Supplementary reports

Periodic disclosure for Article 8 financial products

Please refer to following pages for NIC DCP III K/S's periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2, and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852 for the period 01.01.2024 - 31.12.2024.

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: NIC DCP III K/S **Legal entity identifier:** 43 22 01 01

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

NIC DCP III K/S ("**the Partnership**") is a closed-ended alternative investment fund, managed by *Advantage Investment Partners* ("**the Manager**"). The Partnership is a fund-of-funds, investing equally in DIF CorePlus Infrastructure Fund III Coöperatief U.A. ("**the Cooperative**") and DIF Core-Plus Infrastructure Fund III SCSp ("**the Debt SCSp**") (collectively "**the Main Funds**") and any co-investment vehicles (each a "**Co-Investment Vehicle**") established by DIF Capital Partners, each with DIF Capital Partners as its manager ("**Portfolio Fund Manager**") and any Alternative Investment Vehicles, Feeder or Parallel Funds (each as defined in the Master Fund LPAs) established in accordance with the Master Fund LPAs (collectively the "**Master Funds**") with the principal objective of creating capital growth for the benefit of the Limited Partners. Any reference in this Disclosure Document to the status or characteristics of the Partnership for purposes of SFDR and EU Taxonomy (EU 2020/852) is a function of the corresponding status or characteristics of the Master Funds as determined by DIF Management.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Master Funds, and thus indirectly the Partnership, promote environmental and social characteristics by making investments that contribute to SDG 9 Industry, Innovation & Infrastructure, SDG 11 Sustainable Cities & Communities, and SDG 13 Climate Action. The contribution to the SDGs is monitored both pre-investment and post-investment by the Portfolio Fund Manager. For each sector, a list of indicators has been prepared that reflect the promotion of environmental and/or social characteristics. The pre-investment indicators are shown in Table 1, and the post-investment indicators are shown in Tables 2a-c below.

To more accurately reflect the specific contributions of the Partnership to these indicators, the supplementary metrics have been modified to highlight the Partnership's impact rather than that of the entirety of the Master Funds'. This is derived from an estimated calculation of the Partnership's pro rata share of the Master Funds.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Table 1. Positive contributions Intrinsic Benefits Tool

The Intrinsic Benefits Tool (IBT) measures the contribution of an investment to the SDGs at the pre-investment stage. The Portfolio Fund Manager's investment teams complete the IBT based on inputs for the relevant fund, sector and geography for the investment. The IBT measures positive and negative impacts and computes a relative score (including quarter allocation) for the investment compared to the Master Funds' investment universe. The IBT directly links the positive impacts identified to the SDGs. The table lists the positive impact categories identified by the IBT for the investments made by the Master Funds and the associated SDG contribution.

Intrinsic Benefits Tool impact categories	% investments[1] with positive contribution[2]	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	13 CLIMATE ACTION
Climate	9%			
Education	0%			
Energy	9%			
Health/sanitation	13%			
Information	50%			
Mobility	28%			
Water	0%			
Waste	0%			

[1] % of investments is computed as the percentage of invested and committed capital contributing to the respective impact category or SDG

[2] Individual investments may contribute to multiple positive impact categories, as a result the sum of the percentages contributing to individual impact categories is expected to be more than 100%.

% investments contributing per SDG[3]	100%	100%	9%

Based on the assessment performed with the Intrinsic Benefits Tool, the investments made by the Master Funds (and thus indirectly the Partnership) positively contribute to the Climate, Energy, Health/sanitation, Information and Mobility impact categories. Through these positive contributions, 100% of investments made by the Master Funds contribute to SDG 9, 100% of investments made by the Master Funds contribute to SDG 11, and 9% contribute to SDG 13. These metrics have been modified to reflect the Partnership's impact rather than the entirety of the Master Funds'.

Table 2a. Invested capital in basic infrastructure and essential services [SDG 9 & 11]

For this indicator, the Portfolio Fund Manager tracks a key reporting indicator and a number of supplementing metrics. The key reporting indicator measures the percentage of the Master Funds' (and thus indirectly the Partnership's) invested and committed capital in transport, energy, telecom, water, healthcare, education, and housing infrastructure, respectively. The Portfolio Fund Manager further disaggregates the percentage of the Master Funds' invested and committed capital into subsectors within defined categories. Additionally, the Portfolio Fund Manager further substantiates the contribution to the SDGs by reporting on supplementing metrics reflecting the services the investments made provide to society. In that context, the supplementing metrics consist of a capacity metric that reflects the potential/capacity of investments to provide these services and a performance metric that captures the level or quality of service delivered over the reporting period.

Investment Type	Investments(%)[3] / Coverage(%)[4]	Capacity	Annual performance	Comments
Education				No Education investments have been made
Total	**0%**			
Energy				All Energy investments reported
Energy storage	4.8% / 4.8%	2.98 MWh	50.20%	Capacity defined as available battery capacity in MWh and annual performance defined as average utilization rate
Total	**4.8%**			
Healthcare				All Healthcare investments reported
Care homes	9.9% / 9.9%	3 homes	95.90%	Capacity defined as number of homes and annual performance defined as average occupancy rate
Specialised Care	3.1% / 3.1%	1 homes	88.90%	Capacity is defined as the number of mobile scanners, and annual performance is defined as the average utilisation rate

[3] Individual investments may contribute to an SDG through multiple positive impacts, but in determining the overall contribution to the respective SDGs the potentially multiple positive impacts per investment are counted as one.

4 The coverage percentage discloses the percentage of the investments (as defined in 1) that was able to report on the relevant indicator

Investment Type	Investments(%)[3] / Coverage(%)[4]	Capacity	Annual performance	Comments
Total	**13.0%**			
Housing				No Housing investments have been made
Total	**0%**			
Telecom				All Telecom investments reported
Data centers	14.6% / 6.4%	19 cabinets/racks	40.00%	Capacity defined as number of available cabinets and racks and annual performance defined as average utilization rate
Fiber	34.3% / 34.3%	1,587 km	95.80%	Capacity defined as network length in km and annual performance defined as weighted average network uptime
Wireless	5.7% / 5.7%	973,157 sq. Ft.	99.97%	Capacity defined as network coverage in sq. ft. and annual performance defined as average network uptime
Total	**54.6%**			
Transport				All Transport investments reported
EV-charging	4.1% / 4.1%	1,618 MW	105 MWh	Capacity defined as installed charger capacity in MW and annual performance defined as energy delivered in MWh
Ports	14.2% / 14.2%	491 units	95.00%	Capacity is defined as the number of GSE units, and annual performance is defined as the average utilisation rate
Rolling stock	9.4% / 9.4%	874 rolling stock	85.60%	Capacity defined as number of available rolling stock and annual performance defined as average utilization rate
Total	**27.6%**			
Water				No Water investments have been made
Total	**0%**			

Table 2b. GHG data [SDG 7, 11 & 13]

The GHG data indicators include GHG footprint, GHG emissions reduction, and GHG emissions avoided, which need to be reported by the investments made by the Master Funds (and thus indirectly the Partnership). GHG footprint data will cover Scope 1 and 2 emissions for all investments and, where available, Scope 3 emissions. Avoided GHG emissions data can only be provided for certain investments (e.g., through improvements in energy efficiency, electrified transport and heating infrastructure displacing fossil fuel-based technology, and renewable energy displacing conventional energy generation). Additionally, where transport investments still rely on a (partial) fossil-fuel-based fleet, an electrification rate is tracked.

4

Indicator	Investments(%)[3] / Coverage(%)[4]	Value	Comments
GHG footprint			
Scope 1&2 (tCO2e)	100% / 74.6%	1,330	74.6% of investments (up from 77% previous year) were able to report on Scope 1&2 GHG footprint data. 17.5% of investments (up from 0% previous year) were able to report on Scope 3 GHG footprint data.Where 2024 data was not available, 2023 data may have been provided as a best estimate. Figures reported are an aggregation of absolute emissions at investment level, and not adjusted for Master Funds shareholding.
Scope 3 (tCO2e)	100% / 39.0%	7,300	
GHG emissions reduction (tCO2)			Due to a lack of a comprehensive GHG emissions baseline for the Master Funds the Portfolio Fund Manager is not able to report on GHG emissions reduction yet
Emission avoidance			
GHG emissions avoided (tCO2e)	4.1% / 4.1%	93	
Electrified rolling stock (%)	9.4% / 9.4%	0%	

Table 2c. Energy consumption [SDG 7 & 11]

The Energy consumption indicators include total energy consumed, renewable energy consumed, and average share of renewable energy consumed. Total energy consumed is measured in MWh and directly reported by investments or derived from detailed GHG footprint data. Renewable energy consumed is measured in MWh and directly reported by investments or derived from detailed GHG footprint data. The average share of renewable energy consumed is a weighted average percentage. It is computed by multiplying the investment level share of renewable energy consumed by invested and committed capital at the investment level and divided by Master Funds total invested and committed capital (based on data coverage).

Indicator	Investments(%)[3] / Coverage(%)[4]	Value	Comments
Energy consumption			
Total energy consumption (MWh)	100% / 71.1%	2,702	Three investments representing ~29% of invested and committed capital were not able to provide energy consumption data yet
Renewable energy consumption (MWh)	100% / 71.1%	251	
Renewable energy consumed (%)	100% / 71.1%	9.28%	
Energy efficiency			
Energy efficiency (MWh/connection)	9.3% / 9.3%	1.09	

Indicator	Investments(%)[3] / Coverage(%)[4]	Value	Comments
Energy efficiency (MWh/m2)	9.9% / 9.9%	0.01	
Power Usage Effectiveness (PUE)	6.4% / 6.4%	0.79	

...and compared to previous periods?

Table 1. Positive contributions Intrinsic Benefits Tool

The number of investments made by the Master Fund grew from 9 to 12 compared to the previous period. The additional investments made by the Master Fund during the reporting period were all measured by the IBT to have a positive information impact. This results in information now being the main impact category through which the fund contributes to the selected SDGs. On an invested + committed capital basis, all investments still contribute to the SDGs chosen.

Table 2a. Invested capital in basic infrastructure and essential services [SDG 9 & 11]

More data points were reported due to more investments reporting in a greater diversity of sectors. Numbers reported for EV charging and Rolling stock went up due to the growth of the underlying investments. For Energy storage, the capacity and annual performance (utilisation rate) are higher than the previous reporting year. For Wireless, the capacity went up, while the annual performance (network uptime) is consistently high. One investment in Data center saw a decrease in number of cabinets/racks, and decreased utilization rate.

Table 2b. GHG data [SDG 7, 11 & 13]

Overall, data coverage increased compared to the previous period, and the number of investments requested to be reported increased significantly. As a result, higher figures for Scope 1&2 emissions and Scope 3 emissions, which were not available last year, are reported.

Table 2c. Energy consumption [SDG 7 & 11]

Overall, data coverage increased compared to the previous period, and the number of investments requested to be reported increased significantly. As a result, higher figures for Total and Renewable Energy Consumption are reported compared to the previous period. Renewable Energy share has increased, which is attributable to both data coverage and the growth of the underlying investments.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

N/A. The Master Funds did not make sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

N/A

How were the indicators for adverse impacts on sustainability factors taken into account?

N/A

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

N/A

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

N/A

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.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: FY2024

Largest investments	Sector	% Assets	Country
Project 1	Q87.90	18%	Ireland
Project 2	H52.2.3	16%	Germany
Project 3	H49.20	13%	Australia

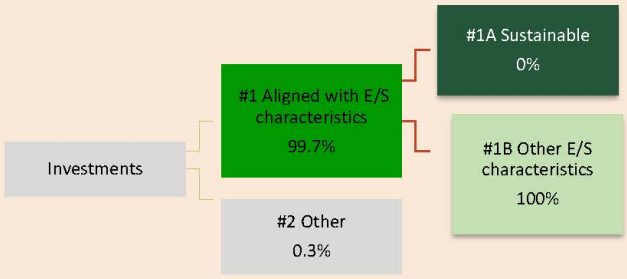
Project 4	K61.90	12%	Canada

What was the proportion of sustainability-related investments?

The Portfolio Fund Manager aims to allocate a minimum proportion of 50% of AUM to investments aligned with the promotion of the SDGs selected by the Master Funds. Within the context of this regulatory Annex these investments are classified as #1B Other E/S Characteristics. Further information on the sustainability-related investments is given in the subquestions below.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or

In which economic sectors were the investments made?

The investments made by the Master Funds (and thus indirectly by the Partnership) were in the following sectors:

NACE code	Class	Proportion
D35.1.1	Production of electricity from non-renewable sources	0%-10%
D35.14	Distribution of electricity	0%-10%
H49.20	Freight rail transport	10%-20%
H52.2.3	Service activities incidental to air transportation	10%-20%
K61.90	Other telecommunications activities	20%-30%
K63.10	Computing infrastructure, data processing, hosting and related activities	10%-20%
Q86.2.2	Medical specialists activities	0%-10%

Q87.90	Other residential care activities	10%-20%

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 rules.

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.

Taxonomy-aligned activities are 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 what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Master Funds (and thus indirectly the Partnership) do not have an objective to make sustainable investments. The Master Funds may however hold investments that are EU Taxonomy aligned. The taxonomy alignment numbers are reported in the underlying Fund's SFDR periodic reporting which has been reviewed, but not audited or verified, by an auditor.

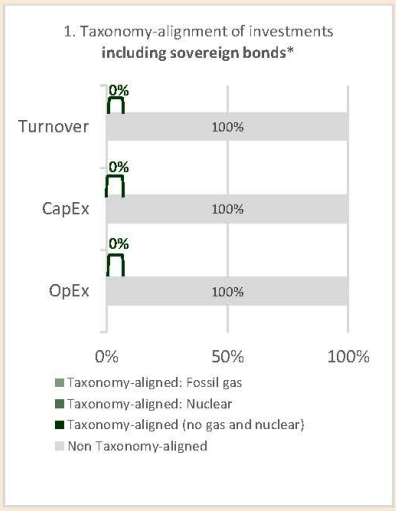
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[5]?

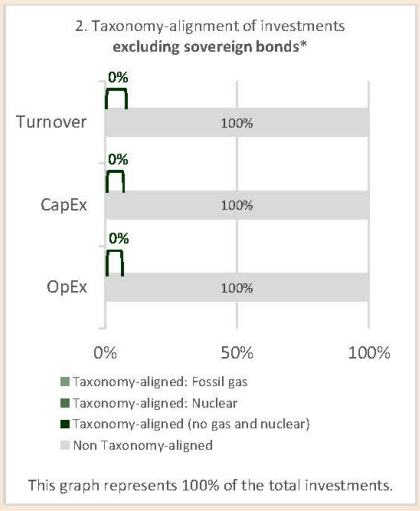
Yes:

In fossil gas In nuclear energy

No ✖

The graphs below show in green the percentage of investments that were 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.*

[5] 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 objective - 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.

- ***What was the share of investments made in transitional and enabling activities?***

N/A.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

For the current period, an alignment percentage of zero was reported, which is consistent with the percentage reported last year.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A. The Master Funds do not aim to make any sustainable investments.

What was the share of socially sustainable investments?

N/A. The Master Funds do not aim to make any sustainable investments.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As defined in the PPM, other investments will include investments that do not directly contribute to the SDGs the fund promotes and/or for which the annual reporting requirements on sustainability indicators are deemed unfeasible. These investments fit the fund investment strategy regarding portfolio diversification objectives and risk/return profiles. Other Fund's assets also include a smaller portion of working capital (components are, e.g., cash and other current items). All investments, where relevant, are subject to pre-investment ESG screening, which acts as a minimum safeguard on ESG risks. For the reporting period, investments classified as "other" consist of working capital, including cash and receivables.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Manager has developed tools and procedures that measure the contribution of investments to the SDGs promoted by the Master Fund. These tools and procedures have been implemented for the investments made by the Fund and resulted in the data presented in this report. During the reference period, the Portfolio Fund Manager made 3 investments that contributed to the SDGs selected by the Fund. The 9 investments made before the reference period have been engaged in CVC DIF's annual Sustainable Engagement Programme (SEP). The Sustainable Engagement Programme consists of an annual survey to

measure ESG performance and an ESG action plan to drive continuous improvement in ESG performance.

How did this financial product perform compared to the reference benchmark?

N/A. No index has been designated by the Master Funds as a reference benchmark.

- ***How does the reference benchmark differ from a broad market index?***

  N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

- ***How did this financial product perform compared with the broad market index?`***

  N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.