

SUSTAINABILITY-RELATED DISCLOSURES

BLUE SQUARE SCA SICAV-RAIF

LEGAL ENTITY IDENTIFIER: 222100TEJRUJTKGWKC38

Summary

In accordance with Article 5 of the Final report on draft Regulatory Technical Standards of Regulation (EU) 2019/2088 the Sustainability-related disclosures the following summary has been translated into Spanish, English and German, the remaining languages being available upon request (see below summaries in the different languages).

(EN)

Sustainability factors¹, also known as ESG (environmental, social and governance) have gained a significant importance in the scope of private investments in the recent years. Due to their active shareholder position in the generation of value in the company, fund managers are generally in a position to identify sustainability opportunities and risks² at an early stage and to manage them proactively.

Altamar Private Equity, S.G.I.I.C., S.A.U. (henceforth, "AltamarCAM"), as Management Company (AIFM), integrates the sustainability factors and risks in the investment decisions. In order to reinforce transparency and inform investors, the details on how these sustainability factors and risks are integrated are included in the [ESG Policy](#).

As described in detail throughout this Information Statement, prepared for the purpose of meeting the disclosure requirements pursuant to Article 10(1) of SFDR, the financial product characteristics are summarized as follows:

- This financial product promotes environmental or social characteristics but does not have as its objective a sustainable investment, meaning that ESG aspects are considered and promoted (within the meaning of Art. 8, SFDR).
- This financial product promotes the holistic integration of environmental, social and governance aspects through risk control and the alignment of the different investments with top-level ethical and sustainability standards. Additional ESG aspects are also addressed considering the ESG parameters proposed by PRI (Principles for Responsible Investment), to which AltamarCAM is signatory.
- The financial product seeks to provide Investors with returns through building and holding a diversified portfolio of Private Equity Funds (the "Investee Funds") and selected investment opportunities alongside Private Equity Funds (either Investee Funds or others) or other third parties, directly or indirectly through ad-hoc investment vehicles (the "Co-Investments"). Investee Funds and Co-Investments, together, shall be collectively referred to as the "Portfolio Investments". The financial product shall invest in a portfolio dedicated to Private Equity Funds, as well as other investment opportunities as defined in the Investment Objective (the "Core Strategy"). Portfolio Investments may be carried out by (i) underwriting the share issuance of Investee Funds ("Primary Market"), or (ii) purchasing shares held by third parties in underlying funds ("Secondary Market"), or (iii) participating directly together with other entities or with third parties in Co-Investments.
- All of the investments planned for this financial product can fall under the category #1B of the Annex II of the Delegated Regulation 2022/1288 (other E/S characteristics) except cash equivalents, short-term liquid instruments and other tradeable securities or debt instruments (including syndicated bank loans) for liquidity management purposes that might fall under the category "#2 Other".
- AltamarCAM collects information on how the managers of the underlying funds and co-investments (henceforth, "GP") promote environmental and social characteristics through a detailed ESG Due Diligence Questionnaire and through other sources. All the data used is real, no estimations are made.
- The sustainability indicators used to measure the achievement of the environmental and social characteristics promoted by this financial product are the exclusion criteria used and the ESG indicators used, both in the due diligence process and during the life of the investment.
- The nature of the financial product implies that AltamarCAM relies, to a large extent, on the GP in which it invests in, to access to the necessary information on the promotion of environmental and social characteristics. In practice, this limitation does not affect the achievement of the environmental and social characteristics thanks to the engagement work that AltamarCAM carries out with the GP, the result of which is access to almost all the information.

¹ Mean environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matter.

² Means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

- AltamarCAM has not designated a specific index as a benchmark to determine whether the financial product is aligned with the environmental and/or social characteristics that it promotes.

(ES)

Los factores de sostenibilidad³, también llamados criterios ASG (medioambientales, sociales y de buen gobierno corporativo) o su equivalente en inglés ESG, han adquirido una importancia significativa en el ámbito de las inversiones alternativas en los últimos años. Debido a su posición activa como accionista en la generación de valor en la compañía, los gestores están normalmente en condiciones de identificar las oportunidades y riesgos de sostenibilidad⁴ en una etapa temprana y administrarlos de manera proactiva.

Altamar Private Equity, S.G.I.I.C., S.A.U. (en adelante "Altamar"), integra los factores y riesgos de sostenibilidad en sus decisiones de inversión. Con el fin de reforzar la transparencia e informar a los inversores, el detalle sobre la política de integración de estos riesgos y factores de sostenibilidad se recoge en la [Política ESG](#).

Como se describe detalladamente a lo largo de esta Declaración Informativa, preparada con el propósito de cumplir con los requisitos de divulgación de conformidad con el artículo 10 (1) de la SFDR, las características del producto financiero se resumen a continuación:

- Este producto financiero promueve características medioambientales o sociales, pero no tiene como objetivo una inversión sostenible, lo que significa que se consideran y promueven aspectos ESG en el sentido del Art. 8, SFDR.
- Este producto financiero promueve la integración holística de los aspectos ambientales, sociales y de gobernanza a través del control de riesgos y la alineación de las diferentes inversiones con estándares éticos y de sostenibilidad de primer nivel. También se abordan aspectos ESG adicionales considerando los parámetros ESG propuestos por PRI (*Principles for Responsible Investment* de las Naciones Unidas), de los que AltamarCAM es signatario.
- El producto financiero tiene por objeto proporcionar a los Inversores rendimientos mediante la creación y tenencia de una cartera diversificada de Fondos de Private Equity (los "Fondos Participados") y oportunidades de inversión seleccionadas junto con Fondos de Private Equity (ya sean Fondos Participados u otros) u otros terceros, directa o indirectamente a través de vehículos de inversión ad hoc (las "Coinversiones"). Los Fondos Participados y las Coinversiones se denominarán conjuntamente las "Inversiones de Cartera". El producto financiero invertirá en una cartera dedicada a Fondos de Private Equity, así como en otras oportunidades de inversión definidas en el Objetivo de Inversión (la "Estrategia Básica"). Las Inversiones de Cartera podrán realizarse (i) suscribiendo la emisión de acciones de Fondos Subyacentes ("Mercado Primario"), o (ii) comprando acciones mantenidas por terceros en Fondos Subyacentes ("Mercado Secundario"), o (iii) participando directamente junto con otras entidades o con terceros en Coinversiones.
- Todas las inversiones previstas para este producto financiero pueden incluirse en el epígrafe #1B del Anexo II del Reglamento Delegado 2022/1288 (otras características E/S), excepto los equivalentes de efectivo, los instrumentos líquidos a corto plazo y otros valores negociables o instrumentos de deuda (incluidos los préstamos bancarios sindicados) con fines de gestión de la liquidez, que podrían incluirse en el epígrafe "#2 Otros".
- AltamarCAM recopila información sobre cómo los gestores de los fondos subyacentes y de las coinversiones (en adelante, "GP") promueven las características medioambientales y sociales a través de un detallado Cuestionario de Diligencia Debida ESG y de otras fuentes. Todos los datos utilizados son reales, no se realizan estimaciones.
- Los indicadores de sostenibilidad utilizados para medir la consecución de las características ambientales y sociales promovidas por este producto financiero son los criterios de exclusión utilizados y los indicadores ESG utilizados, tanto en el proceso de diligencia debida como durante la vida de la inversión.
- La naturaleza del producto financiero (fondo de fondos) implica que AltamarCAM depende, en gran medida, del GP en el que invierte para acceder a la información necesaria sobre la promoción de las características ambientales y sociales. En la práctica, esta limitación no afecta a la consecución de las características ambientales y sociales gracias a la labor de compromiso que AltamarCAM lleva a cabo con los GP, cuyo resultado es el acceso a la práctica totalidad de la información.
- AltamarCAM no ha designado un índice específico como referencia para determinar si el producto financiero está alineado con las características ambientales y/o sociales que promueve.

³ Toda información relacionada con cuestiones medioambientales y sociales, así como relativas al personal, y con el respeto de los derechos humanos y la lucha contra la corrupción y el soborno.

⁴ Todo acontecimiento o estado medioambiental, social o de gobernanza que, de ocurrir, pudiera surtir un efecto material negativo real o posible sobre el valor de la inversión.

(DE)

Nachhaltigkeitsfaktoren⁵, auch ESG (*Environmental, Social and Governance*) genannt, haben in den letzten Jahren im Bereich der privaten Kapitalanlagen stark an Bedeutung gewonnen. Aufgrund ihrer aktiven Gesellschafterstellung bei der Wertschöpfung im Unternehmen sind Fondsmanager in der Regel in der Lage, Nachhaltigkeitschancen und -risiken⁶ frühzeitig zu erkennen und proaktiv zu steuern.

AltamarCAM Private Equity, S.G.I.I.C., S.A.U. (nachfolgend "AltamarCAM"), als Verwaltungsgesellschaft (AIFM), integriert die Nachhaltigkeitsfaktoren und -risiken in die Investitionsentscheidungen. Um die Transparenz zu erhöhen und die Anleger zu informieren, sind die Details, wie diese Nachhaltigkeitsfaktoren und -risiken integriert werden, in der ESG-Policy enthalten.

Dieses Informationsblatt wurde zum Zweck der Erfüllung der Offenlegungsanforderungen gemäß Artikel 10(1) der SFDR erstellt und beschreibt ausführlich die Merkmale des Finanzproduktes, was wie folgt zusammengefasst werden kann:

- Dieses Finanzprodukt fördert ökologische oder soziale Merkmale, hat aber keine nachhaltigen Investitionen zum Ziel, was bedeutet, dass ESG-Aspekte im Investmentprozess im Sinne von Art. 8, SFDR, berücksichtigt und gefördert werden.
- Dieses Finanzprodukt fördert die ganzheitliche Integration von Umwelt-, Sozial- und Governance-Aspekten durch Risikomanagement und die Ausrichtung der verschiedenen Investitionen an hohen ethischen und Nachhaltigkeitsstandards. Zusätzliche ESG-Aspekte werden auch auf Basis der von PRI (*Principles for Responsible Investment*) vorgeschlagenen ESG-Parametern berücksichtigt, die AltamarCAM unterzeichnet hat.
- Das Finanzprodukt zielt darauf ab, den Anlegern Renditen durch den Aufbau und das Halten eines diversifizierten Portfolios von Private-Equity-Fonds (die "Investee-Fonds") und ausgewählten Anlageopportunitäten gemeinsam mit Private-Equity-Fonds (entweder Investee-Fonds oder andere) oder anderen Dritten, direkt oder indirekt über Ad-hoc-Anlagevehikel (die "Co-Investments"), anzubieten. Die investierten Fonds und Co-Investitionen werden zusammen als "Portfolioinvestitionen" bezeichnet. Das Finanzprodukt investiert in ein auf Private-Equity-Fonds ausgerichtetes Portfolio sowie in andere Anlagemöglichkeiten, die im Anlageziel definiert sind (die "Kernstrategie"). Portfolioinvestitionen können getätigt werden, indem (i) die Emission von Anteilen der investierten Fonds gezeichnet wird ("Primärmarkt") oder (ii) von Dritten gehaltene Anteile an Zielfonds erworben werden ("Sekundärmarkt") oder (iii) indem sich der Fonds direkt zusammen mit anderen Unternehmen oder mit Dritten an Co-Investments beteiligt.
- Alle für dieses Finanzprodukt vorgesehenen Anlagen können unter Nr. „#1B“ des Anhangs II der Delegierten Verordnung 2022/1288 (sonstige E/S-Merkmale) fallen, mit Ausnahme von Barmitteläquivalenten, kurzfristigen liquiden Instrumenten und sonstigen marktfähigen Wertpapieren oder Schuldtiteln (einschließlich Konsortialkrediten) für Zwecke des Liquiditätsmanagements, die unter Nr. „#2 Other“ fallen könnten.
- AltamarCAM sammelt mit Hilfe eines detaillierten ESG-Due-Diligence-Fragebogens und anderer Quellen Informationen darüber, wie die Manager der zugrundeliegenden Fonds und Co-Investments (im Folgenden "GP") ökologische und soziale Merkmale fördern. Alle verwendeten Daten sind real, es werden keine Schätzungen vorgenommen.
- Die verwendeten Nachhaltigkeitsindikatoren, um die Erreichung der ökologischen und sozialen Eigenschaften zu messen, die diese Finanzprodukte fördern, sind die verwendeten Ausschlusskriterien und die ESG-Parameter, die im Due-Diligence-Prozess und während der Laufzeit der Investition verwendet werden.
- Die Art des Finanzproduktes bringt es mit sich, dass AltamarCAM in hohem Maße auf die Unterstützung der GPs, angewiesen ist, um Zugang zu den notwendigen Informationen über die Förderung der ökologischen und sozialen Merkmale zu erhalten. In der Praxis hat diese Einschränkung keinen Einfluss auf die Erreichung der ökologischen und sozialen Merkmale, da AltamarCAM durch ein proaktives Engagement mit den GPs, einen guten Zugang zu fast allen benötigten Informationen besitzt.
- AltamarCAM hat keinen spezifischen Index als Maßstab festgelegt, um festzustellen, ob das Finanzprodukt mit den ökologischen und/oder sozialen Merkmalen, die es fördert, übereinstimmt.

No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective a sustainable investment.

Within the spectrum of ESG investment approaches, this financial product classifies itself as an Art. 8, SFDR, meaning that ESG aspects are taken into account and promoted. This financial product does not have a sustainable investment as its objective (within the meaning of the Art. 9 of the Regulation (EU) 2019/2088). AltamarCAM does not consider nowadays adverse impacts of investment decisions on sustainability factors.

⁵ Umwelt-, Sozial- und Arbeitnehmerbelange, die Achtung der Menschenrechte und die Bekämpfung von Korruption und Bestechung.

⁶ Ein Ereignis oder eine Bedingung in den Bereichen Umwelt, Soziales oder Unternehmensführung, dessen beziehungsweise deren Eintreten tatsächlich oder potenziell wesentliche negative Auswirkungen auf den Wert der Investition haben könnte.

The nature of the financial product implies that to consider adverse sustainability impacts, AltamarCAM should receive from the managers of the Investments the mandatory information to comply with the regulation. AltamarCAM does not consider nowadays adverse impacts of investment decisions on sustainability factors. Nevertheless, will make its best efforts to obtain the mandatory information and then, consider the adverse impacts of investment decisions on sustainability factors.

For the promotion of these, the entity relies on a binding process (formalized through the ESG Policy) consisting of two major elements: application of a comprehensive internal ESG assessment model to evaluate the GP's and target fund's ESG approach, including an ESG Due Diligence Questionnaire (hereof "ESG DDQ") as major component, and a list of restricted investments (the "Restricted Investment List").

As part of the investment process, AltamarCAM uses the UN PRI framework, considering 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.

ESG factors are integrated at all stages of the investment process, from the Due Diligence to the monitoring performed during the investments' holding period. For a successful integration, the involvement of the investment teams as well as the ESG team is key. Engagement with fund managers (GPs) and companies in which the AltamarCAM invests in is key and their commitment with sustainability is closely monitored through the ex-ante ESG DDQ, an ESG assessment model and an in-depth ex-post ESG monitoring/analyzing process (bottom-up).

The financial product does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation and, therefore, its portfolio alignment with such Taxonomy Regulation is not calculated.

Environmental or social characteristics of the financial product

The financial product promotes the holistic integration of environmental, social and governance aspects through risk control and the alignment of the different investments with top-level ethical and sustainability standards. On the one hand, there are ESG standards common to all investments such as ethics, good governance, climate change or equity and human rights, among others. Additional ESG aspects are also addressed based on the materiality analysis of each type of asset, taking into account the ESG parameters proposed by PRI (Principles for Responsible Investment), to which AltamarCAM is signatory.

ESG factors are integrated at all stages of the investment process, from the Due Diligence to the monitoring performed during the investments' holding period. For a successful integration, the involvement of the investment teams as well as the ESG team is key. Engagement with fund managers (GPs) and companies in which the AltamarCAM invests in is key and their commitment with sustainability is closely monitored through the ex-ante ESG DDQ, an ESG assessment model and an in-depth ex-post ESG monitoring/analyzing process (bottom-up):

1. Pre-Due Diligence: ESG DDQ
2. Selection: Application of Restricted Investment List and ESG assessment model evaluation
3. Formalization: Side Letter negotiations
4. Holding Period: In-depth ESG portfolio analysis

Additionally, as part of its ESG Policy, AltamarCAM has developed an exclusion policy (available on our website⁷) that includes the Restricted Investment List in which AltamarCAM does not wish to participate due to the sustainability risks they entail and because it considers that they do not promote the environmental and social characteristics. The Restricted Investment List includes companies whose main activity involves:

- Any material breach of UN conventions and declarations on human rights, including child labour and labour rights.
- The manufacture, sale or distribution of pornography products or prostitution, including but not limited to the research, development or technical applications relating to electronic data programs or solutions, which aim specifically at such activities.
- The manufacture or trade of anti-personnel landmines, cluster weapons, or biological and chemical weapons, or in the development, production, trade, or storage of nuclear weapons and/or depleted uranium ammunition.
- The research, development or technical applications relating to cloning of human embryos.

AltamarCAM will avoid making any direct investment or co-investment involving any company included in the Restricted Investment List. In indirect investments (primary transactions and secondaries when possible and relevant due to deal structure), AltamarCAM will make every effort to obtain confirmation from the GPs via Side Letter that companies included in the Restricted Investment List will be avoided and in case this confirmation can't be formally achieved via Side Letter, the Investment Committee (IC) will re-convene to re-evaluate the sustainability risks of the investments on the basis of the information provided by the GP on this matter and will give their final investment approval or rejection.

⁷ Please note that, the Restricted Investment List set out under the present section is the one prevailing at the time of approval of the financial product.

Investment strategy

AltamarCAM seeks to promote environmental and social characteristics, both through an active analysis of sustainability aspects as a key part of investment due diligence, and by giving great importance to dialogue (engagement) with the GP in which it invests, and trying to reinforce its commitment to sustainability, with the understanding that requesting information about their sustainability policies and periodic reporting favors their awareness in this matter.

The financial product seeks to provide Investors with returns through building and holding a diversified portfolio of Private Equity Funds (the "Investee Funds") and selected investment opportunities alongside Private Equity Funds (either Investee Funds or others) or other third parties, directly or indirectly through ad-hoc investment vehicles (the "Co-Investments"). Investee Funds and Co-Investments, together, shall be collectively referred to as the "Portfolio Investments". The financial product shall invest in a portfolio dedicated to Private Equity Funds, as well as other investment opportunities as defined in the Investment Objective (the "Core Strategy"). Portfolio Investments may be carried out by (i) underwriting the share issuance of Investee Funds ("Primary Market"), or (ii) purchasing shares held by third parties in underlying funds ("Secondary Market"), or (iii) participating directly together with other entities or with third parties in Co-Investments.

As part of the investment process, AltamarCAM uses the UN PRI framework, considering 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.

Primary Investments/Fund Selection

During the due diligence process of a potential primary investment, a number of ESG issues must be questioned and discussed in detail with the managers of the investments. AltamarCAM uses a comprehensive ESG DDQ based on PRI criteria

The purpose of the ESG DDQ is to gather information on the managers of the investments' ESG principles and processes as well as their implementation at fund and portfolio company level.

AltamarCAM has developed its own ESG assessment model based on the information gathered in the ESG Due Diligence Questionnaire with the objective of measuring the sustainability commitment of the managers of the investments. The assessment of the ESG Due Diligence Questionnaire, the results of the ESG assessment model and other ESG-relevant information within the scope of the due diligence process are documented in the due diligence package (the "Due Diligence Package") that is shared and discussed during the investment committee meeting of AltamarCAM (the "Investment Committee") and thus support a balanced assessment of the risk/opportunity profile of the specific investment opportunity.

AltamarCAM will proactively engage with the managers of the investments to address any potential sustainability shortcomings or risks identified during their due diligence processes or monitoring meetings. If such shortcomings or risks are identified, AltamarCAM will make the managers of the investments directly aware of the ESG requirements established by the ESG policy of AltamarCAM. Side letter negotiation is also used to further limit sustainability risks. AltamarCAM encourages the managers of the investments to establish an adequate mechanism to report and manage ESG incidents swiftly and appropriately.

Secondary Investments

As part of the due diligence process for secondary investments, AltamarCAM will evaluate if the portfolio of the underlying fund conforms to the Sub-Fund's ESG requirements, including (i) to identify any non-compliant underlying portfolio company as defined by the "Restricted Investment List" and (ii) to document those potential violations in the Due Diligence Package that is shared and discussed in the Investment Committee.

AltamarCAM follows essentially the same process when evaluating sustainability issues for secondary investments as with primary investments and will also attempt to complete the ESG Due Diligence Questionnaire and assign the managers of the investments a category based on AltamarCAM's internal scoring model.

In the event of substantial breaches by the underlying portfolio companies against the areas as defined by the "Restricted Investment List", AltamarCAM will generally reject the secondary transaction or will attempt to structure the transaction in such a way that the relevant portfolio companies are excluded.

Co-investments/direct investments

To evaluate the attractiveness and value creation potential of co-investment, as well as direct investment opportunities, a comprehensive investment analysis is carried out. As part of this due diligence process, AltamarCAM makes a comprehensive analysis of the sustainability risks and opportunities of the investment.

AltamarCAM follows essentially the same process when evaluating sustainability issues of the co-Investments/direct investments as with primary investments, assigning the managers of the co-investment a category based on the internal scoring model or evaluating the direct investment in relation to its policies, procedures, sector- and country characteristics.

In the event of any breaches against the areas as defined by the "Restricted Investment List", by potential co-investments/direct investments the investment opportunity will be rejected.

Additionally, good governance practices are assessed through specific governance questions as part of the due diligence process (addressing aspects such as regulatory compliance, ethics, board of directors, tax compliance, etc.) and are incorporated into AltamarCAM's ESG assessment model, evaluating as part of the due diligence conducted governance topics at the Investment level. With this information, AltamarCAM obtains an understanding of the governance practices applied by the manager. AltamarCAM focuses on the analysis of the ESG commitment and the ability of the underlying fund's GPs to implement good governance practices in their invested portfolio companies.

Proportion of investments

All of the investments planned for this financial product can fall under the category #1B Other E/S characteristics, except cash equivalents, short-term liquid instruments and other tradeable securities or debt instruments (including syndicated bank loans) for liquidity management purposes that might fall under the category "#2 Other".

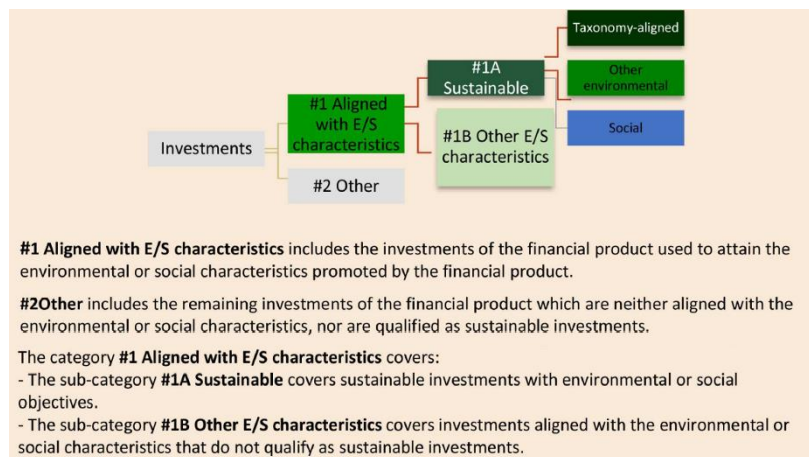


Figure 1: screenshot regarding asset allocation included in Annex II of the Commission Delegated Regulation (EU) 2022/1288

Monitoring of environmental or social characteristics

During the life of the investment, the investment team and the ESG team monitor the sustainability progress of the portfolio investments.

As a result of the scoring of each manager, the ESG Due Diligence Questionnaire (see detailed information about the indicators in the section "Methodologies for environmental or social characteristics") is frequently updated and additionally, the Manager as advised by the Investment Advisor analyses at least annually the composition of the portfolios bottom-up along the beforementioned ESG criteria. This involves analyzing the historical investment activities in predecessor products, evaluating the target fund manager's responses to the due diligence questionnaire, analyzing historical ESG events and including relevant industry and country ratings for the invested portfolio in the assessment. The respective rating parameters are weighted at portfolio company level and aggregated at target fund level with the corresponding investment amount.

Regular monitoring of sustainability performance and promotion of social and environmental characteristics is subject to internal controls by the fund's responsible investment team and the ESG team, including controls to ensure consistency of information on a historical basis and comparison of submitted responses with public and documentation available in the Virtual Data Room (VDR).

Methodologies for environmental or social characteristics

An internal methodology based on ~40 sustainability indicators and aligned with international standards (including SASB, UNPRI, TCFD and the SDGs, among others) is carried out to measure the promotion of environmental and social characteristics and the commitment to sustainability of the managers of the Investments, as well as the engagement that AltamarCAM carries out with them. The indicators fall into the following categories:

Policies and Risk Management, Governance and Leadership, Memberships, Climate Change, ESG Regulatory Compliance, Investment Process and Reporting.

These KPIs are the ones used to measure the achievement of the environmental and social characteristics promoted by the financial product as well as in the due diligence process. Please, find below a sample screenshot detailing Climate Change and ESG Regulatory Compliance indicators:

13. Does the Management Company use transition/physical scenario analyses to assess climate-related investment risks and opportunities? Please select all applicable options (multiple answers possible)

- Methodology: qualitative scenario analysis
- Methodology: quantitative scenario analysis
- Scenario: 2 degrees or lower
- Scenario: abrupt transition consistent with the Inevitable Policy Response
- Scenario: 4 degrees or higher scenario
- Currently the Management Company does not use climate scenarios

14. Has the Management Company set any firm-wide targets on climate change? Please select all applicable options (multiple answers possible)

- Achieving carbon neutrality at the operational level (Scope 1, Scope 2, Reduced Scope 3)
- Aligning entire firm-wide portfolio with net zero before 2050
- Reducing carbon intensity of portfolios (e.g. divesting fossil fuel allocation)
- Reducing exposure to assets with significant climate risks
- Investing in low-carbon energy-efficient climate adaptation opportunities (setting a specific allocation)
- The Management Company plans to set climate-related targets in the short term
- No, the Management Company has not set any climate-related targets and does not plan to set them in the short term

Figure 2: sample of DDQ's question for Private Equity (Climate Module)

5. ESG Regulatory Compliance (only applicable to funds to which SFDR regulation applies)

15. Please, indicate the classification of the Fund under the (EU) 2019/2088 Directive on sustainability-related disclosures in the financial services sector (SFDR):

- Art 6 | A UCITS/AIF where sustainability risks are (not) integrated in the investment decisions of that UCITS/AIF
- Art 8 | A UCITS/AIF which promotes environmental or social characteristics, or both through its investment in various companies
- Art 9 | A UCITS/AIF which has sustainable investment as its core objective
- None | The Fund is not subject to the (EU) 2019/2088 SFDR regulation

Figure 3: sample of DDQ's question for Private Equity (Regulatory Module)

According to these indicators AltamarCAM classifies the GP into four categories: Beginner, Compliant, Good and Outstanding.

Additionally, as previously mentioned, ESG factors are integrated at all stages of the investment process, from the Due Diligence to the monitoring performed during the investments' holding period. And the commitment with sustainability of GPs and companies in which AltamarCAM invests in is closely monitored through the ex-ante ESG DDQ, an ESG assessment model and an in-depth ex-post ESG monitoring/analyzing process (bottom-up).

Data sources and processing

AltamarCAM collects information on how the GP promote environmental and social characteristics through a detailed ESG Due Diligence Questionnaire (see more information in the 'Due Diligence' section) and through other sources (i.e., meetings, annual meetings attendance, reports, external sources). All this information is collected in our sustainability database, integrated in an internal repository, which allows its treatment in an aggregated way in order to be able to draw conclusions about the promotion of environmental and social characteristics. All the data used is real, no estimations are made.

Hence, data is obtained only from the (potential) portfolio companies. An internal or external review or verification of the information obtained will be carried out if misrepresentations are suspected. The results of the data obtained are considered in the investment decision.

Limitations to methodologies and data

The nature of the financial product implies that AltamarCAM relies, to a large extent, on the GP in which it invests in, to access to the necessary information on the promotion of environmental and social characteristics. In practice, this limitation does not affect the achievement of the environmental and social characteristics thanks to the engagement work that AltamarCAM carries out with the GP, the result of which is gaining access to almost all the information.

Due Diligence

As a fund-of-funds-manager, AltamarCAM focuses on the analysis of the ESG commitment and the ability of the underlying fund's GPs to implement good governance practices in their invested portfolio companies. The following is a summary of the process of integrating ESG criteria at all stages of AltamarCAM's investment process, which allows the promotion of environmental and social characteristics:

During the due diligence and fund selection process, it is common practice for funds to provide potential investors with a standard information package, which includes, information on sustainability policies. This information is analyzed in detail by the investment team and the result of this analysis is included as a fundamental part of the due diligence. Additionally, AltamarCAM requests the GP to answer a sustainability due diligence questionnaire (developed internally and called ESG Due Diligence Questionnaire) to evaluate the degree of commitment that the GP has to sustainable investment by assigning a scoring in terms of sustainability to each GP. AltamarCAM classifies the GP into four categories: Beginner, Compliant, Good and Outstanding. Additionally, an Exclusion Policy has been developed through which a restricted investment list of activities or sectors is established in which AltamarCAM will not make investments (said exclusion will be negotiated through side letter in investments in primaries).

The main conclusions of the sustainability due diligence are presented to the Investment Committee as a fundamental aspect when making investment decisions.

At the time of formalizing an investment commitment, and after reviewing the regulation of sustainability aspects in the legal documents, the manager is asked to incorporate a series of clauses in the side letters that formally cover the main commitments that AltamarCAM wishes to obtain from the GP in terms of sustainability.

Engagement policies

AltamarCAM considers that, in its role as fund of funds manager, it is vital to have adequate engagement policies that allow the promotion of environmental and social characteristics. That is why AltamarCAM requires the GP to complete the *ESG Due Diligence Questionnaire*, as reflected in the 'Due Diligence' section, and classifies them in terms of sustainability based on their responses. Depending on the classification obtained, the *ESG Due Diligence Questionnaire* will be updated annually or every two years.

Furthermore, AltamarCAM requests from the GP certain commitments regarding sustainability through a side letter (see section "Monitoring of environmental or social characteristics").

AltamarCAM performs an active engagement with the GPs it invests in to encourage their commitment with sustainability and good governance on Investment level. Although the power to influence underlying fund managers' decisions as a fund of funds manager is limited with only indirect access to the underlying portfolio companies AltamarCAM requests a list of Side Letter ESG provisions, that complete or regulate good governance aspects which are sometimes not expressly contemplated in LPAs.

If areas for improvement are identified in this or other matters, the entity will carry out an engagement process consisting of meetings with the manager to promote the integration of good practices, as well as the periodic updating of the Due Diligence questionnaire. This is intended both to convey AltamarCAM's priorities to the manager and to keep a record of the evolution of the GP's corporate governance. In case the ESG Due Diligence is not satisfactory, and a red flag is identified both in governance and in any other ESG aspect, the ESG team would recommend rejecting the investment and the final decision would rely on the Investment Committee.

The engagement process would continue throughout the life of the investment and consists in the periodic sending of the ESG DDQ with the consequent review of the results by AltamarCAM, the follow-up of any ESG incident and the organization of periodic meetings to raise the manager's awareness of the importance that social, environmental and governance matters have for the AltamarCAM.

In the event of a significant incident occurring during the investment period, the ESG team would analyze the specific case and submit a report with a recommendation to the Investment Committee. The latter would be responsible of deciding, depending on the severity of the incident and its impact on AltamarCAM's ESG policies, to exercise opt-out rights.

Finally, AltamarCAM considers essential to disclose its sustainability initiatives as part of its commitment. Altamar Capital Partners became a signatory of the UN PRI guidelines in 2016.

Designated reference benchmark

AltamarCAM has not designated a specific index as a benchmark to determine whether the financial product is aligned with the environmental and/or social characteristics that it promotes.