

2022

2022

**DTCP**

ESG  
REPORT

# Summary

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# Foreword

**ESG was a top priority for DTCP in 2022, with our Infra activities paving the way for our portfolio-wide efforts. The results of our ESG initiatives were recognized in DIV II's first GRESB Infrastructure Fund and Asset Assessment 2023, which named it an industry leader.<sup>1</sup>**

It outperformed its peer group average and achieved a GRESB 5-star rating, the highest obtainable score and ranked 2nd out of 46 participating European PE infrastructure funds.

We have committed to the goal of net zero greenhouse gas emissions for our flagship fund Digital Infrastructure Vehicle II by 2040, and we took steps throughout 2022 to help our portfolio companies to prepare for a net zero world. We set the target for DIV II to invest at least 20% of the fund in sustainable investments and are happy to report that we have already exceeded this target: DIV II sustainable investments have reached 67% for 2022.<sup>2</sup>

We have created a dedicated companywide ESG Committee, which is responsible for embedding sustainable investing and our transition to net zero into our processes and culture across our businesses. On behalf of DIV II, we signed the internationally recognized United Nations Principles for Responsible Investment (UN PRI). We have made this commitment based on a deeply held conviction that ESG principles are crucial to developing resilient companies and assets that deliver long-term value for our investors and for society.

**67%**  
**sustainable investments across the DIV II portfolio<sup>3</sup>**



GRESB Rating 2023 for DIV II fund

<sup>1</sup> Period under consideration: June 2022 to June 2023.  
<sup>2</sup> Within the meaning of Art. 2 (17) SFDR and expressed as a share of turnover reflecting the share of revenue from green activities of investee companies based on SFDR Regulatory Standards (RTS), Article 17.  
<sup>3</sup> Source: DTCP as of 31 January 2023.

We strongly believe that digital transformation has the potential to reduce the overall carbon footprint and enable low-carbon technologies across the broader economy.

The need for further digitization and automation is as strong as ever, generating a significant opportunity to deploy capital into infrastructure and applications. We remain confident in our ability to source unique transactions that deliver attractive risk-adjusted returns for our investors. We are convinced that the digital society we are helping to build will be a better society: one that is more sustainable, more diverse, and more equitable.

We invest in businesses that promote inclusive and sustainable economic growth, creating economic opportunities and favorable working conditions for all. We believe in affordable and ubiquitous digital connectivity powering a diverse, equal and carbon-neutral digital society. We continue to expand our infrastructure business in private markets, laying the foundations for a prosperous and inclusive economy.

We believe that proactive engagement on ESG matters in line with the United Nations Sustainable Development Goals (UN SDGs) throughout the investment cycle reduces risks and increases returns. It not only has clear benefits to society but also leads to higher valuations and better investment outcomes.

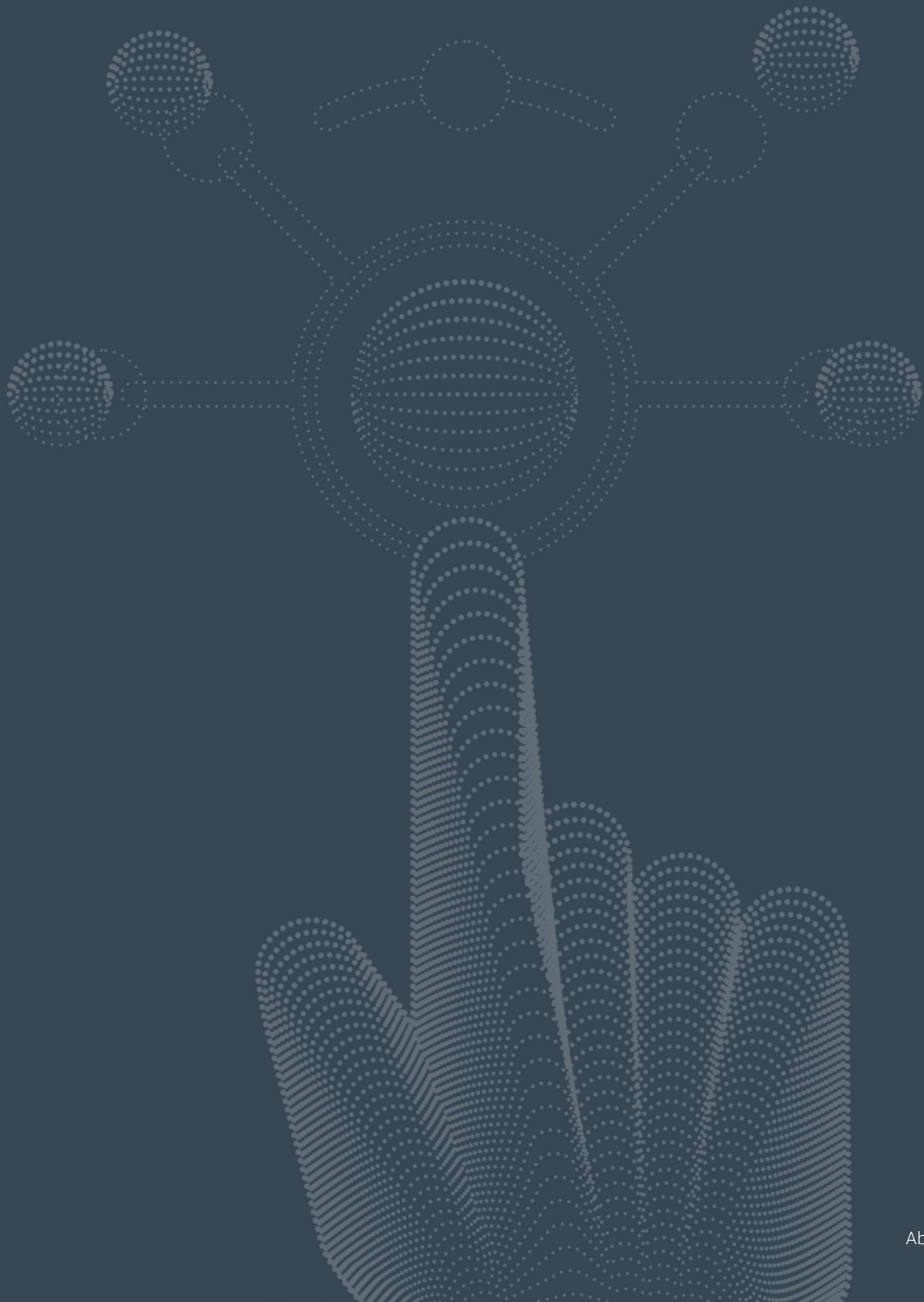
We invite you to explore the subsequent pages. What we aim to convey in this report is our proactive and thoughtful approach to managing ESG matters across both our business and portfolio.



◀ **Vicente Vento**  
**Founder & CEO**

Vicente Vento is the founder and CEO of DTCP. He has been an investor, advisor and senior executive in telecommunications, media and technology for two decades. Vicente has defined the investment strategies of DTCP, sits on the firm's investment committee and has established ESG as one of DTCP's top priorities. Prior to founding DTCP, Vicente was the Global Head of Mergers and Acquisitions and a Senior Vice President at Deutsche Telekom. Before, he held various advisory and asset management positions at Morgan Stanley, Blackstone and Royal Capital Management.

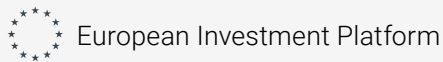
# About DTCP



# The DTCP platform at a glance



Since our foundation in 2015, DTCP’s core belief has been that the rapid adoption of software application and data processing capabilities at scale will create more wealth and unleash more innovation than any prior technological revolution in the history of civilization. DTCP runs complementary investment strategies focused on Digital Infrastructure and Growth Equity, which support the transformation to a fully digitized, equal and sustainable society.



60+ Professionals

60+ Portfolio Companies

20 Partners

2.5 billion EUR Assets under Management<sup>1</sup>

## Our offices



<sup>1</sup> Across the DTCP platform. DTCP as of 30 September 2023.

<sup>2</sup> Deutsche Telekom Capital Partners Offices.

# About this Report



## This is DTCP's first Sustainability Report.

Our inaugural report provides an overview of our ESG philosophy, framework, and processes, as well as an ESG assessment of Digital Infrastructure Vehicle II SCSp SICAV-RAIF (DIV II) and DTCP Growth Equity III SCSp SICAV-RAIF (GE III). You can read about the progress that we have made in 2022 to further our ESG goals – and about what we wish to achieve in the coming years.

You will be able to see the steps we have taken, the processes we have established, and the actions we are undertaking to build on the significant progress made in 2022 to create sustainable value for our stakeholders.

# ESG Achievements 2022



net zero  
greenhouse  
gas emissions  
by 2040

Our pledge for all  
DIV II portfolio  
companies.

Up to  
**20%**

We committed to integrate sustainable investments in the DIV II portfolio – and surpassed our commitment for the reporting period with a 67%<sup>1</sup> share of sustainable investments.<sup>2</sup>

**100%**

completed DIV II investments underwent ESG due diligence pre-investment.<sup>3</sup>

We embedded ESG due diligence in our investment decision processes and material ESG considerations into each phase of the investment lifecycle.



In 2023, GRESB awarded DIV II the highest sustainability rating, placing it second out of 46 participating European PE Infrastructure funds.<sup>4</sup>

<sup>1</sup> Source: DTCP as of 31 January 2023.  
<sup>2</sup> Within the meaning of Art. 2 (17) SFDR and expressed as a share of turnover reflecting the share of revenue from green activities of invested companies based on SFDR Regulatory Standards (RTS), Article 17.  
<sup>3</sup> Covers all portfolio companies acquired in 2022.  
<sup>4</sup> GRESB as of October 2023. Period under consideration: June 2022 to June 2023.



Up to **30**

### Different ESG indicators:

Implemented regular ESG reporting for all portfolio companies.

— We supported collaboration and knowledge-sharing of ESG best-practices across our portfolio companies.

— We enhanced our own governance processes and established a dedicated ESG function and ESG committee.

— We embedded ambitious ESG targets and incorporated our performance against those targets into our remuneration policy.

**100%**

of portfolio companies met our ESG expectations<sup>1</sup>

**98%**

renewable electricity purchased and consumed at DIV II portfolio company level<sup>1</sup>

**100%**

of all DIV II portfolio companies completed a GHG emission inventory (Scope 1-3)<sup>1</sup>

<sup>1</sup> Source: DTCP as of 31 December 2022.



◀ **Jan-Michael Dierkes**  
**Managing Director,**  
**Head of ESG**

Jan-Michael, Managing Director, is Head of ESG at DTCP. He is a member of the Investment Committee and leads the DTCP Luxembourg team. He joined DTCP from K+S Group, an international raw materials & mining company listed in the German MDAX, where he held various management positions. Prior to that, Jan-Michael held positions at White & Case LLP, Chadbourne & Parke LLP, New York and GOERG Partnerschaft von Rechtsanwälten.

# DTCP ESG Corporate Governance & Management

## ESG Committee

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The DTCP ESG Committee is responsible for overseeing the integration of ESG into our investment analysis, decision-making and portfolio management as well as our corporate sustainability targets and measures.

**The following operating and investment professionals are members of the ESG committee:**

The ESG Committee meets at regular intervals (at least quarterly) to address all ESG-related matters.

The ESG Committee continuously considers market developments in the field of ESG issues and assesses their relevance for DTCP's own ESG approach. The Committee directly reports to the CEO Vicente Vento.



◀ **Jan-Michael Dierkes**  
Managing Director; Chair of the ESG Committee



**Melanie Böttcher** ▶  
Manager Investor Relations



◀ **Halima El Mouden**  
Senior Finance Manager



◀ **Martin Klima**  
Chief Financial Officer



◀ **Philipp von Bismarck**  
Managing Partner Infra



**Michael Rager** ▶  
Managing Director Growth



◀ **Laura Heitmann**  
Associate Infra

# Supporting the 6 principles of UN PRI: Incorporating ESG into our investment processes

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## **We incorporate ESG criteria into our investment process.**

Pre-deal ESG due diligence work and post-deal improvement plans are led by sector-specialized deal teams and assisted by DTCP's ESG committee and external consultants and lawyers, where required. They identify specific business risks and opportunities, outstanding liabilities, and any associated compliance obligations.

During due diligence processes, our deal teams attempt to understand investment risks from an ESG perspective and to see how ESG-related issues within the portfolio can be better managed or improved, including improvements to monitoring, compliance, targets, and disclosure.

We use the findings of the ESG due diligence as a foundation to incorporate an ESG value creation plan for our target companies. Where required, we work with our portfolio companies to define or redefine their ESG performance criteria and initiate improvement measures.

To continuously monitor and track ESG processes, sustainability improvements as well as incidents within each investment over the fund lifecycle, we ask all our portfolio companies to report on a specific set of ESG Key Performance Indicators on a regular basis.

Improved data supports more in-depth reporting and disclosures, which we recognize as important components of our wider operating principle of transparency.

We, therefore, guide the management teams at the portfolio level to prepare ESG reports aligned with evolving and increasingly detailed standards. This enables us to maintain active ownership of a portfolio company's ESG practice and performance.

# Supporting the United Nations Sustainable Development Goals: DTCP’s commitment to sustainable development



To help translate our ESG intentions into action, we rely on the UN SDGs to guide our investment activities. We are working to align our activities with the SDGs by linking each investment, where applicable, with the achievement of one or more SDGs. We actively seek investments that can make a positive contribution, and we also make sure that we are avoiding harm, working directly with our portfolio companies to help them do likewise.

The list (on the right) provides an example of how we deliver important outcomes across key SDG themes.

We make explicit how we integrate ESG into our investment philosophy, how we map our investments according to specific SDG targets, and how we apply KPI-based measurement methodologies across all investments.



### Gender equality

Sustaining improvements to the diversity of our DTCP team, including our investment team; Sponsoring of an active DTCP women’s network, at the request of and driven by employees.



### Affordable and clean energy

Continuing to improve the share of renewable energies internally and across our portfolios.



### Industry, innovation and infrastructure

Supporting our portfolio companies to further increase their energy efficiency by adopting best-in-class environmental eco-management standards/certificates.



### Responsible consumption and production

Continuing to improve the depth and consistency of GHG and climate risk reporting across our portfolio.



### Climate Action

Stewarding our portfolio company management teams towards the adoption of net zero-aligned business plans and, where feasible, having these plans be supported by science-based frameworks such as the Science Based Targets Initiative (SBTi).

# The DTCP Sustainable Investment Framework

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## Creating long-term value with responsible and sustainable business practices

Our main objective is to create long-term value for our investors and shareholders. We can only achieve this goal by combining excellent financial performance with responsible and sustainable business practices that consider environmental objectives, as well as social and governance factors.

Our Sustainability Framework (our ESG Policy) is the cornerstone of our approach to ESG. It sets out the guidelines that enable us to build sustainable businesses and to ensure that a positive contribution is made with every investment we make.

It articulates our ESG mission, affirms our adherence to the principles of the UN PRI, and our commitment to the SDGs.

## Comprises three sections

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- 1

The first section sets out the guidelines enabling us to build sustainable businesses and to ensure that a positive contribution is made with every investment.
- 2

The second chapter encompasses our ESG approach and methodology, the eligibility criteria, the applicable environmental and social due diligence requirements and the screening process for sustainable finance.
- 3

The third component focuses on our reporting and disclosure. We monitor the financial and non-financial performances of our funds, whereby sustainability impacts are part of regular monitoring activities.

# How we assess sustainable investments



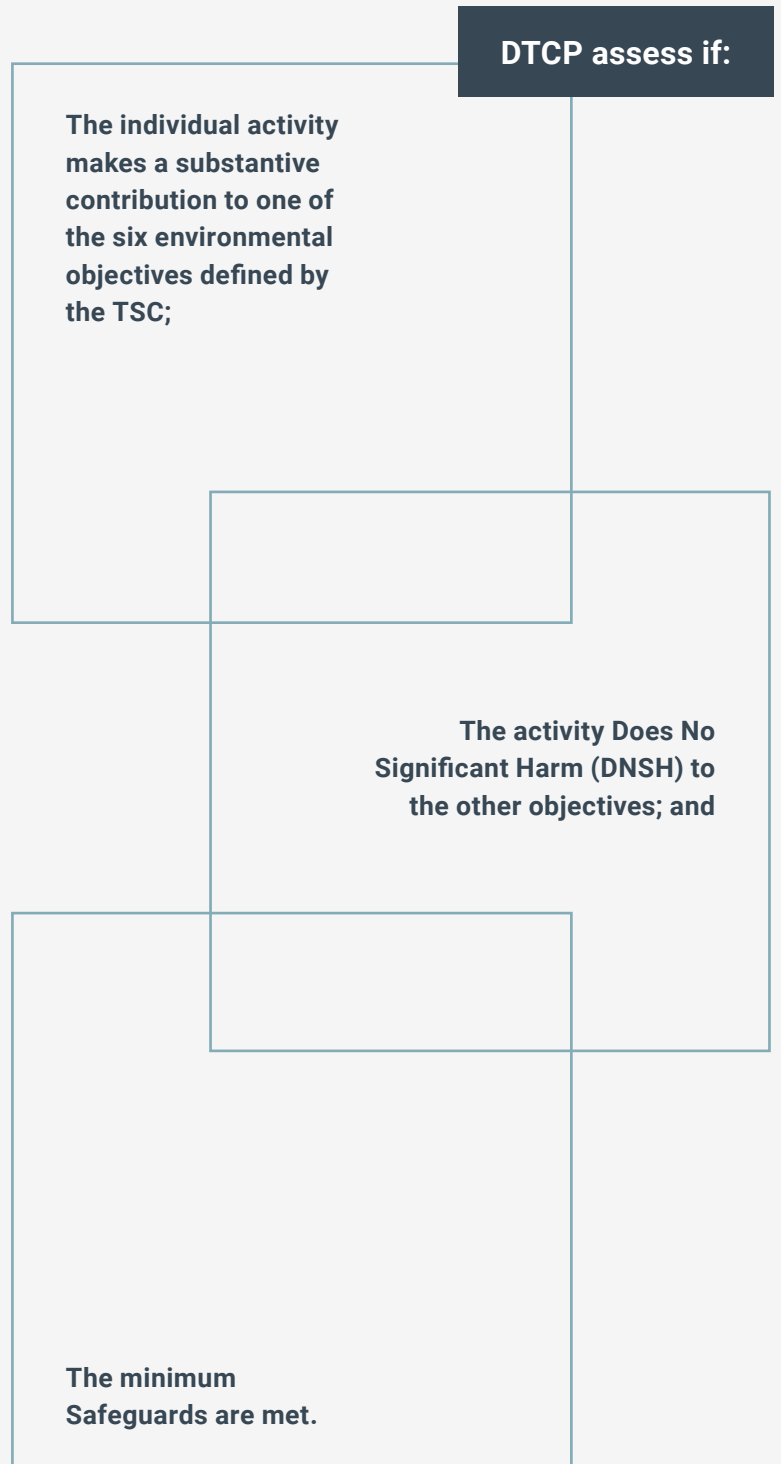
## EU Taxonomy

DIV II is committed to integrate sustainable investments of up to 20% in its portfolio. In order to evaluate sustainable investments, DTCP uses the Technical Screening Criteria (TSC) of the EU Taxonomy where available for the relevant activities to assess whether an investment classifies as ‘sustainable’.



### Technical Screening Criteria (TSC)

Commission Delegated Regulation (EU) 2021/ of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (europa.eu)



## ART 2 (17) SFDR

When assessing economic activities of portfolio companies that are not represented in the EU Taxonomy, we assess and determine the substantial contribution, the DNSH and Good Governance requirements based on Art. 2 (17) SFDR:

■ To assess a portfolio company's substantial contribution to an environmental objective we are guided by the goals of the Paris Agreement, which aim to limit global warming to well below 2 degrees Celsius by 2050, preferably 1.5 degrees Celsius compared to pre-industrial levels. We, therefore, aim to identify and quantify ways in which greenhouse gas emissions can be limited to reduce the company's carbon footprint. We recommend our portfolio companies to develop to reduce their carbon footprint based on science-based targets as defined by the SBTi.


■ DNSH is assessed based on the Principal Adverse Impact (PAI) indicators<sup>1</sup> and includes the setting of sector-specific performance expectations for each of the indicators. Expectations and criteria thresholds are derived from an assessment of the material topics identified by the Sustainability Accounting Standards Board (SASB). Typical areas of adverse impacts will be assessed according to the investee's sector and their business model. Where adverse impacts are expected or known from the due diligence process, performance expectations will be set based on a mix of good practices, country and/or sectoral averages as well as other regulatory requirements such as permits.

If an investment is found to do significant harm according to the DNSH assessment, we will commit to improving the relevant issues and re-assess the investment at a later stage when they cease doing harm to assess whether it can be considered sustainable. All sustainable investment activities must align with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

<sup>1</sup> PAIs are the most negative impacts of investment decisions on sustainability factors relating to environmental, social, and employee matters (e.g. emissions, waste, health, and safety, etc.).



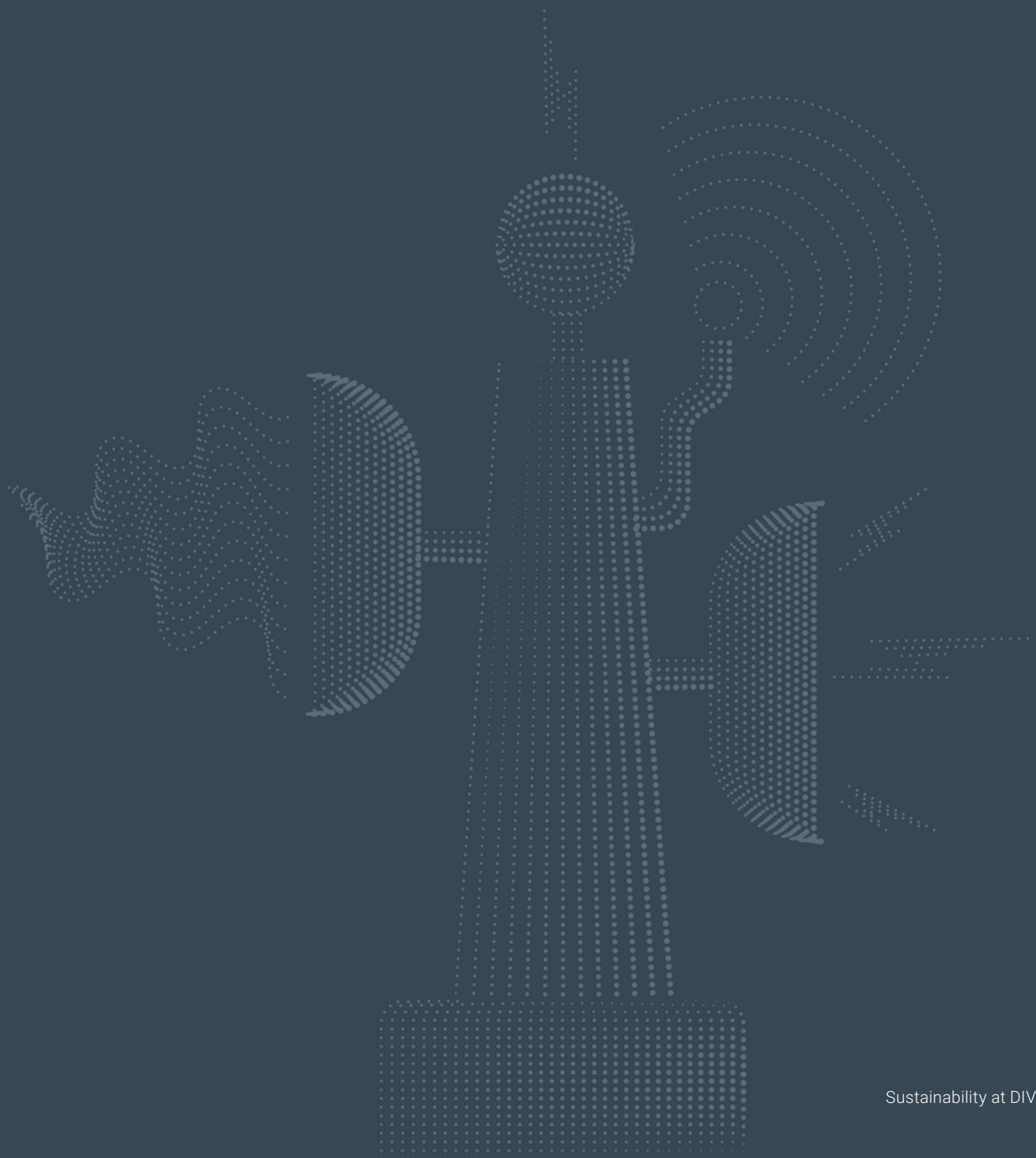
# Ensuring strong corporate governance



We strive to also increase the value of our portfolio companies by enhancing or introducing a management approach that emphasizes non-financial aspects like corporate social responsibility, reputation, social participation, and stakeholder accountability. We understand that it is our responsibility to ensure strong corporate governance, including robust compliance processes, and to promote integrity at DTCP and throughout our portfolio companies.

We take responsibility for ensuring that the appropriate corporate governance standards prevail in all our portfolio companies, in line with the OECD Corporate Governance Principles. This includes checks on sound management structures throughout the various management levels, governance and compliance structures, policies and procedures and their implementation in the daily running of the business, potential compliance breaches in the past and present, employee relations, remuneration of staff and appropriate customer and supplier management systems within the portfolio companies. If we become aware of any relevant governance issues we investigate them and use our influence as a shareholder to work with all parties involved to implement appropriate solutions.

# Sustainability at DIV II



# The role of Digital Infrastructure for a sustainable world



## Digital Infrastructure as a key component in the transition to zero carbon emissions.

At DTCP, we strongly believe in the necessity to move towards a world with zero carbon emissions, and digital infrastructure has an important role to play in enabling this transition.

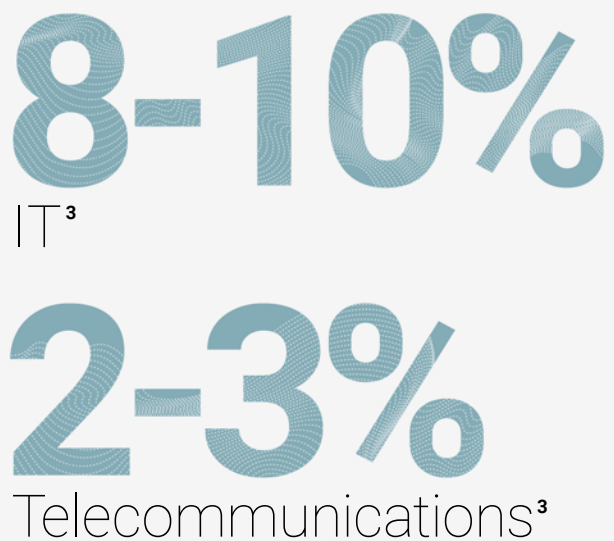
As confirmed by a 2022 report by Goldman Sachs<sup>1</sup> and a recent study for the European Wireless Infrastructure Association by EY Parthenon in March 2023<sup>2</sup>, fiber and 5G are critical technologies in reducing the IT sector’s carbon footprint and enabling low-carbon technologies across societies. Not only do fiber and 5G offer significant energy efficiencies over legacy technologies but they are also critical enablers for scaling the digital economy and enabling further benefits using the Internet of Things (IoT).

### A vital economic enabler and solution for sector decarbonization

Copper cable networks and 4G mobile technology are not capable of scaling efficiently to cope with the enormous increase in mobile data usage and internet traffic. According to

the IEA, internet traffic globally doubled between 2017 and 2020 and is expected to have doubled again by 2023. The European Commission estimates that the IT sector is presently responsible for between 8% and 10% of European electricity consumption (and 4% of carbon emissions), and the telecoms subsector is responsible for between 2% and 3% of global energy consumption. If the IT sector is to be successful in reducing its energy and carbon footprint while rapidly scaling up its ability to process data, then fiber and 5G will be essential.

### Electricity consumption share by sector



1 Goldman Sachs Sustain, 'Telecoms: The Fibre & 5G decarbonisation debate,' August 2022. All reported figures as documented in the report.  
 2 EY Parthenon, 'The sustainability contribution of the European independent TowerCos sector; a report for the European Wireless Infrastructure Association March 2023.'  
 3 D. Lúnden, J. Malmodin et al in "Electricity Consumption and Operational Carbon Emissions of European Telecom Network Operators", published 24 February 2022.

**Replacing existing networks, reducing energy consumption**

Fiber and 5G networks can replace existing networks, meeting the rapidly growing demand in data traffic and simultaneously reducing energy consumption. As reported by Goldman Sachs, fiber is 80% more energy efficient than copper networks, and 5G is 90% more energy efficient per traffic unit of data processed than 4G. In addition, according to the European Telecommunications Network Operators Association (ETNO), the IoT (e.g. smart homes) and smart digital solutions can potentially reduce global emissions by 15%.

**Energy efficiency when compared to copper networks**

**+80%**

Fiber<sup>1</sup>

**+90%**

5G<sup>1</sup>

**Tower Companies' business model help reduce the sector's carbon footprint**

The business model of independent Tower Companies (TowerCos) is premised on shared infrastructure, which means that the deployment of 5G networks by TowerCos results in significantly fewer towers without compromising coverage or network capacity. As a result, significant amounts of concrete and steel, two of the building materials needed to deploy a tower, will not be used, reducing carbon emissions. Furthermore, construction activities themselves also emit carbon, for example, for transporting building materials. As infrastructure is shared, fewer towers need to be constructed. Based on the expected growth rate over the next decade, EY Parthenon anticipates the prevalence of the TowerCos' shared infrastructure business model to result in a potential reduction of up to fewer 109,000 tower constructions compared to a scenario led by mobile network operators.

**109K**

Fewer towers expected in the next 10 years<sup>2</sup>

<sup>1</sup> Goldman Sachs Sustain, "Telecoms: The Fibre & 5G decarbonisation debate". Aususgt 2022. All reported figures as documented in the report.  
<sup>2</sup> Source: EY Parthenon, "The sustainability contribution of the European independent TowerCos sector" as of March 2023.

# Sustainability at DIV II portfolio level

## DIV II fund’s progress in 2022 towards environmental and social characteristics including Sustainable Development Goals

We made significant progress towards our sector specific sustainability indicators and KPIs based on the SDGs during the reference period.

### Environmental/SDG

### Progress towards the KPI in the reference period



#### Affordable and Clean Energy

**We aim at significantly increasing the share of renewable energies in our energy mix while reducing our energy and electricity consumption. We strive to use energy more efficiently, especially within the IT and telecommunications infrastructure.**

On aggregate, 98% of the electricity consumed at portfolio level was renewable. The total energy consumption at portfolio level was 75 GWh. All data center operations are using 100% renewable and certified electricity.

All data center operations ran on 100% certified renewable energy

Portfolio companies embedded various energy savings/energy efficiency programs into their operations ranging from energy-saving design features to the design of new sites aligned with the German Federal Environmental Agency’s ‘Blue Angel’ label, actions to use heat waste generated by data centers.

Environmental/SDG

Progress towards the KPI in the reference period



Industry, Innovation, and Infrastructure

We want to build resilient infrastructures, green industries, and drive innovation by drawing on the latest scientific and technological research with the advancement of cutting edge technologies. Technological progress is the key lever to achieve environmental objectives, such as increased resource and energy efficiency.

On aggregate, portfolio companies across the fund provided<sup>1</sup>

3800+ (tower) sites

27 MW+ of IT power<sup>2</sup>

260K+ network infrastructure of Fiber to the Home (FTTH) connections



Responsible consumption and production Innovation, and Infrastructure

We believe in the need for fundamental changes in the way societies produce and consume to protect the ecosystems' carrying capacities. We target sustainable management and efficient use of natural resources by continuously reducing our water consumption while increasing water usage efficiency and significantly reducing waste generation through prevention, reduction, recycling and reuse.

No portfolio company engaged in intensive water-consuming activities.

Portfolio companies produced nearly no waste directly, only through suppliers' activities.

No portfolio company generated hazardous or radioactive waste.

All portfolio companies carried out waste management in accordance with the principles of precaution and preventive action.

1 DTCP as of 31 December 2022.

2 Including contracted IT power.

Environmental/SDG

Progress towards the KPI in the reference period



Climate action

We have incorporated climate protection measures into our corporate policy to respond to current challenges. We measure and take action to reduce our greenhouse gas emissions to combat climate change and its impacts. We strive to better educate and raise awareness among our employees on climate change mitigation, adaptation, impact reduction and protection.

All portfolio companies completed an GHG emission inventory (Scope 1-3).

We provided guidance to all our portfolio companies to quantify their carbon footprints as a baseline for reporting and to develop or continue to pursue carbon reduction activities as long-term targeting strategies.

Two out of three investments set ambitious carbon net-zero targets with one portfolio company having its decarbonisation roadmap aligned with SBTi.

Social characteristics/SDG

Annual KPI/progress towards the KPI in the reference period



Gender equality

We advocate equal career opportunities regardless of age, gender, race, or other socio-demographic characteristics and aim at promoting women's participation in leadership positions by actively supporting their development.

All portfolio companies had policies in place related to diversity and human rights.

One investment deepened its DE&I advantage to attract and retain diverse talent by implementing a specific DE&I Governance and embedding an Diversity, Equity and Inclusion Program.

Average ratio of female to male board members in portfolio companies: 13%

Social characteristics/SDG

Annual KPI/progress towards the KPI in the reference period



Quality education

We consider quality education to be key to the sustainable development of society, and therefore want to make our contribution by promoting the long-term development of our employees through targeted training measures. We strive to providing people with the skills to develop innovative technologies that shape the future.

All portfolio companies conducted employee trainings, providing on aggregate over 900 hours of quality employee trainings on various environmental, compliance, health & safety, human rights and cybersecurity topics in 2022.



Decent work and economic growth

We make investments that promote inclusive and sustainable economic growth, create employment opportunities and decent work for all.

All portfolio companies focused on health and safety in 2022, resulting in only two recordable (non-fatal) incidents.



Peace, Justice, and Strong Institutions

We strive for strong corporate governance by implementing and formalizing practices that ensure inclusive corporate development, effective conflict management and accountability at all levels.

The fund supported the management teams across the portfolio by reviewing existing compliance, (such as Data Protection Policies, Anti-Bribery and other business ethics guidelines) and shared best practices with the portfolio companies.

All portfolio companies had processes and compliance mechanisms in place to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises and had no known violations in 2022.



# DIV II GRESB Assessment 2023

GRESB is acknowledged by the financial market and investors as the global benchmark for assessing ESG and sustainability performance data. It gathers, verifies, assesses, and compares ESG data provided by participants, evaluating management practices and asset-level performance. The GRESB Assessments focus on issues that both investors and the industry deem significant for the sustainability performance of asset investments. These assessments are in accordance with international reporting frameworks, standards, and evolving regulations.

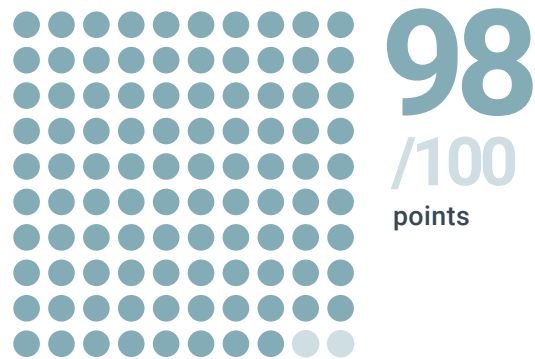
DIV II performed its first GRESB Infrastructure Fund and Asset Assessment in 2023, achieving a 5-star rating, which is the highest rating and recognition for being an industry leader.

In its peer group *Private Equity Funds in Europe*, the fund scored second. All scores were higher than 90/100 and GRESB especially highlighted the fund’s policies, reporting and leadership. These results underline DTCP’s continued progress in creating a sustainable future by accelerating digital transformation.

The DIV II portfolio companies Cellnex Netherlands and maincubes assessed by GRESB ranked top in their industries and achieved very high scores in terms of their ESG KPIs and in the assessment of climate-related risks. Cellnex Netherlands scored the top position in its peer group Europe | Telecom Towers.

### Score achieved - DIV II

#### Fund performance



#### Fund rating



G R E S B  
★★★★★ 2023

# Sustainability at GE III

## Our GE III fund invests in transformative technology leaders globally.

GE III investments are focused on cloud-based enterprise software companies that enable digitization and automation.

Since 2020, the COVID-19 pandemic accelerated and drove unprecedented demand for cloud-based enterprise Software as a Service (SaaS) business solutions to enable, secure, and streamline remote work on a global scale.

GE III, unlike the DIV II fund, does not have a specific sustainability target or focus, due to the diverse nature of the investments being made. During the reporting period, GE III did not make any sustainable investments nor is this its purpose. Although no sustainable investments are made by the fund, 100% of the fund’s 2022 investments were sustainability related.

During 2022, we developed a specialized ESG data reporting tool to engage with our portfolio companies pre- and post-investment on a regular basis. GE III’s portfolio companies had to complete ESG surveys for the reference period, covering topics related to the Sustainable Finance Disclosure Regulations (SFDR) as well as to other ESG metrics and KPIs.

Although GE III has not implemented formal SDG KPIs for its portfolio companies, the following analysis of progress towards SDG goals applies to the investments made in 2022.

**Environmental and Social characteristics/SDG**

**Progress towards the KPI in the reference period**



**Affordable and Clean Energy**

**We aim at significantly increasing the share of renewable energies in our energy mix while reducing our energy and electricity consumption.**

The fund engaged with its portfolio companies to identify, monitor and report their energy consumption from renewable and non-renewable sources.



**Responsible consumption and production Innovation, and Infrastructure**

**We believe in the need for fundamental changes in the way societies produce and consume to protect the ecosystems’ carrying capacities. We encourage our portfolio companies to adopt sustainable practices and integrate sustainability information into their reporting cycle.**

To increase disclosure on investments’ sustainability information, the fund implemented ESG reporting for all portfolio companies enabling them to report and monitor multiple sustainability indicators on a regular basis.

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**Environmental and Social characteristics/SDG**

**Progress towards the KPI in the reference period**

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**Climate action**

We strive to better educate and raise awareness on climate change mitigation, adaptation, impact reduction and protection.

The fund quantifies and reports its carbon emissions as a baseline for future reporting.



**Gender equality**

We advocate equal career opportunities regardless of age, gender, race, or other socio-demographic characteristics and aim at promoting women's participation in leadership positions by actively supporting their developments.

To increase disclosure the fund required its portfolio companies to report their gender pay gap and board gender diversity ratio as a baseline for future reporting.

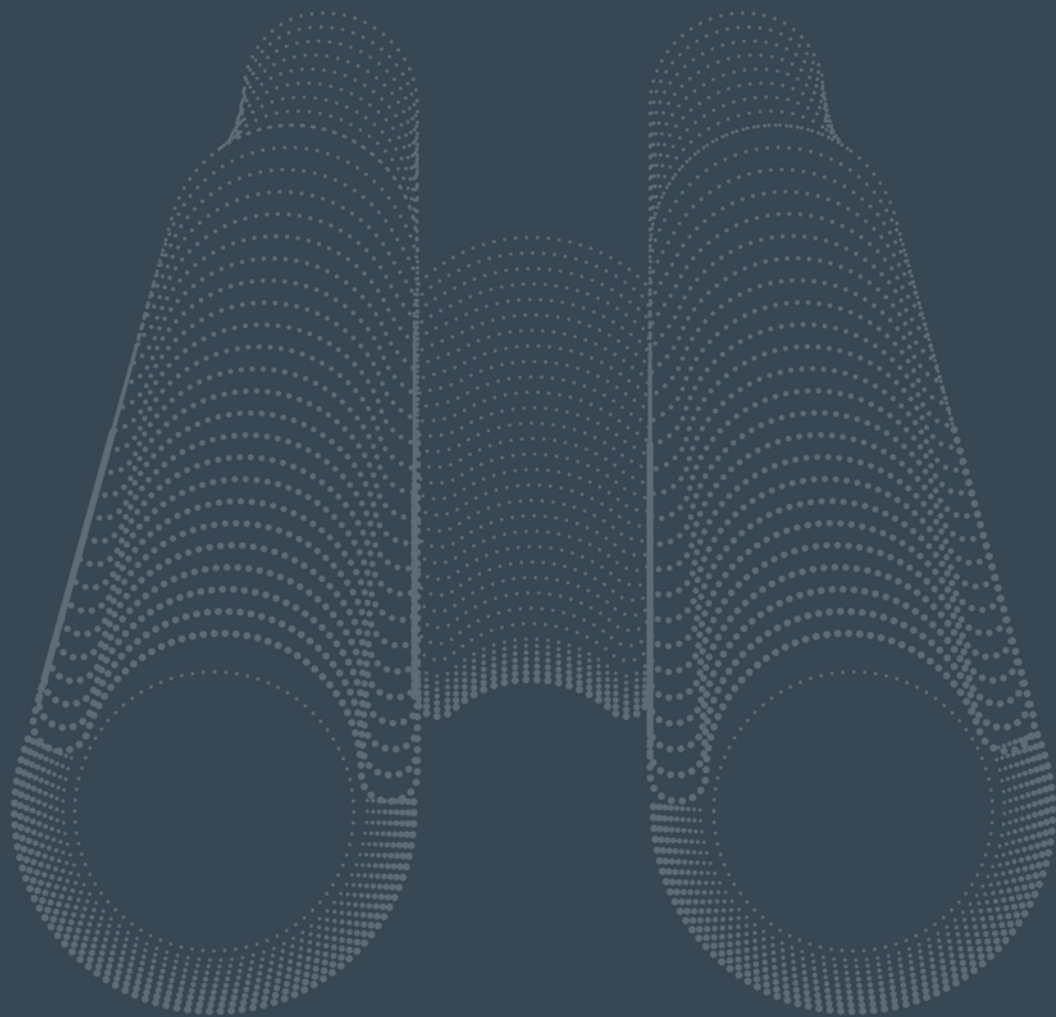


**Quality education**

We consider quality education to be key to the sustainable development of society, and therefore want to make our contribution through promoting the long-term development of our employees through targeted training measures. We aim at providing people with the skills to develop innovative technologies that shape the future.

To increase disclosure on trainings provided to employees we asked our portfolio companies to quantify their hours of training provided on environmental, compliance, occupational health & safety topics.

# Outlook



# Our objectives

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- 1** Continue to support our DIV II portfolio companies to develop decarbonization strategies that cater for both near-term progress and longer-term Net Zero transition;

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- 2** Enhance our approach to diversity, equity, and inclusion within our own business, helping us benefit from the widest possible talent pool. We will focus on employee growth and accelerated career development to improve access to opportunities for underrepresented groups;

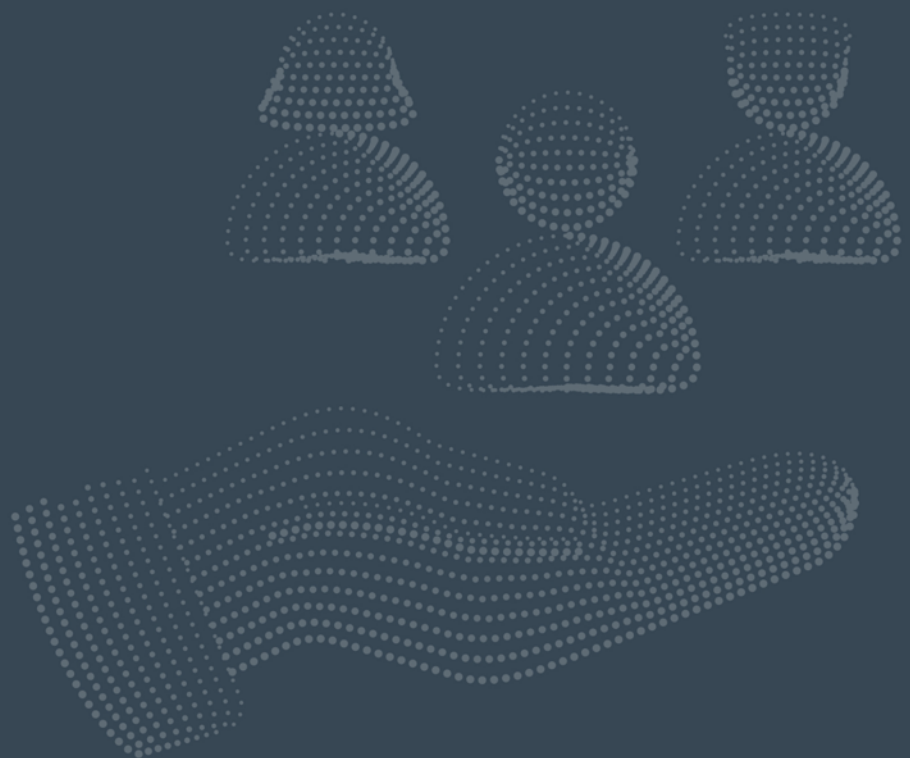
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- 3** Strengthen our corporate citizenship activities. We will advance our charitable employee program to enable our employees to participate and engage in corporate social responsibility initiatives, charitable and community services;

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- 4** Continue to focus on key sustainability disclosure frameworks, such as the SFDR and the UN PRI to ensure that we meet their requirements.

# Appendix: ESG in our own operations



# People

We consider people to be our most valuable asset, and the motivation and well-being of our employees is our highest priority.

We value and work to protect and uphold human rights, diversity, and labor standards, as well as fostering a strong health and safety culture.

We are proud to have many different nationalities on our team and a growing share of female employees, which we actively seek to increase.

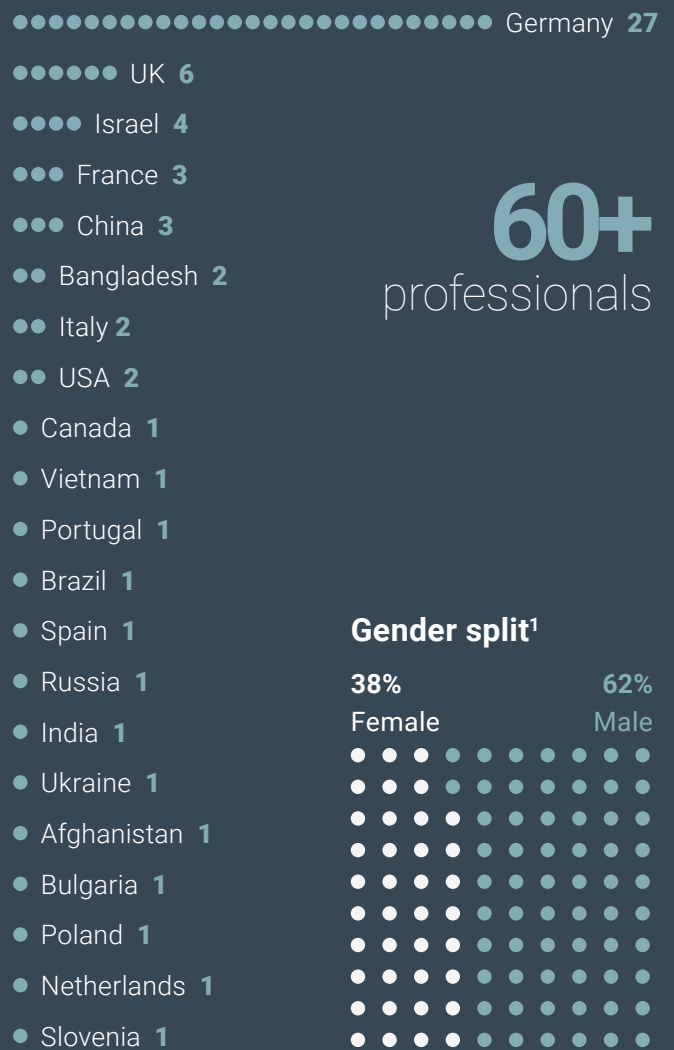
To strengthen this commitment we also adopted a dedicated Diversity, Equity and Inclusion (DEI) Policy.

### Rewarding sustainable investment

To drive holistic alignment on ESG across DTCP and our portfolio companies, we have linked our employees' performance-based compensation to ESG targets.

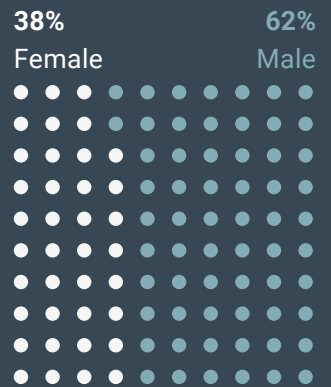
## Strong diversity throughout the team, especially in terms of nationalities

### Nationalities represented<sup>1</sup>



**60+**  
professionals

### Gender split<sup>1</sup>



<sup>1</sup> Includes all employees of DTCP and T Capital. As of 31 August 2023.



# Ethics & Compliance

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Our corporate philosophy is to act as a reliable partner in all situations, both internally and externally, and to represent these corporate values in a self-determined manner. We have a strong set of compliance policies that are described in the company's Operational Handbook covering detailed ethical business guidelines regarding the following matters:

- Anti-Bribery and Corruption
- Conflicts of Interest and Gift Acceptance
- Fraud Prevention
- Whistleblowing
- Data Protection and Confidentiality
- Personal Account Dealing
- Market Abuse regulation/Insider Trading
- Complaint handling policy
- Anti-Money Laundering

We had no complaints to be reported to the financial regulators in 2022.

# DTCP

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**Head of ESG**

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