



Luxembourg, 11.07.2022

## Environmental and Social Data Sheet<sup>1</sup>

### Overview

Project Name:	<i>SUMA CAPITAL CLIMATE IMPACT FUND III</i>
Project Number:	<i>2022-0447</i>
Country:	<i>Regional - EU countries</i>
Project Description:	<i>Greenfield Fund targeting Energy transition (renewables, energy efficiency, green mobility) and circular economy (biomass, waste and water management).</i>
EIA required:	Some investments may require an EIA

Invest EU sustainability proofing required	no
Project included in Carbon Footprint Exercise <sup>2</sup> :	no

### Environmental and Social Assessment

#### Environmental Assessment

The operation will support several subsectors: renewable energy, energy efficiency and circular economy, as well as opportunistically low-carbon mobility. Two thirds of the investments will be located in Spain –potentially some of them in cohesion and just transition regions – and one third in other countries in Europe.

The operation will contribute to climate change mitigation by supporting the implementation of renewable energy (e.g. distributed solar PV), energy efficiency (e.g. industry), and circular economy (e.g. production of biogas from agricultural products), and opportunistically other sectors (mobility and water). These projects will lead to a decrease in energy consumption and an increase in the contribution of energy from renewable sources.

Most of the projects to be financed by the Fund are expected to fall under Annex II of the Environmental Impact Assessment (EIA) Directive 2014/52/EU amending Directive 2011/92/EU. In these cases, the national competent authority would determine the need for an EIA, based on Annex III of the same Directive.

The EIF will require the Fund Manager to act according to the provisions of the aforementioned Directive as transposed into the national law. Should the relevant competent authority screen in an investment project, the Fund Manager will be required to ensure that the EIA studies have been made publicly available as part of the EIA process.

<sup>1</sup> The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation, and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary.

<sup>2</sup> Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.



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## Climate Assessment

- **Climate change mitigation:** The investments in energy efficiency, renewable energy and circular economy, and those other subsectors, will contribute to mitigate climate change.
- **Climate Neutrality:** The Fund has been assessed for Paris Alignment and is considered to be aligned with both low carbon and resilience goals according to the policies set out in the Climate Bank Roadmap. The Fund will ensure Paris Alignment of all its investments, as part of the Side Letter with the EIF.

## EIB Paris Alignment for Counterparties (PATH) Framework

The Fund Manager has more than 500 MEUR of assets under management. As such, the Fund Manager is in scope of and screened into the PATH framework. Hence, the EIF will require the Fund Manager to report – at the latest 12 months after signature – in line with the TCFD recommendations, including in particular information in relation to transition and physical climate risk.

## Other Environmental and Social Aspects

The Fund Manager is one of the first Spanish Private Equity managers to be signatories (in 2013) of the United Nations Principles for Responsible Investment (UN PRI). In addition, the current operation intends to be classified as an Article 9 SFDR fund.

During appraisal, it has been verified that the Fund Manager has understood the EIF E&S requirements and will be willing and capable to fully implement them. The Fund Manager has set up an Environmental and Social Management System (ESMS) to implement these requirements, and has designated an environmental responsible, who will oversee all the environmental and social activities aspects.

The ESMS includes processes to ensure adequate identification, assessment, mitigation and monitoring of environmental, climate and social (ECS) risks. In particular, the Fund Manager uses a scoring system to assess environmental, social and governance capabilities of its investments.

However, some parts of the ESMS are still incomplete or not in line with EIF requirements, notably compliance with EU Taxonomy 'do no significant harm' criteria and 'minimum social safeguards'. The EIF will require the Fund Manager to reinforce its ESMS on these points prior to signature.

The legal documentation to be concluded between the Fund and the EIF will include an obligation on the Fund to ensure that all projects are in compliance with national and European legislation (where applicable), as well as the EIB's E&S standards and relevant IEU sustainability proofing requirements.

## Conclusions and Recommendations

In order to strengthen the coordination and accountability aspects the Fund will undertake to:

1. Reinforce and improve its ESMS tools, in particular with regards to EU Taxonomy 'do no significant harm' criteria and 'minimum social safeguards', prior to signature;
2. Report in line with the TCFD<sup>3</sup> recommendations and GRESB<sup>4</sup> infrastructure benchmark, within 12 months of the Fund closing.

In view of the above findings and conditions, the operation is deemed satisfactory from an environmental and social compliance perspective.

<sup>3</sup> Task Force on Climate-Related Financial Disclosures

<sup>4</sup> Global ESG Benchmark for Real assets