

## **Clean Energy Transition LLP**

**CRD Number 315409**

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This Brochure provides information about the qualifications and business practices of Clean Energy Transition LLP.

If you have any questions about the contents of this Brochure, please contact us at +44 (0)20 3870 5963 or email [Clients@CleanEnergyTransition.com](mailto:Clients@CleanEnergyTransition.com). You may also visit our website at [www.cleanenergytransition.com](http://www.cleanenergytransition.com) (under construction).

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and on the Financial Conduct Authority's website at <https://www.fca.org.uk/>.

Registration of an Investment Adviser does not imply that Clean Energy Transition LLP or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Second Floor  
24 St. James's Square  
London  
SW1Y 4JH  
UNITED KINGDOM

**Item 2: Material changes**

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Since the Clean Energy Transition LLP's initial filing in July 2021 the following material changes have occurred:

- Change of address
- Change of contact telephone number

**Item 3: Table of contents**

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Item 2: Material changes .....	2
Item 3: Table of contents .....	3
Item 4: Advisory Business .....	4
Item 5: Fees and Compensation .....	5
Item 6: Performance-Based Fees .....	7
Item 7: Types of Clients.....	8
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss .....	9
Item 9: Disciplinary Information .....	14
Item 10: Other Financial Industry Activities and Affiliations.....	15
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	16
Item 12: Brokerage Practices .....	17
Item 13: Review of Accounts .....	19
Item 14: Client Referrals and Other Compensation .....	20
Item 15: Custody.....	21
Item 16: Investment Discretion .....	22
Item 17: Voting Client Securities.....	24
Item 18: Financial Information.....	25

#### Item 4: Advisory Business

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Clean Energy Transition LLP (“the Firm”) is planning to launch on December 1, 2021 via the spin-out of Lansdowne Partners (UK) LLP’s (“Lansdowne”) Global Energy Team and its range of funds. The Firm was established on 26 March 2021 by its initial partners:

- Per Lekander, the majority owner of the Firm and its Portfolio Manager and Chief Executive Officer;
- Eirik Hogner, the Firm’s Chief Financial Officer and Deputy Portfolio Manager;
- Benjamin Singh, the Firm’s Chief Operating Officer and Chief Compliance Officer; and
- Paul Sheppard, the Firm’s Head of Trading.

Together with Sophia Hart, Partner and Strategist, the above individuals form the Firm’s Executive Committee.

The Firm is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom and will provide investment advisory services on a discretionary basis to its clients, including unauthorised commingled investment vehicles, intended for institutional and other sophisticated investors, as well as delegated mandates for certain sub-funds within Irish domiciled ICAVs authorised by the Central Bank of Ireland as Qualifying Investor Alternative Investment Funds (collectively “the funds” or “the clients”).

The funds managed by the Firm can be grouped as follows:

- **Energy Dynamic Funds** – equity long/short funds investing in core energy sectors (oil and gas, renewables, utilities, infrastructure and commodity futures) and energy linked sectors (capital goods, transport and mining).
- **Clean Energy Funds** – equity long only funds investing in clean generation equipment, new energy technologies, renewables operators, electricals, infrastructure and power generators that have demonstrated a path to sustainability.

Each fund and sub-fund managed by the Firm contains a number of different share classes, which differ as to matters such as reporting currency, minimum investment, redemption terms, treatment of income and fees.

The funds have entered, and the Firm may in the future enter, into agreements with certain significant or strategic investors in the applicable fund, whereby such investors may be subject to terms and conditions that are different from, or more advantageous than, those set forth in such fund’s offering documents.

The information contained in this Brochure summarises the details contained within the offering documents prepared for each of the funds. The Brochure is not required to provide all the information which a prospective investor will require prior to making an investment.

As at 30 June 2021, the assets under management attributable to the funds managed by the Global Energy Team at Lansdowne stood at approximately US\$2 billion (all of which is managed on a discretionary basis) and the Firm is expected to retain the majority of such AUM under the aforementioned spin-out. However, as the spin-out has not yet occurred Clean Energy Transition LLP has currently regulatory assets under management of 0\$.

## Item 5: Fees and Compensation

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### Management Fees

The Firm will charge each client a management fee. These fees will be based on the Net Asset Value ("NAV") of each class of interests within a fund and will be deducted from the portfolio on a monthly basis and adjusted for any subscriptions or redemptions made during the month. The rate of such management fees will range from 0.585% to 1.5% per annum, depending on the client type, the strategy and the size of the mandate.

### Performance-based Fees

The Firm will also receive performance fees from certain clients, where performance over the relevant calculation period has exceeded the relevant "high-water mark" which may differ between clients. The performance fee rates will range from 15% to 20% per annum and will be applied to the outperformance above the relevant high-water mark.

### Other fees

Other fees that may be charged to fund clients are set out below:

(a) all transactions carried out by the fund or on its behalf (including, for the avoidance of doubt, research charges (charged in accordance with the applicable rules of the United Kingdom Financial Conduct Authority, and the Securities and Exchange Commission)) and (b) the administration of the fund including, (i) all of the charges and expenses of legal advisers and independent auditors, (ii) all brokers' commissions (if any), borrowing charges on securities sold short and any issue or transfer taxes or stamp duties chargeable in connection with its securities transactions, (iii) all taxes and corporate fees payable to governments or agencies, (iv) all fees and expenses incurred by the Firm in connection with the provision of its services, (v) fees of the directors (if any) and expenses, (vi) all interest on borrowings, including from the prime brokers and custodians (vii) all communication expenses with respect to investor services and all expenses of meetings of limited partners/shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (viii) all of the costs of insurance (if any) in favor of the directors or the general partner of the relevant fund, (ix) all litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, (x) the cost of preparing, submitting and filing any relevant legal, regulatory or taxation related reports and any related expenses, and (xii) all other organizational and operating expenses.

The maximum amounts of the fees, charges and expenses borne (directly or indirectly) by investors in the funds will depend on a number of factors including, but not limited to, portfolio turnover, level of borrowings and the costs of short sales. Save as otherwise indicated, no maximum amounts have been agreed.

Please see the section on "Brokerage practices" for a description of other brokerage charges.

Client assets may also be invested in money market mutual funds, ETFs or other registered investment companies. In these cases, the client will bear its pro rata share of the investment management fee and other fees of the money market mutual fund, ETF or other registered investment company, as appropriate, which would be in addition to the investment management fee paid to the Firm.

The allocation of expenses by the Firm between it and any client and among clients represents a conflict of interest for the Firm. The Firm will allocate expenses to each client in accordance with the client's arrangements with the Firm (including applicable client disclosures). The Firm will seek to allocate shared expenses for products and services benefitting the Firm and the client and not covered in the client's arrangements in a fair and reasonable manner. The Firm will generally allocate common client expenses among multiple clients pro rata based on assets under management at the date on which the expenses are paid or on a different basis if the Firm determines that an expense disproportionately benefits a particular client or group of clients.

**Item 6: Performance-Based Fees**

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The Firm and its investment personnel will provide investment management services to multiple portfolios for multiple clients. The Firm will also paid performance-based compensation by certain of its clients. In addition, the Firm's investment personnel will typically be compensated on a basis that includes a performance-based component. Certain client accounts may have higher asset-based fees or more favorable performance-based compensation arrangements than other accounts. When the Firm and its investment personnel manage more than one client account, a potential conflict exists for one client account to be favored over another client account. The Firm and its investment personnel may have a greater incentive to favor client accounts that pay the Firm performance-based compensation or higher fees.

The Firm is aware of, and will adopt and implement policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with multiple fee arrangements, and the allocation of investment opportunities. The Firm's procedures relating to the allocation of investment opportunities will require the Firm to attempt to allocate them in a manner that is in the best interests of all the client accounts involved and the Firm will, in general, allocate investment opportunities believed to be appropriate for more than one client account between such client accounts on a pro rata basis in proportion to the relative net worth of each. The Firm will evaluate for each client account a variety of factors which may be relevant in determining whether a particular situation or strategy is appropriate and feasible for the client account at a particular time, including the nature of the investment opportunity taken in the context of the other investment or regulatory limitations on the client account and the transaction costs involved. Periodically, the Firm will prepare a schedule comparing allocations between advisory accounts within the same strategy, for review by the Chief Compliance Officer of the Firm.

The Firm will employ a wide range of investment objectives and strategies for its clients. These differing objectives and strategies may raise potential conflicts of interest. For example, the Firm may buy a security for one client account while it is selling that security for another client account. In addition, the Firm may cause one client account to buy a particular security "long" and another client account to sell that same security "short". When the Firm causes its clients to take opposite positions with respect to a particular security, action taken for the benefit of one set of clients may appear to favor that set of clients.

**Item 7: Types of Clients**

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The Firm's clients will consist of the funds and sub-funds. See Item 4 above for more details.

With respect to any fund and sub-fund, any initial and additional subscription minimums will be disclosed in the funds' and sub-funds' respective offering memoranda. The funds' directors or general partner have the right to accept a lesser amount.



**Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

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The Firm's investment approach and method of analysis will vary between its two main fund strategies described below:

*Energy Dynamics Funds*

The Energy Dynamic Funds aims to take advantage and contribute to the world's transition from an unsustainable to sustainable energy system by investing in best in class companies enabling and adopting these changes, and shorting poor companies positioned against this trend. The funds invest primarily in the equity and equity-related securities of global energy companies (including, but not limited to, energy companies involved in the coal, gas, and oil sectors, utilities, energy capital goods and renewables), which are identified as mispriced, either in absolute terms or relative to other equity securities.

The Firm will identify investment opportunities through meetings with company management teams and its own independent research and analysis. The Firm's research approach will combine top-down and bottom-up analysis. On a macro level, the Firm will look to identify key industry, technology and regulatory trends and assess how these affect sub-sectors and regions. On a micro level, the Firm will assess company-specific outlooks with a focus on competitiveness, management and financial outlook.

The typical investment horizon for this strategy is 6 to 24 months.

*Clean Energy Funds*

The Clean Energy Funds aim to capitalise on the transformational changes occurring in the global energy sector. The primary drivers for this development are the rapid cost declines in renewables, electrification trend and the IT revolution beginning to impact the power, energy infrastructure and industrials sub-sectors on a large scale supported by supranational regulatory and policy actions.

The funds invests primarily in the listed equity and equity-related securities of global companies in the energy, power and industrials sectors, which are identified as being undervalued and where it is believed by the Firm that there is potential for both significant creation of value in the underlying global company and/or significant potential for revaluation of the equity. The funds' portfolios may include (without limitation) the listed equity and equity-related securities of global companies involved in the production of clean generation equipment, electricals, renewable energy sources, new energy technologies, electrical infrastructure and environmentally sustainable power generators.

The Firm will identify investment opportunities through extensive meetings with company management teams and its own independent research and analysis. Ideas will almost be universally generated internally, though external sources will be useful prompts in the process. The Firm will source its investment ideas by combining key inputs including macro analysis, policy and regulation, industry analysis and bottom up stock analysis.

From an ESG perspective, the funds exclude coal, oil and gas extraction companies and are committed to not investing in companies listed on the Carbon Underground 200, managed by Fossil Free Indexes, or any companies listed on the Production of Coal or Coal-Based Energy product-based exclusion list managed by Norges Bank Investment Management. The funds will also not invest in companies listed on any of the Norges conduct-based exclusion lists.

The typical investment horizon for this strategy is 1 to 3 years.

Risk factors

The methods, strategies and investments described above involve risk of loss to clients, and clients must be prepared to bear the loss of their entire investments. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in each of the funds. Prospective investors are urged to consult their professional advisers and the funds' prospectuses/offering memoranda before deciding to invest in the funds.

Concentration of investments: although it is the policy of the funds to seek to diversify their investment portfolios, some of the funds may at certain times hold relatively few investments. In those circumstances the funds may be subject to significant losses if they hold a large position in a particular investment that declines in value or is otherwise adversely affected.

Counterparty risk: the funds are subject to the risk of the inability of any counterparty (including prime brokers and custodians) to perform with respect of transactions, whether due to insolvency, bankruptcy or other causes.

Currency exposures: the investor interests in the funds are denominated in U.S. Dollars. However, the funds may be invested in securities denominated in other currencies. Accordingly the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates.

Debt securities: the funds may invest in debt securities which may be unrated by recognized credit-rating agency or below investment grade and may be subject to greater risk of loss of principal and interest than higher-rated debt securities. The funds may also invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, as well as in debt securities which are not protected by financial covenants or limitations on additional indebtedness. Therefore the funds may be exposed to credit, liquidity and interest rate risks in relation to debt securities.

Derivatives: The funds may from time to time utilize both exchange-traded and over-the-counter futures, options and contracts for differences as part of its investment policy. These instruments are highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

Emerging markets: The funds may invest in securities of companies incorporated in or whose principal operations are in emerging markets, additional risks may be encountered. These include increased currency risk, country specific political, legal and economic risks, reduced liquidity and increased market volatility due to financial markets being in their early stages of development, less complete and reliable fiscal and market information available to investors.

Energy related risk factors: The funds will have exposure to specific risks relating to the energy markets including:

- *Global Energy and Energy Infrastructure Market Risks:* The funds will have significant investments in the global energy and global energy infrastructure markets, through its investments in the equity and equity-related securities of global energy companies. Global energy and energy infrastructure markets may be subject to short-term volatility due to a variety of factors, including weather, international political and economic developments, breakdowns in the facilities for the production, storage or transport of energy and energy-related products, acts of terrorism, changes in government regulation and sudden changes in fuel prices.
- *Regulation:* The global energy industry is affected from time to time in varying degrees by political developments and a wide range of federal, state and local statutes, rules, orders and regulations that may, in turn, affect the operations and costs of global energy companies in which the funds may invest.
- *Commodity Price Volatility Risk:* Companies operating in the energy sector may be affected by fluctuations in the prices of energy commodities, including, for example, natural gas, natural gas liquids, crude oil and coal, in the short- and long-term.
- *Supply and Demand Risk:* Companies operating in the energy sector may be impacted by the levels of supply and demand for energy commodities.
- *Concentration:* the funds' investments are concentrated in the global energy industry and will be subject to numerous risks that affect the global energy industry as a whole or the upstream sector of the industry in particular.
- *Depletion risk:* Companies engaged in the exploration, development, management or production of energy commodities face the risk that commodity reserves are depleted over time.
- *Uncertainty of the Renewable and Alternative Energy ("RAE") Market:* The market for RAE products is emerging and rapidly evolving, and its future success is uncertain.

Equity securities general risks: The value of equity securities of public and private, listed and unlisted companies and equity derivatives generally varies with the performance of the issuer and movements in the equity markets. As a result, the funds may suffer losses if it invests in equity instruments of issuers whose performance diverges from the Firm's expectations or if equity markets generally move in a single direction and the funds have not hedged against such a general move. The funds also may be exposed to risks that issuers will not fulfil contractual obligations such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

Leverage risk: The funds may utilize leverage which involves the borrowing of funds from brokerage firms, banks and other institutions in order to be able to increase the amount of capital available for investments. Performance may be more volatile if the funds employ leverage.

Liquidity and market characteristics: In some circumstances, investments may be relatively illiquid making it difficult or impossible to acquire or dispose of them at the prices quoted on the various exchanges or at the prices which the Firm considers reflects their then value. Accordingly, the funds' ability to respond to market movements may be impaired and the funds may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties.

Short Selling risk: Short selling involves trading on margin and accordingly can involve greater risk than investments based on a long position. A short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security, which could result in an

inability to cover the short position and a theoretically unlimited loss. There can be no absolute guarantee that equities and/or currencies necessary to cover a short position will be available for purchase.

**Systemic Risk:** Systemic risk is the risk of broad financial system stress or collapse triggered by the default of one or more financial institutions, which results in a series of defaults by other interdependent financial institutions. Financial intermediaries, such as clearinghouses, banks, securities firms and exchanges with which the funds interact, as well as the funds, are all subject to systemic risk. A systemic failure could have material adverse consequences on the funds and on the markets for the financial instruments in which the funds seek to invest.

**Undervalued/Overvalued Securities:** The identification of investment opportunities in misvalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognized. While purchases of undervalued securities and short sales of overvalued securities offer opportunities for above-average capital appreciation, these investments may involve a high degree of financial risk and can result in substantial losses. Returns generated from the funds' investments may not adequately compensate for the business and financial risks assumed. In addition, a client portfolio may be required to maintain positions in such securities for a substantial period of time before realizing their anticipated value.

Additional risks relating to the Firm:

**BREXIT and the EU:** The United Kingdom formally withdrew from the European Union on January 31, 2020. On December 24, 2020, the European Union and the United Kingdom concluded a trade agreement intended to apply following the end of the transition period on December 31, 2020. The withdrawal process has led to an extended period of market volatility and disruption, not just in the United Kingdom, but throughout the European Union, the European Economic Area and globally. Any future negotiations between the United Kingdom and the European Union with respect to their trading relationship may introduce new uncertainties and instabilities in the financial markets that may be significant. It is not possible to ascertain the precise impact these events may have on the funds or the Firm from an economic, financial or regulatory perspective but any such impact could have material consequences for the funds.

**Cybersecurity Risk:** The information and technology systems of the Firm and of key service providers to the Firm and its clients may be vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Firm will implement various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for the Firm to make a significant investment to fix or replace them and to seek to remedy the effect of these issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of the Firm or its client accounts and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information.

**Risk Management Failures:** Although the Firm will attempt to identify, monitor and manage significant risks, there can be no assurance that these efforts will be effective. Moreover, many risk management techniques, including those that the Firm will employ, are based on historical market behavior, but future market behavior may be entirely different and, accordingly, the risk management techniques employed on behalf of clients may be

incomplete or altogether ineffective. Similarly, the Firm may be ineffective in implementing or applying risk management techniques. Any inadequacy or failure in risk management efforts could result in material losses to clients.

Systems and Operational Risk: The Firm will rely on certain financial, accounting, data processing and other operational systems and services that will be employed by the Firm and/or by third party service providers, including prime brokers, the third party administrator, market counterparties and others. Such data, programs and/or systems could be subject to defects, failures or interruptions. In addition, despite certain measures that will be established by the Firm and third party service providers to safeguard such data, programs and/or systems, the Firm, clients and their third party service providers will be subject to risks associated with a breach in cybersecurity which may result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. Any such errors and/or disruptions may lead to financial losses, the disruption of the client trading activities, liability under applicable law, regulatory intervention or reputational damage.

**Item 9: Disciplinary Information**

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The Firm has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to such action.

**Item 10: Other Financial Industry Activities and Affiliations**

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The Firm is authorised and regulated by the FCA in the UK as an Alternative Investment Fund Manager (“AIFM”). The authorisation that it expects to hold will mean that the Firm is permitted to provide discretionary management and advisory services to its funds and other professional clients. The Firm will not be permitted to deal with retail clients.

The Firm will maintain a record of any potential conflicts of interest, including external appointments held by all staff, including the management persons listed above. This list will be updated when necessary and completeness will be confirmed on an annual basis. None of the relationships notified to the Firm by the individuals concerned will create a material conflict of interest between the Firm and its clients or between clients.

Each fund for which the Firm or its related person serves as general partner or investment manager may in the future enter into agreements, or “side letters,” with certain prospective or existing fund investors whereby such investors may be subject to terms and conditions that are more advantageous than those set forth in the prospectus or offering memorandum for the relevant fund. For example, such terms and conditions may provide for rights to redeem on shorter notice in specified circumstances, rights to receive notification of specified events and/or rights to receive portfolio and/or NAV information. The modifications are solely at the discretion of the governing body of the relevant fund and may, among other things, be based on the size of the investor’s investment in the fund or affiliated investment entity, an agreement by an investor to maintain such investment in the fund for a significant period of time, or other similar commitment by an investor to the fund.

**Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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The Firm will put in place a Code of Ethics which will set out the procedures governing personal trading. The Code of Ethics will be made available to clients or prospective clients upon request and will include the following provisions:

- All personal brokerage accounts used by staff and their spouses and dependent children (“related persons”) must be notified to the Firm.
- Prior approval may be required before a trade can be executed.
- Copies of contract notes are received by the Firm.
- Initial and annual holdings reports are submitted to the Firm by all staff. These will be checked back to the original approvals and contract notes where appropriate.

Clients or prospective clients may obtain a copy of the Firm’s Code of Ethics by contacting Mr. Benjamin Singh (Chief Compliance Officer) by e-mail at: [Ben@CleanEnergyTransition.com](mailto:Ben@CleanEnergyTransition.com).

The Firm may promote funds to clients in which related persons may also have an investment. This will be disclosed to the client at the time of investment. No other securities will be bought or sold for client accounts in which the Firm’s related persons have a material financial interest. Such activity is considered to be an alignment of interest between the related persons and the client.

Personal trading rules will not permit related persons to purchase securities for their own accounts at times when the funds or accounts managed are actively trading in such securities.



**Item 12: Brokerage Practices**

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Except for the general investment guidelines set forth in the offering memorandum of each respective fund, there will be no limitations on the authority of the Firm with respect to brokerage practices.

The Firm will be authorized to determine the broker or dealer to be used for each securities transaction for the funds. In selecting brokers or dealers to execute transactions, the Firm will not need to solicit competitive bids and will not have an obligation to seek the lowest available commission cost.

In general the Firm will pay for all eligible research consumed by way of a Research Payment Account (“RPA”) that will be funded through research charges collected via the “accounting method”. Under this method, research charges will be collected via regular payments made by clients directly into the RPA.

The Firm will, on an annual basis, set a budget in respect of the purchase of research during each calendar year. The Firm general policy will be to set the research budget at a strategy level, and to then allocate the costs between the underlying clients within that strategy pro-rata according to the value of gross assets in each portfolio. The research budget and estimated research charge for a Fund in respect of the current RPA period will be made available by the Firm on request.

In order to qualify as eligible research, the materials or services received must (i) relate to a potential investment and (ii) be capable of contributing to better investment decisions and benefiting the end client. Where types of research do not meet or only partially meet the FCA’s criteria for eligible research, these will be paid for by the Firm out of its own resources either in full or partially following a mixed use assessment.

The Firm will regularly assess the quality of the research purchased, based on robust quality criteria, and its ability to contribute to better investment decisions. The quality criteria used by the Firm will include, without limitation, (a) the uniqueness of the relevant research; (b) the authorship quality of the relevant research; (c) the accuracy of the relevant research in correctly predicting the outcome of future events; and (d) the consistency of the relevant research in contributing to profitable trading.

The research purchased through the RPA is expected to be of a type that would be permitted under Section 28(e) of the United States Securities Exchange Act of 1934, as amended. Nevertheless, the arrangements through which the Firm will receive research will not necessarily satisfy the requirements of Section 28(e).

The Firm expects that it will often purchase or sell the same security for many clients contemporaneously, at or near the same time and using the same executing broker. It will be the Firm’s practice, where possible, to aggregate client orders for the purchase or sale of the same security submitted contemporaneously, at or near the same time for execution using the same executing broker. The Firm will also aggregate in the same transaction, the same securities for accounts where the Firm has brokerage discretion. Such aggregation may enable the Firm to obtain for clients a more favorable price or a better commission rate based upon the volume of a particular transaction. However, in cases where the client has negotiated the commission rate directly with the broker, the Firm will not be able to obtain more favorable commission rates based on an aggregated trade. In such cases, the client will be precluded from receiving the benefit of any possible commission discounts that might otherwise be available as a result of the aggregated trade. In cases where trading or

investment restrictions are placed on a client's account, the Firm may be precluded from aggregating that client's transaction with others. In such a case, the client may pay a higher commission rate and/or receive less favorable prices than clients who are able to participate in an aggregated order. When an aggregated order is completely filled, the Firm will allocate the securities purchased or proceeds of sale pro rata among the participating accounts, based on the purchase or sale order. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or excessively small allocations. If the order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. If an aggregated order is only partially filled, the Firm's procedures will provide that the securities or proceeds are to be allocated in a manner deemed fair and equitable to clients.

Depending on the investment strategy pursued and the type of security, this may result in a pro rata allocation to all participating clients.

From time to time it is expected that the Firm may participate in meetings with corporate executives or in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers to a private fund managed by the Firm or recommend these private funds as an investment to clients. The Firm may place client portfolio transactions with firms who have arranged such meetings, provided capital introduction opportunities or made such recommendations, if the Firm determines that it is otherwise consistent with seeking best execution. In no event will the Firm select a broker-dealer as a means of remuneration for recommending the Firm or any other product managed by the Firm or affording the Firm with the opportunity to participate in capital introduction programs or meetings with corporate executives.

**Item 13: Review of Accounts**

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The Firm will typically make reviews on a daily basis of the most significant holdings of client accounts. These holdings will be monitored in the light of trading activity, significant corporate developments and other activities which may dictate a change in portfolio positions. The portfolios of the client accounts will be analyzed in connection with certain prudent risk-management measures, including, but not limited to, diversification guidelines. In addition, the client accounts will be reviewed periodically from the standpoint of their respective specific investment objectives and as particular situations may dictate. Each client that is a separate account will receive reports from the Firm in the format and frequency as required by the terms of the applicable client agreement with the Firm. Investors in funds managed by the Firm will receive reports from the fund pursuant to the terms of each fund's offering memorandum or as otherwise described in the offering documents of the funds.

**Item 14: Client Referrals and Other Compensation**

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As stated in item 12, the Adviser pays for research services used in the investment management process via a Research Payment Account.

**Item 15: Custody**

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The Firm will not be authorized, nor will it be required, to provide custody of assets. All of the Firm's clients will receive custody services from appropriately licensed and authorized third party custodians and prime brokers.

**Item 16: Investment Discretion**

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The Firm will provide investment advisory services on a discretionary basis to its clients. Please see Item 4 for more information.

Prior to assuming any discretion in managing a client's assets, the Firm will enter into an investment management agreement or other agreement that sets forth the scope of the Firm's discretion (an "Investment Management Agreement").

Unless otherwise instructed or directed by a discretionary client, the Firm will have the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) (ii) the amount of securities to be purchased or sold for the client account. Because of the differences in client investment objectives and strategies, risk tolerances, and other criteria, there may be differences among clients in invested positions and securities held. The Firm may consider the following factors, among others, in allocating securities among clients: (i) client investment objectives and strategies; (ii) client risk profiles; (iii) restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows. Although it will be the Firm's policy to allocate investment opportunities to eligible client accounts on a pro rata basis (based on the value of the assets of each participating account relative to value of the assets of all participating accounts), these factors may lead the Firm to allocate securities to client accounts in varying amounts. Even client accounts that are typically managed on a *pari passu* basis may from time to time receive differing allocations of securities based on total assets of each account eligible to invest in the particular investment type (e.g., equities) divided by the total assets of all accounts eligible to invest in the particular investment.

Allocations will be made among client accounts eligible to participate in initial public offerings ("IPOs") and secondary offerings on a pro rata basis, except when the Firm determines in its discretion that a pro rata allocation is not appropriate, which may include a client's investment guidelines explicitly prohibiting participation in IPOs or secondary offerings and a client's status as a "restricted person" under applicable regulations.

The Firm shall be permitted to enter into cross transactions between their clients, provided that such transactions are in accordance with the Firm's policies and procedures. Cross transactions enable the Firm to effect a trade between two clients for the same security at a set price, thereby possibly avoiding an unfavorable price movement that may be created through entrance into the market and saving commission costs for both accounts. Cross transactions may include rebalancing transactions that are undertaken so that, after withdrawals or contributions have occurred, the portfolio compositions of similarly managed accounts remain substantially similar. The Firm has a potentially conflicting division of loyalties and responsibilities regarding both parties to cross transactions.

Furthermore, where the Firm's related persons own more than twenty-five percent of a private fund managed by the Firm, cross transactions involving that private fund client will constitute a principal transaction within the meaning of Section 206(3) of the Investment Advisers Act of 1940, as amended (the "Act"). These types of transactions create additional conflicts of interest because the Firm or related person has an incentive to buy securities from (or sell securities to) clients based on its own financial interests, rather than solely the interests of a client. With respect to such principal transactions, the Firm will disclose to the client in writing before the completion of the transaction the capacity in which the Firm will

be acting with respect to this arrangement, and will obtain the client's consent to such transaction as required by the Act.

Trading errors (i.e., when an order is not executed according to the portfolio manager's instructions due to a mistake of fact, processing error or other similar reason) and order errors (i.e., when an order is not suitable and appropriate for the client because of investment restrictions or regulatory limitations, changed circumstances, inadvertent duplication or other similar reason) that are attributable to the Firm shall be corrected in accordance with the following principles: If trading errors and/or order errors do occur, they will be for the account of the applicable client account(s), unless they are the result of conduct inconsistent with the standard of care set forth in the applicable investment management agreement. The investment management agreement will generally provide that, except in the case of negligence, fraud or willful default, losses (including indirect losses, loss of opportunity and consequential loss) arising from unintended errors in the communication or administration of trading instructions shall be for the account of the client account on the basis that profits arising from such errors will also be for the account of the client account. The Firm will not be responsible for the errors of other persons, including the client account's prime brokers and custodians. In the event of a trading error or an order error, it shall be a matter of the Firm's discretion as a free-standing investment judgment whether or not to retain the relevant position.

To the extent the Firm has authority, pursuant to the investment management agreement or other governing documents of a client account, to participate in class action claims (each, a "Claim") it will do so on a case-by-case basis. Once the Firm receives a Claim, the Firm will determine whether any clients or former clients of the Firm owned the security during the period covered by the Claim. Appropriate personnel of the Firm will determine whether they agree with the basis of the Claim and whether or not to participate in the Claim depending upon (i) the nature of the Claim; (ii) prospects for recovery; (iii) resources required to pursue the Claim, (iv) other relevant factors pertaining to the particular Claim and (v) any other factors that the Firm deems relevant.

The Firm may provide certain clients or investors in a private fund with the opportunity to co-invest in certain investments to which the Firm has access. Participation in such opportunities may be limited to a select number of clients or investors based on the Firm's consideration of factors, including but not limited to: (i) whether the potential co-investor has expressed an interest in participating in co-investment opportunities; (ii) the Firm's evaluation of the potential co-investor's size and financial resources; (iii) the ability of the potential co-investor to expeditiously participate in the investment opportunity without harming or otherwise prejudicing the other clients participating; (iv) the Firm's perception of whether the investment opportunity may subject the potential co-investor to legal, regulatory or other burdens that make it less likely that the potential co-investor would accept the investment opportunity; (v) whether the Firm believes that allocating the investment opportunity to a potential co-investor will help establish, recognize or strengthen relationships that may provide indirectly longer-term benefits to current or future clients or to the Firm; (vi) any confidentiality concerns the Firm has that may arise in connection with providing the potential co-investor with specific information regarding an investment opportunity in order to allow it to evaluate the opportunity; and (vii) other factors deemed relevant by the Firm. Co-investment opportunities may not be available to all of the Firm's clients or investors.

**Item 17: Voting Client Securities**

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To the extent that the Firm has been delegated proxy voting authority on behalf of its clients, the Firm will comply with its Proxy Voting Policy and Procedures (the “Procedures”) that are designed to ensure that the Firm will make a best efforts attempt to vote proxies with respect to client securities in the best interests of its clients. The Procedures will also require that the Firm identify and address conflicts of interest between its related persons and its clients. If a material conflict of interest exists, the Firm will determine whether voting in accordance with the guidelines set forth in the Procedures is in the best interests of the client or whether taking some other action may be more appropriate.

The Firm will a service provider, ISS Europe Limited (“ISS”), to provide corporate research and to facilitate the voting of proxies on behalf of its clients. The Firm will subscribe to ISS’ Sustainability Policy which seeks to promote support for recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labor practices, non-discrimination, and the protection of human rights. Generally, ISS’ Sustainability Policy will take as its frame of reference internationally recognized sustainability-related initiatives such as the United Nations Environment Programme Finance Initiative (UNEPFI), United Nations Principles for Responsible Investment (UNPRI), United Nations Global Compact, Global Reporting Initiative (GRI), Carbon Principles, International Labour Organization Conventions (ILO), CERES Roadmap for Sustainability, Global Sullivan Principles, MacBride Principles, and environmental and social European Union Directives.

The Firm will generally vote in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are involved). For other proposals, the Firm will assess what is in the best interests of its clients and, in doing so, may take into account the following factors:

- (i) whether the proposal was recommended by management and the Firm’s opinion of management;
- (ii) whether the proposal acts to entrench existing management;
- (iii) whether the proposal fairly compensates management for past and future performance;
- (iv) Environmental, Social and Governance factors (where appropriate), and
- (v) ISS’ Research Reports and Sustainability Policy.

Although information about how the Firm has exercised its client’s proxies is not made available to the general public, clients may obtain (i) a copy of the Firm’s Procedures and (ii) information about how the Firm voted a client’s proxies by contacting Mr. Benjamin Singh (Chief Compliance Officer) by email at [Ben@CleanEnergyTransition.com](mailto:Ben@CleanEnergyTransition.com).

The Firm may have a business relationship with an issuer whose securities the Firm recommends to its clients. In the event the Firm has been delegated proxy voting authority by a client with respect to its investment in such securities, the Firm will seek to ensure that proxies in respect of such securities are voted in the best interest of that client.



**Item 18: Financial Information**

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Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the Firm's financial condition.

The Firm does not require or solicit pre-payment of any type of client fees in advance. The Firm has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.