ImpactA Global

ImpactA Global Sustainability-Related Disclosures

Information classification	Non-confidential		
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1. Summary

In accordance with Article 8 of the Regulation EU 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR"), ImpactA Global (the "Fund") promotes Environmental and Social ("E&S") characteristics but does not have as its objective a sustainable investment.

The fund has been established to address the lack of funding for sustainable infrastructure projects in the Emerging Markets.

The Fund promotes E&S characteristics by targeting projects/assets in compliance with environmental, social and governance ("ESG") practices in the following sectors (the "Target Sectors") - Healthcare, Clean Energy, Sustainable Mobility, Water & Sanitation - alongside two main impact areas of focus: climate change and reduction in inequalities. Moreover, the Fund will apply a gender-lens to its portfolio in line with the 2X Challenge guidance.

Summarised below are the primary and secondary impacts and further detailed the targeted SDGs.

	Climate Change	Reduced Inequalities
Renewable Energy	V	v
Sustainable Mobility	v	V
Health	v	V
Water & Sanitation	V	V

V – primary impact

v - secondary impact

Impact Agenda	Clean Energy **Climate Action**	Water & Sanitation **Climate Action & Sustainable infrastructure**	Health **Sustainable infrastructure**	Sustainable Mobility **Climate Action & Sustainable infrastructure**
Core contribution (SDGs)	SDG7 and SDG 13	SDG6 and SDG13	SDG3	SDG11 and SDG13
Thesis	Support the deployment of clean & affordable energy in the Global South, focusing on impacting the balance between conventional and renewable energy in the relevant countries.	Facilitate access to water and sanitation facilities in the Global South, increasing the number of households with easy access to clean water.	Support projects to make healthcare affordable and accessible in the Global South, reducing the amount of deaths due to the lack of accessible healthcare	assist on the energy transition in transportation infrastructure to allow cleaner and/or safer mobility in the Global South, promoting CO2 reduction in busy cities and adding agile mobility solutions in deprived areas.
Overarching KPIs	- How much capital has been unlocked for the project? - How many jobs have been created in the host country?			
Indicative sectorial KPIs (examples)	MW of Renewables added Greenhouse gas equivalency (how many avoided) Number of Households with access to electricity	Number of households with access to water Volume of sewage or water treated Population with access to improved water quality	Number of additional beds Number of people treated Number of households within reach	Number of users or kms Reach/access to the new infrastructure Increase in connectivity GHG avoided

Find below additional information on the key impact areas with their corresponding Indicative Key Performance Indicators (“KPIs”) and Sustainable Development Goal (“SDG”).

The Fund's portfolio shall have direct exposure to its investees and will be composed of projects and Management teams with a strong focus on ESG.

No investment shall knowingly be approved if it is expected or determined to do any significant harm on other ESG factors.

The Fund has put in place robust screening, due diligence and monitoring procedures and tools to integrate ESG and impact across the whole investment process based on specific exclusion and eligibility criteria, safeguards, standards, and guidelines in addition to the abovementioned KPIs and SDGs.

Additionally, ImpactA Global supports its project parties by designing a tailored ESG Action Plan for each investment, in alignment with the Equator Principles and the International Finance Corporation (“IFC") standards, Sustainability Framework and Good Governance practices to enhance their sustainability characteristics.

ImpactA Global will report on the PAIs for 50% of the portfolio.

No reference benchmark has been designated for the purpose of attaining the E/S characteristics promoted.

2. No sustainable investment objective

This financial product promotes environmental and social characteristics but does not have a sustainable investment objective and does not make any sustainable investments. Sustainable investment as defined per stricto sensu by the Regulation EU 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the “Taxonomy Regulation"). The Fund however is still looking to have sustainable investments under the definition of SFDR for at least 50% of the portfolio.

3. Environmental or social characteristics of the financial product

In line with Article 8 of the SFDR, the Fund’s portfolio presents environmental and social characteristics. It aims to support projects in the Emerging Markets with a strong focus on ESG through a set of debt investment that complement the other institutions such as commercial banks, Export Credit Agencies and Development Finance Institutions.

Specific information on the key impact areas, the investment strategy, and the impact approach implemented by the Fund to reach its targeted environmental and social characteristics can be found in the following section and in ImpactA Global’s Environmental, Social and Governance Policy (the “ESG Policy”) available upon request. The Fund targets investees in compliance with ESG and Impact practices such as the Minimum Safeguards, in alignment with the Fund’s Exclusion and eligibility criteria, as detailed in the ESG Policy.

4. Investment strategy

The Fund’s investment strategy for promoting environmental and social characteristics focuses on the four sectors mentioned in Section a) and the following impact considerations:

A- Catalytic angle: unlock capital at scale by providing a missing part of the capital on a specific project.

B- Sectorial filter: select different sectors to optimise the intensity, sustainability and inclusion dimensions of impact.

C- Sub-sector KPIs: apply specific KPIs to each investment.

The Fund integrates impact across the whole investment process whereby the Investment Team and the E&S Officer are all involved in the different steps.

The following steps outline the different stages of the Fund's investment process. In particular, Due Diligence is performed in accordance with sector of the asset.

1 Identification and Initial Screening: Deal team must prepare a Pre-Screening Memorandum and secure the verbal approval of one Founding Member. The project will then proceed to an Impact Assessment.
2 Impact Assessment: the assigned deal team of the Adviser will request information from the project sponsor and prepare an Impact score and an Impact Memorandum, which will be reviewed by Impact Advisory Committee of the Adviser (the "Impact Committee"), where the potential positive and measurable impacts of the project will be analysed. Subject to approval by the Impact Committee, the transaction can move to the Preliminary Due Diligence phase. At this point, a proposed transaction will be allocated a budget for due diligence by the Impact Committee, with a term sheet and/or letter of intent signed with the borrower.
3 Preliminary credit/ESG due diligence: In addition, each investment will be screened using the Equator Principles methodology, a financial industry benchmark for determining, assessing and monitoring environmental and social risks in projects. The Equator Principles are broadly used for the financing of specific assets and are the reference in the world of transactions supported by the ECAs and DFIs, which are intended to serve as a common baseline and risk management framework for financial institutions to identify, assess and manage environmental and social risks when financing projects. For more information, please refer to the website: https://equator-principles.com/. This will be supplemented by our internal due diligence on the governance and transparency aspects (KYC process, Anti-money laundering checks, historical checks on Ant Bribery and Corruption, as well as the governance aspects of the Borrower, whether a Sovereign entity or a Special Purpose Vehicle). Following the approval of the Impact Committee, the Fund will perform an initial due diligence to be presented to the Investment Committee. Following the initial approval, the deal team can start actively negotiating the investment, provided that any significant changes to the structure of the proposed transaction will require a new submission to the Investment Committee.
4 Internal Credit Rating: Upon a preliminary approval being given by the Investment Committee, the risk committee will prepare an initial internal credit rating of the transaction with the identified risk mitigants to comply with the Fund's investment restrictions and diversification requirements. At this stage, an internal rating will be assigned to the transaction by the Risk team based on Scope Ratings' methodology.
5 Confirmatory credit/ESG due diligence: Should the transaction comply with the Fund's investment restrictions and diversification requirements, full and final due diligence, as well as final negotiation of documents to be undertaken by the relevant deal team, which shall form the basis of the Final Investment Committee Memorandum to be presented to the Investment Committee.
6 Presentation of the Final Investment Committee Memorandum to the Investment Committee: The deal team shall present the Final Investment Committee Memorandum to the Investment Committee, which shall be afforded the opportunity to query any part thereof, request amendments, to approve or decline the opportunity.
7 Presentation of the opportunity to the Alternative Investment Fund Managers ("AIFM"), Lemanik Asset Management S.A.: The transaction will then be submitted for approval by the AIFM and any documents or information requested shall be prepared and submitted.
8 Final investment decision: The AIFM may approve or decline any investment opportunity put to it. Should the AIFM approve the investment, the Adviser shall be permitted to arrange for

execution, with the General Partner or the AIFM binding the Fund.

In parallel, the Fund aims to apply a gender-lens investing strategy whenever possible during the investment process. Therefore, a reference to the 2X Global and the 2X Criteria fulfilled will be included in the relevant stages of the process.

Several sustainability and impact standards/frameworks are implemented by the Fund such as the International Finance Corporation's Performance Standards, applicable national and international laws related to ESG factors, World Bank's General Environmental, Health and Safety Guidelines and any relevant associated Industry Sector Guidelines, and SFDR's Minimum Safeguards. Further information on the standards implemented and investee ESG requirements (including good governance practices) can be found in the ESG Policy.

The ESG Policy is fully integrated in the ESMS, that is available to investors of the Fund upon request. it will be reviewed every year and updated when necessary and immediately upon changes in legislation, emerging and evolving issues, and international best practices where relevant to the investment portfolio and inhouse activities.

All updates on the ESG Policy and ESMS will be shared via the institution's communication channels (intranet, website etc.).

5. Proportion of investments

The Fund has not committed to any Taxonomy-aligned investments but will, for at least 50% of the portfolio, screen each target project with pre-determined thresholds set for all the mandatory PAI indicators in annex 4 of the ESMS.

The portfolio shall have direct exposure to its investees and will be composed by 100% of Special Purpose Vehicles (SPV of project companies) or Sovereigns with a strong focus on ESG.

No investment shall knowingly be approved if it is expected or determined to do any significant harm on other ESG factors.

6. Monitoring of environmental or social characteristics

The indicators selected to measure the attainment of the E&S characteristics are monitored by the Fund Manager, on a quarterly basis and reported annually to the AIFM. It defines clear measurable KPIs in line with the SDGs with respect to the three impact areas of focus.

Indicative KPIs	**Clean Energy:** MW of Renewables added Greenhouse gas equivalency (how many avoided) Number of Households with access to electricity	**Water and Sanitation:** Number of households with access to water Volume of sewage or water treated Population with access to improved water quality	**Health infrastructure:** Number of additional beds Number of people treated Number of households within reach decrease in mortality	**Sustainable mobility**: Number of users or kms Reach/access to the new infrastructure Increase in connectivity GHG avoided

Depending on the sector the Fund invests in, additional specific KPIs may be monitored by the system developed by the Impact and ESG team as well as the Investment Team. Additional information on the methodology implemented to identify KPIs can be found in the following sections.

7. Methodologies

All potential investments identified by the Fund are reviewed and evaluated against the Fund's policy commitment including the following ESG standards and frameworks:

- Fund's Exclusion list

Harmonised EDFI Exclusion List

According to The European Development Finance Institution (EDFI) "Principles for Responsible Financing", EDFI members have mutually agreed on the following Harmonised EDFI Exclusion List for co-financed projects:

For reference, EDFI Members are not allowed to finance any project involving:

1. Forced labour or child labour

2. Activities or materials deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:

a) Ozone depleting substances, PCB's (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;

b) wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or

c) Unsustainable fishing methods (e.g. blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length).

3. Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.

4. Destruction of High Conservation Value areas.

5. Radioactive materials and unbounded asbestos fibres.

6. Pornography and/or prostitution.

7. Racist and/or anti-democratic media.

8. In the event that any of the following products form a substantial part of a project's primary financed business activities:

a) Alcoholic Beverages (except beer and wine);

b) Tobacco;

c) Weapons and munitions; or

d) Gambling, casinos and equivalent enterprises.

ImpactA's proprietary exclusion list to support the energy transition

As a general rule, ImpactA will support such projects (funded via an SPV or via a loan to Governments with identified underlying projects), that respect the environment and the impacted populations, following proper environment and health and safety principles.

Adding to the above, ImpactA Global's proprietary list of additional exclusions in relation to the energy sector, which will be deemed out of scope for energy transition projects is the following:

- New constructions of electric and thermal coal-fired power plants and modernisation of such operating and decommissioned stations with or without long-term carbon capture and storage;
- Nuclear projects;
- Large geothermal plants located in protected forest areas and ecosystems and/or which release substantial amounts of greenhouse gases through the improper treatment of the geothermal fluids;
- Biofuel projects if they are a threat to food security, to deforestation, forest degradation, wetland drainage through an indirect land use change;
- Industrial gas projects, with the exception of Green Hydrogen projects;
- oil production projects
- unlawful logging and other particularly damaging logging;
- unlawful fishing and other particularly damaging fishing activities;
- dam projects will be assessed on a case-by-case basis (ImpactA will avoid dams that lack support from DFIs or ECAs as causing serious environmental damage)
- projects and activities with severe and irreversible consequences for particularly valuable and/or protected areas;
- mining projects, unless these are used to produce electric mobility, to be assessed on a case-by-case basis, especially if the waste handling involves a special risk.

• IFC Performance Standards 2012 stated on IFC's website (www.ifc.org), as part of the reference in the Equator Principles
• Applicable national and international laws, regulations and conventions on environment, labour, health, safety and social issues and any standards established therein.
• World Bank's General EHS Guidelines as well as any relevant associated Industry Sector Guidelines, as part of the reference in the Equator Principles
• Principal Adverse Impacts ("PAIs") indicators (for at least 50% of investments)

And the Minimum Safeguards as defined by the EU 2019/2088 Sustainable Finance Disclosure Regulation ("SFDR"):

• United Nations Guiding Principles on Business and Human Rights.
• International Bill of Human Rights
• OECD Guidelines for Multinational Enterprises
• Declaration of International Labor Organization ("ILO") on Fundamental Principles and Rights at Work.

8. Data sources and processing

A due diligence process will take place, led by an independent E&S expert who will be allocated on a deal-by-deal basis. The collection of data and reporting will be adapted to each asset.

The independent E&S Expert will follow the Equator Principles for the due diligence process. Data sources will be collected from the Sponsors/shareholders of the projects, as well as from the external ESG consultants hired for the specific due diligence of the projects, or via on site-data available directly from investees. These will have to be aligned with the IFC international standards and associated requirements.

- Measures taken for data quality, the E&S advisor should monitor that the values are correct.
- How is data processed who cleans, aggregates, and reports the data?
- Proportion of data expected [90-95%] % of KPIs and PAIs from the portfolio.

9. Limitations to methodologies and data

The methodology sometimes may slightly vary and that if something changes it will be mentioned in the annual report.

When data is not available in acceptable quality, the Fund will use some proxies or bespoke metrics.

10. Due diligence

Each investment will be screened on the legal, environmental, legal, market and insurance aspects, with the assistance of an ESG Consultant usually mandated for the project by the borrower, as per project finance usual practices.

ImpactA Global will use the Equator Principles, which are broadly used for the financing of specific assets and are the reference in the world of transactions supported by the ECAs and DFIs, which are intended to serve as a common baseline and risk management framework for financial institutions to identify, assess and manage environmental and social risks when financing projects. For more information, please refer to the website: https://equator-principles.com/.

This will be supplemented by our internal due diligence on the governance and transparency aspects (in accordance with the AML/ABC policy including KYC process, Anti-money laundering checks, historical checks, as well as the governance aspects of the Borrower and other major project parties, whether a Sovereign entity or a Special Purpose Vehicle).

Following the approval of the Impact Committee, the Fund will perform an initial due diligence, to define the positive impact targets and also to screen ESG risks, minimum safeguards. The identified risks on the ESG side will also be included as part of the overall project risks review for the Investment Committee.

Following the initial approval, the deal team can start actively negotiating the investment, provided that any significant changes to the structure of the proposed transaction will require a new submission to the Investment Committee.

11. Engagement policies

ImpactA Global aims to engage and support its investees in the implementation of policies and governance around projects, where applicable. ImpactA Global will, as much as practicable engage in supporting projects beyond finance, enhancing its additionality.

12. Designated reference benchmark

The Fund does not designate an index as reference benchmark at this stage. However, the monitoring and evaluation framework implemented by the Fund, alongside the sustainability frameworks implemented such the IFC Performance Standards, provide a reference to track positive and negative impact as represented by the identified KPIs. When an appropriate index is available, the Fund will use its monitoring and impact data to transition to an index for benchmarking purposes.