

## **SUSTAINABILITY-RELATED DISCLOSURES**

At BlueOrchard we are committed to advance the conscious use of capital to benefit people and the planet. Following the EU regulation on sustainability-related disclosures in the financial services sector (EU 2019/2088), better known as SFDR, all our products have been classified as Article 9, so-called “dark green”. We welcome the increased transparency around environmental, social and governance (ESG) standards and related efforts by financial market participants. The following pages inform investors on BlueOrchard’s Impact Management and Environmental, Social and Governance framework (Impact & ESG framework) and provide transparency around our consideration of principal adverse sustainability impacts.

## **SUSTAINABILITY RISK POLICY**

BlueOrchard is dedicated to generating lasting positive impact for communities and the environment while providing attractive returns to investors. ESG and impact best practices are fully integrated in the whole investment process and across all investment activities and asset classes. The BlueOrchard investment strategy and overall approach to portfolio development place a strong emphasis on the evaluation of impact and ESG factors in respect of all investments. Specialized teams within BlueOrchard are charged with analyzing both the economic and ESG related risks of all prospective holdings during the investment selection process. For further details, please refer to our Impact & ESG framework.

## **CONSIDERATIONS OF ADVERSE SUSTAINABILITY IMPACTS**

Though we make assessments of potentially adverse impact in connection with all portfolio investments, BlueOrchard does not consider the principal adverse sustainability impact indicators (PASI) as defined by SFDR. As noted, our investment process is focused on sustainability and a clearly defined principles of impact. Nonetheless, we have determined that the portfolio companies and institutions into which we invest are not, generally speaking, in a position to provide the relevant data, in sufficient quality, to satisfy the requirements associated with reporting on the PASI. These institutions, located mainly in emerging markets, have in our view not yet developed sufficient capacity to generate the required information. We intend to continue monitoring this issue in the

context of our ongoing, in-depth ESG assessments and revise our position when the availability of relevant data increases. For further clarification, please have a look at our detailed statement [here](#).

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