GENERAL ATLANTIC | BEYOND NET ZERO

# 2022 CLIMATE AND ESG REPORT

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# FOREWORD

**BILL FORD**
Chairman & CEO,
General Atlantic

**LORD JOHN BROWNE**
Chairman of Climate &
Sustainability investing

**LANCE UGGLA**
Global Head of Climate &
Sustainability investing

**At General Atlantic, we recognize that addressing global climate change requires an economic transformation and a massive commitment of investment and resources.** We believe that growth equity can lead the way, harnessing the technology and innovation we see entrepreneurs driving around the world.

We were thrilled to partner with John Browne and Lance Uggla in 2021 to launch BeyondNetZero, the inaugural fund for General Atlantic's climate investing efforts. They bring decades of leadership in energy, climate and data – and have built a highly capable team that is focused on climate investing, grounded in rigorous analysis.

We are pleased to share this inaugural Climate & ESG Report for BeyondNetZero. We look forward to building upon our momentum and partnering with entrepreneurs who are dedicated to making progress on the path to Net Zero.

**To reach net zero, investment in climate solutions needs to increase more than threefold, to an average of $3.5 trillion every year.**[1] Many of these are already on the cusp of commercialization or in the early stages of adoption, presenting a very significant opportunity for growth equity to support the deployment of climate solutions.

BeyondNetZero was established to meet this opportunity. It combines the growth focus, global sourcing platform, investment process and value-add capability of General Atlantic with the industry expertise, network and climate investing experience of the BeyondNetZero team.

Our ambition is clear: to deliver returns to investors and society, by investing in companies with the potential to meet and exceed net zero targets.

Each of our portfolio companies is required to set a Science Based Target, putting them on a path to net zero emissions by 2050. We also report the emissions that our portfolio companies enable their customers to avoid. This forms part of a rigorous climate due diligence and portfolio engagement process that is supported by an exclusive partnership with independent experts from Systemiq.

This approach to climate impact is designed to be transparent, independently verified and market-leading and sits alongside our status as an Article 9 Fund under the EU's Sustainable Finance Disclosure Regulation.

This inaugural Climate and ESG Report assesses our portfolio companies' performance against the targets we have set and looks at their impact on the societies in which they operate. Where our investments have exceeded our expectations, we will celebrate them. Where they have fallen short, we will support them in delivering improved climate and ESG performance in the years ahead.

We believe that this is only the beginning of a secular, multi-decade transformation of the global economy. Amidst this great wave of change, our priority is simple: to make investments that create value for our investors and that deliver measurable reductions in greenhouse gas emissions. We are proud of what BeyondNetZero has achieved so far, and energized by the many opportunities ahead.

[1] Financing the Transition: How to make the money flow for a net-zero economy. Energy Transitions Commission, 2023.

02

# THE GA CLIMATE TEAM*

**ELI AHETO**
Managing Director | New York

**MICHAEL BEVAN**
Managing Director | New York

**RHEA HAMILTON**
Managing Director | London

**WILSON BOWEN**
Principal | New York

**NATASHA FOWLIE**
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**MATTHEW POWELL**
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**JAY MONDKAR**
Associate | New York

**ALICE SONG**
Associate | New York

**KOFI OFORI-DARKO**
Associate | New York

**EVAN SIMONS**
Analyst | New York

*Accurate as of March 31, 2023.

## Advisory Board

GA Climate Advisory Board opines on investment strategy and provides insights to ensure the fund's investments impact climate change. They advise on market trends, scientific engineering and environmental matters and the evolution and impact of public policy. The Advisory Board also assists in deal sourcing, investment evaluation and augmenting the fund's ability to make a difference.

### ADVISORY BOARD MEMBERS

**ENASS ABO-HAMED**
Co-Founder & CEO,
H2GO Power

**SAMIR ASSAF**
Former Chairman of Corporate & Institutional Banking, HSBC

**DIANA FOX CARNEY**
Senior Advisor,
Eurasia Group

**SUMA CHAKRABARTI**
Former President, European Bank for Reconstruction and Development

**STEVE DENNING**
Chairman Emeritus,
General Atlantic

**ERIK FYRWALD**
CEO & Executive Director, Syngenta

**MARK GAINSBOROUGH**
Former EVP, New Energies, Shell

**LYNN GLADDEN**
Shell Professor, Chemical Engineering, University of Cambridge

**PABLO ISLA ALVAREZ DE TEJERA**
Former Chairman & CEO, Inditex Group

**RACHEL KYTE**
Dean,
The Fletcher School,
Tufts University

**ELIZABETH LITTLEFIELD**
Former CEO,
U.S. International DFC (formerly OPIC)

**JOHN THORNTON**
Executive Chairman,
Barrick Gold Corp

The preparation of this report was led by Matthew Powell, Head of ESG for BeyondNetZero, with invaluable support and input from a working group comprising:

- Eli Aheto
- Federico Apestegui
- Jake Barnette
- Diana Fox Carney
- Matthew Dramer
- Laura Frattaroli
- Cornelia Gomez
- Nicolas Hubert
- Lloyd Pinnell
- Andrew Symons
- Margaret Zhu

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# CLIMATE IMPACT AND ESG AT BEYONDNETZERO

The world is on a path to damaging and potentially irreversible climate change.[2] Reaching "net zero" greenhouse gas emissions by 2050 is essential if we are to achieve the Paris Agreement's objective of limiting the overall global temperature rise to well below two degrees Celsius. Investment in low-carbon solutions needs to increase to an average of $3.5 trillion every year between now and 2050, more than three times its current level.[3]

A new generation of entrepreneurs is seeking to address this challenge with technologies that are on the cusp of widespread commercialization. The BeyondNetZero Fund (GA BnZ) was established to invest in these climate entrepreneurs and provide the capital that their companies need to scale.

BeyondNetZero targets companies with potential to reduce or avoid greenhouse gas emissions from their operations as well as through their products or services. The fund's investment strategy is built around four themes:

- **Decarbonization:** Decarbonizing supply chains, industrial processes and products.
- **Energy Efficiency:** Engineered solutions which contribute to energy efficiency.
- **Resource Conservation:** Reducing waste and the resource intensity of economic activity.
- **Emissions Management:** Measurement, management, storage and removal of greenhouse gases.

Our climate impact comes from:

1. A portfolio that is aligned with the Paris Agreement: we require each of our portfolio companies to reduce its emissions in line with science-based net zero pathways.
2. Aiming to go "beyond" net zero by investing in companies that help society to avoid or reduce greenhouse gas emissions.
3. Our ambition to lead by example and inspire further investment into climate solutions.

[2] Intergovernmental Panel on Climate Change's Sixth Assessment Report as of August 2021.

[3] The net-zero transition – McKinsey & Company, January 2022.

## The Fund's Impact and ESG Approach

### NET ZERO

We require portfolio companies to set and report annually against Science-Based Targets (SBTs). There is currently no recognized international standard for corporate net zero targets, but we believe the SBT framework to be the most rigorous because it provides a clearly defined and science-aligned pathway for companies to reduce their own greenhouse gas (GHG) emissions in line with the goals of the Paris Agreement, thus helping to prevent the worst impacts of climate change and future-proofing business growth. We perform a preliminary assessment of every investment opportunity's ability to set and achieve an SBT, and do not pursue the opportunity if the company is not willing or able to set an SBT.

### WHAT IS A SCIENCE-BASED TARGET?

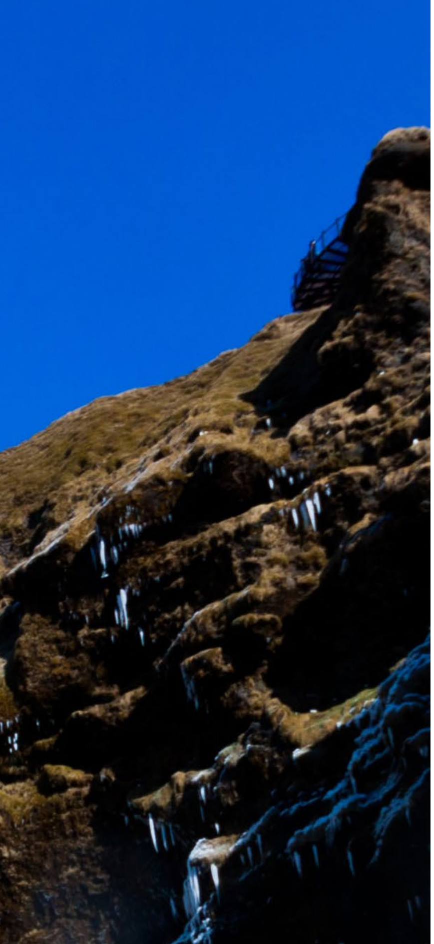
The Science Based Targets Initiative (SBTi) is a partnership between the Carbon Disclosure Project (CDP), the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). It is designed to help companies define robust GHG emissions reduction targets. These are considered 'science-based' if they are in line with what climate science deems necessary to meet the goals of the Paris Agreement — limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

SBTs are considered the most ambitious way for companies to set emissions reductions targets that enable them to credibly claim net-zero alignment. Crucially, SBTs are independently assessed: all company targets must be approved by the SBTi, providing an important level of transparency. SBTs are already showing promise as a mechanism for delivering emissions reductions: companies with SBTs reduced emissions by 25% between 2015-2020, compared with an increase of 3.4% in global emissions from energy and industrial processes.[4]

After investment, our portfolio companies are expected to measure their scope 1, scope 2 and scope 3 emissions following the most widely used international accounting standard, the GHG Protocol. Within one year of BeyondNetZero closing an investment, portfolio companies are expected to have submitted a commitment letter to the SBTi. Companies then have two years to develop and submit emissions reduction targets to the SBTi. Progress against these targets is reported every year.

Investing in companies which reduce their emissions in line with SBTs is of great strategic importance to BeyondNetZero. We take this commitment seriously, and work with portfolio company leadership teams to help them deliver emissions reductions.

[4] SBTi Progress Report 2020.



## BEYOND NET ZERO

Measuring emissions and setting SBTs is just the first step of our portfolio companies' climate journey. Our investment is also targeted towards companies with significant potential to avoid or reduce emissions through their products or services. To assess this, BeyondNetZero estimates the "Emissions Reduction Potential" (ERP) of prospective portfolio companies. ERP is a critical part of BeyondNetZero's climate analysis, and is calculated by considering both:

1. **Direct emissions reductions:** these are the emissions which are eliminated when a climate solution directly replaces something that has a higher GHG footprint. Examples include the replacement of a gas boiler with a heat pump or the replacement of a gasoline-powered vehicle with an electric vehicle. We refer to these emissions reductions as scope 1, 2 and 3 avoided emissions.

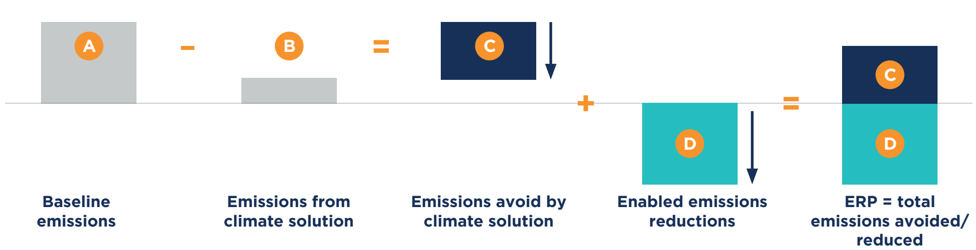
2. **Indirect emissions reductions:** these emissions reductions are generated or enabled by the deployment of a climate solution. Examples include the use of planning software to reduce energy consumption in supply chains or the deployment of electric vehicle charging points to enable the replacement of gasoline-powered vehicles. We refer to these emissions reductions as "scope 4" emissions reductions, as they typically occur outside a company's own value chain.

### TERMINOLOGY CONSIDERATIONS

Throughout this report, BeyondNetZero uses its own definitions of certain terms for which industry standards have not yet been defined. We note that the terms "emissions reduction potential" and "scope 4 emissions reduction" currently have no universally recognized definition, and are aware of ongoing efforts to standardize frameworks for the measurement and disclosure of GHG emissions beyond companies' own value-chains. We are actively monitoring the development of these standards and will align with internationally recognized terminology and definitions once these become established. In particular, we are monitoring the World Business Council for Sustainable Development's (WBCSD) ongoing initiative to develop and pilot test guidance and methodologies for calculating avoided emissions.[5]

### COMPONENTS OF EMISSIONS REDUCTION POTENTIAL (ERP)

*Tonnes $CO_2e$*




| DIRECT | INDIRECT |
|---|---|
| Emissions avoided by the implementation of a climate solution, from the direct displacement of alternatives with higher lifecycle emissions | Emissions reductions enabled by use of the solution |

[5] Defined as the positive impact to society when comparing the GHG impact of a solution to a reference scenario where the solution would not be used. WBCSD (November 2022), The Business of Climate Recovery: Accelerating Accountability, Ambition and Action.

A portfolio company's ERP is initially calculated during the due diligence phase using bespoke climate models that are built from scratch for each investment, following an established methodology that is common across all investments we make. The calculation is then refined in collaboration with each portfolio company post investment. When we believe that a company's ERP cannot be quantified with any accuracy, a qualitative assessment is carried out to provide insight into the company's potential climate impact.

Following investment, we use our climate models to calculate the actual emissions avoided or reduced by a company each year. At this point, emission reduction *potential* becomes *actual* emissions avoided or reduced.

For more information on our ERP calculation methodology, please refer to the appendix of this report.

### SYSTEMS IMPACT

Climate assessments that focus solely on the emissions reduction potential of a particular solution can miss that solution's broader impact on the acceleration of change across the economic system. We therefore always complement our ERP calculation with a qualitative systems impact assessment for prospective investments. The aim of this is to understand:

- Whether the solution has a recognized role to play in the decarbonization of its sector or geography, as well as across the wider economy — including an assessment of the uniqueness of the solution.
- Whether the solution can catalyze climate-positive change at a system-level, for example by influencing consumer behavior, influencing policy/regulatory change, improving decision-making processes, or supporting technological innovation.
- Whether there are any risks associated with the solution across both climate and broader ESG considerations, such as biodiversity, land use change or resource and water use.

A systems impact assessment also considers the indirect and longer-term effects created by the adoption of the solution, including potential rebound effects, customer lock-in effects, technological learning curves and the ability to trigger positive "tipping points" across other low-carbon solutions.

*"In a world full of greenwashing and talkers-not-doers, I am proud of the rigor and data driven efforts that we put behind every company that we invest in to ensure that they are each on a path to net zero, and have high standards of non-financial reporting."*

**Rhea Hamilton**
Managing Director

## STRATEGIC PARTNERSHIP WITH SYSTEMIQ

Our approach to measuring and delivering climate impact is underpinned by an exclusive strategic partnership with Systemiq, an independent climate and sustainability consultancy and think tank. Systemiq partners with the corporate sector, investors, policymakers and civil society to transform markets and business models in five key systems: nature and food, materials and circularity, energy, urban areas and sustainable finance.

Since the launch of BeyondNetZero, we have worked with Systemiq to develop our approach to measuring, reporting and driving emissions reductions; share knowledge and insights around the decarbonization pathways of key sectors and the resulting investment opportunities; and support portfolio companies in their decarbonization journey.

Our partnership with Systemiq has been designed to enhance the robustness of our climate impact measurement and management approach, to maximize confidence in our approach and to enable us to benefit from Systemiq's experience and expertise around decarbonization and the energy transition.

## BEYOND CLIMATE IMPACT: MANAGING SUSTAINABILITY RISKS AND IDENTIFYING OPPORTUNITIES

"Climate impact" is not the same as "ESG". For BeyondNetZero, we recognize that it is not enough to invest in companies that deliver climate solutions. We must do so in a way that identifies and mitigates the environmental, social and governance (ESG) risks faced by our investments, and that identifies and minimizes any undesirable effects on society and the planet.

BeyondNetZero is committed to responsible investing, an approach that seeks to incorporate ESG factors into investment decisions to better understand the societal impact of these decisions, to manage risk and to generate sustainable, long-term returns. Our consideration of ESG topics is guided at the highest level by the six Principles for Responsible Investment (PRI), to which General Atlantic is a signatory. These affirm support for: the incorporation of ESG issues into investment analysis and decision-making; active ownership; disclosure; promotion of the Principles within the investment community; collaboration to enhance implementation of the Principles; and reporting on their implementation.

Through our membership of the Sustainable Markets Initiative's Private Equity Taskforce, the One Planet Private Equity Funds network and the Institutional Investors Group on Climate Change (IIGCC), we strive to share our approach to ESG and climate investing with the investment community and learn from the best practice of others.

Consistent with the Fund's ambitious climate goals, BeyondNetZero operates as an Article 9 Fund under the European Union's Sustainable Finance Disclosure Regulation (SFDR). This regulatory framework has shaped our approach to tracking and reporting portfolio companies' ESG performance and has informed the performance improvement plans and value creation initiatives which we have pursued. Section 5 of this report contains further detail on some of the ways in which we have worked with our portfolio companies to mitigate ESG risks and pursue relevant opportunities.

The first set of annual disclosures mandated by the SFDR are appended to this report.

## SFDR ARTICLE 9 FUND CLASSIFICATION

Adopted in 2019, the SFDR is a cornerstone of the European Commission's Action Plan on Sustainable Finance. Starting in 2023, investment products which fall under the scope of the SFDR can be classified into one of three categories: Article 6, Article 8, or Article 9. Article 9 funds are those that have 'sustainable investments' as their core objective. A 'sustainable investment' is an investment in an economic activity that contributes to an environmental or social objective providing that it also does no significant harm to any other of the objectives stipulated by the directive. The investee company must also follow good governance practices.

Article 9 funds are subject to the most stringent disclosure requirements. These include public disclosures on the fund's website, pre-contractual disclosures and periodic annual disclosures of:

- The proportion of the fund's investments which qualify as "sustainable".
- The extent to which the sustainable investment objective was met.
- How the investments contribute to a sustainable investment objective and do not significantly harm any other sustainable investment objective.
- Whether and how any GHG reduction objectives align with the Paris Agreement.

**Do No Significant Harm Test:** Article 9 funds must also demonstrate that their investments have no "adverse sustainability impacts", which are defined as "negative, material, or potentially material effects on sustainability factors that result from, worsen, or are directly related to investment choices or advice performed by a legal entity." These adverse sustainability impacts are operationalized through the Principle Adverse Impact (PAI) indicators which consist of 14 mandatory environmental and social indicators, covering topics such as waste production, non-renewable energy consumption and production, exposure to controversial weapons and violations of UN global compact principles. Article 9 funds must report against all 14 mandatory indicators and also select and report against at least two of the 46 voluntary PAI indicators.

## SUSTAINABILITY RISK MITIGATION AND REPORTING

Sustainability risks are considered at all stages of the investment process:

1. **Opportunity Screening:** Investment opportunities are excluded if they present material sustainability risks that our team determines cannot be mitigated or would pose unacceptable risk to the fund and its stakeholders. "Material" ESG issues are defined as those issues that we believe have — or have the potential to have — a substantial impact on our ability to create or preserve economic, environmental, or social value.

2. **Opportunity Assessment:** Once a suitable investment has been identified, BeyondNetZero commissions a third-party indicative assessment of its performance against the SFDR's PAI indicators. This assessment considers the ESG risk mitigation criteria laid out by SFDR, as well as any other material ESG risk factors. It enables BeyondNetZero to determine that the investment "does no significant harm" to any sustainable investment objectives. Where relevant, it also helps to shape an ESG performance improvement plan. This assessment of material ESG risk factors, and proposals for their mitigation, is part of the information presented to the Investment Committee[6] when it evaluates investment opportunities.

3. **Portfolio Management:** We engage with our portfolio companies to assist them in mitigating material ESG risks and developing opportunities that were identified during the investment process. Where possible, we make active use of board representation and encourage companies to link executive compensation to the achievement of climate and other ESG targets.

4. **Portfolio Monitoring:** SFDR assessments for each portfolio company are conducted annually, typically by a third party. These assessments are designed to evaluate portfolio companies against the criteria laid down by SFDR for Article 9 funds — including the requirement that companies "do no significant harm" — and to identify areas in which performance improvement or remedial action may be warranted. The results of these assessments will typically be shared with portfolio companies in order to help them build performance improvement plans.

## FOSTERING NON-CLIMATE POSITIVE IMPACTS

BeyondNetZero is an investment fund focused on climate solutions, but our investments also have positive, non-climate related impact on the planet, society and other stakeholders. We value these benefits when making investment decisions and encourage our portfolio companies to maintain and increase this impact. We have highlighted the "beyond climate" positive impact of our portfolio companies in section 5 ("Our Portfolio") of this report.

[6] Climate investments are approved by the GA BnZ Investment Committee which is currently comprised of Lord Browne (Co-Chair), Lance Uggla, Bill Ford (Co-Chair) and Gabriel Caillaux. Since GA BnZ is a companion fund, GA's GA Core Program Investment Committee must also approve climate investments before the investment can be made. GA's Investment Committee ("GA Core Program IC") is comprised of Managing Directors selected by the Management Committee. The Investment Committee typically meets at least bi-weekly to review and discuss investment opportunities. The occurrence of the meetings is documented through agendas and presentation materials.

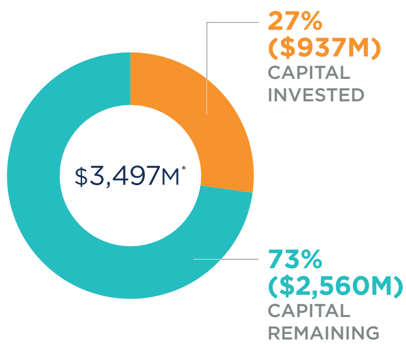
# 04

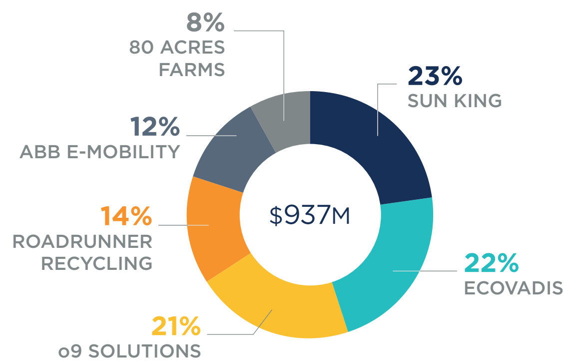
# BEYONDNETZERO IN 2022

## Overview

BeyondNetZero was launched in July 2021 as a General Atlantic companion fund. The fund invested in two companies (RoadRunner and 80 Acres Farms) in 2021, and three more (o9 Solutions, Sun King and EcoVadis) in 2022. In January 2023, BeyondNetZero completed an investment of $110 million[7] in ABB E-Mobility, one of the world's largest electric vehicle charging hardware and service providers. ABB E-Mobility is included in this report where possible but will be fully covered in next year's Climate & ESG Report.

**INVESTMENTS TO DATE**




*Includes capital from the GA Core Program.

*"Globally, there has been a moderation in the growth-at-all-costs mentality in the entrepreneurial community. Entrepreneurs have quickly reflected these changes in their business and capital spending plans. We believe that the years ahead will be about measured growth, prioritization, efficiency and doing more with less."*

**Michael Bevan**
Managing Director

[7] Includes the amount invested from the GA Core Program.

## BeyondNetZero 2022 Climate Impact

### OUR PORTFOLIO'S GREENHOUSE GAS FOOTPRINT IN 2022[8]

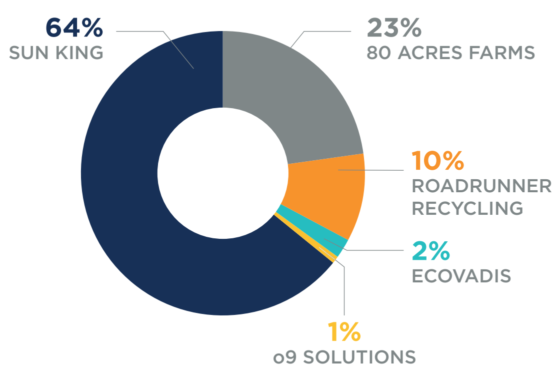
BeyondNetZero requires its portfolio companies to measure their scope 1, scope 2 and scope 3 emissions following the most widely used international accounting standard, the GHG Protocol. This is a prerequisite to setting and reporting annually against a SBT. Our portfolio companies' emissions are shown in the table below, along with their progress towards setting a SBT.

**PORTFOLIO GHG EMISSIONS**

GHG Emissions 2022, tonnes $CO_2e$. Data comes from a combination of activity based analysis, spend-based analysis and high level estimates which are expected to be replaced with spend/activity based analyses over the course of 2023.

| COMPANY | SCOPE 1 | SCOPE 2 | SCOPE 3 | TOTAL | SBT STATUS |
|---|---|---|---|---|---|
| 80 ACRES FARMS | 1,074 | 1,898 | 52,707 | 55,679 | Target submitted and validated Jan '23 |
| ROADRUNNER | 91 | 48 | 25,317 | 25,456 | Commitment made April '22 |
| o9 | 0 | 223 | 3,350 | 3,573 | Target submitted, awaiting validation |
| sun king | 61 | 260 | 158,304 | 158,625 | Commitment made April '23 |
| ecovadis | 3 | 61 | 3,691 | 3,756 | Target submitted, awaiting validation |
| **TOTAL** | **1,229** | **2,490** | **243,319** | **247,088** | **All companies on track** |

### PORTFOLIO GHG EMISSIONS, BY COMPANY




All portfolio companies have measured or estimated their scopes 1, 2 and 3 greenhouse gas emissions.

All portfolio companies have set, or are in the process of setting, a Science-Based Target—putting themselves on a pathway to net zero emissions by 2050.

**BEYONDNETZERO 2022 PORTFOLIO EMISSIONS INTENSITY:**

459 tonnes $CO_2$-equivalent per EUR million of revenue[9]

[8] This section relies on self-reported company data which may not have been subject to quality assurance checks. The GA BnZ Fund relies upon information and reports provided by our portfolio companies for portfolio company specific data and other metrics used in this document (including for Emissions Reduction Potential). Metrics such as portfolio company-specific GHG Emissions Measurements and Science-Based Targets metrics are monitored and tracked by us but are not maintained or audited. Although we believe that these sources are reliable, GA cannot guarantee the accuracy or completeness of this information and in many cases, GA has not independently verified this information. This section does not include ABB E-Mobility, which entered the fund in 2023 and for which emissions data is not yet available. "Measured" refers to the use of spend- or activity-based analyses. "Estimated" refers to the use of methodologies such as environmentally-extended input-output (EEIO) analysis.

[9] Portfolio emissions intensity is calculated according to the methodology set out by the EU's SFDR.

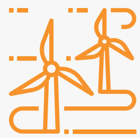
## OUR PORTFOLIO'S AVOIDED EMISSIONS IN 2022

BeyondNetZero uses the methodology outlined in section 3 and in the appendix of this report to estimate the GHG emissions that each portfolio company has helped society to reduce or avoid. We report ERP on an equity-share basis, because we think it is important not to claim credit for climate impact that we do not "own" as investors.[10]

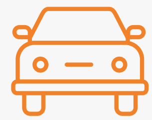
In 2022, on an equity-share basis, we estimate that our investments enabled the avoidance or reduction of at least 1.6 million tonnes of $CO_2$-equivalent.[11]

### 1.6 MILLION TONNES OF $CO_2$E IS EQUIVALENT TO

26 million trees planted and grown for 10 years



450 wind turbines running for a year



350,000 passenger vehicles taken off the road for a year

Source: EPA Greenhouse Gas Equivalencies Calculator, 2023.

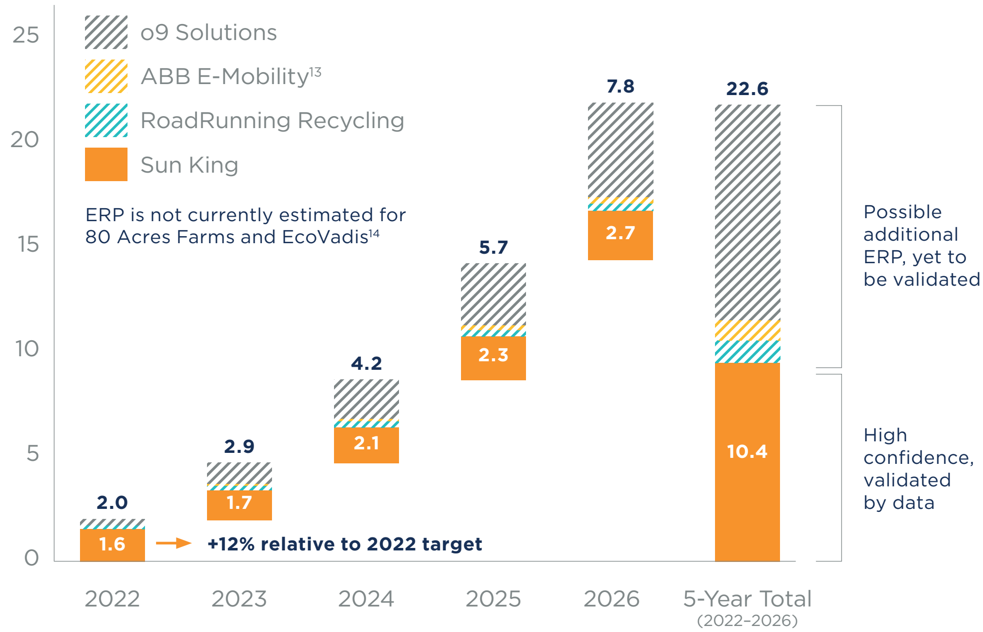
Over the 5-year period beginning on January 1, 2022, we believe that our investments have the potential to avoid or reduce at least 10.4 million tonnes of $CO_2$-equivalent, and possibly up to 22.6 million tonnes of $CO_2$-equivalent.[12]

The next section of this report contains detail on the climate impact of each portfolio company.

### EMISSIONS REDUCTION POTENTIAL (ERP)

Emissions Reduction Potential (ERP): emissions avoided or reduced by climate solutions.

*Million tonnes $CO_2$-equivalent (adjusted for BeyondNetZero equity share)*




[10] "Equity share" refers to GA BnZ's percentage ownership of a company.

[11] Refers to the emissions avoided and reduced by BeyondNetZero's investment portfolio as of December 31, 2022.

[12] Refers to the 5-year ERP from January 1, 2022 until December 31, 2026, estimated as of December 31, 2022.

[13] ABB E-Mobility entered the fund in 2023. Its ERP is shown here for completeness. The company's first climate scorecard will be prepared next year.

[14] See section 5 for explanations of the approach to ERP for 80 Acres Farms and EcoVadis.

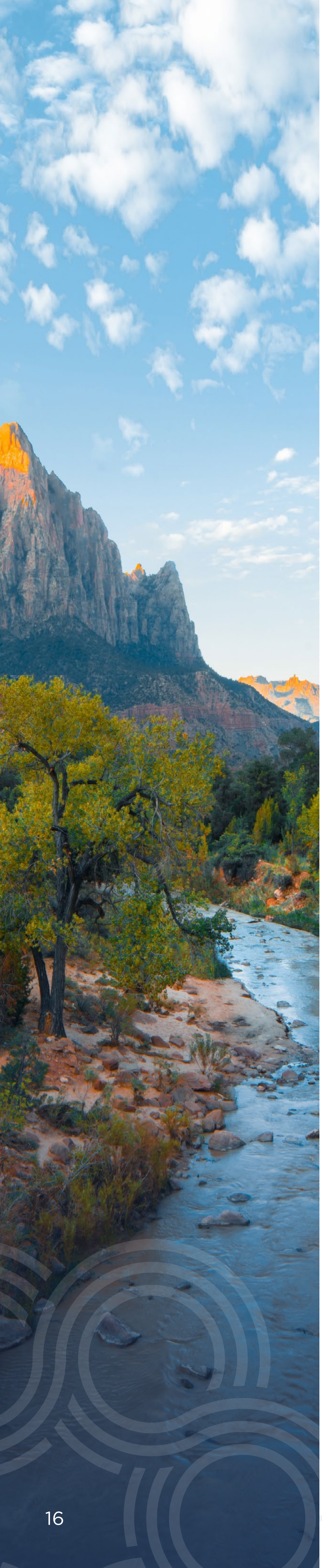
## BeyondNetZero 2022 ESG Performance

Annual SFDR assessments evaluate portfolio companies against the criteria set by SFDR for Article 9 funds, including the requirement that companies "do no significant harm" to a range of ESG metrics (PAIs). In these assessments, the performance of companies against each PAI is compared to a threshold that is set by BeyondNetZero. The fund can thus identify areas in which performance improvement or remedial action may be warranted.

For the 2022 reporting period, a third party was engaged to conduct BeyondNetZero's first annual SFDR assessment. It concluded that BeyondNetZero's portfolio companies meet the standards expected of an Article 9 fund, including the expectation that the portfolio companies "do no significant harm" to the PAIs.

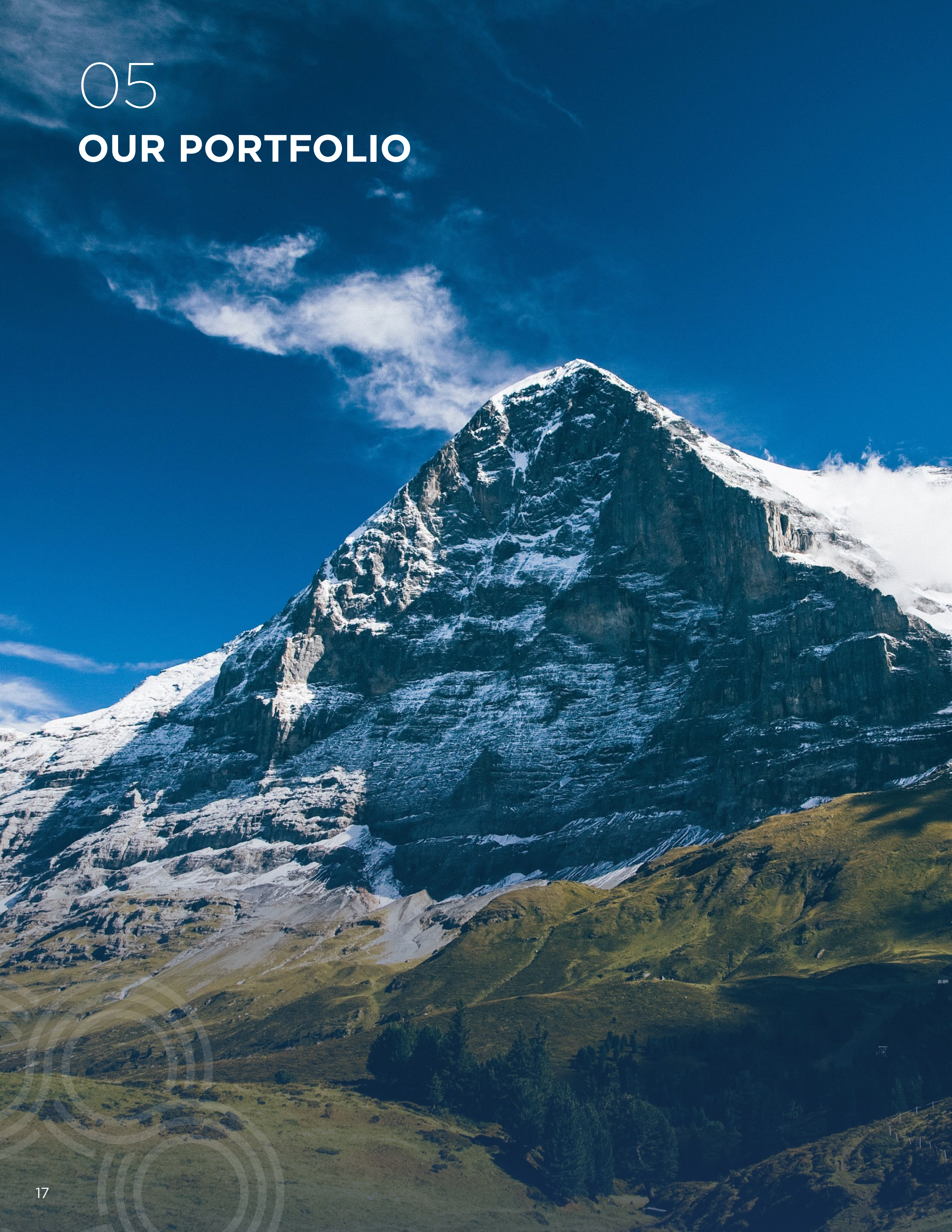
A small number of areas for performance improvement were identified, including board gender diversity and the presence of human rights policies. BeyondNetZero intends to work with the relevant portfolio companies to drive changes in these areas and expects to report improvement in future SFDR annual disclosures. As this is the fund's first annual assessment, our ability to compare performance against benchmarks or previous years is limited, but we expect this to be a key feature of future assessments.

The appendix of this report contains BeyondNetZero's detailed SFDR disclosures for the 2022 reporting period.



*"By 2025, it would be great to have the foundations in place for global sustainability reporting standards across industries. Measuring the carbon footprint of a company's operations as well as that of its supply chain should be well on its way to becoming the norm for high performing companies, and to being something that is rewarded by the market."*

**Rhea Hamilton**
Managing Director



05

# OUR PORTFOLIO

# 80 ACRES FARMS

80acresfarms.com

**REGION:** United States
**SECTOR:** Climate
**DATE OF INVESTMENT:** December 2021[1]

| Food and land use | Agro-tech / vertical farms |
|---|---|
| SYSTEM | SOLUTION |
| +23% YoY | >500 retail locations |
| 2022 REVENUE | 2022 CUSTOMERS |

## Climate Impact Summary

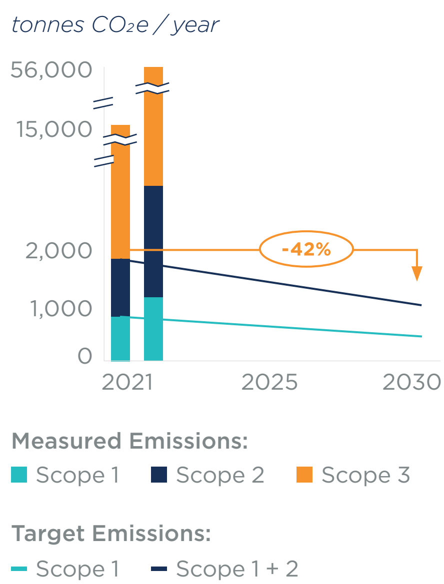
**80 Acres Farms** develops and operates indoor vertical farms that produce salads, herbs, fruits and vegetables using less land and water than conventional farming, and with less waste and fewer food miles. The company can have a systems-level climate impact by developing technologies that — when operated correctly — produce food with lower embedded emissions than other methods of farming; and which reduce the demand for agricultural land and water in areas with scare resources, contributing to improved climate resilience. While a range of factors will determine the alternative use of this land, it could in principle contribute to carbon sequestration through reforestation or other forms of nature-based solutions.

## GHG Emissions Measurement & Science-Based Target (SBT) Progress[2]

In 2022, 80 Acres Farms established internal tools and processes for the annual measurement of its GHG emissions. The company also submitted and received validation (in January 2023) for its Science-Based Target. 80 Acres Farms has committed to an absolute reduction target for scope 1 and 2 emissions, and to measure and reduce scope 3 emissions over time.

### SCOPES 1 & 2

The company's scope 1 and 2 emissions relate primarily to consumption of non-renewable power at its facilities (representing approximately 27% of total power consumption). 80 Acres Farms purchases renewable power and uses other renewable energy procurement tools, such as renewable energy certificates (RECs), to supply renewable energy to operational farms. Without the use of RECs, the company's reported scope 2 emissions would be approximately six times higher. The company is working with stakeholders on long-term solutions for locations where renewable power supply is currently limited.




80 Acres Farms intends to work on refinements to the process for estimating its scope 3 emissions.

The information contained in these scorecards is valid as of March 31, 2023.

[1] Total investment of $76M includes $51M investment from GA's Core Program that closed on June 17, 2021 and a $25M deferred payment that closed on October 27, 2021. On December 1, 2021, GA received consent from the limited partner advisory committee of the Core Program to transfer $25M of GA's total investment to the GA BnZ Companion Fund. GA facilitated the sale to the GA BnZ Fund on December 30, 2021. While the $25M investment was sold at cost, the GA BnZ Fund paid interest on top of the purchase price. For more information, please see the 80 Acres Farms PPM Supplement.

[2] This section relies on self-reported company data which may not have been subject to quality assurance checks.

### SCOPE 3

Scope 3 emissions make up nearly 95% of 80 Acres Farms' footprint in 2022. The increase compared to 2021 was driven by the construction and commissioning of the company's facility in Florence, Kentucky. As a company using the streamlined Small and Medium Enterprise (SME) SBTi pathway, 80 Acres Farms is required to measure and reduce its scope 3 emissions, but is not required to set a target. The company has begun to engage with suppliers to find ways to reduce its scope 3 emissions and is exploring options to reduce packaging use, limit waste and switch to more sustainable materials.

## Emissions Reduction Potential (ERP)

Our initial analysis identified multiple potential sources of ERP relative to other farming methods, including:

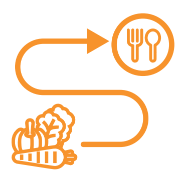
1. **Reduced transport distance from farm to fork:** 80 Acres Farms aims to co-locate its facilities with its retailers, cutting transport distances and therefore reducing transport emissions.
2. **No pesticides:** produce from the company's indoor farms requires no pesticides, avoiding emissions from both their production and application.
3. **Reduced food loss and waste:** vertical farming reduces the amount of food waste in agriculture by (a) allowing for greater product quality control, reducing the amount of discarded food, (b) reducing the distance traveled by food, avoiding losses in the distribution stage and (c) ensuring fresher products arrive at retail facilities, extending average shelf life. This in turn reduces the overall emissions associated with food production.

These must be balanced against the high energy demands of vertical farming which, if not fulfilled with renewable power, could negate any emissions avoided elsewhere. For this reason, the availability of renewable sources of power is a key part of 80 Acres Farms' growth strategy.

Analysis at the time of investment suggested a 5-year ERP of 340 tonnes of $CO_2$-equivalent. Subsequent work with the company indicated that we lack sufficiently reliable emissions data to construct an appropriate baseline against which to compare. The company is considering a full lifecycle emissions assessment of its activity, and we await the results of this work before further refining our ERP estimate or reporting any avoided emissions.

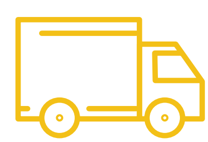
### KEY SUSTAINABILITY BENEFITS

80 Acres Farms helps to make the food supply chain significantly shorter, leading to:



**Increased food traceability**

**Less foodwaste**



**Lower GHG emissions from transportation**

## 2022 Highlights and Next Steps

In 2022, 80 Acres Farms developed a strategy designed to contribute to the development of a sustainable vertical farming industry. An ESG committee helps guide strategy development and execution, and includes members of the company's leadership team. 80 Acres Farms' sustainability strategy consists of four pillars:

### 1 HOW WE GROW

*In 2022, 80 Acres Farms avoided*

**156,148,468 L** OF WATER USE[3]

**81 acres** OF ARABLE LAND USE[4]

**32.6 kg** OF PESTICIDE USE[5]

**133,783 kg** OF FOOD WASTE[6]

### 2 PRODUCT & PACKAGING

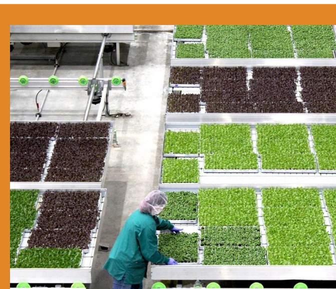
**Packaging Footprint:**
80 Acres Farms has reduced the weight of its plastic salad containers by 50%, and incorporated 75% recycled content into the packaging used for basil.

**Supply Chain Sustainability:**
BeyondNetZero recommended that 80 Acres Farms introduce a supplier code of conduct, which the company is in the process of developing.

### 3 COMMUNITY & ENGAGEMENT

80 Acres Farms is able to build its farms on non-agricultural land such as abandoned sites and brownfield areas, thereby regenerating areas of the communities in which it operates.

### 4 FARM INFRASTRUCTURE



80 Acres Farms selects sites based on criteria including include market proximity, transportation infrastructure and access to renewable energy. In its 10-year roadmap, the company plans to add more sustainability criteria to this list, with the ambition of helping the vertical farming industry deliver on its climate impact promises.

[3] Quantity of water use saved by 80 Acres Farms production compared to the most appropriate / representative counterfactual (e.g. lettuce / leafy greens grown via traditional agriculture in California), Company Analysis, 2022.

[4] Area of arable land use avoided by 80 Acres Farms production vs the agreed counterfactual, Company Analysis, 2022.

[5] Quantity of pesticide use avoided land application by use of 80 Acres Farms vs the agreed counterfactual, Company Analysis, 2022.

[6] Quantity of food waste avoided by 80 Acres Farms production vs the agreed counterfactual, Company Analysis, 2022.

ROADRUNNER
SMARTER RECYCLING

roadrunnerwm.com

**REGION:** United States

**SECTOR:** Climate

**DATE OF INVESTMENT:** December 2021

# ROADRUNNER RECYCLING

| Material circularity | Waste recycling |
|---|---|
| SYSTEM | SOLUTION |
| +48% YoY | +26% YoY |
| 2022 REVENUE | 2022 CUSTOMERS |

## Climate Impact Summary

**RoadRunner Recycling** is a tech-enabled managed marketplace for commercial recycling and waste removal. The company provides tools and resources to help customers improve their recycling rates, thereby avoiding more carbon-intensive forms of waste treatment. RoadRunner also helps waste haulers to optimize routes and reduce distance traveled by haulage trucks. In 2022, RoadRunner completed the acquisition of Compology, a waste monitoring solutions company that uses smart cameras to further improve recycling rates and optimize waste collection routes.

## GHG Emissions Measurement & Science-Based Target (SBT) Progress[1]


In 2022, RoadRunner engaged a third party to measure the company's emissions for the first time, and also submitted a letter of commitment to the SBTi in April 2022. It has two years from that date to formulate and submit emissions reduction targets.

### SCOPES 1 & 2

RoadRunner has minimal scope 1 emissions, and has reduced significantly its scope 2 emissions over the course of 2022 by purchasing renewable energy certificates. Together, scopes 1 and 2 account for less than 1% of the company's emissions.

### SCOPE 3

RoadRunner's scope 3 emissions stem primarily from logistics, including the collection, hauling and disposal of waste. In 2022, these accounted for more than 99% of RoadRunner's overall emissions. Since the company outsources this activity to independent contractors, decoupling emissions from growth will require engagement with truck operators in order to accelerate their transition to electric fleets. This process has begun.

The information contained in these scorecards is valid as of March 31, 2023.

[1] This section relies on self-reported company data which may not have been subject to quality assurance checks.

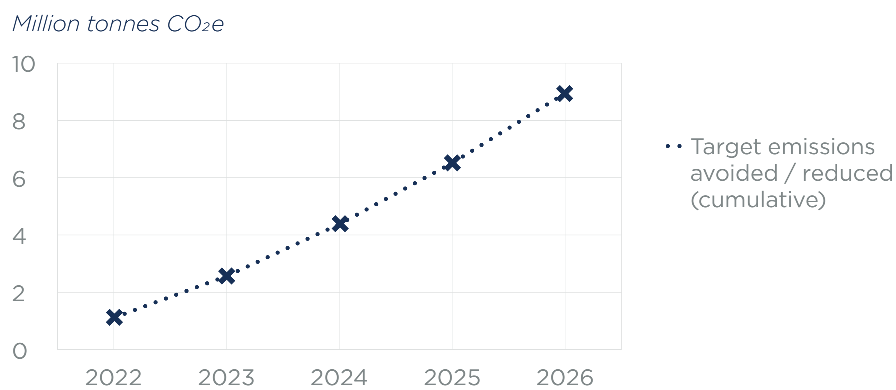
ROADRUNNER™

## Emissions Reduction Potential (ERP)

RoadRunner's ERP comes from its direct impact on the fuel consumed by waste disposal trucks, and its indirect impact on customers' recycling rates. Our initial analysis was based on the company's claim that application of RoadRunner's technology leads to an increase in customer recycling rates from an average of 4% to 40%. Using this approach, we estimate that RoadRunner helped its customers to avoid and reduce emissions by 115,000 tons of $CO_2$-equivalent in 2022, which would represent an increase of 45% compared to our target. This stems from an increase in the tons of waste recycled through RoadRunner's platform, which was 60% higher than initially projected. However, we are not currently able to validate RoadRunner's claim about the proportion of this waste which would have been recycled anyway, and therefore are not reporting actual avoided emissions for 2022. In 2023, we will continue to work with RoadRunner to collect more granular data on waste streams, recycling rates, route efficiency and fuel consumption.

**1.0 MILLION**
**tonnes $CO_2e$**
**5-YEAR ERP**

### ERP TARGET




### KEY ASSUMPTIONS UNDERPINNING CLIMATE MODEL[2]

| Data | Reliability | Commentary |
|---|---|---|
| **Total volume of waste recycled** *(tonnes / year)* | High | Data provided by the company for 2018-2022 |
| **Waste recycled by material type** *(tonnes / year)* | Med | Data available for 2022 |
| **RoadRunner recycling rate compared to incumbent** *(%)* | Low | Company claims that customer recycling rates rise from 4% to 40%. We are working with the company to verify this assumption |
| **RoadRunner recycling rates by material type** *(%)* | N/A | We are working with the company to estimate changes in recycling rates by material type |

The information contained in these scorecards is valid as of March 31, 2023.

[2] For more information about key assumptions underpinning climate model, please see important disclosure information at the end of this document.

## Key Sustainability Benefits

RoadRunner increases its customers' recycling rates through:

**DECREASED AMBIGUITY FOR END USERS THROUGH CLEAR GUIDELINES**

**AVOIDING CONTAMINATION BETWEEN WASTE STREAMS**

**FINANCIAL INCENTIVE TO RECYCLE VS. TYPICAL MODEL**

## RoadRunner's Internal Sustainability

In 2022, RoadRunner established a seven-member ESG committee. One of the committee's first tasks was to identify the topics that were viewed as most critical, considered most important by internal stakeholders and where the committee could make the most tangible impact in 2022. With a majority of employees working from home, topics identified included employee waste management and home energy consumption. The company is in the process of setting related targets and formalizing an internal progress tracking system.

### OTHER INTERNAL SUSTAINABILITY INITIATIVES INCLUDE:

- A focus on diversity & inclusion through a dedicated committee, which leads events and team-building activities to encourage employees to share their varied perspectives
- Volunteering opportunities for employees through local neighbor and park clean-ups



o9solutions.com

**REGION:** United States

**SECTOR:** Climate

**DATE OF INVESTMENT:** January 2022

# o9 SOLUTIONS

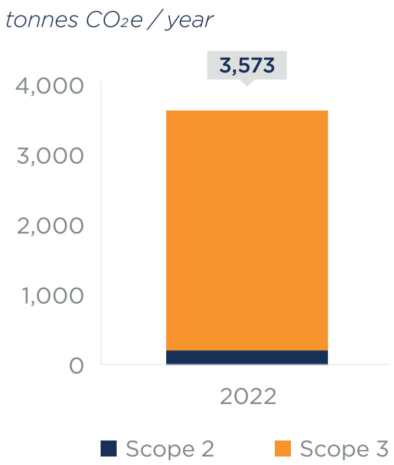
| Technology / Software | Supply chain optimization |
| --- | --- |
| SYSTEM | SOLUTION |
| +55% YoY | +37% YoY |
| 2022 REVENUE | 2022 CUSTOMERS |

## Climate Impact Summary

**o9 Solutions** is a leading SaaS provider in the supply chain planning market, providing large enterprises with more granularity and flexibility when modeling their supply chains and helping them to reduce inventory, waste and costs.

The company has a systems-level climate impact by providing customers with the information and tools needed to reduce the resource- and energy-intensity of their supply chains, thereby reducing GHG emissions. o9's Digital Brain platform is improving customers' sustainability performance by enabling them to measure their emissions across value chains and manage progress against environmental targets. It will include features that integrate sustainability metrics into decision making processes and identify opportunities to increase circularity and reduce waste.

## GHG Emissions Measurement & Science-Based Target (SBT) Progress[1]




Over the course of 2022, o9 developed a proprietary software tool to measure its own GHG emissions in accordance with the GHG Protocol. In April 2021 o9 submitted a letter of commitment to set an SBT, and in April 2023 submitted its emissions reduction targets to the SBTi for validation.

### SCOPES 1 & 2

As a cloud-based platform, o9 Solutions does not have any scope 1 emissions. Scope 2 emissions come primarily from electricity use in company offices, with a small share from heat provision.

### SCOPE 3

Scope 3 emissions made up nearly 94% of o9's emissions footprint in 2022, of which 38% came from the company's use of third party cloud infrastructure. Supplier engagement is expected to lead to reductions in these emissions over time. o9 Solutions is aiming to use its in-house carbon management tool to develop a strategy for reducing emissions across its supply chain.

The information contained in these scorecards is valid as of March 31, 2023.

[1] This section relies on self-reported company data which may not have been subject to quality assurance checks.

## Emissions Reduction Potential (ERP)

o9 has the potential to deliver significant ERP by helping customers make their supply chains more efficient and less resource intensive. The company's new sustainability product suite is also expected to enable customers to target directly the GHG emissions embedded in their supply chains. However, the variability of use cases across customers and uncertainty around appropriate baselines mean that our usual ERP calculation methodology could not be applied. We therefore modeled the company's ERP using a sample of existing customers and customer archetypes. This provided a basis for setting an aspirational 5-year ERP target of 10.3 million tonnes (BeyondNetZero share) of $CO_2$ equivalent, of which 0.3 million tonnes are attributable to 2022. This has been established as a goal for the company to validate and deliver over time.

In 2022, we worked with o9 to identify a set of customers for whom emissions reductions can be quantified with a reasonably high degree of confidence. The company has so far developed two case studies that provide estimates of the impact of its solution on specific customers:

- The first case study examined the impact of using o9's solution to improve circularity in production for a major industrial company, by increasing scrap recycling. This suggested that o9 has the potential to enable an 8% reduction in the customer's GHG emissions, equivalent to 354,000 tonnes of $CO_2$-equivalent in 2021.
- The second case study assessed the impact of using o9's platform to reduce the inventory held by a global footwear company. This study suggested that o9 enabled a reduction in total GHG emissions of almost 30,000 tonnes of $CO_2$-equivalent in 2021.

These examples provide an indication of o9's climate impact and help to identify opportunities to increase this impact over time.

## o9 Enables Corporate Supply Chain Sustainability

o9's ambition is to provide digital solutions that support customers as they transform the sustainability of their supply-chains:

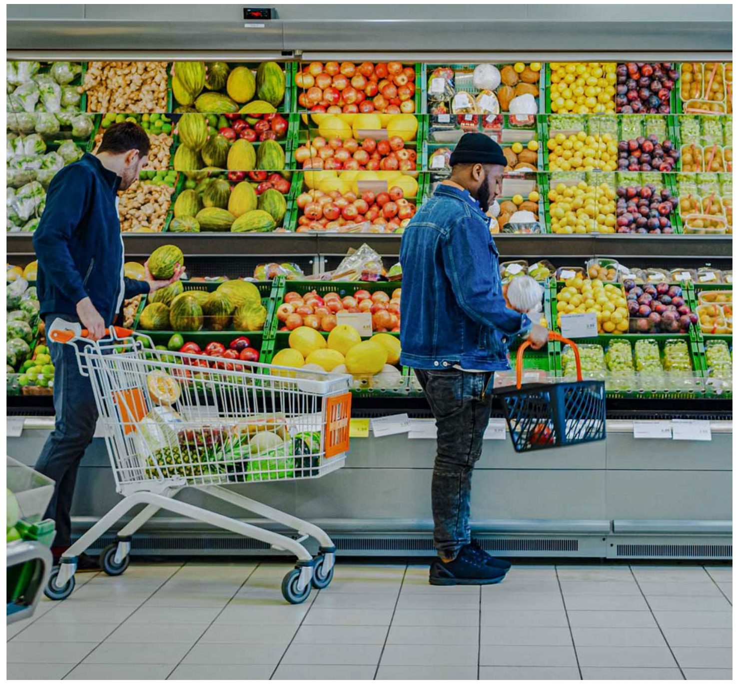
- By leveraging data from internal and external sources, the o9 digital platform enables companies to model the performance of their supply chain across a range of financial and non-financial performance metrics.
- By integrating supply chain data on an increasing number of sustainability topics (such as greenhouse gas emissions, energy consumption, water consumption and waste generation), o9 helps customers incorporate sustainability in their forward business planning, moving beyond backward-looking measurement and reporting.
- o9 has developed a carbon footprint management tool which enables the user to measure emissions and track progress against emissions reduction targets. The tool helps o9 to manage its own greenhouse gas footprint, and will also be rolled out to customers.

## Key Sustainability Benefits

o9 helps some of the world's largest companies model and optimize their supply chains.

By integrating sustainability metrics, o9 enables customers to manage both financial and sustainability performance of supply chains.

o9 helps customers evaluate the trade-offs between cost and sustainability in the supply chain.



## o9's Sustainability Transformation Team

o9's sustainability transformation team was created in 2021 and included 6 people as of the end of 2022. It has led the publication of annual sustainability reports, measurement of the company's greenhouse gas emissions, as well as o9's association with external initiatives:

- **Science-Based Targets:** in line with BeyondNetZero requirements, o9 is on the road to setting a Science-Based Target for emissions reduction.
- **Climate Pledge:** in 2022, o9 went a step further and became part of the Climate Pledge, committing itself to become Net Zero no later than 2040.
- **UN Global Compact's SDG Ambition Accelerator:** in 2022, o9 became part of this initiative in order to enhance its ability to integrate SDG strategies into its business, and to help customers do the same.

BRONZE ecovadis Sustainability Rating

o9 achieved EcoVadis bronze status in 2022, since when EcoVadis has become a guidepost of o9's sustainability improvement journey. EcoVadis ratings will also be integrated into o9's supply chain planning tool, helping customers to make better-informed decisions.

sunking.com

**REGION:** United States

**SECTOR:** Climate

**DATE OF INVESTMENT:** April 2022

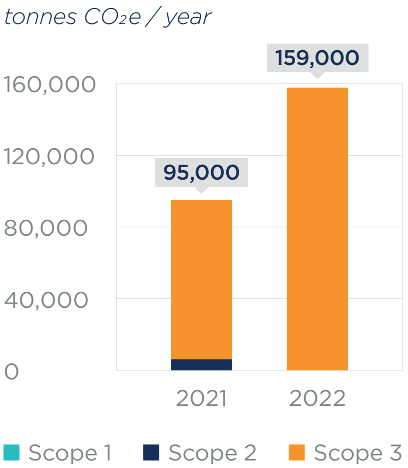
# SUN KING

| Energy & power | Residential solar |
|---|---|
| SYSTEM | SOLUTION |
| +95% YoY (FYE March, projected) | +37% YoY |
| 2023 REVENUE | 2022 CUSTOMERS |

## Climate Impact Summary

**Sun King** provides a suite of solar products for domestic use in developing economies. Sun King solar lanterns and solar home systems have the potential to substantially reduce emissions by replacing kerosene lamps and diesel/gasoline generators in areas without affordable grid access, primarily in sub-Saharan Africa. Not only are these fuel types carbon intensive, but they also have serious adverse health impacts.

## GHG Emissions Measurement & Science-Based Target (SBT) Progress[1]




Over the course of 2022, Sun King engaged a third party to measure the company's GHG emissions using a combination of outside-in estimates, spend-based analysis and activity-based analysis. Sun King submitted a commitment letter to the SBTi in April 2023.

### SCOPES 1 & 2

Sun King has limited scope 1 and 2 emissions. In 2022 these together accounted for less than 1% of total emissions, and derive mainly from the consumption of grid power at company facilities.

### SCOPE 3

Scope 3 emissions shown here have been estimated using environmentally-extended input-output (EEIO) analysis, which is known to be inexact and subject to a high level of uncertainty. This estimate is expected to be replaced with an activity-based analysis of the company's scope 3 emissions over the course of 2023.

## Emissions Reduction Potential (ERP)

Sun King's ERP is calculated by estimating the difference in customers' fuel usage before and after switching to Sun King products. At the time of investment, assumptions were made about customers' previous sources of domestic power and fuel usage based on publicly available data. In order to generate more accurate ERP

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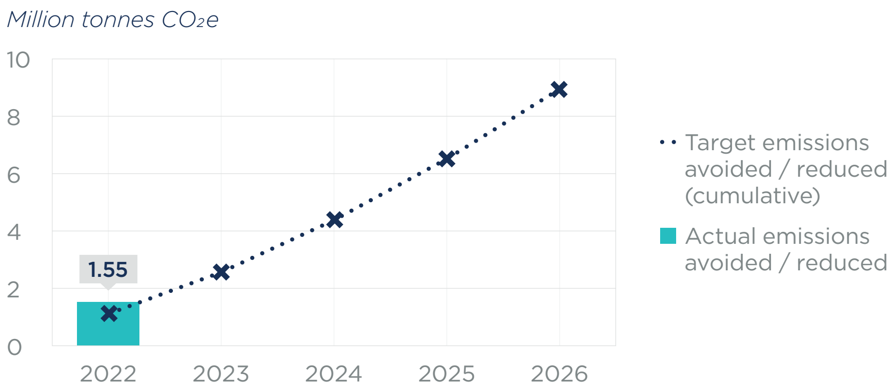
[1] This section relies on self-reported company data which may not have been subject to quality assurance checks.

estimates, a survey was conducted in Q4 2022 with over 6,000 customers. The results of this survey enabled us to refine a number of the assumptions underpinning our climate model, generating a new estimate for Sun King's 5-year ERP of 10.2 million tonnes $CO_2e$ (net to BeyondNetZero). In 2022, strong lantern and solar home system sales meant that the company delivered approximately 1.55 million tonnes of avoided emissions, an increase of 12% relative to our revised target.

**10.2 MILLION**
**tonnes $CO_2e$**
**5-YEAR ERP[2]**

**PROGRESS AGAINST ERP TARGET**




**KEY ASSUMPTIONS UNDERPINNING CLIMATE MODEL[3]**

| Data | Source | Commentary |
|---|---|---|
| **Share of customers using kerosene/gasoline before purchase of Sun King product** | Sun King customer survey | • 1,850 customers (with lanterns, entry-level solar home systems or large solar home systems) responded to question about fuel used prior to Sun King product |
| **Reduction in kerosene/gasoline use following purchase of Sun King product** | Sun King customer survey | • 532 customers provided responses to questions about volume of fuel used before switching to Sun King product<br>• Majority of these stopped using kerosene/gasoline for domestic power after switching to Sun King. 121 specified a volume of fuel that was still being used after switching to Sun King |

## Non-Climate Impact

**8.3 MILLION+**
**KEROSENE LAMPS REPLACED**

Since the company was founded, Sun King lamps have replaced more than 8.3 million kerosene lamps, improving indoor air quality for users.

**69%**
**OF CUSTOMERS ARE "LOW INCOME"**

In 2022, 69% of customers in Kenya were considered low income (<$5.50/day), as per the Poverty Probability Index.

**39 MILLION+**
**PEOPLE CURRENTLY BENEFITING FROM IMPROVED ENERGY ACCESS**

Sun King products provide power to homes that usually do not have access to affordable and reliable energy.

Sources: Sun King estimates as of end 2022; 60 Decibels Report, 2022.

The information contained in these scorecards is valid as of March 31, 2023.

[2] ERP for each calendar year has been estimated using data from two separate financial years ending March 31.

[3] For more information about key assumptions underpinning climate model, please see important disclosure information at the end of this document.

## 2022 Highlights and Next Steps

### WASTE MANAGEMENT

Sun King is deliberate in its efforts to reduce the amount of electronic waste produced and to ensure that this waste is handled responsibly. The company is increasing its use of refurbished products as warranty replacements (rather than sending the faulty products to recycling or landfill and replacing with new). Sun King has been proactive in its anticipation of e-waste regulation in Kenya and is preparing accordingly.

### ENCOURAGING WOMEN'S CAREER PROGRESSION

**IN 2022, SUN KING PARTNERED WITH**
**20,000+**
**field agents**

Sun King currently partners with more than 20,000 field agents who sell, service and install Sun King products in their communities. The majority of field agents reside in rural and semi-rural areas where underemployment rates are high, and women are underrepresented in formal employment.

Flexible work schedules make it easier for women to combine employment at Sun King with family life and other societal expectations. As a result, in 2022, nearly half of Sun King sales agents were women. Women report high levels of satisfaction with these roles: they are able to build financial independence and invest in improving the quality of life for their families; they take pride in providing access to reliable energy for their community; and they further their professional and leadership skills through their association with Sun King.

At the beginning of 2022, Sun King embarked on a gender inclusion program called Equal Voices to encourage more women to step into sales management and other full-time employment opportunities at Sun King. As part of the Equal Voices initiative, Sun King launched affinity networks for women that already hold sales management roles.

Mentored by senior female sales leaders, groups of female managers meet monthly to receive formal and informal leadership training and connect with a trusted support group. The company has also established a program which seeks to develop professional confidence and leadership skills among female agents and store executives who might consider management roles.

*"Sun King is proof that the energy transition does not need to be a tax on lower income consumers around the world, but can in fact be beneficial to their finances, health and economic prospects."*

**Eli Aheto**
Managing Director

*"Before BeyondNetZero joined our investor group, we knew that our products were enabling avoided emissions as they often replace harmful and polluting kerosene lamps, although we did not quantify it. BeyondNetZero helped us measure this impact, and progress and prioritize Sun King's climate strategy: we cannot claim to be enabling avoided emissions if we do not also measure and start on an ambitious and credible path to reduce our own emissions. We therefore decided to partner with Altruistiq to measure our carbon footprint. Our next step will be to set a science-based emissions reduction target."*

**Radhika Thakkar**
VP Corporate Affairs

ecovadis.com

# ECOVADIS

**REGION:** France
**SECTOR:** Climate
**DATE OF INVESTMENT:** July 2022

| Enabling technology / software | Sustainability data |
|---|---|
| SYSTEM | SOLUTION |
| +59% YoY | +37% YoY |
| 2022 REVENUE | 2022 CUSTOMERS |

## Climate Impact Summary

**EcoVadis** is a leading global provider of sustainability ratings that measure companies' performance across a range of sustainability indicators, including GHG emissions. It provides software-based assessments, solutions and training tools to help companies improve their performance across these indicators.

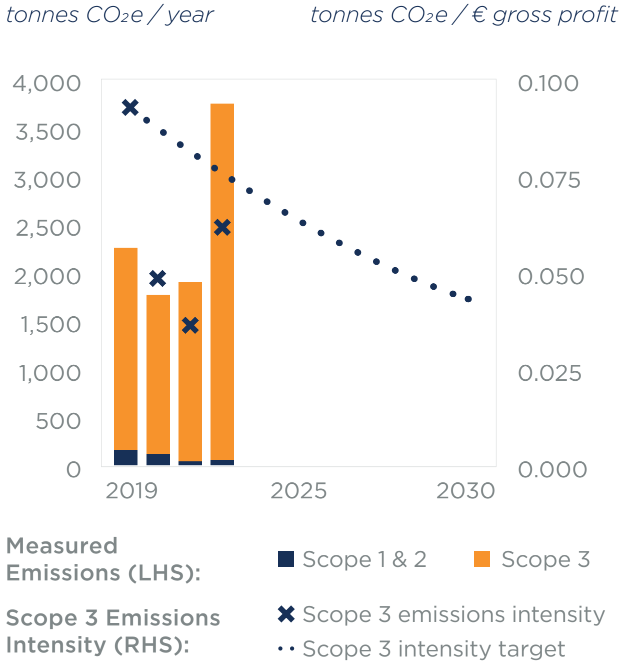
The company has a systems-level impact on GHG emissions by supporting the measurement and mitigation of emissions in global supply chains. The company's core ratings system incentivises customers to improve their performance across a wide range of sustainability indicators, including GHG emissions. In addition, EcoVadis' Carbon Action Module gives companies deeper insights into the carbon management practices of their suppliers, offering a toolkit that enables companies to prioritize, initiate and drive emissions reductions throughout their supply chain.

## GHG Emissions Measurement & Science-Based Target (SBT) Progress[1]

EcoVadis has been measuring its GHG emissions since 2019, and submitted emissions reduction targets to the SBTi in 2022. It is currently waiting for final validation of these targets, which include a combination of absolute reductions and reductions in emissions intensity.

### SCOPES 1 & 2

Scope 1 and 2 accounted for less than 2% of EcoVadis' emissions in 2022. The key source of scope 2 emissions is energy consumption at company offices. In 2022, 43% of the energy consumed by the company came from renewable sources. EcoVadis has made a commitment to procure 80% of its power from renewable sources by 2026, and 100% by 2030.




The information contained in these scorecards is valid as of March 31, 2023.

[1] This section relies on self-reported company data which may not have been subject to quality assurance checks.

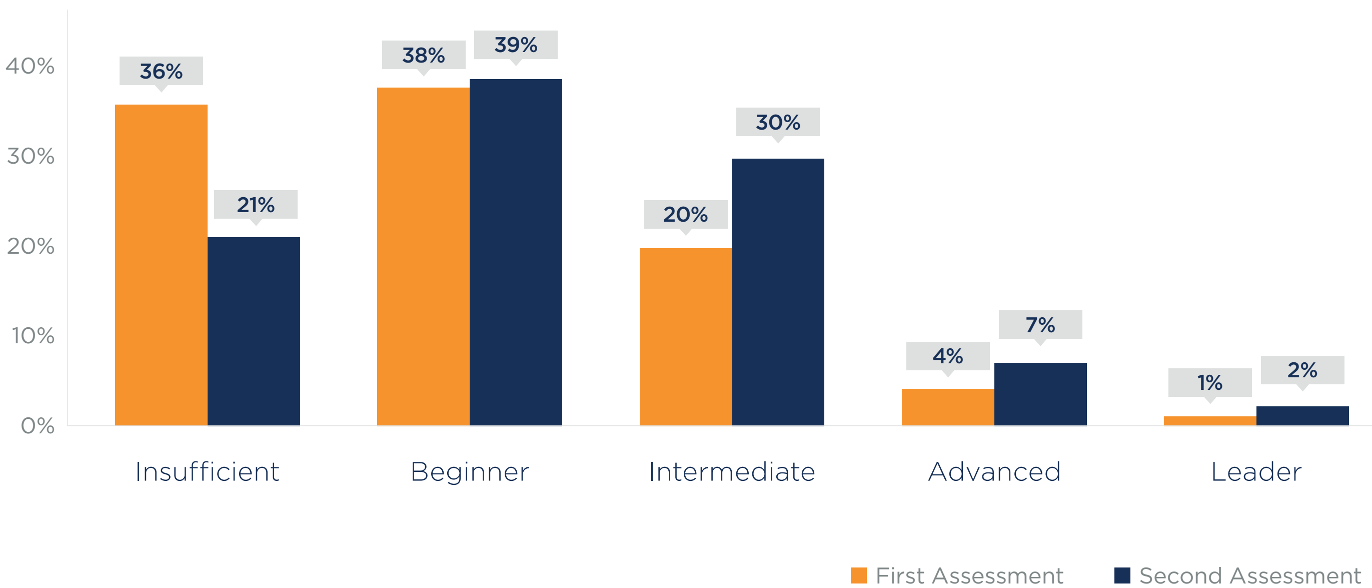
### SCOPE 3

Scope 3 is the largest source of emissions for EcoVadis, making up 98% of emissions in 2022. The majority of these come from purchased goods and services and business travel. EcoVadis is tackling emissions from purchased goods and services by aiming to assist at least 50% of suppliers with setting their own SBTs by 2026. To start to tackle emissions related to business travel, EcoVadis introduced a Sustainable Travel Policy in November 2021. This includes business unit carbon budgets for travel, which are monitored on a monthly basis.

## Emissions Reduction Potential (ERP)

The ERP for EcoVadis is considered unquantifiable due to the lack of a traceable causal link between use of the company's platform and emissions reductions. However, customer growth and ratings outcomes can be tracked as a proxy for the company's potential climate impact. Since its launch in 2021, the EcoVadis Carbon Action Module has already been used by more than 10,000 companies to complete in excess of 23,000 scorecards. EcoVadis has also published data which shows the improvement in companies' "carbon maturity" that takes place between a first and second assessment. This provides early evidence of the impact that the EcoVadis Carbon Action Module might have on GHG emissions reductions.

EARLY EVIDENCE OF CLIMATE IMPACT: PERCENTAGE OF COMPANIES AT EACH "CARBON MATURITY" LEVEL



IN MAY 2022, ECOVADIS BECAME A PURPOSE-DRIVEN COMPANY – A FRENCH *ENTREPRISE À MISSION*

## What is a purpose-driven company?

In France, a purpose-driven company has a legally defined social or environmental purpose in addition to a profit-making purpose. It is equivalent to the US Benefit Corporations status. Purpose is defined by French law as *"the principles which the company has adopted and for the respect of which it intends to allocate resources in the performance of its activity. It explains the identity and vocation of the company and sheds light on its past and future."*

## Why has EcoVadis become a purpose-driven company?

This global movement to clarify corporations' accountability towards its stakeholders and the planet is fully aligned with EcoVadis' vision and with its stakeholders' expectations.

## How has EcoVadis become a purpose-driven company?

- EcoVadis defined its purpose after an in-depth consultation involving 400 internal and external stakeholders which will be audited every other year by an accredited third party.
- In 2022, EcoVadis established a purpose committee which reports to the board of directors twice a year.
- Starting in 2024, EcoVadis will issue annual purpose reports, which will be audited by an accredited third party.

## ECOVADIS' FOUR CORE PURPOSE OBJECTIVES

**1** Deliver independent, trusted and actionable sustainability ratings and insights through methodology excellence.

Part of the Carbon Action Module, Carbon Scorecards provide insights into the carbon management practices of companies' suppliers.

**100,000+**
COMPANIES RATED SINCE 2007

**40,000+**
RATINGS CONDUCTED IN 2022

**23,000**
CARBON MATURITY SCORECARDS ISSUED IN 2022

**2** Enable the greatest number of companies to continuously improve their business practices and contribute to creating a regenerative and equitable economy.

**27**
COURSES AVAILABLE

**14,000**
COURSES COMPLETED

**5,000**
ACTIVE LEARNERS

EcoVadis launched its e-learning suite in 2021. It includes courses on a wide range of sustainability topics, including carbon management training for companies and their suppliers.

**3** Cultivate an inclusive learning environment for EcoVadis' people employees, providing meaningful work and empowering future generations of sustainability practitioners.

In line with a recommendation made by BeyondNetZero following our due diligence, EcoVadis is developing a career progression roadmap in order to offer staff clearer career perspectives. EcoVadis has also updated its training policy to help employees advance in their career.

**35%**
EMPLOYEE NET PROMOTER SCORE

**4** Foster collective action within EcoVadis' ecosystem to accelerate the transition to a sustainable world.

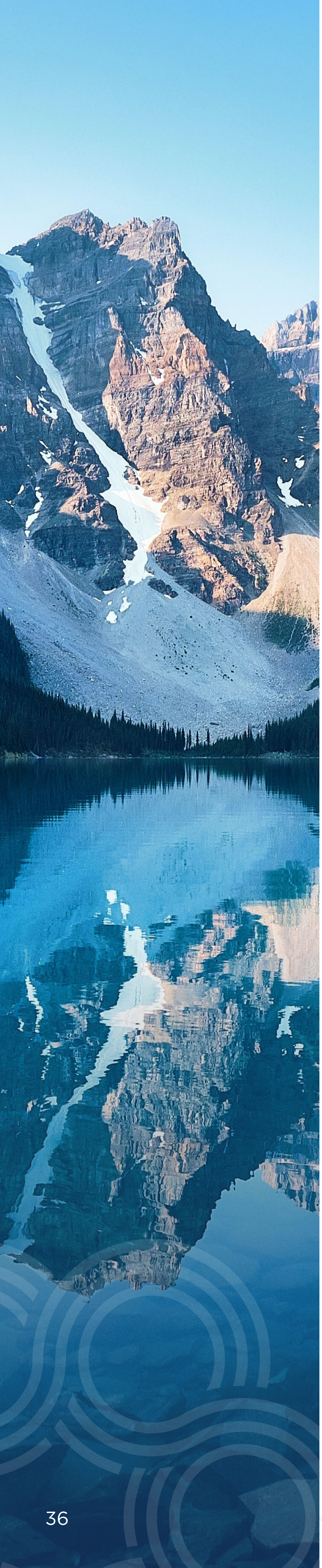
**6**
SECTOR INITIATIVES ESTABLISHED

In 2022, EcoVadis updated its procurement policy with clearly defined sustainability criteria, as a requirement for suppliers to share information about their greenhouse gas emissions.

06

# APPENDIX





## ESG at General Atlantic

Responsible investment is part of our founder's ethos and core to General Atlantic's investment philosophy. Following his own success building global brand Duty Free Shoppers, our founder Chuck Feeney wanted to help other entrepreneurs build great businesses and, in doing so, amplify his ability to give back to society and effect as much positive change as possible.

From this foundational purpose, GA maintains a deep-rooted belief in entrepreneurship will be integral to solving the complex challenges we face today. We seek to invest not only in companies that are 'future proofed' today, but also in those enabling the 'future proofing' of tomorrow, through innovation and problem solving at scale.

BeyondNetZero combines GA's value-add capabilities with the industry expertise, network and climate investing experience of the GA Climate team. BeyondNetZero is the inaugural fund within the GA Climate strategy and represents the leading edge of our firm's efforts to integrate climate and ESG considerations across our investment platform.

We are galvanized by the many ways in which BeyondNetZero's experience has provided opportunity for firmwide collaboration and learning as we embed ESG and climate considerations into our investment process and value-creation capabilities. Collaboration with the GA Climate team has been critical in supporting GA and its portfolio companies with greenhouse gas emissions measurement, the development of decarbonization strategies and understanding of the latest developments in climate and ESG regulation.

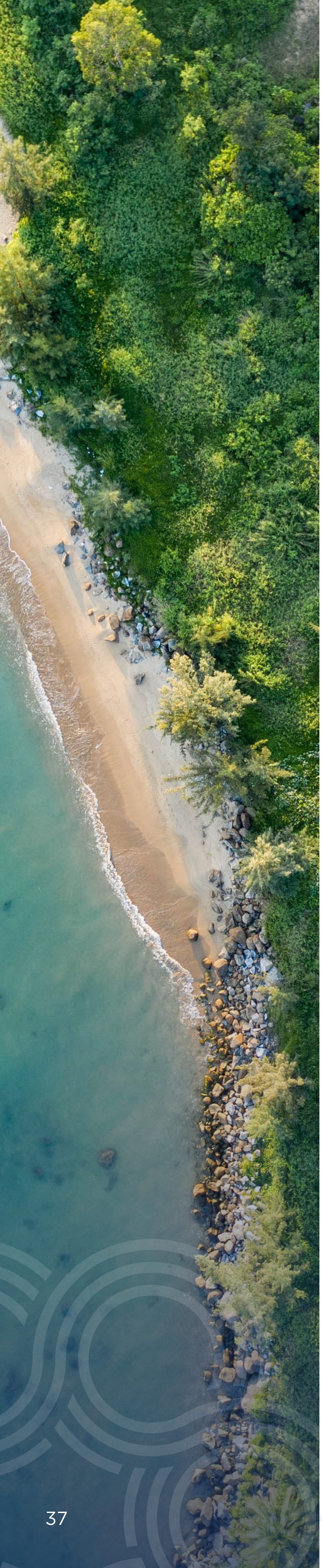
### IMPLEMENTING OUR APPROACH TO ESG

Through our Responsible Investment Policy, last updated in March 2023, we seek to incorporate ESG factors into investment decisions in order to better understand the societal impact of these decisions, manage risk and generate sustainable, long-term returns.

As a signatory of the Principles for Responsible Investment (PRI), GA's consideration of ESG topics is guided by support of the incorporation of ESG issues into investment analysis and decision-making; active ownership; disclosure; promotion of the Principles within the investment community; collaboration to enhance implementation of the Principles; and reporting on their implementation.

Our global ESG team, led by GA's Global Head of ESG & Sustainability, Cornelia Gomez, works closely with support functions, business operations and deal teams and provides regular updates to the Management Committee.

The ESG team operates on three levels: the firm, investment processes and our portfolio; and is focused on its key stakeholders: capital partners, regulators, deal teams and portfolio companies. We aim to provide substantive and scalable solutions to our teams and portfolio, focusing on our impact on the economy, the environment and society and business relevance.



## ERP Calculation Methodology

This appendix provides further detail of the methodology used to calculate Emissions Reduction Potential (ERP).

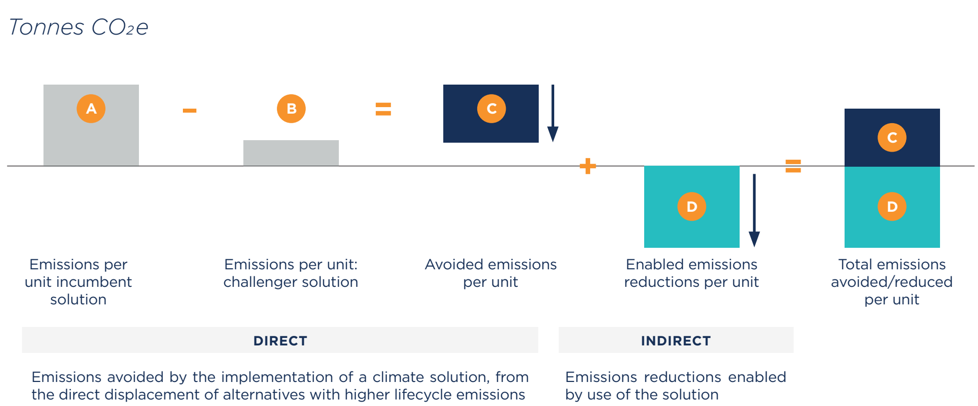
ERP is calculated as the sum of (a) emissions avoided as a direct result of deploying a climate solution, due to the displacement of alternatives with higher scope 1, scope 2 and scope 3 emissions, and (b) indirect emissions reductions generated or enabled by the use of a climate solution, but emanating from outside its value chain. BeyondNetZero refers to these as (a) scopes 1-3 avoided emissions, and (b) scope 4 emissions reductions.

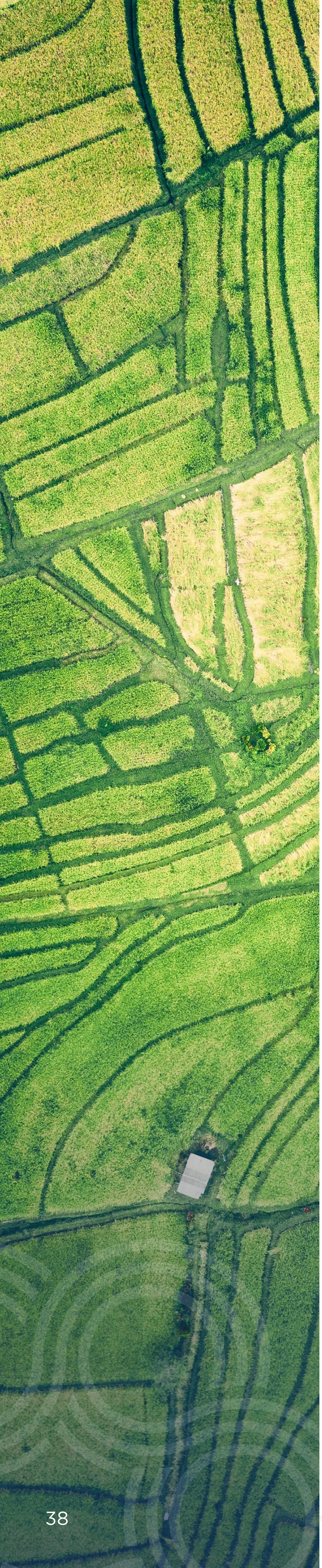
In practice, ERP is calculated by estimating the unit-level emissions reduction potential of a company's product and using growth projections to scale up the difference over the assumed hold period (typically 5 years). The total ERP is then adjusted for BeyondNetZero's equity stake.

ERP is only considered quantifiable if three core criteria are met.

- **First, there must be a demonstrated causal link between the deployment of the solution and emissions reduction.** The implementation of the solution must either directly reduce emissions or enable emissions reductions that would not be possible without the solution.
- **Second, there must be a clearly defined counterfactual scenario in which the incumbent technology that the solution replaces maintains its market share (and emissions are not reduced).** If the solution has no additionality – i.e., the deployment of the solution does not lead to GHG savings by directly replacing the incumbent market leader – the ERP will be zero.
- **Third, there must be full and accurate emissions data for both the solution and incumbent technology.** This data must demonstrate the traceability of emissions reductions along the causal chain from the incumbent to the solution.

In cases where these conditions are not met, BeyondNetZero will instead seek to assess the climate impact of a company's solution through other relevant KPIs or qualitative assessments.





**Emissions Reduction Potential** over 5-year period (tonnes $CO_2e$) = **Unit sales or other relevant metric** (based on company sales forecasts) x **Emissions avoided or reduced per unit** x **BeyondNetZero percentage ownership**

| COMPONENT | LIMITATION |
|---|---|
| **Emissions Reduction Potential** over 5-year period (tonnes $CO_2e$) | **TIME-LIMITED**<br>We calculate ERP over a 5-year period from the date of investment. This creates consistency with our financial forecasts, but means that ERP beyond this period is not taken into account. In many cases, the majority of a company's emissions reduction potential could lie beyond a 5-year horizon. |
| **Emissions avoided or reduced per unit** | **DEPENDENT ON THE CHOSEN BASELINE**<br>ERP depends heavily on the baseline against which our investments are compared. This baseline may shift over time as new information becomes available, or as the economic, technological or policy environments change. |
| **BeyondNetZero percentage ownership** | **DEPENDENT ON THE CAPITAL STRUCTURE**<br>When a portfolio company raises new capital, BeyondNetZero's interest in that company many change. As a result, the portion of a company's ERP "owned" by BeyondNetZero may also change, without any underlying change in the company's climate impact. |

In many cases, ERP cannot be estimated with any defensible degree of certainty – if, for example, the deployment of a product or service contributes to “system change” or helps to lock in important patterns of behavior. In such cases, BeyondNetZero may provide directional assessments of the size and scope of the potential reduction, with a view to encouraging maximization, and may also set qualitative and quantitative proxy indicators.

In some situations, the impact of a climate solution could be attributed to multiple stages across the value chain. For example, the emissions reductions associated with an electric vehicle might also be allocated to the EV battery, the supporting EV charging infrastructure and other vital value chain components. There is currently no consensus on whether to give full attribution to all vital components or to allocate impact based on proportion of cost or some other metric. BeyondNetZero’s current approach is to accord full attribution to those stages of the value chain without which emissions could not be avoided or reduced. We believe this approach to be simpler and more transparent than any alternatives, while recognizing that it may lead to double counting of climate impact or other inexactitudes.

When assessing and projecting a climate solution’s ERP, BeyondNetZero gives credit for the entire lifetime impact of any products or services sold during a given year. In some cases the emissions impact itself will not extend beyond the year in which the product is sold (e.g. produce from a vertical farm, or insect-based protein alternatives). In other cases (such as solar panels or electric vehicles) the product continues to generate emissions reductions for several years. When calculating ERP, all such benefits are attributed during the year in which the product is sold.

## THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

The Task Force on Climate-related Financial Disclosures (TCFD) is an international initiative that was established in 2015 by the Financial Stability Board (FSB). The Financial Stability Board (FSB) created the TCFD to develop recommendations on the types of information that companies should disclose to support investors, lenders and insurance underwriters in appropriately assessing and pricing risks related to climate change. Since 2017, the TCFD framework has provided a consistent and comparable way for companies to report on climate-related risks and opportunities, including the approach taken to managing and mitigating these risks. The TCFD recommendations cover four areas: governance, strategy, risk management, and metrics and targets.

BeyondNetZero supports the deployment of TCFD, and recognizes that organizations are increasingly reporting against the TCFD framework. This section does not contain a formal TCFD report, but instead summarizes the way in which BeyondNetZero's activity maps to the TCFD recommendations. TCFD makes some recommendations with which BeyondNetZero is not currently aligned, but the fund keeps its Responsible Investment (RI) Policy under regular review and may choose to integrate these recommendations in the future.

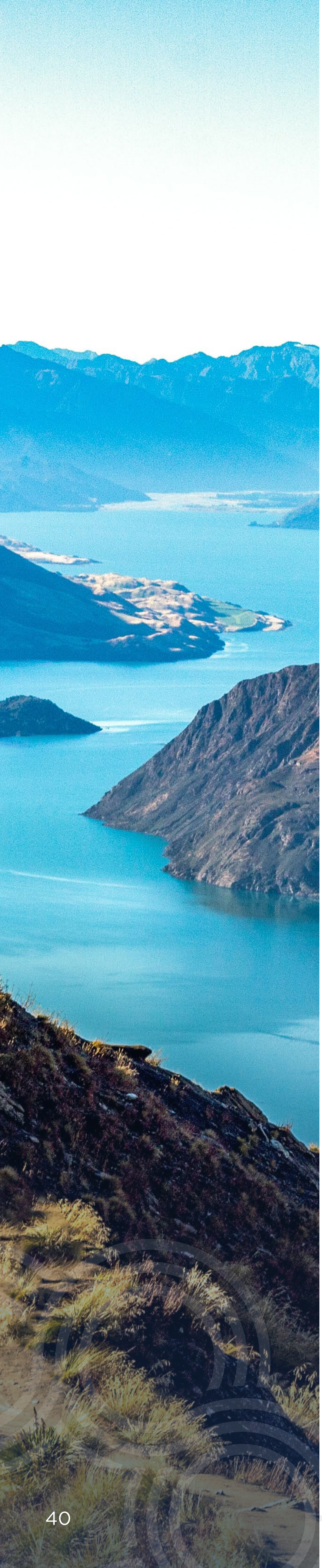
This section provides links to the relevant sections of this report and how they correspond to the TCFD recommendations.

## GOVERNANCE

### a Board oversight of climate related risks and opportunities

- BeyondNetZero's Investment Committee (IC) is the highest decision-making body with regards to climate-related issues, as it takes ultimate decisions on the fund's investments.[15] It approves BeyondNetZero's Responsible Investment Policy, which includes information on the management of climate-related topics and has ultimate responsibility for the policy's application. The BeyondNetZero IC meets as required to consider investment proposals, and always considers climate-related issues, risks and opportunities when doing so.
- The climate-related issues considered include an investment opportunity's GHG emissions and the possibility of reducing those emissions; emissions reductions generated directly or indirectly by a company's products and services; as well as other specific material risks and opportunities identified for each investment opportunity.
- The BeyondNetZero IC also takes climate-related topics into account when reviewing the fund's strategy and when monitoring the fund's progress against its climate targets.

[15] Climate investments are approved by the GA BnZ Investment Committee which is currently comprised of Lord Browne (Co-Chair), Lance Uggla, Bill Ford (Co-Chair) and Gabriel Caillaux. Since GA BnZ is a companion fund, GA's GA Core Program Investment Committee must also approve climate investments before the investment can be made. GA's Investment Committee ("GA Core Program IC") is comprised of Managing Directors selected by the Management Committee. The Investment Committee typically meets at least bi-weekly to review and discuss investment opportunities. The occurrence of the meetings is documented through agendas and presentation materials.



## b Management's role in assessing and managing climate related risks and opportunities

- When bringing an investment opportunity to the BeyondNetZero IC for final approval, BeyondNetZero's Managing Directors are responsible for demonstrating the company's ability and willingness to set a Science-Based Target, as well as the company's ability to deliver emissions reductions through its products and services.
- BeyondNetZero's Head of ESG is responsible for maintaining the fund's Responsible Investment Policy and aligning it with emerging ESG standards and requirements. Part of the Head of ESG's responsibilities is to set ESG reporting requirements for portfolio companies and deliver an annual Climate and ESG report to the BeyondNetZero IC for review and approval. The Head of ESG engages regularly with portfolio companies to oversee progress on climate-related performance.
- Each portfolio company is responsible for assessing and managing its own climate-related journey, with the support of the BeyondNetZero investment team, the fund's Head of ESG and Systemiq. Portfolio companies are regularly supported by the BeyondNetZero team and its partners to ensure they are progressing toward their climate-related targets.
- BeyondNetZero management monitors climate-related risks and performance through ad hoc meetings, its portfolio company board representation, quarterly Portfolio Committee meetings and the annual review of climate scorecards produced in partnership with Systemiq. These summarize each portfolio company's climate-related KPIs (presented in section 5).

### STRATEGY

- BeyondNetZero's strategy is to identify climate-related investment opportunities that are on (or can be put onto) a path to Net Zero by 2050, and that enable emissions reductions through their products and services. BeyondNetZero believes that such companies are more likely to be resilient to the changing regulatory and social environment and to thrive in a world that is seeking to address global climate change.
- Additional climate-related risks are assessed depending on their relevance to the business of portfolio companies. Such risks may include (but are not limited to) exposure to areas of high heat or water-stress, physical climate risk and contribution to land desertification. This information is collected during BeyondNetZero's ESG due diligence, and may feature in the fund's SFDR disclosures. Please refer to the **appendix** of this report for BeyondNetZero's SFDR disclosures.
- Based on its activity, BeyondNetZero considers the following time horizons:
    - Short-term horizon corresponds to the period over which the fund tracks the performance of portfolio companies against their climate targets. For new investments, the first year after investment is the timeline for the portfolio company to measure its GHG footprint and commit to setting a SBT, as described in **section 3**. Pre-investment and every year thereafter,

  a portfolio company's exposure and contribution to relevant physical risks are assessed, as described in **section 3.**

  - Medium-term horizon corresponds to the assumed ownership period of 5 years. Emissions Reduction Potential (ERP) is a key metric in the assessment of targets and portfolio companies, and is estimated over this 5-year period. For more information on ERP, please refer to **section 3** and to the **appendix** of this report.
  - Long-term horizon corresponds to the fund's aim to build a portfolio that is on track to reach Net Zero by 2050, in line with the Paris Agreement. BeyondNetZero evaluates a prospect's ability to set itself on a Net Zero pathway during due diligence. For more information, please refer to **section 3**.

- TCFD also makes recommendations in relation to physical and transition risk disclosures, scenario analysis and financial materiality impact assessments. BeyondNetZero is not currently aligned with these recommendations but may choose to be so in the future.

## RISK MANAGEMENT

- BeyondNetZero identifies climate-related risks and opportunities during the ESG and climate due diligence process. This process is described in **section 3**. It relies on: (1) consideration of an investment's potential to put itself on a path to Net Zero and generate GHG emission reductions, and (2) identification of material risks through application of the PAI indicators. The application of BeyondNetZero's Climate Approach during the investment evaluation process is treated with the same importance as any other part of that process. Investment opportunities are excluded if they present no or insufficient potential for GHG emissions reduction or if they are subject to broader, material climate-related risks that the BeyondNetZero team determines to be excessive or that cannot be mitigated.
- BeyondNetZero manages climate-related risks and opportunities throughout the year as part of its overall risk management process. The fund provides support and reviews the progress of portfolio companies against their climate roadmap on a quarterly basis, as described in **section 3**. It takes stock of portfolio companies' climate performance on an annual basis through the monitoring of KPIs and targets, which are summarized in climate scorecards.
- In terms of prioritization, BeyondNetZero accords high priority to capitalizing on climate-related opportunities as described in **sections 3**, as well as to the achievement of system impact described in **section 3**.

## METRICS AND TARGETS

- Each portfolio company's climate scorecard is updated on an annual basis with data input from the company itself. While BeyondNetZero endeavors to create climate scorecards which present data and information common across all portfolio companies, this may not always be possible or appropriate; judgment and discretion is used

when selecting the information presented in the scorecards. They will typically contain:

  - GHG emission data of each portfolio company over full scope 1, 2 and 3, in line with the GHG Protocol and in full fulfillment of TCFD requirements. This data is not weighted by BeyondNetZero's share of ownership.
  - Portfolio companies' progress in reducing their own emissions compared to their baseline and compared to the pathway set out by their SBT. As of 2022, portfolio companies' SBTs are based on reductions in either absolute emissions or emissions intensity. All SBTs are near-term emissions reduction targets, planned to be achieved between 2026 and 2030.
  - Forward looking 5-year ERP (where relevant). This indicator is adjusted for equity stake and divided by the amount of capital invested to allow comparability across investments. Methodology for ERP calculation is detailed in the **appendix** of this report.
  - Where relevant, actual avoided emissions in the past year. This metric is compared to BeyondNetZero's original estimate of the portfolio company's ERP.
  - 2022 fund-level climate performance metrics are available in **section 4**. Detailed scorecards for each portfolio company can be found in **section 5**.

- The fund makes active use of its representation on the boards of portfolio companies and encourages them to link climate and ESG matters with executive compensation plans. BeyondNetZero is currently not aligned with TCFD's recommendation to incorporate climate-related performance metrics into its remuneration policies, although it may do so in the future.

BeyondNetZero's objective is to invest in companies that sell products and services designed for the low carbon economy, but we do not currently track what proportion of a company's revenue comes from these products and services.

*Table 1*

## Statement on principal adverse impacts of investment decisions on sustainability factors

**FINANCIAL MARKET PARTICIPANT** General Atlantic BNZ Companion Fund (Lux), SCSp. LEI: 254900DF4OHYKYVG1A98

**SUMMARY**

General Atlantic BNZ Companion Fund (Lux), SCSp ("GA BnZ") considers principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of General Atlantic BNZ Companion Fund (Lux), SCSp for the reference period from January 1, 2022 to December 31, 2022.

During the current reference period, GA BnZ's investments were deemed to have caused no significant harm to sustainability factors. GA BnZ prioritizes principal adverse impacts which are related to greenhouse gas emissions, or where performance falls below the performance threshold set by the GA BnZ team. In the current reference period, the principal adverse impact prioritized were:

- **Greenhouse gas emissions: PAI indicators 1-6.** Performance here is measured by assessing investments' progress in setting and adhering to a Science Based Target
- **Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises: PAI 11.** One investment lacked these processes and compliance mechanisms during the reference period. BeyondNetZero intends to support that investment in introducing such processes and compliance mechanisms during future reference periods
- **Board gender diversity: PAI 13.** While GA BnZ does not consider the current level of board gender diversity to constitute "significant harm", we will seek to use our influence to increase board gender diversity in future reference periods, taking into account the limitations faced as a minority investor with limited or possibly no board representation
- **Lack of a human rights policy: additional social PAI indicator 9.** One investment lacked a human rights policy during the reference period. GA BnZ intends to support that investment in introducing such a policy during future reference periods

**DESCRIPTION OF THE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS**

See table below

## INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES

| ADVERSE SUSTAINABILITY INDICATOR | | METRIC | IMPACT [year n] | IMPACT [year n-1] | EXPLANATION | ACTIONS TAKEN, AND ACTIONS PLANNED AND TARGETS SET FOR THE NEXT REFERENCE PERIOD |
|---|---|---|---|---|---|---|
| **Climate and other Environment-Related Indicators** | | | | | | |
| **Greenhouse gas emissions** | **1. GHG emissions** | Scope 1 GHG emissions | 58 tonnes $CO_2e$ | N/A | N/A | When it comes to GHG emissions, BeyondNetZero's overarching investment framework includes the requirement for all investments to set and adhere to a Science Based Target, thereby aligning them with the goals of the Paris Agreement. At the end of the current reference period, all investments were operating in accordance with the timeline set by BeyondNetZero for this target-setting process:<br>• Two had submitted their emissions reduction targets to the Science Based Target initiative (SBTi) for validation and were awaiting a response<br>• Two had submitted their commitment letters to the SBTi, and were developing their target submissions<br>• One was preparing to submit its commitment letter to the SBTi within the first year of our investment<br><br>BeyondNetZero has provided support, guidance and third-party expertise to assist investments in this process. |
| | | Scope 2 GHG emissions | 136 tonnes $CO_2e$ | N/A | N/A | |
| | | Scope 3 GHG emissions | 40,293 tonnes $CO_2e$ | N/A | N/A | |
| | | Total GHG emissions | 40,487 tonnes $CO_2e$ | N/A | N/A | |
| | **2. Carbon footprint** | Carbon footprint | 82 tonnes $CO_2e$ per EUR million investment value | N/A | N/A | |

| ADVERSE SUSTAINABILITY INDICATOR | | METRIC | IMPACT [year n] | IMPACT [year n-1] | EXPLANATION | ACTIONS TAKEN, AND ACTIONS PLANNED AND TARGETS SET FOR THE NEXT REFERENCE PERIOD |
|---|---|---|---|---|---|---|
| Greenhouse gas emissions | **3. GHG intensity of investee companies** | GHG intensity of investee companies | 459 tonnes $CO_2e$ per EUR million revenue | N/A | N/A | Science Based Targets for emissions reductions may consist of a combination of absolute emissions reductions, reductions in emissions intensity and targets for engaging with an investment's suppliers in order to drive emissions reductions in that company's supply chain. As such, the fund-level PAI indicators covering GHG emissions, carbon footprint and GHG intensity may not reflect the unique efforts being made by each investment to operate in alignment with the Paris Agreement. It is possible that GA BnZ's absolute emissions and emissions intensity may rise in future reference periods even as investments operate in line with their Science Based Target, because such outcomes are permitted and expected, particularly for rapidly growing companies.<br><br>GA BnZ therefore prioritizes the requirement that investments set and follow a Science Based Target, rather than seeking any particular trajectory for the PAI indicators covering greenhouse gas emissions, carbon footprint and GHG intensity of investee companies. |
| | **4. Exposure to companies active in the fossil fuel sector** | Share of investments in companies active in the fossil fuel sector | 0% | N/A | N/A | N/A |
| | **5. Share of non-renewable energy consumption and production** | Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources | 63% | N/A | N/A | Investments' consumption of renewable energy is expected to rise in future periods as a result of steps being take to reduce scope 2 emissions. |
| | **6. Energy consumption intensity per high impact climate sector** | Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector | 0.13 | N/A | N/A | N/A |
| Biodiversity | **7. Activities negatively affecting biodiversity-sensitive areas** | Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas | 0% | N/A | N/A | N/A |

| ADVERSE SUSTAINABILITY INDICATOR | | METRIC | IMPACT [year n] | IMPACT [year n-1] | EXPLANATION | ACTIONS TAKEN, AND ACTIONS PLANNED AND TARGETS SET FOR THE NEXT REFERENCE PERIOD |
|---|---|---|---|---|---|---|
| **Water** | **8. Emissions to water** | Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average | 0 | N/A | N/A | N/A |
| **Waste** | **9. Hazardous waste and radioactive waste ratio** | Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average | 0.00457 | N/A | N/A | N/A |
| **Indicators for Social and Employee, Respect for Human Rights, Anti-Corruption and Anti-Bribery Matters** | | | | | | |
| **Social and employee matters** | **10. Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises** | Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises | 0% | N/A | N/A | N/A |
| | **11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises** | Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance / complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises | 17% | N/A | N/A | One investment lacks these processes and compliance mechanisms. BeyondNetZero intends to support that investment in introducing such processes and compliance mechanisms during in future reference periods. |
| | **12. Unadjusted gender pay gap** | Average unadjusted gender pay gap of investee companies | 15% | N/A | N/A | N/A |
| | **13. Board gender diversity** | Average ratio of female to male board members in investee companies, expressed as a percentage of all board members | 15% | N/A | N/A | While GA BnZ does not consider the current level of board gender diversity to constitute "significant harm", we will seek to use our influence to increase board gender diversity in future reference periods, taking into account the limitations faced as a minority investor with limited or possibly no board representation. |

| ADVERSE SUSTAINABILITY INDICATOR | | METRIC | IMPACT [year n] | IMPACT [year n-1] | EXPLANATION | ACTIONS TAKEN, AND ACTIONS PLANNED AND TARGETS SET FOR THE NEXT REFERENCE PERIOD |
|---|---|---|---|---|---|---|
| **Social and employee matters** | **14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)** | Share of investments in investee companies involved in the manufacture or selling of controversial weapons | 0% | N/A | N/A | N/A |

**Other Indicators for Principal Adverse Impacts on Sustainability Factors**

| | | | | | | |
|---|---|---|---|---|---|---|
| **Water, waste and material emissions** | **14. Natural species and protected areas** | 1. Share of investments in investee companies whose operations affect threatened species<br>2. Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in, or adjacent to, a protected area or an area of high biodiversity value outside protected areas | 0% | N/A | N/A | N/A |
| **Social and employee matters** | **1. Investments in companies without workplace accident prevention policies** | Share of investments in investee companies without a workplace accident prevention policy | 0% | N/A | N/A | N/A |
| | **3. Number of days lost to injuries, accidents, fatalities or illness** | Number of workdays lost to injuries, accidents, fatalities or illness of investee companies expressed as a weighted average | 78 | N/A | N/A | N/A |
| | **9. Lack of a human rights policy** | Share of investments in entities without a human rights policy | 17% | N/A | N/A | One investment lacks a human rights policy. BeyondNetZero intends to support that investment in introducing such a policy during future reference periods. |

**DESCRIPTION OF POLICIES TO IDENTIFY AND PRIORITIZE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS**

GA BnZ's Responsible Investment ("RI") Policy was adopted by the Investment Committee of the fund on August 31, 2021 and revised on January 18, 2022. The fund's Investment Committee has ultimate responsibility for the application of the RI Policy, with the fund's Head of ESG having responsibility for operationalising the RI Policy on a day-to-day basis, and keeping the RI Policy up to date based on emerging standards and requirements.

The fund's RI Policy is the starting point for its approach to identifying and prioritizing principal adverse impacts on sustainability factors. It sets out the way in which the fund undertakes an initial review during due diligence of a prospective investment's performance against the PAI indicators, using the outcomes of this review to a) determine whether any issues identified would prevent the proposed investment being classified as sustainable and/or b) prioritize PAI indicators where corrective action may be needed post-investment. The incorporation of principal adverse impact assessment during due diligence means that the Investment Committee can take this into account when evaluating the merits of an investment, including the probability of the occurrence of adverse impacts and their likely severity, which in certain cases could be irremediable. During due diligence and during portfolio management, GA BnZ prioritizes principal adverse impacts which are related to greenhouse gas emissions (given the fund's investment mandate and sustainable investment objective), or where performance falls below the performance threshold set by the GA BnZ team.

In addition to the mandatory PAI indicators, GA BnZ has selected additional indicators which we believe are either material to our investment mandate, or which could be material to any business and which should therefore be monitored as part of good ESG practice.

The information required to assess principal adverse impacts will be requested from GA BnZ investments by the GA BnZ team or an appointed third party, who will typically provide independent assessments of the quality and reliability of data. If a portfolio company is not willing or able to provide the information required for GA BnZ to make PAI disclosures, BnZ's board representatives are expected to initiate a discussion with the company's leadership about how the information might be made available. If a GA BnZ portfolio company remains unable (or unwilling) to produce relevant PAI data (either wholly or partially) for any reference period set out under SFDR that GA BnZ will be required to report against, BnZ has the right to calculate PAI data in its sole discretion using such formula, assumptions or other method of calculation as it deems appropriate at that time, provided that where there is any regulatory guidance on such calculations GA BnZ will take this into account.

**ENGAGEMENT POLICIES**

During the portfolio management process, GA BnZ will work with its investments to help them set and adhere to a Science-Based Target and deliver the GA BnZ Impact identified during the investment process. The investment team will also engage with its portfolio companies to assist them in mitigating other material ESG risks and opportunities identified during the investment process. BeyondNetZero expects to make active use of its board representation in each portfolio company (to the extent board representation is available) and may seek to incorporate achievement against climate and other ESG targets into executive compensation plans (as relevant).

When engaging with portfolio companies to mitigate ESG risks, GA BnZ will typically prioritize a) PAI indicators relating to GHG emissions, given the fund's investment mandate and b) any PAI indicators where performance falls below the threshold set by the GA BnZ team, representing the level below which an investment could potentially be deemed to cause "significant harm".

Every reporting period, GA BnZ will review the development of its investments' principal adverse impacts. Where progress is deemed insufficient, engagement policies may be adapted such that different companies are targeted for engagement, different topics are made the focus of engagement and the engagement process itself (including escalation) is changed.

**REFERENCES TO INTERNATIONAL STANDARDS**

**Paris Agreement (PAI 1-6)**

GA BnZ requires all its investments to set and adhere to a Science Based Target, thereby aligning them with the goals of the Paris Agreement, specifically the goal of reaching net zero greenhouse gas emissions by 2050. The Science Based Targets initiative has set out a wide variety of emissions pathways which are relevant to different economic sectors, but which are all consistent with the goals of the Paris Agreement. These pathways are set independently of GA BnZ, and investments' Science Based Targets are validated independently by the Science Based Target initiative. GA BnZ therefore has no direct influence over the forward-looking climate scenario used, apart from requiring its investments to reduce their emissions in a way that is accepted by the Science Based Target initiative.

Achievement against Science Based Targets (and thus alignment with the Paris Agreement) will be determined by measuring investments' scopes 1, 2 and 3 emissions, expressed as $CO_2$-equivalent emissions. These are measured by investments themselves in a variety of different ways, but always in alignment with the Greenhouse Gas Protocol. As explained above, adhering to a Science Based Target may not always be associated with a reduction in absolute greenhouse gas emissions or greenhouse gas emissions intensity, particularly for rapidly growing companies.

**HISTORICAL COMPARISON**

Not applicable

**Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** General Atlantic BNZ Companion Fund (Lux), SCSp ("GA BnZ")

**Legal entity identifier:** 254900DF4OHYKYVG1A98

## Sustainable investment objective

**Did this financial product have a sustainable investment objective?**

| ● ● ☒ **Yes** | ● ○ ☐ **No** |
|---|---|
| ☒ It made **sustainable investments with an environmental objective:**_99.7_% | ☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% sustainable investments |
| ☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☐ with a social objective |
| ☐ It made **sustainable investments with an social objective:**__% | ☐ It promoted E/S characteristics, but **did not make any sustainable investments** |

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

The GA BnZ investments have an environmental sustainable investment objective of greenhouse gas emissions reduction.

GA BnZ took a thematic approach to identifying investment opportunities across: (i) decarbonization, (ii) energy efficiency, (iii) resource conservation and (iv) emissions management. Across these areas of focus, GA BnZ targeted portfolio companies across four broad business models: (i) capex-light, (ii) technology-enabled products and services, (iii) developing supply chains and (iv) sustainable real assets.

Within this investing framework, GA BnZ pursued greenhouse gas emissions reductions by targeting companies whose business model have the potential to reduce emissions by setting a Science-Based Target ('SBT'), with a goal to reach net zero emissions by 2050, thereby aligning them with the Paris Agreement.

Additionally, the GA BnZ investment team sought to invest in portfolio companies that have the potential to reduce emissions faster than their SBT requires; to deliver products or services that displace alternatives with higher scopes 1-3 emissions[1]; and/or to deliver products or services that generate or enable emissions reductions elsewhere (referred to by GA BnZ as 'scope 4' emissions reductions). These criteria are used to determine the

[1] Emissions 'scopes' are defined by the Greenhouse Gas Protocol. See, for example, https://ghgprotocol.org/corporate-standard

expected or actual “GA BnZ Impact” of a potential or actual portfolio company. This is a quantitative metric, and is the sum of:

- The company’s over/underperformance against its SBT;
- The scopes 1-3 emissions avoided by a company’s product or service; and
- The scope 4 emissions reductions delivered by the company’s product or service

each a "GA BnZ Impact Criteria".

As of 31 December, 2022, GA BnZ held investments in five portfolio companies (see below), all of which contributed to the fund’s sustainable investment objective in one or more of the following ways:

- Setting or starting the process of setting a SBT
- Establishing the processes necessary (if not already in place) to conduct annual measurements of their greenhouse gas emissions, as a precondition for reducing these emissions and tracking reductions over time
- Developing and implementing a plan for reducing emissions across their business
- Delivering certain GA BnZ Impact Criteria, as described above

The current reference period represents the first full reporting period and, for some of our investments, the first year for which greenhouse gas emissions data was collected. It is also the year in which most of our investments began the process of setting a SBT (see below for more information). As such, it is not yet possible to disclose emissions reductions that have been achieved. We expect to include such disclosures in future reporting periods.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

***How did the sustainability indicators perform?***

GA BnZ’s primary sustainability indicator is a portfolio company’s progress towards setting and subsequently achieving a SBT. Within one year of closing an investment, GA BnZ requires the portfolio company to take the first step towards setting a SBT, which is the public submission of a commitment letter to the Science Based Target Initiative (SBTi). At this point, the SBTi’s own timeline applies, giving a company two further years to submit its emissions reduction targets to the SBTi for validation.

As of 31 December 2022, all five of GA BnZ’s investments were operating in compliance with this timeline:

- Two had sumitted their emissions reduction targets to the SBTi for validation and were awaiting a response
- Two had submitted their commitment letters to the SBTi, and were developing their target submissions
- One was preparing to submit its commitment letter to the SBTi within the first year of our investment

At the end of the reporting period, none of GA BnZ’s investments had a SBT which had been validated by the SBTi meaning that it is not yet possible to report on companies’ performance against their SBT. Such reporting is expected to take place in the next set of periodic disclosures.

In addition to setting SBTs, GA BnZ’s investments helped to avoid or reduce emissions through the deployment of their products and services; this is a key component of the GA BnZ Impact Criteria. We estimate that GA BnZ’s portfolio avoided or reduced at least 1.6 million tonnes of $CO_2$ equivalent in 2022, and possibly up to 2.0 million tonnes.

***...and compared to previous periods?***

Not applicable

- ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

Sustainable investments did not cause any significant harm to any sustainable investment objectives. This conclusion was reached following a review of each sustainable investment against the "do no significant harm" criteria (where relevant) for each environmental objective, as well as an assessment of each investment against the principal adverse impact indicators (see below for more detail).

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

In advance of this first set of periodic disclosures, the GA BnZ team determined performance thresholds for all mandatory principal adverse impact (PAI) indicators as well as relevant optional PAI indicators. These thresholds were chosen as representing the level below which an investment could potentially be deemed to cause "significant harm". Each investment's performance during the reporting period was assessed against the mandatory and relevant optional PAI indicators using the chosen thresholds. Please see the attached table for more information on investments' performance against the PAI indicators.

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

GA BnZ commissioned a third party to review investments' alignment with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This was done by assessing investments' performance against a range of mandatory and voluntary PAI indicators chosen to serve as proxies for such alignment. Certain investments did not demonstrate satisfactory compliance with some of these PAI indicators, but this was not considered a material failure to align with the relevant international standards. GA BnZ accepted the conclusion of the third party review which was that, considering all relevant and available information, GA BnZ's investments are aligned with OECD Guidelines and UN Guiding Principles.

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

GA BnZ considered principal adverse impacts on sustainability factors during the investment process and as part of its ongoing monitoring of investment performance.

During the investment process, GA BnZ considered the indicators for adverse impacts on sustainability factors by assessing a company's performance against the mandatory and other relevant Principle Adverse Impact sustainability indicators established by SFDR. We also sought to carry out an assessment of alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. These assessments (which were undertaken with assistance from third parties) form a core part of GA BnZ's ESG due diligence process, and are undertaken using a combination of publicly available data and data requested directly from the target portfolio companies during due diligence. GA BnZ used the results of these assessments as part of its process to determine whether prospective GA BnZ investments do not cause significant harm to any sustainable investment objective, taking account of any relevant additional information produced as part of the due diligence and investment processes. The results of this process were also used to inform the development of ESG performance improvement plans for portfolio companies.

As part of the ongoing monitoring of investments, GA BnZ portfolio companies were asked to provide the data necessary for GA BnZ to determine that its investments continued to do no significant harm to sustainable investment objectives over the course of the reporting period.

### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: calendar year 2022.

| Largest investments | Sector | % Assets | Country |
|---|---|---|---|
| o9 Solutions | Supply chain planning software | 27.2% | United States |
| EcoVadis | Sustainability ratings provider | 25.8% | France |
| Sun King | Supplier and distributor of domestic solar power generation and associated equipment | 25.6% | United States |
| RoadRunner | Technology-enabled marketplace for commercial recycling and waste removal | 17.0% | United States |
| 80 Acres Farms | Vertical farm developer and operator | 4.1% | United States |

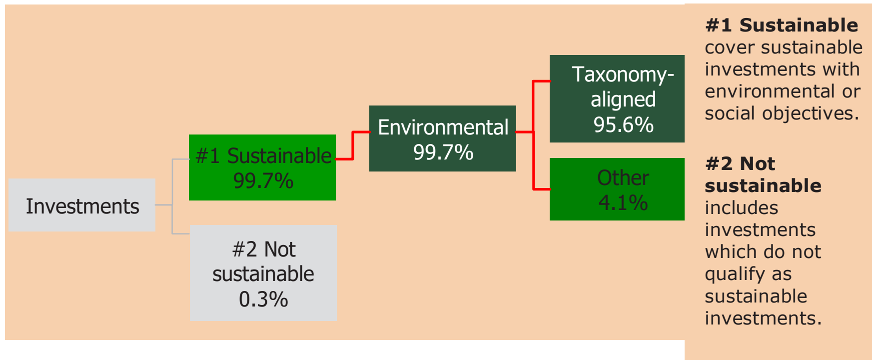
Please note that this table represents GA BnZ's investments at the end of the reference period. Quarterly calculations have not been made due to the small number of investments and the discontinuous way in which they are made.

**What was the proportion of sustainability-related investments?**

99.7%

**Asset allocation** describes the share of investments in specific assets

***What was the asset allocation?***




To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective

**Transitional activities** are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

***In which economic sectors were the investments made?***

Investments were made in a variety of economic sectors which included:

- Development and operation of vertical farms (A1.13, growing of vegetables and melons, roots and tubers) – 4.1%
- Supply chain planning software (J63.1.1, information and communication, data-driven solutions for GHG emissions reductions) – 27.2%
- Technology enabled marketplace for commercial waste recycling and removal (E38.1.1, separate collection and transport of non-hazardous waste in source segregated fractions) – 17.0%
- Provision of solar power products for domestic use (D.35.1.1, construction and operation of electricity generation facilities that produce electricity from solar photovoltaic) – 25.6%
- Provision of sustainability ratings (J63.1.1, information and communication, data-driven solutions for GHG emissions reductions) – 25.8%

No investments were made in sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

95.6% of GA BnZ investments were assessed as making a substantial contribution towards the environmental objective of climate change mitigation, while doing no significant harm to other environmental objectives. 4.4% of the fund's investments were in non-taxonomy aligned activities (see below for further detail).

GA BnZ's taxonomy assessment was undertaken in alignment with Article 3 of the EU Taxonomy regulation and was reviewed by a third party using data collected directly from GA BnZ's investments (not assumptions or proxies).

***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[2]?***

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

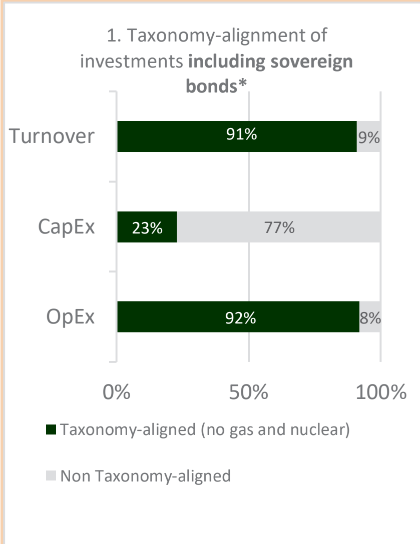
☒ No

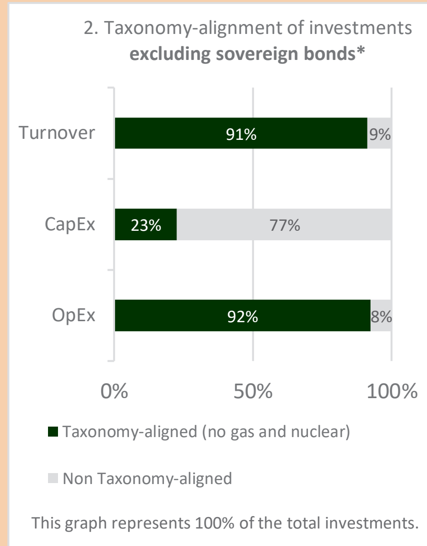
[2] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

***The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.***




*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

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

  53.0% of the fund's investments by were in activities classed as "enabling" under the Taxonomy Regulation; none were classified as "transitional".

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

  Not applicable

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

The fund seeks to invest 100% in sustainable investments as defined under SFDR. The sustainable investments made by the fund to date include 95.9% in investments which align with the Taxonomy Regulation. 4.1% of the fund's sustainable investments were in non-taxonomy aligned activities, comprising the fund's investment in 80 Acres Farms, a developer and operator of indoor vertical farms, whose NACE Code A1.13 (growing of vegetables and melons, roots and tubers) is not currently aligned to the Taxonomy.

**What was the share of socially sustainable investments?**

0%

**What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?**

”Not sustainable” investments consist of cash held by the Fund for general operational purposes. In this case, environmental and social safeguards are not relevant.

## What actions have been taken to attain the sustainable investment objective during the reference period?

GA BnZ helped its investments achieve the sustainable investment objective by providing advice to portfolio company boards (to the extent GA BnZ has a seat on the board) and by working directly with portfolio company management. Actions taken included, but were not limited to:

- Requiring portfolio companies to set a SBT as a condition to GA BnZ’s investment
- Providing portfolio companies with advice, support and third-party expertise in measuring their greenhouse gas footprint, designing emissions reduction targets, submitting targets to the SBTi for validation, and designing/implementing emissions reduction strategies
- Providing portfolio companies with advice, support and third-party expertise in estimating and reporting the emissions avoided/reduced through the deployment of a portfolio company’s products and services

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

No specific index has currently been designated as a reference sustainable benchmark for the GA BnZ. Article 9(3) of SFDR states that the objective of ‘a reduction in carbon emissions’ includes the objective of low carbon emission exposure in view of achieving the long-term global warming objectives of the Paris Agreement. The Paris Agreement aims to ensure that the assets of GA BnZ achieve a reduction in carbon emissions through the use of SBTs, and through the identification and monitoring of Scope 4 emissions reductions.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.

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

  *N/A*

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

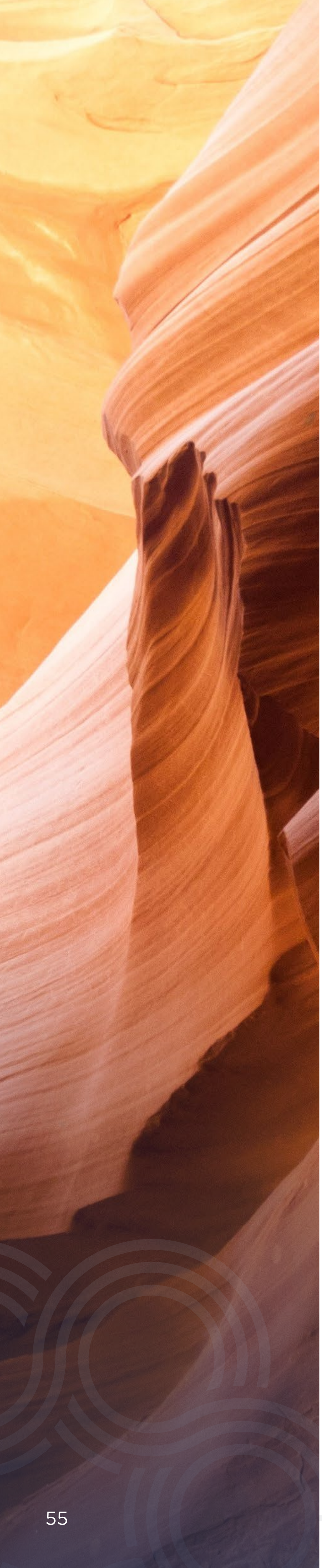
  *N/A*

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

  *N/A*

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

  *N/A*



## Important Disclosure Information

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In considering any performance data contained in the Presentation, you should bear in mind that: (A) There can be no assurance that unrealized investments will be realized at the valuations shown, as actual realized returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, legal and contractual restrictions, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the valuations used in the prior performance data contained in the marketing presentation are based. Accordingly, the actual realized returns on these unrealized investments may differ materially from the unrealized returns indicated therein; (B) Past or targeted performance is not indicative of future results. Prospective investors should also bear in mind that past or targeted portfolio characteristics are not indicative of future portfolio characteristics and there can be no assurance that any fund will have comparable portfolio characteristics or that target portfolio characteristics will be achieved. The value of investments can go down as well as up; and (C) Benchmarks and financial indices are shown for illustrative purposes only and are provided for the purpose of making general market data available as a point of reference only. Such benchmarks and financial indices may not be available for direct investment, may be unmanaged, assume reinvestment of income, do not reflect the impact of any trading commissions and costs, management or performance fees and have limitations when used for comparison or other purposes because, among other reasons, they may have different trading strategy, volatility, credit or other material characteristics. No representation is made that any benchmark or index is an appropriate measure for comparison. **GA investors may suffer significant losses. Any losses by investments in GA's BeyondNetZero fund will be borne solely by the GA investors and not by GA's general partner or its affiliates.**

Certain information contained in this document constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of GA's BeyondNetZero Fund may differ materially from those reflected or contemplated in such forward-looking statements. Investors are cautioned not to place undue reliance on such statements.

Projections are forward-looking statements and actual results may differ materially from those presented herein. Projections are inherently unreliable as they are based on estimates and assumptions about events and conditions that have not yet occurred and any of which may prove to be incorrect. Accordingly, the projected returns are subject to uncertainties and changes (including changes in economic, operational, political or other circumstances or the management of the particular portfolio company), all of which are beyond GA's control and that may cause the relevant actual results to be materially different from the results expressed or implied by the projected returns.

Industry experts may disagree with the projections or GA's own view of its BeyondNetZero Fund. No assurance, representation or warranty is made that any of the projections or projected returns will be achieved, that any portfolio company will be able to avoid losses or that any company will be able to implement its intended activities. None of GA's BeyondNetZero Fund or any of its directors, officers, employees, partners, managers, affiliates, advisers and agents makes any assurance, representation or warranty as to the accuracy or reasonableness of the projections or projected returns nor have any of them independently verified the projections or projected returns.

## RISKS

Alternative investments, such as an investment in GA and GA's BeyondNetZero Fund, often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment. Alternative investments are suitable only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Alternative Investments typically have higher fees than traditional investments. Investors should carefully review and consider potential risks before investing. Certain of these risks may include but are not limited to:

- Loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices.
- Lack of liquidity in that there may be no secondary market for a fund.

- Volatility of returns.
- Restrictions on transferring interests in a fund.
- Potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized.
- Absence of information regarding valuations and pricing.
- Complex tax structures and delays in tax reporting.
- Less regulation and higher fees than mutual funds.
- Risks associated with the operations, personnel and processes of the manager.

Risks associated with investing in private equity, or growth equity funds, such an investment in GA and GA's BeyondNetZero fund generally include:

**Limited Regulatory Oversight:** Since private equity funds are typically private investments, they do not face the same oversight and scrutiny from financial regulatory entities such as the Securities and Exchange Commission ("SEC") and are not subject to the same regulatory requirements as regulated investment companies, (i.e., open-end or closed-end mutual funds) including requirements for such entities to provide certain periodic pricing and valuation information to investors. Private equity offering documents are not reviewed or approved by the SEC or any US state securities administrator or any other regulatory body. Also, managers may not be required by law or regulation to supply investors with their portfolio holdings, pricing, or valuation information.

**Portfolio Concentration; Volatility:** Many private equity funds may have a more concentrated or less diversified portfolio than an average mutual fund. While a more concentrated portfolio can have good results when a manager is correct, it can also cause a portfolio to have higher volatility.

**Strategy Risk:** Many private equity funds employ a single investment strategy. Thus, a private equity fund may be subject to strategy risk, associated with the failure or deterioration of an entire strategy.

**Use of Leverage and Other Speculative Investment Practices:** Since many private equity fund managers use leverage and speculative investment strategies such as options, investors should be aware of the potential risks. When used prudently and for the purpose of risk reduction, these instruments can add value to a portfolio. However, when leverage is used excessively and the market goes down, a portfolio can suffer tremendously. When options are used to speculate (i.e., buy calls, short puts), a portfolio's returns can suffer and the risk of the portfolio can increase.

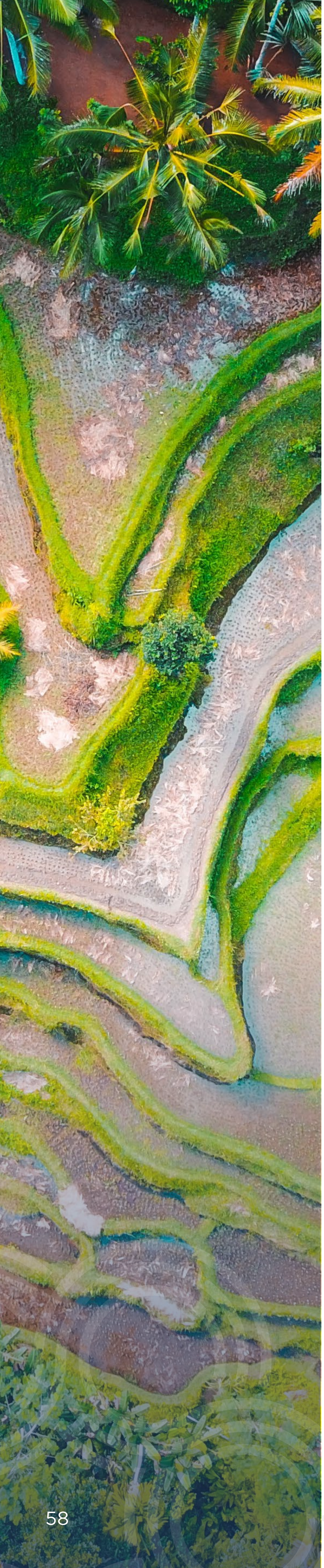
**Valuations:** Further there have been a number of high profile instances where private equity fund managers have mispriced portfolios, either as an act of fraud or negligence.

**Past Performance:** Past performance is not necessarily indicative and is not a guarantee of a private equity fund's future results or performance. Some private equity funds may have little or no operating history or performance and may use hypothetical or pro forma performance that may not reflect actual trading done by the manager or advisor and should be reviewed carefully. Investors should not place undue reliance on hypothetical or pro forma performance.

**Limited Liquidity:** Investors in private equity funds have limited rights to transfer their investments. In addition, since private equity funds are not listed on any exchange, it is not expected that there will be a secondary market for them. Repurchases may be available, but only on a limited basis. A private equity fund's manager may deny a request to transfer if it determines that the transfer may result in adverse legal or tax consequences for the private equity fund.

**Tax Risks:** Investors in certain jurisdictions and in private equity funds generally may be subject to pass-through tax treatment on their investment. This may result in an investor incurring tax liabilities during a year in which the investor does not receive a distribution of any cash from the fund. In addition, an investor may not receive any or only limited tax information from private equity funds and may not receive tax information from underlying managers in a sufficiently timely manner to enable an investor to file its return without requesting an extension of time to file. In certain jurisdictions a lack of tax information may result in an investor being taxed on a deemed basis at an adverse rate of tax.

**Fees and Expenses:** Most private equity funds charge both an asset-based management fee and a performance-based incentive fee or allocation. As a result, the fees and expenses associated with private equity investing may exceed those of a long-only mutual fund.



**Reliance on Fund Manager; Lack of Transparency:** A private equity fund's manager or general partner has total investment authority over the private fund. There is often a lack of transparency as to a private equity fund's underlying investments. Because of this lack of transparency, an investor may be unable to monitor the specific investments made by the private equity fund or to whether the investments are consistent with the private equity fund's historic investment philosophy or risk levels. Due to the risks mentioned above, it is important to perform proper due diligence in evaluating and choosing private equity fund managers to place your money with. There have been occasions when private equity fund managers took on too much risk in their portfolio and lost a substantial amount of their investors' money.

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**Key Assumptions Underpinning Climate Model:** Key Assumptions Underpinning Climate Model have been added to supplement information presented on the climate score card. Not all score cards contain Key Assumptions Underpinning Climate Model as it may not be relevant or applicable for the particular portfolio company or data presented. These assumptions may not necessarily reflect actual conditions and should not be solely relied upon for decision-making.

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