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ThomasLloyd Global Asset Management (Schweiz) AG  
Talstrasse 80  
CH-8001 Zürich

Vienna, 29th of May, 2015

**Sustainability Assessment / ThomasLloyd SICAV-SIV - CTIF**

Dear Sir or Madam,

we are pleased to transmit you the sustainability assessement report of your fund „ThomasLloyd SICAV-SIF – Cleantech Infrastructure Fund“. The fund was audited on the basis of the set of criteria of the ÖGUT sustainability certification for severance-pay funds and company pension funds.

If you have any questions, please do not hesitate to contact us.

Best wishes,

Monika Auer  
ÖGUT-Generalsekretärin

ThomasLloyd Global Asset Management (Schweiz) AG  
Talstrasse 80  
CH-8001 Zürich

Vienna, 19. May 2015

**Sustainability Assessment / ThomasLloyd SICAV-SIF – CTIF**  
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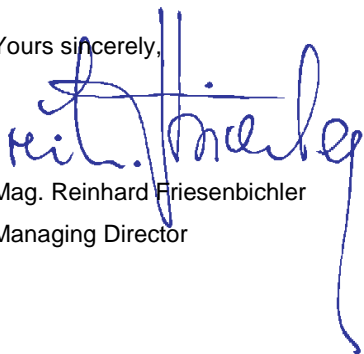
Dear Sir or Madam,

In April/May 2015 we subjected your **ThomasLloyd SICAV-SIF – Cleantech Infrastructure Fund** to a sustainability assessment for the first time. This assessment was performed with a view to (1) general standards and usages in the field of sustainable investments, and (2) the requirements a fund has to fulfil from the point of view of the ÖGUT Label for corporate provision and pension funds.

The information upon which the assessment was based was the following publicly available documents and other documents and information provided to us:

- Portfolio information (Fact Sheets 12/2014 and 2/2015, Portfolio Reports Q4/2014 and Q1/2015) – sales brochure (version 1/2015)
- Investor presentation (2015)
- Investment process
- Various documents containing product and background information ('The solar energy future of the Philippines', '2014 Philippines Excellence Award')
- Various documents published by the IFC ('Environmental & Social Review Summary' from the IFC Projects Database, 'Environmental and Social Review Procedures Manual', 'Exclusion List')
- Telephone conversations and e-mail correspondence with ThomasLloyd, Product Management & Operations department, represented by Mr Andreas Schmitzer (Director) and Mr Thomas Koch in April and May 2015.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Reinhard Friesenbichler', is written over a vertical line that extends downwards from the signature area.

Mag. Reinhard Friesenbichler  
Managing Director



## 1. Description

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### General

The ThomasLloyd SICAV-SIF – Cleantech Infrastructure Fund (referred to in the following as ‘TL SICAV-SIF – CTIF’ or ‘the Fund’ for short) is a sub-fund belonging to ThomasLloyd SICAV-SIF, a limited commercial partnership for investment with variable capital and a special AIF (Alternative Investment Fund) under Luxembourg law. The portfolio was established in January 2011 and brought into the TL SICAV-SIF – CTIF as a contribution in kind on October 2014. Its accounting year ends on 31 December.

The Fund (ISIN LU1108653095) is aimed exclusively at professional and semi-professional investors

The Fund volume at the end of February 2015 was €110.5 million.

### Investment policy & -instruments

The TL SICAV-SIF – CTIF invests in infrastructural projects involving the generation of electricity from renewable sources – namely solar, wind, water, geothermal and bioenergy – including the associated power transmission and distribution systems, with a focus on Asia. The Fund concentrates on projects for which the most important approvals and licences already exist. The target investment duration is, at one to three years, on the shorter side, since exit generally coincides with the start of commercial operations. Locations with conditions conducive to renewable energies are preferred.

At the level of the TL SICAV-SIF – CTIF, investment can be in particular project companies via direct participation (equities) or via interest-bearing instruments (bonds).

### Partners

The ThomasLloyd Group is the Fund’s initiator and the entity primarily responsible for it. This Group specialises in renewable energy financing and investment in Asia. The company is based primarily in Zurich and has 180 employees at 11 locations in North America, Europe and Asia, and manages assets amounting to around USD 3 billion. ThomasLloyd Capital Partners Sarl based in Luxembourg is the unlimited partner in the TL SICAV-SIF limited commercial partnership for investment. Investors in the Fund assume the position of limited partners. The investment advisor is ThomasLloyd Global Asset Management (Schweiz) AG.

Alternative investment fund manager is the Luxembourg-based MDO Management Company SA. CACEIS Bank Luxembourg acts as depositary bank and custodian.

The IFC (International Finance Corporation, a member of the World Bank Group) signed a mandate letter on the provision of principal finance of USD 330 million for the Filipino solar and biomass power stations in the portfolio (current status: ‘pending signing’). The purpose of the IFC is to promote private industry in developing and threshold countries, with particular emphasis on renewable energies and environmental and social standards.

## 2. Methods

**Analysis- & investment process in terms of sustainability**

ThomasLloyd comprehensively assesses the economic aspects of its projects and the natural and power-policy conditions of its locations as part of its investment process. ThomasLloyd itself develops, on the basis of its experience, primarily economic improvement measures, some of which are indirectly relevant in ecological and social terms. These processes do not include explicit sustainability criteria, aside from the declared investment theme of renewable energy.

However, as part of the IFC's Due Diligence in relation to the Filipino power stations (which means almost all of the current Fund portfolio), the projects and partners are assessed in advance, and this includes consideration of environmental and social criteria ('Environmental and Social Review Procedures'). Stemming from that, as part of collaboration with the IFC, an action plan ('Environmental & Social Action Plan') is drawn up and ThomasLloyd has agreed to implement it within a reasonable time period. Some of these steps have already been completed. Those points which for structural reasons have not yet been dealt with are due to be completed by 30.6.2015 according to the IFC's website.

**Exclusion criteria**

Under the terms of collaboration with the IFC, which include what is known as an 'Exclusion List', investments are not considered in any of the following areas: (1) illegal and internationally proscribed products, (2) weapons and ammunition, (3) 'hard' alcoholic beverages, (4) tobacco, (5) gambling, (6) radioactive materials (with exceptions), (7) asbestos (with exceptions), (8) drift net fishing.

This encompasses the main established as well as other exclusion criteria. The other exclusion criteria ('harmful or exploitive forms of forced labour / harmful child labour') defined by the IFC for 'Financial Intermediaries' do not however apply to the Fund, since it does not have the status of a Financial Intermediary.

**Positive criteria**

The Fund's declared investment policy of renewable energy already represents in itself a positive environmental factor. And its regional focus on developing and threshold countries in Asia constitutes special social relevance.

Explicit environmental and social criteria are indirectly integrated into the Fund as part of collaboration with the IFC. The 'Environmental and Social Review Summary' describes risks and emphasizes for the following areas, and derives necessary activities: (1) Assessment and Management of Environmental and Social Risks and Impacts, (2) Labour and Working Conditions, (3) Resource Efficiency and Pollution Prevention, (4) Community Health, Safety and Security, (5) Land Acquisition and Involuntary Resettlement, (6) Biodiversity Conservation and Sustainable Management of Living Natural Resources.

### **Assessment of methods**

In terms of the ÖGUT assessment for corporate provision and pension funds the methods of the ThomasLloyd SICAV-SIF – Cleantech Infrastructure Fund comply with the category ‘explicitly sustainable’; this is because of its thematic orientation with a positive sustainability bias (renewable energy) as well as the general negative and positive environmental and social criteria, including action plans, applied via the IFC.

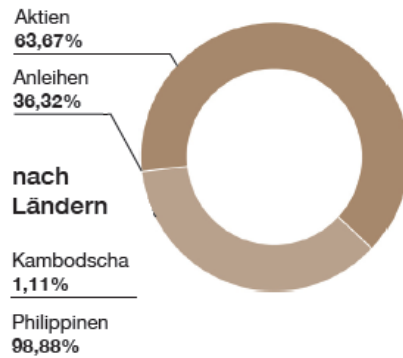
The following factors, however, had a limiting effect on the evaluation: (1) an unclear ecological and social aspiration level, (2) the fact that the criteria and processes of the IFC are only indirectly relevant to the Fund, and (3) the fact that the IFC assessment, although performed on almost all projects to date, does not represent an obligation on the Fund for future investments. -> +6 points (on a scale of 0 to +9)

### 3. Portfolio

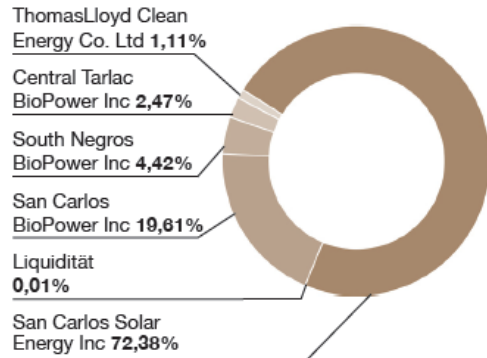
**Portfolio structure at 2/2015**

In February 2015 the portfolio consisted, in compliance with its declared investment policy, of investments in renewable energy projects in Asia – almost exclusively in the Philippines (99%). Chosen investment instruments are shares (64%) and bonds (36%).

**Portfolio nach Finanzinstrumenten**



**Portfolio nach Einzelwerten**



In the diagram on the right, the portfolio is divided up into different special purpose entities, the largest being San Carlos Solar Energy Inc., which maintains several solar farms. Divided up by energy source the emphasis is on solar power (approx. 73%), followed by biomass (around 27%; fired primarily using sugarcane waste). Two solar farms are already connected to the mains and the other plants will assume commercial operation over the course of 2015 and 2016.

**Compliance with established ... exclusion criteria**

Established exclusion criteria do not appear to be affected and are unlikely to be in view of most of the themes involved. The only exclusion criterion which could be affected is violations of human rights and labour laws – especially during the provision of construction services – of which there is a significant residual risk.

**... positive criteria**

A positive sustainability profile resulting in the investment theme of renewable energy in Asia is clearly reflected in the portfolio. ThomasLloyd itself points out the following social contributions: “around 14,000 jobs, some of them sustainable, in the power stations and in agriculture”; “around 1.7 million people will be supplied with electricity – sustainable electricity – some of them for the first time.”

**Compliance with the Fund’s own sustainability criteria**

The characteristics of the Fund’s own sustainability criteria are described briefly in the Environmental and Social Review Summary, in as much as they are assessment areas associated with the IFC as part of the due diligence that has been done. This information is, however, mainly descriptive by nature and is accompanied by plans of action, some of which have already been implemented and some of which are still pending. The overall tone is however positive, and this is supported by various awards (‘Sustainable Energy Finance Award’ and ‘Green Company of the Year’ for San Carlos Energy Inc).

As far as the investment theme of renewable energy in Asia is concerned (which represents a quasi-indirect sustainability criterion), this is clearly and wholly satisfied.

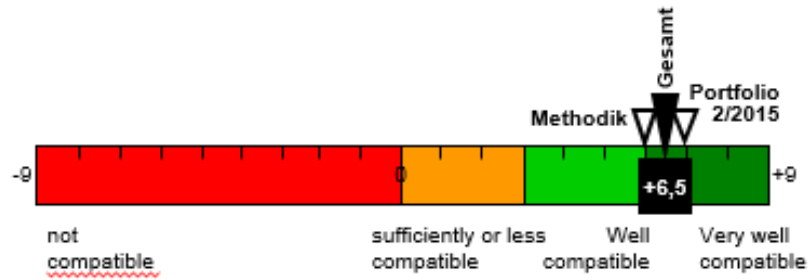
## **Assessment of portfolio**

In the portfolio of ThomasLloyd SICAV-SIF – Cleantech Infrastructure Fund, as at February 2015, the Fund's own and generally established exclusion criteria do not seem to have been violated, even though there is still a significant residual risk relating to violations of human rights and labour laws. The Fund also demonstrates a recognisably positive sustainability profile because of its thematic focus on renewable energy, and – albeit only indistinctly – on account of the assessments and improvement plans of the IFC associated with its due diligence.

In terms of the ÖGUT assessment for corporate provision and pension funds, the Fund's portfolio achieved a very good standard of overall quality, although the aforementioned residual risks and lack of clarity did detract slightly from its score. -> +7 points (on a scale of -9 to +9)

#### 4. Overall evaluation

**Evaluation in terms of the ÖGUT label ... on the assessment date** The overall assessment of a fund in terms of ÖGUT's assessment of corporate provision and pension funds consists of the average of its assessments of methods and portfolio. The ThomasLloyd SICAV-SIF – Cleantech Infrastructure Fund receives – in relation to its portfolio status in February 2015 – an overall evaluation well into the positive area and on the boundary between the 'well compatible' and 'very well compatible' categories. -> +6.5 points (on a scale of -9 to +9)



**Short-term fluctuation range** Significant short-term changes in the sustainability quality of the methods or portfolio are not expected.

**Medium-term potential** This stable outlook also applies to a medium-term forecast.