

Sustainability-related disclosure: Statement on consideration of principal adverse impacts on sustainability factors



Table 1

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant

Financial market participant and product name: THE ECO.BUSINESS FUND, SICAV-SIF, ECO-BUSINESS I SUB-FUND

Legal entity identifier: 54930006DWH5ZB7ZVX72

Summary

THE ECO.BUSINESS FUND, SICAV-SIF, ECO-BUSINESS I SUB-FUND (the eco.business I Sub-Fund, EBF, the Sub-Fund), LEI: 54930006DWH5ZB7ZVX72, considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of the eco.business I Sub-Fund.

The eco-business I Sub-Fund's sustainable investment objective is to support biodiversity conservation, the sustainable use of natural resources and climate change mitigation and adaptation. The Sub-Fund works towards its sustainable investment objective by providing dedicated private debt financing to the Sub-Fund's target group (businesses engaged in or associated with sustainable agriculture, sustainable forestry, sustainable fishery including aquaculture, and sustainable tourism) either directly or through eligible financial intermediaries following the Sub-Fund's use-of-proceeds criteria and by engaging with the Sub-Fund's investees (Partner Institutions, PIs). PIs – local commercial banks, regulated/supervised and non-regulated/non-supervised microfinance institutions, other non-bank financial institutions like investment companies, investment funds or holding companies, as well as corporates – must utilize funds or on-lend financing to the target groups in line with the binding use-of-proceeds criteria. Although likely to be limited given the nature of its investments, adverse impacts on sustainability related factors may occur, particularly in relation to emissions and pollution; human rights; social and employee matters; anti-corruption and anti-bribery matters. Against this background, the Sub-Fund places a priority on the effective management of (potential) principal adverse impacts of its investment decisions on these factors.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2024.

As of December 2024, the Fund had 43 active investees, including 41 financial institutions and 2 corporates (Partner Institutions, PIs). The table below reflects data of all investments of the Sub-Fund combining self-reported and proxy data. In line with the Sub-Fund's target region, these are entities domiciled outside the EU, which is affecting the overall data availability. In limited cases, due to lack of self-reported data or relevant proxy data, PIs were excluded from the estimation of certain PAI indicators. The Sub-Fund continuously makes reasonable efforts to engage with the PIs to enhance data availability, including during the due diligence process, annual Environmental & Social (E&S) performance monitoring and targeted capacity building on non-financial data collection.

The consolidated results of the Sub-Fund's overall performance on the principal adverse impact indicators outlined in Table 1/Annex I of the SFDR Regulatory technical Standards (RTS) during the reference period are summarized in the table below.

Description of the principal adverse impacts on sustainability factors						
Indicators applicable to investments in investee companies						
Adverse sustainability indicator		Metric	Impact 2024 ¹	Impact 2023 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	932 tCO ₂	405 tCO ₂	The figure covers 98% of the Sub-Fund’s PIs, out of which 49% of values are self-reported emissions. Other values are estimated utilizing the JIM ² . Results are weighted according to exposure per investee. YoY increase is due to inclusion of self-reported data from corporate investment.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
		Scope 2 GHG emissions	696 tCO ₂	803 tCO ₂	The figure covers 98% of the Sub-Fund’s PIs, out of which 50% of values are self-reported emissions. Other values are estimated utilizing the JIM... Results are weighted according to exposure per investee. YoY decrease is due to reduced financial exposure to corporates with high Scope 2 emission.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
		Scope 3 GHG emissions	74,405 tCO ₂	56,894 tCO ₂	The figure covers 98% of the Sub-Fund’s PIs, out of which 29% of values are self-reported emissions. Other values are estimated utilizing the JIM. Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.

¹ Results are rounded to whole numbers. Results are based on investee level data.

² The Joint Impact Model (JIM), is a web-based tool for impact-oriented investors in developing markets. The results are calculated using economic modelling and do not represent actual figures, rather, they are estimates and should be interpreted as such. Under the GHG protocol, some emissions are not yet included, and these are: end-of-life treatment of sold products, use of sold products and downstream transportation and distribution Emissions do not include downstream. This does not affect EBF's disclosure.

					YoY increase is due to increase of investments in higher emitting countries.	
		Total GHG emissions	76,034 tCO ₂	58,102 tCO ₂	The figure covers 98% of the Sub-Fund's Pls, out of which 41% of values are self-reported emissions. Other values are estimated utilizing the JIM. Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with Pls on enhancing data availability and quality.
	2. Carbon footprint	Carbon footprint	113 tCO ₂ /MEUR	96 tCO ₂ / MEUR	The figure covers 98% of the Sub-Fund's Pls, out of which 41% of values are self-reported emissions. Other values are estimated utilizing the JIM. Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with Pls on enhancing data availability and quality.
	3. GHG intensity of investee companies	GHG intensity of investee companies	5,374 tCO ₂ / MEUR revenue	5,238 tCO ₂ / MEUR revenue	The figure covers 98% of the Sub-Fund's Pls, out of which 41% of values are self-reported emissions. Other values are estimated utilizing the JIM. Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with Pls on enhancing data availability and quality.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	The indicator covers 100% of the Sub-Fund's Pls, out of which 5% of values are self-reported by corporate Pls. Financial institution Pls are considered to not be active in the fossil fuel sector, as per the definition. 95% of values are proxies based on the reasonable assumption explained above.	The indicator is considered in the investment decision. The Fund's exclusion list prohibits the utilization of the Fund's financing for the prospection, exploration, and extraction of fossil fuels as well as for power plants, heating stations and cogeneration facilities essentially fired with coal and infrastructure essentially used for coal. In line with its investment strategy, the Fund targets to maintain this share at 0%.

	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	36%	33%	The figure covers 98% of reported PIs, out of which 5% of values are self-reported emissions. Other values are based on country-level proxies developed using reasonable assumptions.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
	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	0.087 GWh/MEUR	0.064 GWh / MEUR	The indicator covers 100% of the Sub-Fund's PIs, out of which 5% of values are self-reported emissions. Other values are proxies based on a reasonable assumption that the Sub-Fund's financial institution PIs are not active in high impact climate sectors, as per definition.	The indicator is considered in the investment decision. The Sub-Fund's financial institution PIs are not (and will not be), active in any high impact climate sector. The Sub-Fund engaged and will continue engaging with corporate PIs on enhancing data availability and quality.
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	2%	3%	<p>The indicator covers 98% of the Sub-Fund's PIs.</p> <p>100% of values are proxies based on a reasonable assumption that the Sub-Fund's financial institution PIs are located in populated areas and are considered to not negatively affect biodiversity sensitive areas, as per the definition.</p>	<p>The indicator is considered in the investment decision. In line with the investment strategy, the Sub-Fund does not finance activities that have significant adverse impacts on biodiversity-sensitive areas.</p> <p>The Sub-Fund is supporting corporate PIs to develop biodiversity strategies. A decrease of the indicated share is therefore expected over time.</p>

Water	8. Emissions to water	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	5,001 t/MEUR	8,958 t/MEUR	<p>The indicator covers 100% of the Sub-Fund's PIs, out of which 5% is self-reported data.</p> <p>Other values are proxies based on a reasonable assumption that the Sub-Fund's financial institution PIs are considered to not have direct emissions to water of priority substances, as per the definition.</p>	<p>The indicator is considered in the investment decision.</p> <p>The Sub-Fund's financial institution PIs do not (and will not) by definition, have direct emissions to water of priority substances.</p> <p>The Sub-Fund engaged and will continue engaging with corporate PIs on enhancing data availability and quality.</p>
Waste	9. Hazardous waste and radioactive waste ratio	Tons of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0.360 t/MEUR	0.059 t/MEUR	<p>The indicator covers 98% of the Sub-Fund's PIs, out of which 12% is self-reported data.</p> <p>Other values are based on proxies calculated based on the number of employees per company. Results are weighted according to exposure per investee.</p>	<p>The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.</p>
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 Organisation 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%	0%	<p>The figure covers 100% of PIs, out of which 100% of values is based on the Fund's regular incident monitoring using external databases.</p>	<p>The indicator is considered in the investment decision. In cases where violations occur and as feasible, the Sub-Fund may engage with the PI to build and improve relevant processes and capacities.</p>

	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	5%	11%	The figure covers 100% of PIs, out of which 100% is values is self-reported data.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality as well as enhancing relevant PI's E&S risk management processes and capacities to align with UNGC principles and OECD Guidelines for Multinational Enterprises.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	19%	15%	The figure covers 98% of the Sub-Fund's PIs, out of which 56% of values is self-reported. Other values are estimated based on proxies using country-level data.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	19%	18%	The figure covers 100% of the Sub-Fund's PIs, out of which 100% of values is self-reported.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.

	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%	The figure covers 100% of the Sub-Fund's Pls. The Fund considers that financial institutions are not involved in the manufacture or selling of controversial weapons, as defined by the regulation. The exposure of corporate investees to controversial weapons is eliminated according to the Fund's exclusion list. All values are proxies based on the reasonable assumption explained above.	The indicator is considered in the investment decision. In line with the investment strategy, the Sub-Fund targets to maintain this share at 0% going forward.
<u>Indicators applicable to investments in sovereigns and supranationals</u>						
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries			Not applicable to the Sub-Fund as it did not make any investments in sovereigns and supranationals.	
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law			Not applicable to the Sub-Fund as it did not make any investments in sovereigns and supranationals.	

Indicators applicable to investments in real estate assets

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport, or manufacture of fossil fuels			Not applicable to the Sub-Fund as it did not make any investments in real estate assets.	
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets			Not applicable to the Sub-Fund as it did not make any investments in real estate assets.	

Other indicators for principal adverse impacts on sustainability factors

Table 2

Additional climate and other environment-related indicators

Indicators applicable to investments in investee companies

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	51%	42%	The indicator covers 81% of the Sub-Fund's PIs, out of which 100% of values is self-reported.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.

Table 3

Additional indicators for social and employee, respect for human rights, anti-corruption, and anti-bribery matters**Indicators applicable to investments in investee companies**

Social and employee matters	5. Lack of grievance/complaints handling mechanism related to employee matters	Share of investments in investee companies without any grievance/complaints handling mechanism related to employee matters	<u>0%</u>	<u>0%</u>	The indicator covers 100% of the Sub-Fund's PIs, out of which 100% of values is self-reported.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality. Moreover, the Sub-Fund is requiring investees to have in place a grievance mechanism for employees.
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Description of policies to identify and prioritize principal adverse impacts on sustainability factors

The Sub-Fund maintains a comprehensive environmental and social management system (ESMS) and a detailed risk-based AML/CFT framework (last updated and approved by the Fund's Board of Directors in September 2023) that define the Sub-Fund's commitments to managing adverse impacts of its investments. The ESMS guided the Sub-Fund's approach to assessing, mitigating, and monitoring potential adverse impacts at every stage of the investment process. The key document summarizing the Sub-Fund's ESMS is the eco.business Fund Environmental, Social and Governance (ESG) Policy (last updated and approved in December 2024) complemented with the Fund's exclusion list and detailed E&S procedures and tools to support implementation. The Sub-Fund's Board of Directors has overall responsibility for setting up the ESG Policy and overseeing its implementation, both directly and via the Sub-Fund's Board-appointed Investment Committee. Primary responsibility for day-to-day implementation rests with the Fund Advisor's expert teams.

The Fund exclusion list is an integral part of the ESG Policy and prohibits the use of EBF funding for activities with an elevated risk of causing adverse impacts, such as activities involving child and forced labor, pesticides/herbicides subject to international bans, destruction of areas worthy of protection, among others. In addition to the activities outlined in the exclusion list, the Sub-Fund did not permit direct investments in activities with potentially significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented.

Within the investment process, through ESG due diligence was a key tool for identifying potential adverse sustainability impacts. The Fund's ESG requirements to PIs included obligations to manage adverse impacts of the funded activities to avoid significant harm. If material gaps in the PIs' practices and capacities to address and mitigate against these impacts are identified, the PI will be required to address these gaps.

Through its ESMS, the Sub-Fund considered adverse impacts beyond the PAI indicators on sustainability factors throughout the investment cycle, including the Sub-Fund's investment decision making process. As part of this overall approach, the Sub-Fund also considered and collected information on the PAI indicators outlined in Table 1/Annex I of the SFDR RTS. In line with the PAI management approach approved by the Fund's Board of Directors in December 2022, assessment of PAI indicators was integrated into due

diligence and monitoring. Data was collected directly from the investees through questionnaires. The Sub-Fund used proxies and tools (e.g. modelling of the data for PAI 1-3 via the JIM), to estimate performance against the PAI indicators where data gaps existed.

As part of its PAI management approach, the Sub-Fund screens investee performance against all sustainability factors covered by the PAI indicators. PAI indicators are prioritized using a combination of criteria reflecting on:

- The Fund's investment approach focused on intermediated finance as well as the respective probability of occurrence and the severity of principal adverse impacts based on the specifics of the investments in the financial sector;
- the Fund's environmental objective and commitment to climate change mitigation and adaptation;
- activities excluded from the Fund's financing as per the exclusion list;
- overall balance between Environmental, Social, and Governance factors in investment decisions with particular focus on E&S requirements of Fund.

The Sub-Fund prioritizes the following principle adverse impact indicators: PAI 1 (GHG emissions), PAI 2 (carbon footprint), PAI 3 (GHG intensity of investee companies), PAI 4 (exposure to companies active in the fossil fuel sector), PAI 7 (activities negatively affecting biodiversity-sensitive areas), PAI 10 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), and PAI 14 (Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)).

The PAI data collected at due diligence was assessed by the Sub-Fund Advisor on the basis of how the principal adverse impacts of the investment may impact the Sub-Fund's overall PAI performance. The magnitude of the potential impact is assessed either as minor, moderate adverse, or significant adverse. Where an investment was expected to have a moderate adverse or significant adverse impact on any priority PAI, the potential impact to the Sub-Fund's overall performance against the PAI indicators was considered as part of investment decision.

An annual assessment of the Sub-Fund's performance against the PAI indicators supported the Sub-Fund in portfolio steering and identifying priority areas for engagement and further monitoring. Data on the PAI indicators was collected from PIs as part of the Sub-Fund's annual environmental and social reporting process. The received data was reviewed by the Advisor's expert teams. For the reference period of 1 January to 31 December 2024, where gaps existed in the self-reported data, proxies and estimations were used to address these gaps. In cases where no data required for proxies and estimations (e.g., employment data) was reported to the Sub-Fund by the PI, publicly available data was used where possible, and where no such data was available, the PI was not considered in the calculation of the specific indicator. Taking into account that 1) self-reported data is considered reliable and additionally reviewed by the Advisor's sustainability experts, 2) the financial data is audited and 3) recognized industry sources are used for proxies-based estimated data the margins of error are overall expected to be low but cannot be entirely eliminated.

Engagement policies

The Sub-Fund largely focuses on private debt transactions and as such did not undertake investor engagement within the meaning and context provided by Article 3(g) of Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies. Nevertheless, engagement with PIs is an integral component of the Sub-Fund's investment process and contribution to its sustainable investment objective. During the reference period, the Sub-Fund carried out engagement, including to address capacity gaps of PIs on managing

and mitigating potential adverse impacts which were identified during the due diligence and/or monitoring phase, more specifically regarding PAI 10 Table 1 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises) and PAI 11 Table 1 (lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises). Engagement mechanisms primarily included sustainability-related technical assistance and tailored capacity building covering aspects such as ESG risk management as well as sustainability. In addition, corrective E&S action plans and contractual undertakings were put in place where gaps were identified that could have a negative impact on the achievement of the Sub-Fund's sustainable investment objective.

References to international standards

In considering adverse impacts of its investments throughout the investment cycle, the Sub-Fund applied international standards such as the IFC Performance Standards and ILO Fundamental Conventions. Violations against the OECD Guidelines for Multinational Enterprises and the UN Global Compact Principles (PAI 10) are checked as part of the Sub-Fund's PAI assessment through on-going incident monitoring drawing on external databases.

The Fund Advisor is a signatory of the Principles for Responsible Investment (PRI) and regularly reports on its responsible investment activities.

During the reference period, the Fund Advisor continued formalizing the Fund's alignment with the targets of the Paris Agreement against the MDB Joint Assessment Framework for Paris Alignment, based on which EBF financing can be considered aligned with the Paris Agreement's mitigation and adaptation goals, given its focus on supporting businesses engaged in or associated with sustainable agriculture, sustainable forestry, sustainable fishery (including aquaculture) and sustainable tourism and the provisions made for direct and intermediated financing for the Fund's target groups in the Framework, including incorporation into the fund's E&S exclusion list of activities determined as universally non-aligned with the Paris agreement and the systematic integration of climate risk screening and identification of adaptation measures (where applicable) into the due diligence process to confirm alignment with the adaptation goal.

Given the Sub-Fund's investment approach described above, the Sub-Fund's portfolio is considered to be highly diversified and therefore removed from the direct materialization of financially material climate risks. Therefore, forward-looking climate scenario analysis is not incorporated, however the Sub-Fund's credit risk assessment adopts a risk-based approach and incorporates a high-level analysis of climate risks as one of many risk factors in the credit risk rating of PIs. For direct corporate investments, the Sub-Fund's E&S due diligence includes, via external consultants, a screening of climate risks with respect to the Sub-Fund's use of proceeds. If such screening identifies material risks, the Fund may commission a more in-depth climate risk assessment that incorporates climate projections, i.e., can entail different scenarios.

Historical comparison

A historical comparison of the reference period of this statement and the previous period reported on is provided in the section 'Description of the principal adverse impacts on sustainability factors' above.

Version history

Version date	Description of the publications
9 March 2021	First publication in accordance with Article 4 (5) of SFDR
30 June 2023	Statement for the reference period 1 January – 31 December 2022 in line with Annex I of the SFDR RTS
30 June 2024	Statement for the reference period 1 January - 31 December 2023 in line with Annex I of the SFDR RTS
30 June 2025	Statement for the reference period 1 January - 31 December 2024 in line with Annex I of the SFDR RTS

Sustainability-related disclosure: Statement on principal adverse impacts



Table 1

Statement on principal adverse impacts of investment decisions on sustainability factors
Financial market participant Financial market participant and product name: THE ECO.BUSINESS FUND, SICAV-SIF, ECO-BUSINESS II SUB-FUND Legal entity identifier: 549300DVAQJ9Q3R2GL49
Summary THE ECO.BUSINESS FUND, SICAV-SIF, ECO-BUSINESS II SUB-FUND (the eco.business II Sub-Fund, EBF, the Sub-Fund), LEI: 549300DVAQJ9Q3R2GL49, considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of the eco.business II Sub-Fund. The eco.business II Sub-Fund's sustainable investment objective is to support biodiversity conservation, the sustainable use of natural resources and climate change mitigation and adaptation. The Sub-Fund works towards its sustainable investment objective by providing dedicated private debt financing to the Sub-Fund's target group (businesses engaged in or associated with sustainable agriculture, sustainable forestry, sustainable fishery (including aquaculture) and

sustainable tourism) either directly or through eligible financial intermediaries following the Sub-Fund's use-of-proceeds criteria and by engaging with the Sub-Fund's investees (Partner Institutions, PIs). PIs – local commercial banks, regulated/supervised and non-regulated/non-supervised microfinance institutions, other non-bank financial institutions like investment companies, investment funds or holding companies, as well as corporates– must utilize funds or on-lend financing to the target groups in line with the binding use-of-proceeds criteria. Although likely to be limited given the nature of its investments, adverse impacts on sustainability related factors may occur, particularly in relation to emissions and pollution; human rights; social and employee matters; anti-corruption and anti-bribery matters. Against this background, the Sub-Fund places a priority on the effective management of (potential) principal adverse impacts of its investment decisions on these factors.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2024.

As of December 2024, the Fund had 13 active investees, including 12 financial institutions and 1 corporate investee. The table below reflects data of all investments of the Sub-Fund combining self-reported and proxy data. In line with the Sub-Fund's target region, these are non-EU entities, which is affecting the overall data availability. In limited cases, due to lack of self-reported data or relevant proxy data, PIs were excluded from the estimation of certain PAI indicators. The Sub-Fund continuously makes reasonable efforts to engage with the PIs to enhance data availability, including during the due diligence process, annual Environmental & Social (E&S) performance monitoring and targeted capacity building on non-financial data collection.

The consolidated results of the Sub-Fund's overall performance on the principal adverse impact indicators outlined in Table 1/Annex I of the SFDR Regulatory technical Standards (RTS) during the reference period are summarized in the table below.

Description of the principal adverse impacts on sustainability factors						
Indicators applicable to investments in investee companies						
Adverse sustainability indicator		Metric	Impact 2024 ¹	Impact 2023 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	151 tCO ₂	205 tCO ₂	The figure covers 100% of the Sub-Fund’s PIs, out of which 8% of values are self-reported emissions. Other values are estimated utilizing the JIM ² . Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
		Scope 2 GHG emissions	120 tCO ₂	98 tCO ₂	The figure covers 100% of the Sub-Fund’s PIs, out of which 15% of values are self-reported emissions. Other values are estimated utilizing the JIM. Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
		Scope 3 GHG emissions	484 tCO ₂	392 tCO ₂	The figure covers 100% of the Sub-Fund’s PIs, 0% of values are estimated utilizing the JIM. Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
		Total GHG emissions	755 tCO ₂	697 tCO ₂	The figure covers 100% of the Sub-Fund’s PIs, out of which 8% of values are self-reported emissions. Other values are estimated utilizing the JIM. Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.

¹ Results are rounded to whole numbers. Results are based on investee level data.

² The Joint Impact Model (JIM), is a web-based tool for impact-oriented investors in developing markets. The results are calculated using economic modelling and do not represent actual figures, rather, they are estimates and should be interpreted as such. Under the GHG protocol, some emissions are not yet included, and these are: end-of-life treatment of sold products, use of sold products and downstream transportation and distribution Emissions do not include downstream. This does not affect EBF's disclosure.

	2. Carbon footprint	Carbon footprint	5.31 tCO ₂ /MEUR	13 tCO ₂ / MEUR	The figure covers 100% of the Sub-Fund's PIs, out of which 8% of values are self-reported emissions. Other values are estimated utilizing the JIM. Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
	3. GHG intensity of investee companies	GHG intensity of investee companies	134 tCO ₂ /MEUR revenue	218 tCO ₂ / MEUR revenue	The figure covers 100% of the Sub-Fund's PIs, out of which 8% of values are self-reported emissions. Other values are estimated utilizing the JIM. Results are weighted according to exposure per investee.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	The indicator covers 92% of the Sub-Fund's PIs. Financial institution PIs are considered to not be active in the fossil fuel sector, as per the definition. All values are proxies based on the reasonable assumption explained above.	The indicator is considered in the investment decision. The Fund's exclusion list prohibits the utilization of the Fund's financing for the prospection, exploration, and extraction of fossil fuels as well as for power plants, heating stations and cogeneration facilities essentially fired with coal and infrastructure essentially used for coal. In line with its investment strategy, the Fund targets to maintain this share at 0%.
	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	55%	44%	The figure covers 69% of reported PIs. 100% of values is based on country-level proxies developed using reasonable assumptions.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.

	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	0.6 GWh/MEUR	0.6 GWh / MEUR	The indicator covers 100% of the Sub-Fund's PIs, out of which 8% of values is self-reported by the corporate PI. 89% of values are proxies based on a reasonable assumption that the Sub-Fund's financial institution PIs are not active in high impact climate sector, as per definition.	The indicator is considered in investment decision. The Sub-Fund's financial institution PIs are not (and will not be) by definition, active in any high impact climate sector. The Sub-Fund engaged and will continue engaging with corporate PIs on enhancing data availability and quality.
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%	0%	The indicator covers 92% of the Sub-Fund's PIs. 100% of values are proxies based on a reasonable assumption that the Sub-Fund's financial institution PIs are located in populated areas and are considered to not negatively affect biodiversity sensitive areas, as per the definition.	The indicator is considered in investment decision. In line with the investment strategy, the Sub-Fund does not finance activities that have significant adverse impacts on biodiversity-sensitive areas.
Water	8. Emissions to water	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.59 t/MEUR	1.34 t/MEUR	The indicator covers 100% of the Sub-Fund's PIs, out of which 8% of values is self-reported by corporate PIs. 92% of values are proxies based on a reasonable assumption that the Sub-Fund's financial institution PIs are considered to not have direct emissions to water of priority substances, as per the definition.	The indicator is considered in the investment decision. The Sub-Fund's financial institution PIs do not (and will not) by definition, have direct emissions to water of priority substances. The Sub-Fund engaged and will continue engaging with corporate PIs on enhancing data availability and quality.
Waste	9. Hazardous waste and radioactive waste ratio	Tons of hazardous waste and radioactive waste generated by investee companies per million	0.094 t/MEUR	0.001 t/MEUR	The indicator covers 92% of the Sub-Fund's PIs. 100% of values are proxies calculated based on the number of employees per	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging

		EUR invested, expressed as a weighted average			company. Results are weighted according to exposure per investee. The YoY increase of values is due to more availability of data.	with PIs on enhancing data availability and quality.
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%	0%	The figure covers 100% of PIs, out of which 100% of values is based on the Fund's regular incident monitoring using external databases.	The indicator is considered in the investment decision. In cases where violations occur and as feasible, the Sub-Fund may engage with the PI to build and improve relevant processes and capacities.
	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	0%	0%	The figure covers 100% of PIs, out of which 100% is values is self-reported data.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality as well as enhancing relevant PI's E&S risk management processes and capacities to align with UNGC principles and OECD Guidelines for Multinational Enterprises.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	13%	6%	The figure covers 100% of the Sub-Fund's PIs, out of which 38% of values is self-reported. Other values are estimated based on proxies using country-level data.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.

	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	18%	12%	The figure covers 89% of the Sub-Fund's PIs, out of which 100% of values is self-reported.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.
	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%	0%	The figure covers 100% of the Sub-Fund's PIs. The Fund considers that financial institutions are not involved in the manufacture or selling of controversial weapons, as defined by the regulation. The exposure of corporate investees to controversial weapons is eliminated according to the Fund's exclusion list. All values are proxies based on the reasonable assumption explained above.	The indicator is considered in the investment decision. In line with the investment strategy, the Sub-Fund targets to maintain this share at 0% going forward.

Indicators applicable to investments in sovereigns and supranationals

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries			Not applicable to the Sub-Fund as it did not make any investments in sovereigns and supranationals.	
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law			Not applicable to the Sub-Fund as it did not make any investments in sovereigns in sovereigns and supranationals.	

Indicators applicable to investments in real estate assets

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels			Not applicable to the Sub-Fund as it did not make any investments in sovereigns in in real estate assets.	
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets			Not applicable to the Sub-Fund as it did not make any investments in sovereigns in in real estate assets.	

Other indicators for principal adverse impacts on sustainability factors

Table 2

Additional climate and other environment-related indicators

Indicators applicable to investments in investee companies

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	54%	22%	The indicator covers 100% of the Sub-Fund's PIs, out of which 100% of values is self-reported.	The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.

Table 3

Additional indicators for social and employee, respect for human rights, anti-corruption, and anti-bribery matters

Indicators applicable to investments in investee companies

Social and employee matters	5. Lack of grievance/complaints handling mechanism related to employee matters	Share of investments in investee companies without any grievance/complaints handling mechanism related to employee matters	0%	11%	The indicator covers 100% of the Sub-Fund's PIs, out of which 100% of values is self-reported.	<p>The indicator is considered in the investment decision. The Sub-Fund engaged and will continue engaging with PIs on enhancing data availability and quality.</p> <p>Moreover, the Sub-Fund is requiring investees to have in place a grievance mechanism for employees. A decrease of the indicated share is therefore expected over time.</p>
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Description of policies to identify and prioritize principal adverse impacts on sustainability factors

The Sub-Fund maintains a comprehensive environmental and social management system (ESMS) and a detailed risk-based AML/CFT framework (last updated and approved by the Fund's Board of Directors in September 2023) that define the Sub-Fund's commitments to managing adverse impacts of its investments. The ESMS guided the Sub-Fund's approach to assessing, mitigating, and monitoring potential adverse impacts at every stage of the investment process. The key document summarizing the Sub-Fund's ESMS is the eco.business Environmental, Social and Governance (ESG) Policy (last updated and approved in December 2024) complemented with the Fund's exclusion list and detailed E&S procedures and tools to support implementation. The Sub-Fund's Board of Directors has overall responsibility for setting the ESG Policy and overseeing its implementation, both directly and via the Sub-Fund's Board-appointed Investment Committee. Primary responsibility for day-to-day implementation rests with the Fund Advisor's expert teams.

The Fund exclusion list is an integral part of the ESG Policy and prohibits the use of EBF funding for activities with an elevated risk of causing adverse impacts, such as activities involving child and forced labor, pesticides/herbicides subject to international bans, destruction of areas worthy of protection, among others. In addition to the activities outlined in the exclusion list, the Sub-Fund did not permit direct investments in activities with potential significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented.

Within the investment process, thorough ESG due diligence was a key tool for identifying potential adverse sustainability impacts. The Fund's ESG requirements to PIs included obligations to manage adverse impacts of the funded activities to avoid significant harm. If material gaps in the PIs' practices and capacities to address and mitigate against these impacts are identified, the PI will be required to address these gaps.

Through its ESMS, the Sub-Fund considered adverse impacts beyond the PAI indicators on sustainability factors throughout the investment cycle, including the Sub-Fund's investment decision making process. As part of this overall approach, the Sub-Fund also considered and collected information on the PAI indicators outlined in Table 1/Annex I of the SFDR RTS. In line with the PAI management approach approved by the Fund's Board of Directors in December 2022, assessment of PAI indicators was integrated into due diligence and monitoring. Data was collected directly from the investees through questionnaires. The Sub-Fund used proxies and tools (e.g. modelling of the data for PAI 1-3 via the JIM), to estimate performance against the PAI indicators where data gaps existed.

As part of its PAI management approach, the Sub-Fund screens investee performance against all sustainability factors covered by the PAI indicators. PAI indicators are prioritized using a combination of criteria reflecting on:

- The Fund's investment approach focused on intermediated finance as well as the respective probability of occurrence and the severity of principal adverse impacts based on the specifics of the investments in the financial sector;
- the Fund's environmental objective and commitment to climate change mitigation and adaptation;
- activities excluded from the Fund's financing as per the exclusion list;
- overall balance between Environmental, Social, and Governance factors in investment decisions with particular focus on E&S requirements of Fund.

The Sub-Fund prioritizes the following principle adverse impact indicators: PAI 1 (GHG emissions), PAI 2 (carbon footprint), PAI 3 (GHG intensity of investee companies), PAI 4 (exposure to companies active in the fossil fuel sector), PAI 7 (activities negatively affecting biodiversity-sensitive areas), PAI 10 (violations of UN Global Compact principles and

OECD Guidelines for Multinational Enterprises), and PAI 14 (Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)).

Starting January 2023, the PAI data collected at due diligence was assessed by the Sub-Fund Advisor on the basis of how the principal adverse impacts of the investment may impact the Sub-Fund's overall PAI performance. The magnitude of the potential impact is assessed either as minor, moderate adverse, or significant adverse. Where an investment was expected to have a moderate adverse or significant adverse impact on any priority PAI, the potential impact to the Sub-Fund's overall performance against the PAI indicators was considered as part of investment decision.

An annual assessment of the Sub-Fund's performance against the PAI indicators supported the Sub-Fund in portfolio steering and identifying priority areas for engagement and further monitoring. Data on the PAI indicators was collected from PIs as part of the Sub-Fund's annual environmental and social reporting process. The received data was reviewed by the Advisor's expert teams. For the reference period of 1 January to 31 December 2024, where gaps existed in the self-reported data, proxies and estimations were used to address these gaps. In cases where no data required for proxies and estimations (e.g., employment data) was reported to the Sub-Fund by the PI, publicly available data was used where possible, and where no such data was available, the PI was not considered in the calculation of the specific indicator. Taking into account that 1) self-reported data is considered reliable and additionally reviewed by the Advisor's sustainability experts, 2) the financial data is audited and 3) recognized industry sources are used for proxies-based estimated data the margins of error are overall expected to be low but cannot be entirely eliminated.

Engagement policies

The Sub-Fund focuses on private debt transactions and as such did not undertake investor engagement within the meaning and context provided by Article 3(g) of Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies. Nevertheless, engagement with PIs is an integral component of the Sub-Fund's investment process and contribution to its sustainable investment objective. During the reference period, the Sub-Fund carried out engagement, including to address capacity gaps of PIs on managing and mitigating potential adverse impacts which were identified during the due diligence and/or monitoring phase, more specifically regarding PAI 11 Table 1 (lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises). Engagement mechanisms primarily included sustainability-related technical assistance and tailored capacity building covering aspects such as ESG risk management as well as sustainability. In addition, corrective E&S action plans and contractual undertakings were put in place where gaps were identified that could have a negative impact on the achievement of the Sub-Fund's sustainable investment objective.

References to international standards

In considering adverse impacts of its investments throughout the investment cycle, the Sub-Fund applied international standards such as the IFC Performance Standards and ILO Fundamental Conventions. Violations against the OECD Guidelines for Multinational Enterprises and the UN Global Compact Principles (PAI 10) are checked as part of the Sub-Fund's PAI assessment through on-going incident monitoring drawing on external databases.

The Fund Advisor is a signatory of the Principles for Responsible Investment (PRI) and regularly reports on its responsible investment activities.

<p>During the reference period, the Fund Advisor also continued formalizing the Fund’s alignment with the targets of the Paris Agreement against the MDB Joint Assessment Framework for Paris Alignment, based on which EBF financing can be considered aligned with the Paris Agreement’s mitigation and adaptation goals, given its focus on supporting businesses engaged in or associated with sustainable agriculture, sustainable forestry, sustainable fishery (including aquaculture) and sustainable tourism and the provisions made for direct and intermediated financing for the Fund’s target groups in the Framework, including the addition of activities determined universally non-aligned with the Paris Agreement to the Fund's E&S Exclusion List and the systematic integration of climate risk screening and identification of adaptation measures (where applicable) into the due diligence process to confirm alignment with the adaptation goal.</p> <p>Given the Sub-Fund’s investment approach described above, the Sub-Fund’s portfolio is considered to be highly diversified and therefore removed from the direct materialization of financially material climate risks. Therefore, forward-looking climate scenario analysis is not incorporated, however the Sub-Fund's credit risk analytics adopts a risk-based approach and incorporates a high-level analysis of climate risks as one of many risk factors in the credit risk rating of PIs. For direct corporate investments, the Sub-Fund's E&S due diligence includes, via external consultants, a screening of climate risks with respect to the Sub-Fund’s use of proceeds. If such screening identifies material risks, the Fund may commission a more in-depth climate risk assessment that incorporates climate projections, i.e., can entail different scenarios.</p>
<p>Historical comparison</p> <p>A historical comparison of the reference period of this statement and the previous period reported on is provided in the section ‘Description of the principal adverse impacts on sustainability factors’ above.</p>

Version history

Version date	Description of the publications
9 March 2021	First publication in accordance with Article 4 (5) of SFDR
30 June 2023	Statement in line with Annex I of the SFDR Regulatory technical Standards (RTS)
30 June 2024	Statement for the reference period 1 January - 31 December 2023 in line with Annex I of the SFDR RTS
30 June 2025	Statement for the reference period 1 January - 31 December 2024 in line with Annex I of the SFDR RTS