

## SUSTAINABILITY AND ESG

### ESG overview

Sustainability and ESG considerations are at the heart of the Investment Manager's ethos and operations. They are embedded throughout the investment process and asset management, from initial investment screening through due diligence and into ongoing monitoring and reporting. Overall responsibility for ESG resides with the Board of JLEN, with analysis and reporting against ESG criteria provided by the Fund's Investment Manager. JLEN's approach to ESG is based on three core principles: Assess, Monitor and Engage. JLEN has been focused on progressing each of these principles in order to maintain a robust ESG framework.

JLEN's three ESG objectives are:

- Promote the efficient use of resources
- Develop positive relationships with the communities in which JLEN works
- Ensure effective, ethical governance across the portfolio

### Read more about JLEN and the Investment Manager's approach to ESG and sustainability



Read JLEN's 2023 Sustainability and ESG Report



Read Foresight's 2023 Sustainability Report

### Developments in the period

JLEN is in the process of developing a Transition Plan in line with the Transition Plant Taskforce ("TPT") Disclosure Framework. The Transition Plan is anticipated to be published within the next year. It believes that the application of the TPT disclosure framework to JLEN is a valuable tool in developing out the Fund's net zero strategy. While JLEN continues to embed assessment and monitoring of ESG criteria into its business-as-usual activities, the Company will review its current ESG KPIs in line with the Transition Plan to ensure they are fit for purpose.

The Investment Manager is making good progress with its plan to complete biodiversity assessments across the portfolio by the end of FY 2024. The majority of sites will benefit from a habitat management plan detailing biodiversity baseline and suggested enhancements which will be implemented in line with the recommended timelines. A few sites where JLEN is not the sole owner are not able to complete the surveys as the works have not yet been approved by the other owners.

Work is underway across the portfolio to address cyber security vulnerabilities that were identified through a recent survey conducted by cyber security specialists, KryptoKloud.

JLEN contributes towards various community benefit funds in the areas where its assets are located. Funds go towards a variety of academic, cultural, economic, environmental, recreational or social benefit projects to uplift communities and provide support where necessary.

### Awards

#### Winner

JLEN is delighted and proud to have been named **'Best Sustainable Alternative Assets Fund'** in the 2023 Investment Week Sustainable Investment Awards. The awards recognise fund providers, research and ratings teams, service providers and individuals who have a key part to play in the evolution of sustainable investing.



#### Shortlisted

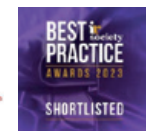
AIC Communication Awards 2023  
**Best ESG communication**

National Sustainability Awards 2023  
**Sustainable Fund of the Year**

Investment Week's 2023 Investment Company of the Year Awards  
**Best Renewable Energy Infrastructure fund**

IR Society Best Practice Awards 2023  
**Best communications of sustainability**

Corporate Reporting Awards 2023  
**Best ESG report**



## ESG PERFORMANCE

### Environmental

#### Objective: Promote the efficient use of resources



HY 2023	660GWh
HY 2022	655GWh

## 660GWh

Renewable energy generated



HY 2023	95,788
HY 2022	96,500

## 95,788 tCO<sub>2</sub>e<sup>(1)</sup>

GHG emissions avoided



HY 2023	1
HY 2022	0

## 1

Reportable environmental incident



HY 2023	359,428
HY 2022	351,500

## 359,428 tonnes

Waste diverted from landfill



HY 2023	233,355
HY 2022	231,267 <sup>(2)</sup>

## 233,355 tonnes<sup>(3)</sup>

Organic fertiliser produced



HY 2023	123,779
HY 2022	120,731

## 123,779

UK homes powered by renewable electricity<sup>(4)</sup>



HY 2023	17.3
HY 2022	14.5

## 17.3 billion litres

Wastewater treated



- (1) Despite overall energy production increasing in 2023, the emissions figure is lower for the half year 2023 than the half year 2022. This decrease in avoided emissions is due to the change in the composition of the electricity produced.
- (2) Estimate based on the asset production value as this figure was not reported in H1 2022.
- (3) In some instances, the six months of data was not available and in that case the tonnages were estimates based on the previous year's figures.
- (4) Excludes AD portfolio.

## ESG PERFORMANCE continued

### Social

**Objective: Develop positive relationships with the communities in which JLEN works**



**235**  
Number of FTE jobs supported<sup>(1)</sup>



**3**  
Reportable H&S incidents

### Governance

**Objective: Ensure effective, ethical governance across the portfolio**



**14**  
H&S audits undertaken



**22**  
Site visits conducted by Foresight

### Environmental Health and Safety Incidents

JLEN takes its environmental and health and safety responsibilities very seriously and seeks to ensure effective management of these issues in both its own operations and in its investment portfolio. JLEN aims to manage risks and incidents in a fair and transparent manner with appropriate action to reduce risk wherever possible. This report identifies the reportable environmental and health and safety incidents in the JLEN portfolio for the six months to 30 September 2023.

H&S incidents (RIDDOR or equivalent) <sup>(3)</sup>	2
Environmental incidents (reportable to Environment Agency or equivalent) <sup>(4)</sup>	1



(1) Full-time equivalent ("FTE") jobs are calculated using total hours worked over the course of the year.  
 (2) This metric was not reported on in HY 2022, as a result, the FY 2023 figure is disclosed instead.  
 (3) RIDDOR 1: CNG – High pressure gas release – near miss. Action taken: staff education on proper equipment use.  
 RIDDOR 2: Cramlington – Finger injury, caused by manual handling. Action taken: improving staff education on manual handling.  
 (4) ETA Manfredonia – nitrogen oxides ("NOx") limit exceeded due to equipment breakage – safety mechanism prevented further release of NOx, action taken: equipment replaced.

## ESG REPORTING

### ESG reporting

JLEN continues to embed assessment and monitoring of its ESG KPIs into its business-as-usual activities. Regular monitoring of the portfolio against the ESG KPIs occurs through monthly management team meetings, which discuss:

- the performance of the investment portfolio against the KPIs; and
- progress made in improving data collection and reporting.

JLEN has mapped its portfolio against the United Nations Sustainable Development Goals (“SDGs”); it presents quantitative reporting against eight of the 17 goals. For details, see pages 99 and 100 of the Annual Report 2023.<sup>(1)</sup>

The Board and the Investment Manager believe that the nature of JLEN’s business and strategy is intrinsically aligned to the goal of a greener and less carbon intensive future and consider the Task Force on Climate-related Financial Disclosures (“TCFD”) to be a positive step in driving that direction. As a result, JLEN has voluntarily included climate-related financial disclosures in its Annual Report 2023. Work is ongoing to further understand its portfolio risks and opportunities and to further develop its approach to climate-related issues.

JLEN is proud to be an Article 9 fund under the EU Sustainable Finance Disclosure Regulation. For recent disclosures, please see our Annex III<sup>(2)</sup> and Annex V<sup>(2)</sup> disclosures available on the JLEN website: [www.jlen.com](http://www.jlen.com)

### Emissions reporting

Although JLEN’s investment activities make a significant and quantifiable contribution to climate change mitigation, there are still emissions associated with the operation and maintenance of the portfolio.

To minimise its direct carbon footprint, the Company is aiming to increase the number of its operational sites on renewable tariffs, and update on the progress thereof will be provided at the year end.

(1) <https://jlen.com/investor-relations/publications/>.

(2) <https://jlen.com/sustainability/publications/>.



## ESG CASE STUDY

# Cultivating a circular economy

Bio Collectors<sup>(1)</sup> and New Covent Garden Market are powering towards a greener future together.

### Overview

New Covent Garden Market ("NCGM") in Nine Elms London, is the largest fruit, vegetable and flower market in the United Kingdom. It covers a site of 35 acres and is home to 152 fruit, vegetable and flower wholesalers. The market provides ingredients to many of London's restaurants, hotels, schools, prisons, hospitals and catering businesses.

### Background

In January 2021, Bio Collectors were contracted to manage food waste collections from the New Covent Garden Market with the goal to provide a more sustainable solution for the process of transportation and recycling of the food waste.

### Solution

Bio Collectors implemented daily collections of a bulk trailer, which is transported on specialist CNG trucks powered by biogas from the food waste collected from their customers, including NCGM. The use of CNG vehicles powered by biogas has helped to significantly reduce the carbon footprint and the reliance on fossil fuels. The food is processed at their AD facility in Mitcham, which is strategically located within eight miles of the market, reducing congestion and pollution in central London by limiting the distance the waste has to travel. The biogas produced from recycling the food waste is fed directly into the National Grid and used by local homes and businesses as well as powering Bio Collectors' CNG vehicles, further reducing reliance on less sustainable sources. Bio Collectors, through its AD facility, produces electricity which is used to power the plant. The process also produces a nutrient-rich fertiliser, called digestate, which is provided to local farms in Surrey, helping to rejuvenate the soil and improve the quality of their crops without the need for damaging, and environmentally unfriendly, chemical alternatives.

(1) JLEN has owned a 70% stake in Bio Collectors since acquisition in 2013.

(2) During the period March 2022 to February 2023.



### The partnership delivered<sup>(2)</sup>:

