Sustainability-related disclosures

Company level

Strategy on Sustainability Risks

ESG Guiding Principle

As an investment advisor and management company in the private equity and infrastructure sector, CAM Alternatives recognises its responsibility to encourage clients, fund managers and portfolio companies to behave in a socially responsible manner. CAM Alternatives firmly believes that the value of an investment opportunity is also determined by the sustainability of the corporate perspective and thus also by environmental, social and governance (ESG) aspects.

CAM Alternatives' primary mission is to invest and grow the assets entrusted to it in the best interests of its clients. As an integral part of its investment advisory and investment process, CAM Alternatives also takes ESG factors into account when considering and evaluating investment opportunities. This is based on the understanding that individual ESG factors can influence an investment positively and/or negatively in the long term. A consideration that is often not taken into account in the conventional calculation of returns. CAM Alternatives therefore also sees it as its task to assert its influence on clients, target funds and portfolio companies with regard to ESG factors.

In addition to the obligation to comply with legal regulations, CAM Alternatives strives to ensure a trusting cooperation with its clients and business partners through integrity and fair business conduct. When assessing investment opportunities, CAM Alternatives has taken into account the United Nations Principles for Responsible Investment (UN PRIs) since 2010. At the beginning of 2019, CAM Alternatives signed the UN PRIs as a separate and independent company. This confirms CAM Alternatives' long-term commitment to the following principles:

- Regular consideration of ESG factors in the analysis and decision-making processes in the investment area
- Playing an active shareholder role in addressing and promoting ESG issues in its target investments
- Requiring appropriate disclosure of relevant ESG issues at the fund and portfolio company level.
- Promoting the acceptance and implementation of ESG principles in the investment industry
- Cooperative collaboration for more effective implementation of the ESG principles
- Transparent reporting on our activities and progress in applying the ESG principles

Within the spectrum of ESG investment approaches, CAM Alternatives classifies itself as a "responsible investor", i.e. ESG aspects are taken into account and advertised (within the meaning of Art. 8, SFDR), however, CAM Alternatives' products do not have sustainable investment as its objective (within the meaning of Art. 9, SFDR).

Strategy on sustainability risks

As part of the investment process, CAM Alternatives uses the UN PRI framework, taking into account various ESG factors and excluding certain activities or investment areas. Information on the ESG activities of the target investments is obtained and processed at different times and at different levels. There are slight variations in the ESG approach applied depending on the investment type.

Primary Investments/Fund Selection

When examining a target fund for a possible investment, a number of ESG aspects are queried and discussed and checked in dialogue with the target fund manager. For this purpose, CAM Alternatives uses, among other things, a corresponding due diligence questionnaire based on the criteria of the UN PRI. The aim of the due diligence questionnaire is to record the ESG principles and processes of the target fund manager and their implementation at portfolio company level.

Furthermore, a detailed analysis of ESG events that have occurred historically in the manager's predecessor products is carried out. In addition, the planned country and sector allocation is evaluated in a specially developed ESG scoring model, continuously supplemented with current investment activities and aggregated into consolidated ratings. The evaluation of the due diligence questionnaire, the results of the ESG scoring model and the other ESG-relevant analyses conducted as part of the due diligence (such as on strategy, team composition, congruence of interests and participation or control rights) are documented in the investment memorandum and thus support a balanced assessment of the opportunity-risk profile of the specific investment opportunity.

CAM Alternatives will proactively engage in a dialogue with the relevant target fund manager on addressing any potential ESG deficiencies or risks identified in the review in order to (i) raise the target fund manager's awareness of the ESG requirements of CAM Alternatives or its investors, (ii) establish appropriate binding arrangements via opt-out rights or side letters to avoid ESG risks, and (iii) ensure reporting of any future ESG events in the portfolio.

Secondary Investments

In the review of secondary investments, CAM Alternatives will regularly check the conformity of the secondary portfolio with regard to its ESG requirements, in particular to identify any potential breaches by the underlying portfolio companies of the exclusion areas defined by CAM Alternatives and document them in the investment memorandum.

Despite a high level of transparency regarding the characteristics and quality of the company portfolio, CAM Alternatives will also regularly examine in detail the extent to which the target fund managers in the secondary portfolio have anchored ESG aspects in their organisations, addressed them in their portfolio companies and disclosed them to their investors in their reporting.

Co-Investments

Co-investment opportunities are subjected to a comprehensive investment analysis to assess their attractiveness and value creation potential. As part of this analysis, CAM Alternatives reviews the ESG risks and opportunities of the potential investee and assesses them in a co-investment risk rating according to a three-level scale from High to Moderate to Low.

Similarly, each co-investment will be classified in the general ESG scoring model of CAM Alternatives in order to enable a corresponding portfolio aggregation here as well. With regard to the substantial ESG deficits identified in the due diligence, CAM Alternatives will jointly agree with the lead target fund manager on a corresponding "action plan" for addressing these deficits.

In the event of substantial and non-curable breaches in the potential co-investment or underlying portfolio companies of a secondary portfolio, CAM Alternatives will regularly reject the transaction or attempt to structure the transaction in such a way that relevant portfolio companies are excluded and do not become part of a transaction.

Principle Adverse Impacts

CAM Alternatives takes into account principal adverse impacts on sustainability factors. In order to identify and avoid adverse sustainability impacts through its investments, CAM Alternatives applies a multi-level risk management approach. The ESG risk analysis and assessment of the target fund manager (through dialogue with the manager and ESG assessment of the product family) and of the portfolio (industry/sector analysis, country analysis, analysis of historical ESG events) build the core risk management approach. The ESG risk assessment and the results of an ESG scoring model are documented in the investment memorandum and thus support a balanced assessment of the risk-opportunity profile of the specific investment opportunity.

The reporting on principal adverse sustainability impacts of investments will be adapted and expanded accordingly when the EU Implementing Regulation of the SFDR comes into force, including the reporting of targeted sustainability indicators.

Consideration of sustainability risks in the remuneration policy

CAM Alternatives' remuneration policies are structured to incentivise investment managers to promote sustainable growth within target funds and portfolio companies.

Accordingly, the remuneration model at CAM Alternatives includes a variable component that takes into account compliance with sustainability principles, e.g. respect for CAM Alternatives' sustainability approach, the application of ESG investment processes and methodologies in the investment process, and the regular monitoring and communication of ESG measures.

Product level

ESG characteristics of investments

CAM Alternatives has identified areas in which it will not invest either directly (Co-Investments, Secondary Investments) or indirectly (Primary Investments). In the areas described below, CAM Alternatives will therefore agree with the GPs to avoid any investments.

Excluded areas:

- Production of or trade in weapons of mass destruction, inhumane weapons or technologies subject to international prohibitions
- Production of or trade in coal
- Oil/gas production in the oil sands and shale gas sector
- the production, trade and/or distribution of products or activities that are deemed to be illegal under applicable law in the country where such company is incorporated
- products, goods or services from countries that are subject to any economic or financial sanctions or trade embargoes administered or enforced by the United Nations Security Council, available at https://www.un.org/securitycouncil/sanctions/information
- Production and presentation of pornographic content
- Engaging in or promoting prostitution

Due to the so-called "blind pool" character of the indirect primary investments, it will not always be possible in this form of investment to identify and filter those investments in advance that CAM Alternatives considers undesirable according to its own ESG standards. In these cases - and in line with the fundamental ESG approach of CAM Alternatives - an exchange is sought with the relevant target fund managers in order to raise the manager's awareness on the one hand and to improve their ESG standards and monitoring mechanisms together with the manager on the other.

Other ESG aspects

In addition to the above exclusion criteria, CAM Alternatives takes into account the following ESG aspects within the investment process:

Environmental	**Social**	**Governance**
Air and water pollution	Customer satisfaction	Accounting standards
Biodiversity	Data protection and privacy	Anti-competitive behaviour
Climate change	Diversity and equal opportunities	Audit committee structure
Deforestation	Employee attraction and retention	Board composition
Ecosystems services	Employee engagement	Bribery and corruption
Energy efficiency	Government and community relations	Business ethics
Hazardous materials	Human capital management	Compliance

Land degradation	Human rights	Executive remuneration
Resource depletion	Indigenous rights	Lobbying
Waste management	Labour standards	Political contributions
Water scarcity	Labour management relations	Risk management
	Marketing communications	Separation of chairman and CEO
	Product misselling	Stakeholder dialogue
	Product safety and liability	Succession planning
	Supply chain management	Whistleblower schemes

Source: PRI (2020), Technical Guide for Limited Partners: Responsible Investment in Private Equity, www.unpri.org

Asset allocation

All CAM Alternatives investments (i.e. 100%) take into account the ESG characteristics mentioned above. Furthermore, the investments are currently 100% target fund investments and 0% direct investments in the sense of co-investments.

Investments in the fossil fuel sector are not made.

No sustainable investment objective

Although all CAM Alternatives' funds promote environmental, social and governance characteristics, it does not have a sustainable investment as its objective in the sense of Art. 9, SFDR.

Investment Strategy

As one of the leading private equity and infrastructure investment advisors in Germany, CAM Alternatives recognises its responsibility to encourage fund managers and portfolio companies to behave in a socially responsible manner. CAM Alternatives' self-image is based on the conviction that the value of an investment opportunity is also determined by the sustainability of the corporate perspective and thus also by environmental, social and governance (ESG) aspects.

The primary task of CAM Alternatives is to invest and manage the assets entrusted to it in the best interests of the client. As an integral part of its investment process, CAM Alternatives also takes ESG factors into account when considering and evaluating investment opportunities. This is based on the understanding that individual ESG factors can influence an investment positively and/or negatively in the long term. A consideration that is often not taken into account in the conventional calculation of returns. CAM Alternatives therefore also sees it as its task to assert its influence on target funds and portfolio companies with regard to ESG factors.

In addition to the obligation to comply with legal regulations, CAM Alternatives strives to ensure a trusting cooperation with its clients and business partners through integrity and fair business conduct. When assessing investment opportunities, CAM Alternatives has taken into

account the United Nations Principles for Responsible Investment (UN PRIs) since 2010. At the beginning of 2019, CAM Alternatives signed the UNPRIs as a separate and independent company. This confirms CAM Alternatives' long-term commitment to the following principles:

- Regular consideration of ESG factors in the analysis and decision-making processes in the investment area
- Playing an active shareholder role in addressing and promoting ESG issues in its target investments
- Require appropriate disclosure of relevant ESG issues at the fund and portfolio company level.
- Promoting the acceptance and implementation of ESG principles in the investment industry
- Cooperative collaboration for more effective implementation of the ESG principles
- Transparent reporting on our activities and progress in applying the ESG principles

In terms of its investment process, CAM Alternatives uses the UN PRI framework, taking into account various ESG factors and excluding certain activities or investment areas. Information on the ESG activities of the target investments is obtained and processed at different times and at different levels.

See the following sections "Methodology", "Due Diligence Process "and "Monitoring of ESG Characteristics & Engagement Approach" for more details.

Principle Adverse Impacts

In order to identify and avoid adverse sustainability impacts through its investments, CAM Alternatives applies a multi-level risk management approach. The ESG risk analysis and assessment of the target fund manager (through dialogue with the manager and ESG assessment of the product family) and of the portfolio (industry/sector analysis, country analysis, analysis of historical ESG events) build the core risk management approach. The ESG risk assessment and the results of an ESG scoring model are documented in the investment memorandum and thus support a balanced assessment of the risk-opportunity profile of the specific investment opportunity.

The product-specific reporting on principle adverse impacts of investments will be adapted and expanded accordingly when the EU Implementing Regulation of the SFDR comes into force, including the reporting of targeted, product-specific sustainability indicators.

Methodology and Due Diligence Process

CAM Alternatives has developed its own methodology to consider sustainability aspects within the investment process. Information on the ESG activities of the target investments is obtained and processed at different points in time and at different levels, thus determining the ESG risk or the ESG compliance of the investment.

The methodology used differs depending on the investment type.

Primary Investments/Fund Selection

When examining a target fund for a possible investment, a number of ESG aspects are queried and discussed and checked in dialogue with the target fund manager. For this purpose, CAM Alternatives uses, among other things, a corresponding due diligence questionnaire based on the criteria of the UN PRI. The aim of the due diligence questionnaire is to record the ESG principles and processes of the target fund manager and their implementation at portfolio company level.

Using a specially developed ESG scoring model, both the history of the underlying fund product family and the current investments of the target fund manager are to be reviewed for ESG assessment criteria. This involves analysing the historical investment activities in predecessor products, evaluating the target fund manager's responses to the due diligence questionnaire, analysing historical ESG events and including relevant industry and country ratings for the invested portfolio in the assessment. The respective rating parameters are weighted and aggregated at portfolio company level and at target fund level with the corresponding investment amount.

Secondary Investments

In the review of secondary investments, CAM Alternatives will regularly check the conformity of the secondary portfolio with regard to their ESG requirements, in particular to identify any potential violations of the defined exclusion areas by the underlying portfolio companies and document them in the investment memorandum.

Despite a high level of transparency regarding the characteristics and quality of the company portfolio, CAM Alternatives will also regularly review secondary investments according to an ABC analysis to determine the extent to which the target fund managers in the secondary portfolio have anchored ESG aspects in their organisations, addressed them in their portfolio companies and disclosed them to their investors in their reporting.

A secondary investor is usually not in a position to renegotiate the existing fund documents to address ESG issues more comprehensively. The focus of the assessment and valuation of a Secondary Opportunity will be primarily on economic factors and thus relevant ESG factors with potential impact on the future cash flows of the company will also be considered in the valuation. In the event of substantial and irremediable breaches of the defined exclusion areas by the underlying portfolio companies, CAM Alternatives will regularly reject the secondary transaction or attempt to structure the transaction in such a way that relevant portfolio companies are excluded and do not become part of a transaction.

Co-Investments

Co-investment opportunities are subjected to a comprehensive investment analysis to assess their attractiveness and value creation potential. As part of this analysis, CAM Alternatives reviews the ESG risks and opportunities of the potential investee and rates them in a co-investment risk rating according to a three-level scale from High to Moderate to Low. Similarly, each co-investment is classified in CAM Alternatives' general ESG scoring model to allow for appropriate portfolio aggregation.

In addition, CAM Alternatives basically follows the same process for the ESG assessment of the fund manager who manages the co-investment as a so-called lead investor and with whom

CAM Alternatives invests as a co-investor as for a target fund investment. Especially in the case of a co-investment, the investors and thus CAM Alternatives can directly influence the ESG factors in the target portfolio company. Therefore, with regard to the substantial ESG deficits identified in the due diligence, CAM Alternatives will jointly agree with the lead target fund manager on a corresponding "action plan" for addressing these deficits. In the event of substantial and non-curable breaches in the potential co-investment, in particular against the defined exclusion areas, CAM Alternatives will regularly reject a co-investment opportunity.

Monitoring of ESG Characteristics & Engagement Approach

ESG reporting, which has now been introduced by many target fund managers and is often conducted annually, is reviewed by the investment professional responsible for the target fund manager as part of CAM Alternatives' ongoing ESG monitoring process, and any ESG events are escalated in CAM Alternatives' ESG Committee and addressed in discussion with the target fund manager.

For target fund managers that may not yet have regular ESG reporting, CAM Alternatives will seek to support them in the implementation of such, including by sharing best practice and experience from working with numerous target fund managers.

CAM Alternatives also uses its own ESG scoring model for the ongoing systematic ESG assessment or review of all indirect portfolio company shares acquired by the target funds and/or direct holdings of the CAM fund of funds in co-investments after subscription to the target funds/co-investments. In this context, the ESG scoring model not only enables a historical view of the portfolio investments, but is also suitable, for example, for assigning country keys and industry classifications according to NACE per portfolio company for the new investments. This enables an ongoing differentiated consideration and evaluation of potential ESG risks at the allocation level.

CAM Alternatives compiles the findings from the ongoing monitoring process for new investment programmes from the 2020 reporting year onwards in an annual ESG report, which is subsequently made available to investors.

Data Sources and Processing

The usage of data sources as well as the data processing for the consideration of sustainability aspects is done in the same way for all investment types.

The data considered comes primarily from the analysis of the target fund manager (ESG questionnaire, ESG track record) and from the analysis of the company portfolio (industry/sector rating, country rating, analysis of ESG events). The data is then evaluated in the company's own ESG rating model.

The investment team is primarily responsible for processing ESG data. It is responsible for reviewing and documenting all relevant ESG aspects as part of the investment process. The ESG Officer of CAM Alternatives verifies compliance with the ESG requirements in the specific investment process. The assessment of the ESG profile of an investment is then the responsibility of the Investment Committee in conjunction with the other results of the due diligence, taking into account the requirements of the mandate under consideration for the investment and in the context of an overall portfolio assessment. The recommendations of the ESG Officer shall be taken into account by the Investment Committee.

Limitations on methodologies and data

CAM Alternatives invests in a variety of target fund managers and, possibly, co-investments, which may have limited resources for engagement on ESG issues. To address these limitations, CAM Alternatives seeks in-depth discussions and communication with target fund managers.

Possible further limitations for methodologies and data result from the different access routes.

Primary investments/fund selection and co-investments

As part of the due diligence activities, various information is requested from the target fund managers. This includes detailed data on track record and predecessor products as well as a detailed self-disclosure on their own ESG activities in the form of an ESG questionnaire. Depending on the quality and scope of the information provided, there may be limitations to the analysis results.

Secondary Investments

A secondary investor is usually not in a position to renegotiate the existing fund documents to address ESG issues more comprehensively. The focus of the assessment and valuation of a Secondary Opportunity will be primarily on economic factors and thus relevant ESG factors with potential impact on the future cash flows of the company will also be considered in the valuation. In the event of substantial and irremediable breaches of the defined exclusion areas by the underlying portfolio companies, CAM Alternatives will regularly reject the secondary transaction or attempt to structure the transaction in such a way that relevant portfolio companies are excluded and do not become part of a transaction.