

# SFDR DISCLOSURES

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Sustainability-related disclosures

**Serena Infra SCSp**

October 2023



## A. Summary

(EN)

Infrastructure assets have a fundamental role in the solutions to the economic, environmental and social challenges the world is facing. In this context, Serena Industrial Partners (from now on “Serena”) recognizes the importance of generating positive impacts through the development of environmental, mobility and social infrastructure, and is committed to investing in activities that promote social and environmental characteristics and contribute to deliver positive returns to society.

Serena, through the fund Serena Infra SCSp (LEI: 9845004EAE8A883DA047), integrates the promotion of social and environmental characteristics in its investment decisions. Serena’s compromise towards sustainability is outlined in the Sustainability Investment Policy, in addition to the yearly Sustainability Reports and the Impact Reports presented for every asset included in the portfolio (please refer to the Sustainability website of Serena: <https://serenapartners.com/sustainability>)

This information statement has been prepared for the purpose of meeting the disclosure requirements at a financial product level outlined in Article 10(1) of the Regulation EU 2019/2088 on sustainability-related disclosures in the financial services sector. The characteristics of this financial product are summarized as follows:

- Serena Infra SCSp operates within the framework of Article 8 of the SFDR regulation, which indicates that the financial product promotes environmental and/or social characteristics, without having sustainable investments as its primary objective.
- Serena, through its fund Serena Infra SCSp, aims to promote the following social and environmental characteristics: environmental (water, waste and hydropower, district heating, biogas and energy efficiency); social (health, education and digital infrastructure); and mobility (rail, road, urban mobility and logistics) through the investments in mobility, environmental and social infrastructure sectors.
- Serena’s investment strategy is applied through every stage of the investment process. The fund will invest primarily in environmental, social and mobility infrastructure. For the selection of assets, Serena applies a selective filtering of projects via an exhaustive exclusion and restriction list. Consequently, Serena uses an internally developed pre-screening tool to conduct a positive selection of resilient infrastructure projects that can potentially contribute to the generation of positive impacts. Moreover, after the investment in a project and during the holding period of the investment, Serena aims to monitor and report the performance of the asset by identifying quantitative and qualitative KPIs through the use of a monitoring tool. Serena’s main objective in the monitoring phase is to assist its affiliated companies in the collection of all relevant information, which will be decisive to support Serena in evaluating the positive impacts of the project, drawing conclusions, and determining the contribution of the investment to the achievement of the SDGs.
- Serena prioritizes investments that fall into category #1A Aligned with E/S characteristics, with the objective of having full allocation of investments in this category.



- Serena has developed a monitoring tool to assess the project performance in relation to ESG issues. This tool collects all relevant data in the form of KPIs which are aligned with international standards and frameworks such as the principal adverse indicators from the SFDR, the Global Reporting Initiative (GRI), or the UN SDG indicators, among others.  
In order to measure the achievement of environmental and social characteristics that each investment aims to promote, Serena follows a structured approach in the selection of projects, using exhaustive exclusion and restriction lists and an internally developed pre-screening tool in the due diligence process, and a continued monitoring of the performance of each asset included in the portfolio during the life of an investment.
- Serena aims to collect all relevant data of an investment through the application of a monitoring tool, which gathers the information with respect to the performance of every asset through a list of KPIs. Serena is currently testing the collection and processing of data with its affiliated companies to consider reporting PAIs. All information is collected in Serena's internal database, and periodically processed and contrasted by the Asset Management, ESG and Investment Teams to ensure the quality of the data. No estimations are made at any stage of the process.
- Serena acknowledges limitations in data collection, relying on affiliated companies for information. To mitigate disparities, Serena uses a monitoring tool with standardized questions based on KPIs, ensuring alignment with environmental and social objectives.
- Serena conducts an extensive due diligence through the whole investment cycle, which includes clauses in the side letters to formalize the alignment with their commitment to promoting environmental and social characteristics.
- Serena actively engages with portfolio companies, assessing investments across multiple dimensions, including SDGs, ESG, Taxonomy alignment and Climate Change assessments. They may conduct further studies and seek external consultants to align investments with environmental and social objectives.
- Serena does not designate a specific index as a reference benchmark for assessing the alignment of the fund with its environmental and social characteristics promotion goals.

**(ES)**

Los activos de infraestructuras tienen un papel fundamental en la provisión de soluciones a los retos económicos, medioambientales y sociales a los que se enfrenta el mundo. En este contexto, Serena Industrial Partners ("Serena") reconoce la importancia de generar impactos positivos a través del desarrollo de infraestructuras en las áreas de movilidad, medioambiente y social, y se compromete a invertir en actividades que promuevan características sociales y medioambientales y que contribuyan a ofrecer beneficios a la sociedad.

Serena, a través del fondo Serena Infra SCSp (LEI: 9845004EAE8A883DA047) integra la promoción de características sociales y medioambientales en sus decisiones de inversión. El compromiso de Serena en materia de sostenibilidad se describe en la Política de Inversión Sostenible, además de en los informes de sostenibilidad anuales y en los informes de impacto llevados a cabo para cada activo incluido en la cartera (para mayor información, consultar el sitio web de sostenibilidad de Serena: <https://serenapartners.com/sustainability>).

La siguiente información ha sido preparada con el objetivo de cumplir con los requisitos de divulgación a nivel de producto financiero señalados en el Artículo 10 (1) del Reglamento (UE) 2019/2088 sobre divulgación de información relativa a la sostenibilidad en el sector de los servicios financieros. Las características de este producto financiero se resumen a continuación:

- Serena Infra SCSp opera siguiendo el Artículo 8 del reglamento SFDR, que indica que el producto financiero promueve características medioambientales y/o sociales, pero no tiene como objetivo principal una inversión sostenible.
- Serena, a través de su fondo Serena Infra SCSp, tiene como objetivo promover las siguientes características medioambientales y sociales: medioambiental (agua, residuos, energía hidroeléctrica, calefacción urbana, biogás, eficiencia energética); social (sanidad, educación, infraestructuras digitales) y de movilidad (ferroviarias, carreteras, movilidad urbana y logística) mediante la inversión en estos tres sectores.
- La estrategia de inversión de Serena se aplica a todas las fases del proceso de inversión. El fondo Serena Infra SCSp invertirá principalmente en infraestructuras de carácter medioambiental, social y de movilidad. En primer lugar, en la selección de activos que componen la cartera, Serena aplica un filtrado minucioso de proyectos a través de una exhaustiva lista de exclusiones y restricciones. Además, Serena emplea el uso de una herramienta de pre-selección desarrollada internamente para llevar a cabo una selección positiva de proyectos de infraestructuras que potencialmente contribuyan a la generación de impactos positivos. Tras la inversión en el proyecto, y durante todo el periodo de tenencia de la inversión, Serena tiene como objetivo la supervisión e información del rendimiento del activo a través de la identificación de KPIs cuantitativos y cualitativos, que se recogerán mediante una herramienta de monitorización de proyectos desarrollada internamente. En esta fase de seguimiento, el objetivo principal de Serena es ayudar a sus compañías participadas a recopilar toda la información de desempeño necesaria, que será decisiva para ayudar a Serena a evaluar los impactos positivos y los riesgos de cada proyecto, extraer conclusiones y determinar la contribución de la inversión a la consecución de los ODS.

- Serena prioriza las inversiones que entran en la categoría #1A del Anexo II del Reglamento Delegado 2022/1288 (inversiones ajustadas a características medioambientales o sociales), con el objetivo de tener una asignación completa de inversiones en esta categoría.
- Serena ha desarrollado internamente una herramienta de monitorización para evaluar el rendimiento de cada uno de los proyectos en materia ESG. Esta herramienta recopila toda la información relevante en forma de KPIs, que están alineados con las normativas y marcos internacionales, como los PAIs de la SFDR, la Global Reporting Initiative (GRI) o los indicadores ODS de la ONU, entre otros.

Para medir la promoción de características ambientales y sociales que cada proyecto persigue fomentar, Serena sigue un procedimiento estructurado, que comienza en la selección de proyectos, aplicando listas exhaustivas de exclusión y restricción de actividades, y empleando una herramienta de pre-selección desarrollada internamente en el proceso de Diligencia Debida (DD). Una vez el proyecto ha sido seleccionado y durante el periodo de inversión, se realiza un seguimiento continuado del desempeño de cada activo en cartera en materia ESG.

- Serena tiene como objetivo recoger toda la información relevante de cada inversión mediante el uso de una herramienta de monitorización desarrollada internamente, que recoge todos los datos sobre desempeño de cada proyecto siguiendo una lista de KPIs. En estos momentos, Serena está recopilando y procesando todos los datos de las compañías participadas, con el objetivo de reportar PAIs. Toda la información es almacenada en las bases de datos internas de Serena, y es procesada y contrastada por los equipos de Gestión de Activos, ESG y de Inversión para garantizar la calidad de los datos recogidos.
- Serena reconoce las limitaciones de los datos recogidos, ya que depende de las compañías participadas para obtener esta información. Para mitigar disparidades en estos datos recogidos, Serena emplea una herramienta de monitorización desarrollada internamente, que incluye una serie de preguntas estandarizadas a través de KPIs, y así garantiza una alineación con el objetivo de promover características medioambientales y sociales.
- Serena lleva a cabo una Diligencia Debida (DD) muy exhaustiva que comienza en el proceso de selección de proyectos y comprende todo el periodo de inversión. Esta DD incluye la firma de cláusulas en cartas complementarias ("*side letters*") para formalizar la alineación con el compromiso de promover características medioambientales y sociales.
- Serena se involucra activamente con las compañías participadas, evaluando la alineación de las actividades de cada proyecto con los ODS y con la Taxonomía de la UE, y midiendo el impacto en materia ESG y adaptación y mitigación al Cambio Climático. Además, Serena puede llevar a cabo análisis adicionales y contar con consultores externos para disponer de un mayor asesoramiento en la alineación de las inversiones con los objetivos medioambientales y sociales.
- Serena no designa un índice específico como punto de referencia para evaluar la alineación del fondo con su objetivo de promoción de características medioambientales y sociales.

## **B. No sustainable investment objective.**

This financial product promotes environmental or social characteristics or a combination of them but does not have as its objective sustainable investments. This financial product is framed within the meaning of Article 8 of the SFDR regulation.

## **C. Environmental or social characteristics of the financial product**

Serena, through its fund Serena Infra SCSp, aims to promote the following social and environmental characteristics:

- Environmental (water, waste and hydropower, district heating, biogas and energy efficiency);
- Social (health, education and digital infrastructure); and mobility (rail, road, urban mobility and logistics).

through the investments in mobility, environmental and social infrastructure sectors.

## **D. Investment strategy**

Serena's commitment to promoting environmental and social characteristics through its activity is based on the firm's Sustainability Investing Policy, available on the website. This policy outlines Serena's commitment to generate positive impacts by the promotion of environmental and social characteristics through its investments, as well as the firm's intention to contribute to the Sustainable Development Goals (SDGs) at every stage of the investment process.

Following this philosophy, Serena integrates these objectives through the whole investment process. When studying a potential investment, Serena applies a selective filtering of projects, via an exhaustive exclusion and restriction list of activities to restrict any activity that directly or indirectly impacts in the standards defined in the ILO Fundamental Human Rights Convention or contributes to a degradation of natural habitats. This negative screening is followed by a positive selection of resilient infrastructure projects that can potentially contribute to the generation of positive impacts, using a screening tool developed by Serena, which assesses the ESG risks and opportunities of any prospective investment, as well as the potential contribution to the SDGs. This screening tool, which considers the country of operation and the area of activity as the starting point, conducts an analysis of the potential investment by the analysis of four verticals: an SDG assessment, to detect the potential SDGs the project contributes to; an ESG assessment, to evaluate the risks and opportunities of the project in ESG topics such as environment and community impact, ethics and Human Rights, compliance and labor and working conditions; a Climate Change Assessment, to measure the level of readiness and exposure of the project to climate change; and EU Green Taxonomy Assessment, to determine the level of alignment of the project to the regulation.

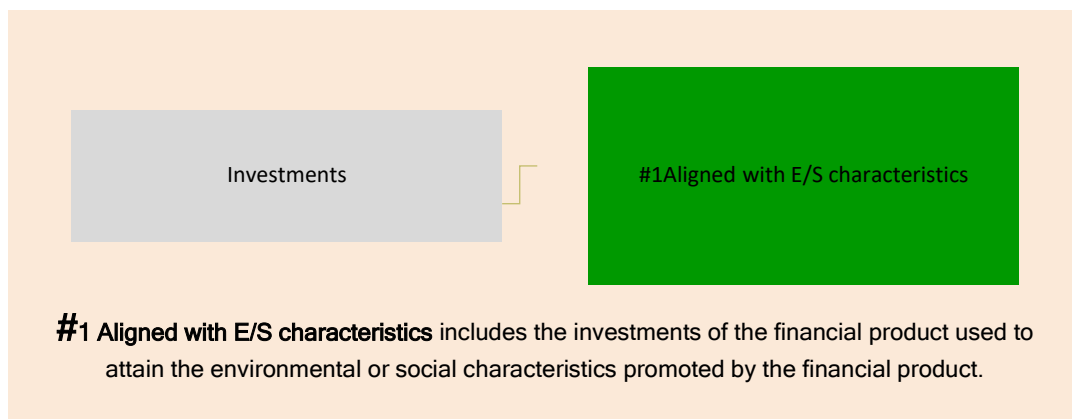
After the results of the pre-screening are included in the Due Diligence of the project and discussed by the Investment Committee, in every invested project Serena is committed to evaluate its

performance in relation to ESG issues through the whole holding period. To achieve this, Serena has developed a monitoring tool that identifies the quantitative and qualitative KPIs of every investment, with the main objective of assisting its affiliated companies in the collection of all relevant information, which will be decisive to support Serena in evaluating the positive impacts of the project, drawing conclusions, and determining the contribution of the investment to the achievement of the SDGs.

Additionally, to ensure good governance practices within Serena and its employees, each employee subscribes to the Code of Ethics, ensuring that the performance of their functions is regulated by this code and making them commit to the principle of zero tolerance for corruption issues, in line with Serena's Anti-Corruption Policy.

### E. Proportion of investments

Serena Infra SCSp aims to have a full allocation on investments that fall into category #1 Aligned with E/S characteristics, as per chart below. Serena aims to invest in environmental infrastructure that promote development of mobility, environmental and social assets – such as rail, road, urban mobility and logistics, water, waste, hydropower, health, education, and social infrastructure– and generate positive impacts.



### F. Monitoring of environmental or social characteristics

Serena is committed to consider and promote the monitoring and reporting of the performance of every project in relation to ESG issues. To this end, Serena has developed a monitoring tool to assist its affiliated companies in the collection of all the relevant information and support them in calculating the KPIs to assess the performance and the impacts generated by the asset. This tool identifies all potential qualitative and quantitative KPIs to be monitored during the holding period of any investment. This process aims to use as a basis the principal adverse indicators (PAIs) from the SFDR, as well as other international standards and frameworks such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the GIIN-IRIS catalogue, the UN SDG indicators, or the guidelines of the Institutional Investor Group of Climate Change (IIGCC). This reporting tool includes environmental, social and governance data inputs, and aims to gather the information of companies Serena is invested in on a yearly basis. Serena is currently testing the

collection and processing of data with its affiliated companies to consider PAI factors in the near future. With this information, Serena will be able to take informed decisions and work towards the maximization of the generation of positive impacts throughout the management period.

## **G. Methodologies**

Serena Industrial Partners is committed to focus its investments on assets that are aligned with the principles outlined in the Sustainability Policy (as per section C of this document). To achieve this, Serena applies an exhaustive exclusion and restriction list to any activity that directly or indirectly impacts in the standards defined in the ILO Fundamental Human Rights Convention or contributes to a degradation of natural habitats.

Furthermore, in the election of any potential investment, Serena uses a pre-screening tool that evaluates the implications of the asset in SDG, ESG and Climate Change matters, as well as the alignment with the EU Green Taxonomy. This pre-screening tool has been developed following international standards (such as the SDGs, the Equator Principles, the TCFD and the EU Taxonomy Regulation, among others). The results of the application of the tool measure the viability of the investment in ESG matters, as well as the contribution to the SDGs.

## **H. Data sources and processing**

Serena aims to collect information on how the affiliated companies promote environmental and social characteristics through a detailed monitoring tool, which collects all relevant information on the performance of each asset through a list of KPIs (for more information, see sections D and F of this document), as well as through other sources (such as annual reports, meetings, etc.). As stated in section F, Serena is currently testing the collection and processing of data with its affiliates, to consider reporting PAI factors.

All information is collected in Serena's internal database, allowing Serena to draw conclusions and to put in value the contribution of the activities and services to the improvement of environmental and social characteristics.

To ensure the quality of the data collected, both the Asset Management and ESG Team periodically process and contrast the information provided by the affiliated companies by directly engaging with them through meetings, calls, etc. All the data used is real, no estimations are made.

## **I. Limitations to methodologies and data**

The limitations to the methodologies and data collected are due, essentially, to the fact that Serena relies, to some extent, on the invested companies to collect all the relevant information on environmental and social matters. To reduce the disparities in the data collected from the affiliated parties, Serena has developed a monitoring tool, with standardized questions. In practice, this limitation does not affect the achievement of the environmental and social characteristics thanks to the engagement work that Serena carries out with the invested companies.



## **J. Due diligence**

Serena applies various procedures through the whole cycle of any potential investment to ensure the alignment of these investments with Serena's principal objective of generating positive impacts through the investment in environmental infrastructure that promote the development of mobility, environmental and social assets.

Firstly, as described in section D of this document, to ensure that Serena's engagement policies are correctly implemented, Serena conducts an in-depth preliminary analysis of any potential investment, using the internally developed pre-screening tool to assess the contribution of the potential investment under analysis to the SDGs, as well as ESG risks and opportunities. Results from this analysis are then included as part of the Due Diligence process and presented to the Investment Committee as a fundamental part of the decision-making process.

Additionally, at the time of formalizing the investment, a series of clauses are included in the side letters that formally cover the alignment of the affiliated company to Serena's commitment to promote environmental and social characteristics through its investments.

## **K. Engagement policies**

Serena takes an active role in the implementation of the strategies described in the Sustainability Investment Policy and the assurance of the alignment of Serena's objective of generating positive impact with the portfolio companies.

To achieve this, as described in section D, Serena conducts a four-dimensional assessment of any potential investment, considering SDG, ESG, and Climate Change considerations, as well as the alignment to the EU green taxonomy. After this assessment and depending on the results, the team could conduct additional due diligence and set an environmental and social action plan, or even initiate an environmental and social impact assessment (or a study of the deviations between an existing impact study and international performance standards) or any other required study. Depending on the scope of the studies to be carried out, Serena may call on external consultants specializing in environmental or social studies. Finally, the results of the preliminary analysis or any further study performed, which are not investment recommendations, are incorporated in the investment memorandums presented to the Investment Committee.

## **L. Designated reference benchmark**

Serena has not designated a specific index as a reference benchmark to ascertain the alignment of the fund with the environmental and social characteristics that it promotes.