the Wind Project Do Any Significant Harm? (Automatically Picked Up from the DNSH Questionnaire)	No
<b>Result - Wind Energy Project Taxonomy Aligned?</b>	<b>Yes</b>

Energy Storage Technology Climate Mitigation Qualification Questions	Yes/No
If you can answer 'yes' to any of the following questions, the project qualifies as substantially contributing to Climate Mitigation under EU Taxonomy Provided You DNSH:	
Will the energy storage project store electricity from renewable or other low-carbon sources, helping to reduce curtailment and increase renewable penetration?	Yes
Explain?	
Will the energy storage project reduce the need for fossil fuel-based back-up generation (e.g. gas peaker plants)?	No
Explain?	
Will the energy storage project enable load shifting, demand response, or improved grid efficiency (e.g. optimised dispatch, reduced congestion, reduced line losses)?	No
Explain?	

Does the Energy Storage Project Do Any Significant Harm? (Automatically Picked Up from the DNSH Questionnaire)	No
<b>Result - BESS Project Taxonomy Aligned?</b>	<b>Yes</b>

<b>GRID ENHANCEMENT Technology Climate Mitigation Qualification Questions</b>		Yes/No
If you can answer 'yes' to any of the following questions, the project qualifies as substantially contributing to Climate Mitigation under EU Taxonomy:		
Will the grid enhancement enable greater integration of renewable electricity (e.g. by transporting/distributing a higher share of renewables and connecting new sources like solar or wind)?		Yes
Explain?		
Will the grid enhancement reduce energy losses and/or improve system operation through digitalisation and real-time energy management (smart grids)?		No
Explain?		
Does the Grid Enhancement Project Do Any Significant Harm? (Automatically Picked Up from the DNSH Questionnaire)		No
<b>Result - GRID ENHANCEMENT Project Taxonomy Aligned?</b>		<b>Yes</b>

<b>DISTRICT HEATING DECARBONISATION Technology Climate Mitigation Qualification Questions</b>		Yes/No
If you can answer 'yes' to any of the following questions, the project qualifies as substantially contributing to Climate Mitigation under EU Taxonomy:		
Will the <b>new</b> asset (i.e., once built) immediately meet at least one of the required thresholds (≥50% renewable, ≥50% waste heat, ≥75% cogeneration, or ≥50% mix)?		Yes
Explain?		
Does the <b>existing</b> asset already meet at least one of the thresholds above (≥50% renewable, ≥50% waste heat, ≥75% cogeneration, or ≥50% mix)? If <b>No</b> , please answer the following question.		No
Explain?		
<b>If not yet compliant with required thresholds</b> , is there a credible plan for the asset to reach compliance within 3 years (via upgrades, retrofits, or fuel switching)?		No
For existing networks/retrofits, will the investment lead to a significant reduction in one of the following?		
a. Significant reduction in lifecycle GHG emissions		
b. Replacement of fossil fuel heat sources with renewables (e.g. geothermal, biomass, solar thermal, renewable electricity)		
c. Replacement of fossil fuel heat sources with waste heat recovery		
d. Replacement of fossil fuel heat sources with electrification using heat pumps with clean electricity		
Explain?		
Does the District Heating Decarbonisation Project Do Any Significant Harm? (Automatically Picked Up from the DNSH Questionnaire)		No
<b>Result - DISTRICT HEATING DECARBONISATION Project Taxonomy Aligned?</b>		<b>Yes</b>

<b>INDUSTRIAL HEATING DECARBONISATION Technology Climate Mitigation Qualification Questions</b>		Yes/No
If you can answer 'yes' to any of the following questions, the project qualifies as substantially contributing to Climate Mitigation under EU Taxonomy:		
Will the the industrial heating decarbonisation systems replace fossil fuel-based heating with Rewable Electricity e.g. via heat pumps?		Yes
Explain?		
Will the the industrial heating decarbonisation systems replace fossil fuel-based heating with Low Carbon Fuels e.g. green hydrogen, sustainable biomass?		No
Explain?		
Will the the industrial heating decarbonisation systems replace fossil fuel-based heating with Waste Heat Recovery?		No
Explain?		
Will the the industrial heating decarbonisation systems meet specific GHG emission reduction thresholds i.e. Direct GHG emissions from industrial heating processes must be at least 80% lower than the average EU benchmark for the specific process, relative to the industry benchmark e.g. BAT-AEL or ETS benchmarks?		No
Explain?		
Does the Industrial Heating Decarbonisation Project Do Any Significant Harm? (Automatically Picked Up from the DNSH Questionnaire)		No
<b>Result - INDUSTRIAL HEATING DECARBONISATION Project Taxonomy Aligned?</b>		<b>Yes</b>

**Project Taxonomy Alignment Calculator**

Enter the equity amount associated with each technology and the calculator will determine the Taxonomy Aligned Equity Amount and %				
Technology	Technology Aligned (from Above)	Equity Amount(€K)	Technology Aligned Equity Amount(€K)	%
Solar PV Energy Generation	Yes	€ 0K	€ 0K	
Wind power	Yes	€ 0K	€ 0K	
Energy storage	Yes	€ 0K	€ 0K	
Grid Enhancement	Yes	€ 0K	€ 0K	
District Heating Decarbonisation	Yes	€ 0K	€ 0K	
Industrial Heating Decarbonisation	Yes	€ 0K	€ 0K	
Other Technology	No	€ 0K	€ 0K	
<b>Total</b>		<b>€ 0K</b>	<b>€ 0K</b>	
<b>% Project Technology Aligned</b>				<b>None</b>

No.	ESG Risk Factor	Risk Rating 0-5 Post-Mitigation	If Risk Mitigation Capex and/or Opex is Required, Has it Been Included in the Cost Model (Y/N)?	Comments (including mitigation)
1	Is there evidence of extensive hazardous waste being produced during construction, operations or end of life?			
2	Does the project involve significant degradation of critical habitats?			
3	Does the project have a material impact on a critically endangered species?			
4	Does the project have a material impact on significant archaeological artefacts?			
5	Does the project have a material adverse effect on the economic well-being of the immediate community in which it will be located?			
6	Does the project have a material adverse effect of the health of the immediate community in which it will be located?			

No.	ESG Risk Factor	Risk Rating 0-5 Post-Mitigation	If Risk Mitigation Capex and/or Opex is Required, Has it Been Included in the Cost Model (Y/N)?	Comments (including mitigation)
7	Does the project have a material adverse effect on the safety of the immediate community in which it will be located?			
8	In achieving its planning, does the project or has the project inadequately engaged with those materially affected?			
9	Are there material risks of forced labour or child labour being used in the construction or operation of the project?			
10	Are there material risks of forced labour or child labour being used in the supply chain?			
11	Does the project involve supply chain companies (suppliers of TSA, BOP, Grid connection, EPC) that are: - Generating more than 20% of revenue from mining and extraction of thermal coal, thermal coal power generation or oil sands?			
12	Does the project involve supply chain companies (TSA, BOP, Grid, EPC and project management) that are based in countries subject to the restrictions listed on the EU Sanctions map (includes UN and EU sanctions)? <a href="https://www.sanctionsmap.eu/#/main">https://www.sanctionsmap.eu/#/main</a>			
13	Is the project tax compliant?			
	Are there reasons to be concerned about the vendor and its previous actions:			

No.	ESG Risk Factor	Risk Rating 0-5 Post-Mitigation	If Risk Mitigation Capex and/or Opex is Required, Has it Been Included in the Cost Model (Y/N)?	Comments (including mitigation)
14	<ul style="list-style-type: none"> <li>From a bribery point of view?</li> </ul>			
	<ul style="list-style-type: none"> <li>From an anti-money laundering perspective?</li> </ul>			
15	Are there increasing climate related mandates on the regulation of asset?			
16	Is the asset exposed to litigation?			
17	Is the asset exposed to alteration/elimination of a climate change revenue support scheme(s)?			
18	Is the invested asset vulnerable to being exposed to a product/technology substitution during the life of the asset?			
19	Is the asset using a new/unproven technology?			
20	Is the asset vulnerable to increased costs of raw materials over the life of the project?			
21	Is the project vulnerable to abrupt and unexpected energy input costs?			
22	Is the asset vulnerable to acute physical climate change risks e.g. flood risk, rising sea-level, storm events (lightning, hailstorms, high winds), extreme temperature conditions?			
23	Is the asset vulnerable to chronic physical climate change risks e.g. rising mean temperatures, rising sea levels, changing precipitation or weather patterns?			
24	Is the asset vulnerable to write-off/early retirement of the asset?			
25	Is the asset vulnerable to increased operating costs associate with climate change?			
26	Is the asset vulnerable to increasing climate related insurance costs over time?			
27	Is the asset vulnerable to climate related supply chain interruptions?			

No.	ESG Risk Factor	Risk Rating 0-5 Post-Mitigation	If Risk Mitigation Capex and/or Opex is Required, Has it Been Included in the Cost Model (Y/N)?	Comments (including mitigation)
28	Have the climate related risks been identified by performing a robust climate risk and vulnerability assessment which are proportionate to the scale of the activity and its expected life span (at min 10-30yr projections) and taking into account the science for vulnerability and risk analysis? See also Q.22 & 23.			
29	Existing Assets: Have the material physical climate risk mitigating factors (adaptation solutions) been identified and costed into the investment and can be implemented within 5yrs?			
30	New build assets: Have the material physical climate risk mitigating factors (adaptation solutions) identified at the time of design and construction been costed into the investment up to a 5yr period ?			
31	Has it been confirmed that any mitigation measures (adaptation solutions) do not adversely impact the physical climate risk profile of other people, economic activities or nature?			
32	Has it been confirmed that any physical climate risk mitigation measures (adaptation solutions) are in keeping with local, sectoral, regional or national strategies and plans ? Such solutions should consider the use of nature-based solutions or blue / green infrastructure as much as possible.			
33	Are there operating life and end of life waste management (including hazardous waste) and recycling plans associated with the asset?			
34	Have lower carbon materials and options (e.g. local sourcing), for development assets, been explored for material items (e.g. turbines, foundations, modules) to reduce exposure to embodied carbon risks ?			
35	Does the project have a material adverse impact on the water levels in the locality?			
36	What is the risk that there is no opportunity to further enhance production capacity through operational optimisation?			
37	Does the project already have or will have a cybersecurity strategy in place to protect operational technologies (OT) and information technologies (IT), including measures to prevent, detect, and respond to cyber threats that could compromise the energy infrastructure, data integrity, or grid stability?			
<b>Overall ESG Checklist Rating (Q1 - Q37)</b>		<b>0</b>		

For Minority Shareholding or non-NTR Operated Assets Only (Please Note: These questions are not included in the scoring for the Sustainability Tracker)				
38	<b>ESG Oversight Capability</b> Are there identifiable individuals or teams within the organisation with responsibility and technical capability to oversee ESG matters (e.g. policy implementation, data collection, stakeholder engagement)?			

No.	ESG Risk Factor	Risk Rating 0-5 Post-Mitigation	If Risk Mitigation Capex and/or Opex is Required, Has it Been Included in the Cost Model (Y/N)?	Comments (including mitigation)
39	<b>ESG KPIs</b> Are key ESG KPIs reported (e.g., GHG emissions, H&S)? If project-level data is unavailable, can group-level or parent company data be used as proxy?			
40	<b>ESG Policy Alignment</b> Does the company have the following policies in place, and have these made publicly available? <input type="checkbox"/> ESG/Sustainability Policy (including reference to climate risk, energy, waste & water management, biodiversity, and community engagement) <input type="checkbox"/> H&S Policy <input type="checkbox"/> Supplier Code of Conduct/Sustainable Procurement Policy			
41	<b>ESG Reporting</b> Are there provisions for regular ESG reporting (quarterly and annually) or, where not possible, commitments to progressively adopt reporting standards?			
42	<b>ESG Data Review and Assessment</b> Does the shareholder agreement provide the opportunity through governance processes to assess and review ESG metrics, or otherwise obtain assurance from parent company/independent sources?			
43	<b>ESG Governance</b> Does the shareholder agreement provide opportunities for proactive engagement on ESG matters through established governance structures and processes (e.g. seat on the board; participation in ESG or sustainability committees)?			
44	<b>Serious Incidents</b> Will Fund Managers be promptly informed of serious incidents (ideally within 24–48 hours, or as soon as practicable)?			
45	<b>Past ESG incidents</b> Has the asset or company experienced any material ESG-related breaches, fines, or incidents in the past five years? If so, what actions were taken by the controlling parties to address and mitigate the issue(s)?			

## Fund 4 Do No Significant Harm Questionnaire

Solar Projects Only: Do No Significant Harm	Yes/No	Comments
Does the solar farm deliver additional, verifiable low-carbon electricity without locking in fossil-fuel dependence elsewhere?	Yes	
Is the solar farm designed to remain operational under future climate conditions without increasing climate risk to surrounding areas?	Yes	
Does the project avoid significant impacts on water bodies, water quality, and water availability?	Yes	
Are materials and components selected to maximise durability, reuse, and recyclability across the asset lifecycle?	Yes	
Are local environmental impacts from construction and operation controlled in line with BAT and regulatory standards?	Yes	
Does the solar farm avoid significant harm to habitats and species and apply the mitigation hierarchy effectively?	Yes	
<b>Does The Solar Project Do Any Significant Harm?</b>	<b>No</b>	A "No" response to any of the questions above indicates that the project <u>would do</u> significant harm, resulting in a "Yes" answer to this question. The overall result is populated into the F4 ESG Checklist

Wind Projects Only: Do No Significant Harm	Yes/No	Comments
Does the wind farm deliver additional, verifiable low-carbon electricity without indirect fossil-fuel lock-in?	Yes	
Is the wind farm designed to remain operational under future climate conditions without increasing climate risks elsewhere?	Yes	
Does the project avoid significant harm to water bodies and marine environments?	Yes	
Are materials and components selected to maximise durability, reuse, and recyclability over the lifecycle?	Yes	
Are local environmental disturbances from construction and operation controlled in line with BAT and regulatory standards?	Yes	
Does the wind farm avoid significant harm to habitats, birds, bats, and protected species?	Yes	
<b>Does The Wind Project Do Any Significant Harm?</b>	<b>No</b>	A "No" response to any of the questions above indicates that the project <u>would do</u> significant harm, resulting in a "Yes" answer to this question. The overall result is populated into the F4 ESG Checklist

Energy Storage Projects Only: Do No Significant Harm	Yes/No	Comments
Does the BESS demonstrably support power-system decarbonisation without locking in fossil-fuel generation?	Yes	
Is the BESS designed to operate safely and reliably under future climate conditions?	Yes	
Does the project avoid significant impacts on water availability and water quality?	Yes	
Are batteries and auxiliary components managed in line with circular-economy principles across their lifecycle?	Yes	
Are batteries and auxiliary components managed in line with circular-economy principles across their lifecycle?	Yes	
Does the BESS avoid significant harm to habitats and ensure restoration of any temporary impacts?	Yes	
<b>Does The Energy Storage Project Do Any Significant Harm?</b>	<b>No</b>	A "No" response to any of the questions above indicates that the project <u>would do</u> significant harm, resulting in a "Yes" answer to this question. The overall result is populated into the F4 ESG Checklist

Grid Enhancement Projects Only: Do No Significant Harm	Yes/No	Comments
Does the project avoid locking in fossil-fuel generation and demonstrably support system decarbonisation?	Yes	
Has the project been designed to remain operational under future climate conditions without increasing climate risk elsewhere?	Yes	
Does the project avoid material impacts on water bodies and comply with EU water protection requirements?	Yes	
Are materials, equipment, and assets selected to minimise resource use and waste over the lifecycle?	Yes	
Are emissions and environmental disturbances kept within best-practice and regulatory thresholds?	Yes	
Does the project avoid significant harm to habitats and protected species and restore temporary impacts?	Yes	
<b>Does The Grid Enhancement Project Do Any Significant Harm?</b>	<b>No</b>	A "No" response to any of the questions above indicates that the project <u>would do</u> significant harm, resulting in a "Yes" answer to this question. The overall result is populated into the F4 ESG Checklist

District Heating Decarbonisation Projects Only: Do No Significant Harm	Yes/No	Comments
<b>Objective: Ensure the project does not materially undermine decarbonisation or lock in high-carbon heat supply.</b>		
Does the project materially reduce lifecycle GHG emissions and avoid long-term fossil-fuel lock-in?	Yes	
Is the decarbonised district heating system resilient to future climate conditions over its full asset life?	Yes	
Does the project avoid significant impacts on water availability, quality, and aquatic ecosystems?	Yes	
Does the project maximise resource efficiency and minimise waste across construction, operation, and end-of-life?	Yes	
Are air, noise, and local environmental emissions kept within best-available-technique limits?	Yes	
Does the project avoid significant harm to habitats and restore any temporary construction impacts?	Yes	
<b>Does The District Heating Decarbonisation Project Do Any Significant Harm?</b>	<b>No</b>	A "No" response to any of the questions above indicates that the project <u>would do</u> significant harm, resulting in a "Yes" answer to this question. The overall result is populated into the F4 ESG Checklist

Industrial Heating Decarbonisation Projects Only: Do No Significant Harm	Yes/No	Comments
<b>Objective: Ensure the project does not materially undermine decarbonisation or lock in high-carbon heat supply.</b>		
Does the project materially reduce lifecycle greenhouse gas emissions and avoid long-term fossil-fuel lock-in?	Yes	

Is the decarbonised industrial heating system resilient to future physical climate risks over its full asset life?	Yes	
Does the project avoid significant adverse impacts on water availability and water quality?	Yes	
Does the project maximise resource efficiency and minimise waste across construction, operation, and end-of-life?	Yes	
Are air, soil, and water pollutants controlled in line with Best Available Techniques and regulatory limits?	Yes	
Does the project avoid significant harm to habitats and ensure restoration of temporary impacts?	Yes	