BlueEarth Climate Growth Fund I, S.C.A., SICAV-RAIF

Société en commandite par actions

Société d'investissement à capital variable – fonds d'investissement alternatif réservé

Registered office: 15, Boulevard F.W. Raiffeisen, L-2411 Luxembourg

Grand-Duchy of Luxembourg

R.C.S. Luxembourg: B258731

(the "**Fund**")

Sustainability related disclosures required for Article 9 funds that have sustainable investments as their objective

I. Summary

The Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "**SFDR**") and the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment and amending EU Regulation 2019/2088 (the "**Taxonomy Regulation**") (together the "**Disclosure Regulations**") aim at providing more transparency to investors on sustainability risk integration, on the consideration of adverse sustainability impacts in the investment processes on the promotion of environmental, social and/or governance ("**ESG**") factors, and on having sustainable investment objective. In particular, it requires fund managers and advisers to disclose specific ESG-related information to investors on their websites.

The Disclosure Regulations will be complemented by the EU implementing measures (so-called regulatory and technical standards or "**RTS**"), as from 1 January 2023. All sustainability-related disclosures herein are therefore based on the final RTS published by the European Supervisory Authorities on 6 April 2022.

BLUEEARTH CLIMATE GROWTH FUND I, S.C.A., SICAV-RAIF (the "**Fund**") is being formed to invest in private equity. The Fund is managed by its alternative investment fund manager, Alter Domus Management Company S.A.. (the "**Manager**"). Blue Earth Capital AG acts in the capacity as adviser to the Manager (the "**Adviser**"). The below information from the Manager is based on the consultation, information and recommendations received from the Adviser. To achieve the sustainable investment objective of the Fund, the Manager is committed to investing in a responsible way by actively integrating ESG considerations in its investment selection and ongoing monitoring process.

The sustainable investment objective of the Fund is to contribute to activities that try to accelerate the net zero transition, improve society's resilience to climate change and promote resource efficiency. The Fund will consider principal adverse sustainability impacts (the "**PASIs**") as defined in SFDR and documented in the annex I of the RTS. The Manager undertakes an initial assessment

of the PASIs indicators as part of the ESG due diligence completed for each investment.Besides, the Fund follows a comprehensive impact assessment including an analysis of risk factors based on the IMP[1] methodology.

The Fund has a private market strategy aiming at both generating positive financial return and at achieving positive climate impact. The objective of the Fund is to invest in environmental assets, qualified as sustainable investment under SFDR. To achieve these objectives, the Fund integrates impact considerations throughout the investment lifecycle, including a best-in-class impact assessment and reporting methodology.

The Manager invests in the growth of attractive companies with a proven business model, high development potential and a measurable and scalable climate impact. The Fund will invest in the following key themes to deliver meaningful climate impact: energy transition ecosystem; buildings & mobility; climate intelligence; production & consumption; and food & agriculture. Investment strategies are defined for each priority sector on the basis of the long-term viability of business models, growth/value-creation opportunities, as well as scale and depth of impact.

The Fund invests : (i) 90% in environmentally sustainable investments; and (ii) 10% in other investment which will be composed of cash used for efficient liduidity and efficient portfolio management or cost management. It is noted that the cash will constantly fluctuate and will not affect the sustainable objective of the Fund.

The Manager will do a qualitative assessment of sustainability indicators on a regular basis and will actively monitor sustainability indicators and ESG incidents and will review ESG progress on an annual basis.

The Manager’s impact and ESG assessment and management methodology is based on the following tools: (1) Impact Management Project; (2) Logic Model ("Theory of Change"); (3) United Nations Sustainable Development Goals; (4) IRIS metrics; and ESG Due Diligence Tools.

Investments will be selected only after multiple assessment points in the investment lifecycle, from deal sourcing and due diligence through exit, for their potential to generate environmental and social impact in line with the Fund's mandates and the Fund’s sustainable investment objective.

The Fund pursues an active investment management strategy and does not invest by reference to any index and does not intend to do so.

II. No significant harm to the sustainable investment objective

The Fund has as its objective sustainable investment and complies with the “do not significantly harm” principle within the meaning of Art. 2(17) SFDR, by screening potential investments and

[1] *Impact Management Project; www.impactmanagementproject.com*

managing the environmental and social performance of investments throughout the life of the investment, in accordance with the ESG requirements and the PASIs assessment.

A sustainable investment ("Sustainable Investment") means, in accordance with article 2 (17) of SFDR, an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

For all Sustainable Investments it shall be ensured that the Fund is not contributing to potentially negative effects on the environment, clients, employees and communities of the issuers and minimizing sustainability related risks. Careful assessment and monitoring on ESG-factors thus is a central part of the Fund's investment process. The Manager will apply screening procedures which shall enable it to identify and assess any significant harm. In case there should be significant harm which is unlikely to be remediated by way of active value creation through the Manager, the Fund will abstain from investing in such asset.

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

The Manager, based on the Adviser's impact and ESG due diligence process, generally assesses the risk of not achieving the planned impact and strives to identify and manage ESG risks including any negative impact of investment decisions on sustainability factors.

How are the Sustainable Investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights?

The Manager operates a risk-based approach to the alignment of Sustainable Investments with the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

III. Sustainable investment objective of the financial product

Blue Earth Capital AG acts in the capacity as Adviser to the Manager. The information herein from the Manager is based on the consultation, information and recommendations received from the Adviser.

The sustainable investment objective of the Fund is to contribute to activities that try to accelerate the net zero transition, improve society's resilience to climate change and promote resource efficiency. The Manager is committed to investing in a responsible way by actively integrating environmental, social and governance ("**ESG**") considerations in its investment selection and ongoing monitoring process. By integrating ESG factors into the investment process, the Manager aims at:

(i) enhancing investment returns and protect value for the Fund; and
(ii) ensuring that the companies and assets in which the Fund invests ideally benefit, investors, the environment and society.

IV. Investment strategy

The Manager seeks to generate investment returns in a way that complies with relevant local and international laws, including adherence to international protocols on banned products, and potential for negative impacts on society or the environment. The investment approach includes a best-in-class impact assessment and an analysis of Investments against the United Nations Sustainable Development Goals ("**SDGs**").

The Manager follows dedicated processes in deciding from a responsible investment perspective whether it is appropriate to invest in a company or other asset. The Manager applies specific tools and processes to ensure a thorough integration of ESG factors. Furthermore, the Manager monitors the Sustainable Investments on an ongoing basis to ensure any potential ESG issues are quickly identified.

The Manager actively includes impact and ESG criteria in its investment process. Investment themes are defined in alignment with the environmentally sustainable investment objective of the Fund. During the deal sourcing, business models are identified which are attractive both from a commercial and from an impact point of view. During the due diligence process, impact is assessed based on a best-in-class impact methodology. A logic model is developed linking the investment to potential outputs, outcomes and ultimately SDG/ Sustainable Development Target ("**SDT**") impacts. This is used as the basis to set key impact targets. An ESG due diligence will be completed to identify and mitigate material Sustainability Risks[2] (as defined below). Both impact assessment and ESG analysis are presented to and discussed in the investment committee.

When potentially material Sustainability Risks are identified through the ESG due diligence, the investment teams work together to deepen their understanding of material Sustainability Risks through conversations with relevant stakeholders. The investment teams monitor the management

[2] *Sustainability risks ("**Sustainability Risks**") are environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the Fund's portfolio and the returns of the Fund. Environmental risk factors could be (without limitation) events like earthquakes, climate change, flood risk or other environment-related factors. Social risk factors could be circumstances like social unrest, changes to social or labor laws or other social factors, and governance risks could be factors like bribery and corruption, compliance risks or similar. Sustainability Risks that could occur and which might potentially affect the performance of the Fund may vary from one Investment to another and no exhaustive list can be given, and these risks will also vary from time to time.*

of Sustainability Risks during ownership and engage as needed, subject to the Fund’s role as investor.

The Fund has a private market strategy aiming at both generating positive financial return and at achieving positive climate impact. To achieve these objectives, the Fund integrates impact considerations throughout the Sustainable Investment lifecycle, including a best-in-class impact assessment and reporting methodology.

Target companies and assets are selected only after thorough impact assessment, during both deal sourcing and due diligence for their potential to generate positive climate impact. The results of impact assessments are considered by the Fund as one of the key factors in deciding whether or not to invest.

Impact-related metrics are monitored throughout the ownership and reported in annual impact reports. Upon exit, thorough consideration is given on how the impact mission can be protected under a new ownership structure. The Fund will integrate learnings on how to create and sustain impact into new and existing Sustainable Investments.

The Manager invests in the growth of attractive enterprises with high development potential and a measurable and scalable climate impact. The Manager flexibly invests through equity structures. It works closely with the respective management teams throughout the life of the Sustainable Investments to achieve the growth, value and impact creation targets.

The Fund will invest in the following key themes to deliver meaningful climate impact: energy transition ecosystem; buildings & mobility; climate intelligence; production & consumption; and food & agriculture. Investment strategies are defined for each priority theme on the basis of the long-term viability of business models, growth/value-creation opportunities, as well as scale and depth of impact.

The Manager operates a comprehensive and sophisticated investment process to identify and invest in the most attractive impact investment opportunities. This process is consistently applied across all investment opportunities, ensuring the assessment and management of any environmental and/or social impact forms an integral part of the investment process.

(i) Sourcing

The Manager defines specific impact themes for each investment strategy, based on the environmental/climate challenges a specific investment strategy aims to address. For each investment theme, the Manager proactively sources investment opportunities globally by means which include: the investment team's network, intermediaries, industry/academic experts, platforms and events and VC and other impact investment managers. To benchmark the global investment opportunity set, the Manager identifies those areas with the greatest potential for financial and environmental/climate return in the prevailing market environment and defines the sectors, regions and strategies likely to offer higher investment value and impact relative to other segments. Based on the opportunity set available, the Manager defines the most appropriate investment approach to achieve the targeted outcomes and risk-adjusted returns.

(ii) Due Diligence

During the due diligence process, the Fund undertakes the following steps:

a) Assessment of target investments against the Fund's impact criteria as well as potential contribution and undertaking of overall impact assessment;
b) An ESG due diligence to identify and manage ESG risks and opportunities. All ESG risks are classified and addressed for each Direct Investment. The Manager negotiates responsible investment standards into legal documentation and strives to monitor its Sustainable Investments on an ongoing basis to ensure that any potential ESG or reputational issues are quickly identified and properly managed;
c) Development of a logic model to map out how the target investments' products and services may lead to outputs, outcomes and how the environment is impacted by the activities of a company or asset, both positive and negative;
d) Identification of appropriate impact related metrics for impact measurement and ongoing reporting; and
e) Alignment of the impact targets, ESG risks to be addressed, measurements and reporting standards with the management.

(iii) Ownership

The Fund continues to integrate impact considerations throughout the holding period by:

a) pro-actively monitoring the impact generated against plan, and (where possible and meaningful) engaging with management throughout the holding period to ensure impact deliverables and to avoid "mission drift"; and
b) The Fund produces a comprehensive impact report to all clients on an annual basis. The report provides detail on the performance of the portfolio against key impact-related metrics, highlighting noteworthy trends or improvements with case studies.

The Fund monitors ESG risks addressed, and (where possible and meaningful) reports on progress made on key ESG indicators.

(iv) Exit

Exit planning is addressed from the outset of the deal evaluation process and forms an important part of the investment decision making process. The Fund works closely with management to ensure that thorough consideration is given to how the impact mission & sustainability of its Sustainable Investments can be protected after exit.

What is the policy to assess good governance practices of the investee companies?

The Manager has a process for assessing the governance practices of the underlying companies/ investments.

Further information on the Adviser's policy to assess the governance practices of potential and actual investments, can be found on the following website: https://blueearth.capital/impact-sustainability/

V. Proportion of investments

#1	Sustainable – covers Sustainable Investments with environmental or social objectives	90%
	#1A - Environmental – covers Sustainable Investments with environmental objective.	90%
	#1A a – Taxonomy aligned	0%
	# 1A b – Other	90%
	#1B – Social – covers Sustainable Investments with social objective.	0%
#2	Not Sustainable – Other Investments that include the remaining investments of the financial product which do not qualify as Sustainable Investments	10%

VI. Alignment with the Taxonomy Regulation

The investments underlying this Fund which are Sustainable Investments would qualify as environmentally sustainable under SFDR, however they do not take into account the EU criteria for environmentally sustainable economic activities.

The Fund has sustainable investments as its objective. The Fund's investments are qualified as environmentally sustainable under SFDR. However, these Sustainable Investments do not commit to contributing substantially to one or more of the environmental objectives as defined by the Taxonomy Regulation.

The "do not significant harm" principles, within the meaning of Art. 5 of Taxonomy Regulation, applies only to those investments underlying the financial products that take into account the EU criteria for environmentally sustainable objectives, and does not apply to the Fund's investments.

VII. Monitoring of sustainable investment objective

The objective of the Fund is to invest in environmental assets, qualified as Sustainable Investments under SFDR. The Manager will do a qualitative assessment of sustainability indicators on a regular basis. In particular, the Manager will assess any potential target investment against the SDGs.

The Manager will actively monitor sustainability indicators and ESG incidents and will review ESG progress on an annual basis.

The Manager follows dedicated processes in deciding from a responsible investment perspective whether it is appropriate to invest in a company or other asset. The Manager applies specific tools and processes to ensure a thorough integration of ESG factors. Furthermore, the Manager shall monitor the Investments on an ongoing basis to ensure any potential ESG issues are quickly identified.

VIII. Methodologies

The Manager's impact and ESG assessment and management methodology is based on the following tools:

1. Impact Management Project

The Impact Management Project ("IMP") is a working group of over 700 practitioners from across geographies and disciplines. The group establishes consensus on how the impact investing industry talks about, measures and manages impact, bridging the perspectives of investment, grant-making, business, non-profits, social science, evaluation, wealth management, policy, standards bodies and accounting (among others). The approach has been global, open and iterative through in-person and virtual sessions.

The Manager actively contributes to the development of this industry-wide framework and is one of the first global impact investment firms which has adopted and integrated the work and findings of IMP in its due diligence process.

2. Logic Model ("Theory of Change")

A Logic Model (also known as "Theory of Change") is a tool used by funders, managers and evaluators of development programs to evaluate the effectiveness of a program or intervention. Logic models are usually a graphical depiction of the logical relationships between the resources, activities, outputs and outcomes of a program. For more information please see W.K. Kellogg Foundation, "Logic Model Development Guide".

While there are many ways in which logic models are used, the Manager uses logic models to:

- assess the causal relationships between inputs, outputs, short-term outcomes and long-term outcomes (impact) of an investment
- link measurable outputs of an organization to the SDTs/SDGs
- establish impact KPIs in support of SDTs/SDGs

3. United Nations Sustainable Development Goals

The Manager, the Adviser and the Fund are fully aligned with the SDGs, both as an organization and through all its investment activities. To ensure alignment with the SDGs, the Adviser develops a logic model for each investment that links the investees' Outputs to Outcomes, Impact, and applicable SDTs.

4. IRIS metrics

IRIS is the catalog of generally accepted performance metrics that leading impact investors use to measure social, environmental and financial success. The catalog has been developed and is being maintained by the Global Impact Investing Network ("GIIN"). Where possible and meaningful, the Manager aligns its impact metrics with IRIS.

5. ESG Due Diligence Tools

The goal of ESG due diligence is to protect value for clients through Sustainability Risk assessment and management. The ESG due diligence process aims to identify risks from ESG factors and areas for ESG engagement post-investment.

Please refer to section X "Due diligence" below for further details.

IX. Data sources and processing

To assess the sustainable investment objective of the Fund, the Manager will undertake steps to understand a company or a fund's current approach to recording impact-related data through a high-level review of its relevant definitions, processes and controls. On a quarterly basis, the Manager provides standardized and detailed investment reports. On an annual basis, the Manager produces a comprehensive impact report to all clients. The report provides detail on the performance of the portfolio against key impact-related metrics and the progress made on key ESG indicators, highlighting noteworthy trends or improvements with case studies.

Where possible, the Manager identifies common impact metrics that can be aggregated across assets at a sector and portfolio level. These are aggregated to show the collective impact of the portfolio and reported in the annual impact report.

X. Limitations to methodologies and data

Limitations to the methodologies and data referred to in the above sections include, but are not limited to: limited capacity to measure or report from the portfolio companies, human error in the provision of data, limited coverage and different reporting periods. The Manager expects its underlying assets and managers, when commercially sensible, to improve data quality and minimize the limitations mentioned above.

XI. Due diligence

Investments will be selected only after multiple assessment points in the investment lifecycle, from deal sourcing and due diligence through exit, for their potential to generate environmental and social impact in line with the Fund's mandates. The results of impact and ESG assessments performed during due diligence will be considered by the Investment Committee of the Adviser as one of the key factors in deciding whether or not to invest.

The goal of ESG due diligence is to protect value for clients through Sustainability Risk assessment and management. The ESG due diligence process aims to identify risks from ESG factors and areas for ESG engagement post-investment.

The Manager uses a proprietary ESG due diligence tool to ensure the integration of Sustainability Risk factors throughout the investment process. The tool distils the wide range of potential ESG topics into those most likely to be material for a given investment. Investment teams are responsible for completing the ESG assessment, evaluating the risks identified, and where possible, identifying opportunities to add value through improved ESG management.

Please refer to section IV "Investment strategy" and section VII "Methodologies" above for further details.

XII. Engagement policies

The Manager will actively engage with target companies/investments.

Please also refer to section IV "Investment strategy" above for further details.

XIII. Attainment of the sustainable investment objective

The Fund pursues an active investment management strategy and therefore does not invest by reference to any index and does not intend to do so.