

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Product name:** VH Global Sustainable Energy Opportunities plc (“GSEO” or “the Company”)  
**Legal entity identifier:** 213800RFHAOF372UU580

## Sustainable investment objective

**Does this financial product have a sustainable investment objective?**

●● <input checked="" type="checkbox"/> Yes	●○ <input type="checkbox"/> No
<input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: 100%<sup>1</sup></b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: ___%</b>	<input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### What is the sustainable investment objective of this financial product?

The Company’s Sustainable Energy Infrastructure Investments (as defined in the Prospectus) are aligned with the SDGs with the specific objective of facilitating the energy transition from the current

<sup>1</sup> Except for undeployed cash is held in short-term deposits, 100% of investments are made in sustainable investments.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

fossil fuel system to a low carbon system. The Company’s energy transition pathways include climate change, energy access, energy efficiency and market liberalisation, therefore a selection of the Company’s investments is aligned with the objective climate change mitigation under the EU Taxonomy. The Company infrastructure investments also seek to have significant impact on the local communities they serve.

The Company’s investments in proven technologies will include exposure to power generation (renewable and conventional), biomass, transmission, distribution, storage and waste-to-energy. These investments are in operational, in construction or ‘ready-to-build’ assets.

No investment made in extraction projects involving fossil fuels or minerals.

The Company assesses each investment against sustainability eligibility criteria to verify alignment against the following SDGs: SDG 3, Good health and wellbeing; SDG 7, Energy access; SDG 13, Climate action; SDG 9, Industry, innovation and infrastructure; SDG 8, Decent work and economic growth and SDG 17 partnerships for the goal. The Company also assesses the eligibility and alignment of each of the assets with the EU Taxonomy of environmentally sustainable activities and the EU taxonomy “Do No Significant Harm” criteria.

There is no specific index designated as a reference benchmark to meet the sustainable investment objective. The Fund has the objective of reducing carbon emissions by generating renewable energy, avoiding greenhouse gas emissions and/or displacing harmful air emissions. The Investment Manager is a signatory to the Net Zero Asset Managers Initiative (“NZAMI”), committing to support the goal of net zero greenhouse gas emissions by 2050, in line with global efforts to limit warming to 1.5°C and will apply this commitment to the Company’s investments.

● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The Company uses the following sustainability indicators to measure the sustainable investment objective of reducing carbon emissions by generating renewable energy, avoiding greenhouse gas emissions and/or displacing harmful air emissions.

Figure	Explanation
Capital investment into Energy Transition focused Portfolio Companies (USD)	The Company intends that all the investments will be aligned with the energy transition objective.
MWh of renewable energy produced	<p>This figure represents the renewable and net zero electricity generation which displaces carbon intensive generation, demonstrating contribution to SDG 13.</p> <p>Energy generation is reported to the Investment Manager from the operating partners monthly.</p> <p>This generation is put into the context of the asset’s embodied carbon calculated from a life cycle analysis (LCA). This LCA allows the Company to understand the embodied carbon in extraction, manufacture, transport, construction, operation and decommissioning activities, and to better understand the assets’ contribution to net zero over the life of the investments.</p>
Carbon dioxide equivalent avoided (tCO <sub>2</sub> e)	This figure accounts for renewable energy generation and renewable fuels use displacing fossil fuel generation net of any Scope 1,2 and available 3 operational emissions.

	Emissions avoided are calculated from the energy generation reported considering any transmission and distribution losses.
Tonnes of particulate matter (PM10) avoided	These figures demonstrate the impact of renewable and cleaner fuels produced by an asset with a pollution reduction environmental objective, by reporting the tonnes of pollutive compounds removed through use of cleaner fuels. This demonstrates contribution to on SDG 3.
Tonnes of sulfur oxides (SO <sub>x</sub> ) avoided	Volume of fuel flows through the terminal storage is used to calculate associated avoided air pollutant emissions. Fuel flow is reported monthly from the operating partner.
Equivalent number of homes, businesses and/or vehicles served by renewable energy or fuel	This figure demonstrates the equivalent number of homes, businesses and/or vehicles served by renewable energy or fuel. This demonstrates contribution to SDG 7.  Emission factors and electricity use published by the UK government are used to calculate equivalencies to support communication of impact.

***How do the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Company takes steps to ensure that the investments do not significantly harm any of the sustainable investment objectives and takes into account the indicators on principal adverse impacts (“PAI”) on sustainability factors through internal and external due diligence of investments taking a risk-based approach described in the “Does this financial product consider principal adverse impacts on sustainability factors” section below. The Investment Manager will report on the 14 principle adverse indicators and selected additional indicators on its website.

The Company will seek to prevent or mitigate principal adverse impacts identified.

The greenhouse gas emissions sustainability indicators are used to measure the Company’s progress against its net zero target. These are also key indicators in demonstrating progress towards the Company’s energy transition investment objective.

Other social and environmental indicators are used to monitor asset and operating partner activities and progress on responsible business practices.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Investment Manager influences the governance activities of the Company’s asset operating partners by requiring the implementation of a sustainability action plan (“SAP”) that includes actions identified through the due diligence and risk analysis process described in the “How did this financial product consider principal

*adverse impacts on sustainability factors*” section below, and requirements for good governance aligned with the OECD Guidelines.

The Company’s strategic focus on the SDGs supports the OECD Guidelines. A core aim is to contribute to economic, social and environmental progress priorities as identified in the SDGs.

The Company will report to investors on all material matters and actions taken to support and enhance the governance and business practices associated with the Assets.

The Company recognizes its role under the UN Framework for Business and Human Rights. Risk based due diligence and materiality analysis as described above are therefore key parts of the Company’s investment process, which considers the impact of the Asset on communities, employees, customers and other business relationships such as suppliers. This includes impacts such as labour rights, equality, pollution, resource use, cyber security and data management as well as benefits such as job creation, pollution reduction and energy access.

Victory Hill is a signatory to the UN Global Compact, supports the 10 principles including human rights, labour, the environment and anti-corruption and is committed to enacting the principles in its investment activities.



### **Does this financial product consider principal adverse impacts on sustainability factors?**

Yes

The Company considers the indicators on principal adverse impacts (PAI) on sustainability factors through internal and external due diligence of its investments taking a risk-based approach.

The Company obtains external assurance opinions ex ante on an investment’s alignment with the SDGs covering climate action, energy access, health and sustainable infrastructure as described in the *“What is the sustainable investment objective of this financial product?”* section above. This assessment also covers whether the investment may do “significant harm” to the other SDGs.

The Company assesses each investment against systemic and material energy and infrastructure sector risks and impacts as identified by The International Finance Corporation performance standards, the Global ESG Benchmark for Real Assets and the Sustainability Accounting Standards Board, as well as regional and geographic risks to identify the environmental, social and governance (ESG) issues most relevant for the investment. This analysis also takes into account PAI.

The Company’s scope of ESG risk and impact assessment for Assets which identifies PAI, as defined in Table 1 of Annex I and other material indicators in Tables 2 and 3 of Annex I, and published in the Company PAIS is as follows:

- Assessment of ESG risks and impacts related to the sector of operation.
- Assessment of ESG risks and impacts related to the region and country of operation.

- Assessment of ESG risks and impacts related to the operational proximity to local communities, indigenous peoples, cultural heritage and ecological and biodiversity habitats.
- Assessment of ESG risks and impacts related to operational activities such as noise, light, traffic, water use, discharge and waste.
- Assessment of ESG risks and impacts related to number of stakeholders interacting with the operation including employees, contractors, communities and customers.
- Assessment of ESG risks and impacts related to operating partner resourcing and systems for ESG management.

No

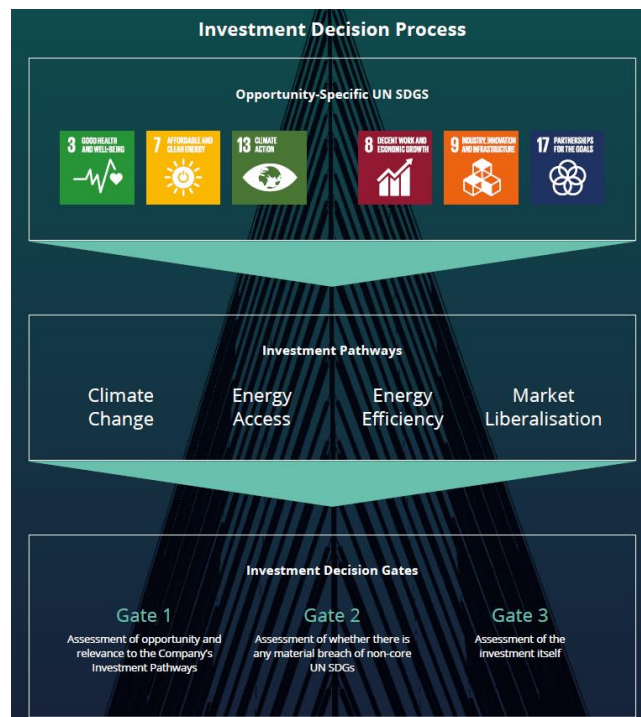


### What investment strategy does this financial product follow?

The Company’s investment policy states that it aims to achieve diversification principally by making a range of sustainable energy infrastructure investments across a number of distinct geographies and a mix of proven technologies. The Company’s investments in proven technologies will include exposure to power generation (renewable and conventional), biomass, transmission, distribution, storage and waste-to-energy. These investments are in operational, in construction or ‘ready-to-build’ assets.

No investment made in extraction projects involving fossil fuels or minerals.

The Company will invest in assets based in OECD, OECD Accession, OECD Key Partner and EU countries. The Fund’s strategic focus on the SDGs supports the OECD Guidelines. A core aim is to contribute to economic, social and environmental progress priorities as identified in the SDGs through the entire investment decision-making process. In order to do so, the Fund applies processes outlined in the diagram below:



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

The Company has established sustainability eligibility criteria to ensure that each investment aligns with the SDGs described above and to address the risk of causing significant harm to any other environmental or social sustainable investment objective. These criteria are described in the answer to the questions “What is the sustainable investment objective of this financial product?, What sustainability indicators are used to measure the sustainable investment objective of this financial product?” and “How do sustainable investments not cause significant harm to the environmental or social sustainable investment objective?” above.

● **What is the policy to assess good governance practices of the investee companies?**

The Company does not invest in companies, it holds majority ownership interest in its assets and the Investment Manager uses this influence to engage with operating partners on asset management. Through the appointment of senior Victory Hill asset management professionals and their representation on the boards of project companies, Victory Hill is able to ensure that issues, including ESG issues, which protect and enhance shareholder value are actively considered for the assets on an ongoing basis.

Victory Hill seeks to actively engage to maximise the performance of assets under management. This includes the adoption of ESG policies and development of SAPs to ensure any risks, impacts and opportunities identified through the due diligence and risk analysis described above, are acted upon, and process gaps closed. This includes requirements for good governance to be aligned with the OECD Guidelines.

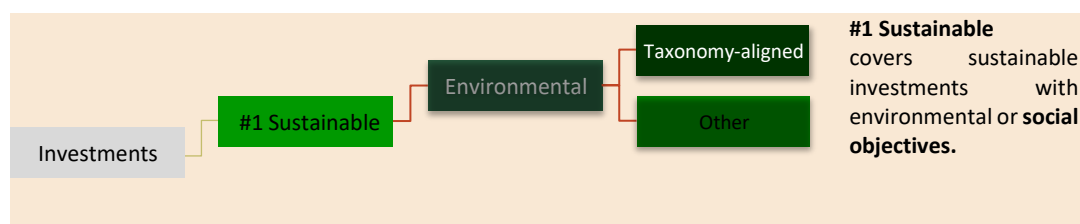
The Company collects, monitors, and regularly reviews sustainability factors and other relevant data from operating partners, and reports sustainability progress on a biannual basis. Additionally, the operating partners are required to:

- to have diversity, equality and inclusion policies that impact their hiring and promotion activities;
- identify risks in their value chain and are required to implement a supplier code of conduct and due diligence process with steps to mitigate risks identified. This may include environmental impact, labour rights or material sourcing.

**What is the asset allocation and the minimum share of sustainable investments?**

100%, all of the Company’s investments will be sustainable investments with an environmental objective aligned with the objectives set out in the investment strategy as described above. Undeployed cash is held in short-term deposits pre investment.

Some of the Company’s sustainable investments will likely be aligned with EU Taxonomy but no commitment is made for alignment.



**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

All investments made by the Company are sustainable investments with an environmental objective. All the investments made will be energy infrastructure assets. A selection of investments<sup>2</sup> are therefore likely to be environmentally sustainable economic activities aligned with the EU Taxonomy. The Company makes no commitment (0%) on alignment. In accordance with the SFDR, the Company will report to investors the actual proportion of investments in EU Taxonomy aligned economic activities measured by turnover, capital expenditure and operating expenditure.

### ● Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>3</sup>?

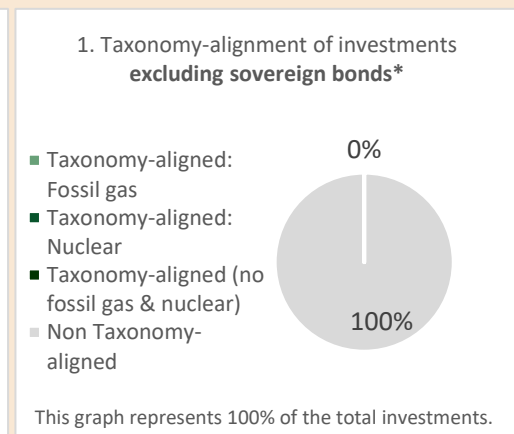
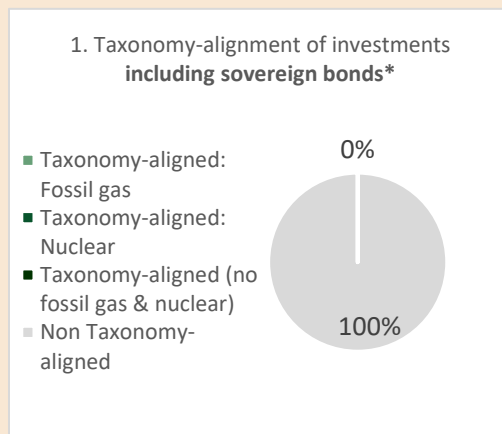
Yes:

In fossil gas

In nuclear energy

No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>2</sup> The Company may measure alignment with the EU Taxonomy by reference to the initial value (acquisition cost) of investments or by reference to subsequent market value of investments, and will report accordingly to investors.

<sup>3</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

expressed as a share of:  
- **turnover** reflecting the share of revenue from green activities of investee companies  
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.  
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low - carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What is the minimum share of investments in transitional and enabling activities?**

The Company strategy is to facilitate the energy transition through investment in sustainable energy infrastructure. All investments that are EU Taxonomy aligned will be in transitional and enabling activities. The Company makes no commitment (0%) on EU Taxonomy alignment.

 are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

100%. All of the Company's investments will be sustainable investments with an environmental objective aligned with the objectives set out in the investment strategy as described above. The Company has made no commitment on EU Taxonomy alignment, therefore a minimum share of 100% of investments have an environmental objective that may not be aligned with the EU Taxonomy . It is likely with the sustainable investment objective that a selection of investments will be aligned.



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

<https://www.vh-gseo.com/investors>



