Product-level Climate-related Financial Disclosures
ICG-Longbow Senior Secured UK Property Debt Investments

ICG Alternative Investment Limited ("**ICG AIL**") has prepared this product report ("**Report**") for ICG-Longbow Senior Secured UK Property Debt Investments (the "**Fund**") in accordance with ESG 2.3.5 of the FCA Handbook, and on the basis of the recommendations of the Task Force on Climate-related Financial Disclosures (the "**TCFD**"). This Report is intended to provide additional data and information on the Fund's impact on climate, and the impact of climate change on the Fund. For information on the terms used in this document, please refer to the TCFD Glossary.

ICG AIL acknowledges that the Fund's investments may have a positive or negative impact on the climate and that climate change itself may influence the financial performance of the Fund. The Fund is guided by Intermediate Capital Group plc (**"ICG")**'s Responsible Investing Policy and Climate Change Policy (available here) in addressing climate-related risks and opportunities.

ICG AIL's approach to managing governance, strategy and risk management as it relates to risks and opportunities pertaining to climate change is described in ICG's Group TCFD Report here. ICG AIL's approach to governance, strategy and risk management in relation to the Fund does not materially differ from the overall approach described in the Group TCFD Report.

This Report covers the reporting period for the year ended 31 January 2025.

Climate metrics for the Fund's investments

The Company has invested in a portfolio of UK real estate debt investments, predominantly comprising loans secured by first ranking fixed charges against commercial property investments. In January 2021 the shareholders approved a change in the investment objective of the Company, which is now to conduct an orderly realisation of its assets. Due to the nature of the Company's investments and its current investment objective, there is insufficient emissions data to report. This data gap cannot be addressed using proxy data or assumptions without the resulting disclosure, in the reasonable opinion of ICG AIL, being misleading, given the limited number of investments the Company currently holds.

Carbon intensive sectors and scenario analysis

ICG AIL is required to report on whether it has concentrated or high exposures to carbon intensive sectors[1]. Drawing on guidance[2] provided by the Glasgow Financial Alliance for Net Zero ("GFANZ") on high-emitting and hard-to-abate sectors, ICG AIL considers the following sectors to be carbon intensive: agriculture; aluminium; cement; chemicals; coal; commercial and residential real estate; iron and steel; oil and gas; power generation; and transport (automotive and trucks, aviation and shipping), and considers a fund to have concentrated or high exposures to carbon intensive sectors where the Fund's exposure amounts to greater than 50% of net asset value at the reporting date.

On this basis, as at 31 January 2025, the Fund has concentrated or high exposures to the following carbon intensive sector: commercial real estate.

The Fund invests in Real Estate Debt, and is therefore indirectly exposed to climate risk associated with underlying assets providing collateral for ICG's Debt. As the Fund is now conducting an orderly realisation of its assets, ICG AIL does not anticipate the materialisation of significant climate risk for the Fund. However, should realisation not occur in the immediate term, ICG AIL outlines potential climate risks for commercial real estate under each of the climate scenarios below.

Scenario Category	NGFS[3] Scenario	Potential Impact on the Fund
'Orderly transition'	Below 2°C – this scenario gradually increases the stringency of climate policies, giving a 67% chance of limiting global warming to below 2°C by the end of the century. Under this scenario net zero emissions are achieved after 2070. Physical and transition risks are both relatively low.	Under this scenario, buildings are subject to increasingly stringent energy efficiency regulations such as the EU Energy Performance of Buildings Directive, and the UK Minimum Energy Efficiency Standards. There will be increased demand for efficient, high quality building stock, and conversely older, less efficient buildings will be less desirable for tenants. This increases occupancy risk, and may result in lower rental returns, impacting sponsors' ability to service and/or repay ICG's debt. Under this scenario, physical climate risk is limited compared with higher temperature scenarios.
'Disorderly transition'	Delayed Transition – this scenario assumes new climate policies are not introduced until 2030 and the level of action differs across countries and regions based on currently implemented policies. As a result, emissions exceed the carbon budget temporarily and decline more rapidly after 2030 to ensure a 67% chance of limiting global warming to	Under this scenario, whilst there may be limited impact in the short term, there may be greater shocks to commercial real estate, with unexpected or sharply introduced requirements in the medium term. Where sponsors have not been able to plan for this, they may face regulatory compliance issues or lower occupation rates. This may

1 GFANZ Guidance on Use of Sectoral Pathways for Financial Institutions (June 2022)

2 This is the Network for Greening the Financial System.

	below 2°C by the end of the century. This leads to both higher transition and physical risks than the Below 2°C scenario.	suddenly and severely impact sponsors' ability to service and/or repay ICG debt. Physical climate risk is elevated versus an orderly transition scenario. Assets exposed to climate hazards may face increasing adaptation, and/or insurance costs reducing the desirability of the property. In some cases, there may be significant damage and disruption to properties as a result of increasingly frequent extreme weather events, such as flooding. Reduced rental income and increasing costs may impact sponsors' ability to service and/or repay ICG debt.
'Hothouse world'	Current Policies – this scenario assumes that only currently implemented policies are preserved, resulting in emissions growth until 2080, which leads to about 3°C of warming and severe physical risks.	Under this scenario, transition risk is considered to be limited compared with transition scenarios. Physical climate risk is significant. Assets exposed to climate hazards will face increasing adaptation costs and may either not be able to insure the property, or will have to do so at significant cost. There is likely to be significant damage and disruption to some properties as a result of increasingly frequent extreme weather events, such as flooding. Reduced rental income and increasing costs may impact sponsors' ability to service and/or repay ICG debt.

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