# Beyond Impact S.A., SICAV-RAIF

## Sustainability-related disclosures

**DISCLAIMER** -
*Any reference to "We" throughout this document shall be construed as a reference to the person(s) in charge of portfolio management.*

### 1. Summary

The objective of the financial product is to invest in companies whose products are superior, scalable and sustainable and which contribute to a kinder, cleaner, healthier world, through a reduction in the use of animal-derived products.

The financial product has sustainable investment as an objective (Article 9 SFDR).

No index has been designated for the financial product as a reference benchmark for sustainability.

### 2. No significant harm to the sustainable investment objective

Sustainable investments do not cause significant harm since on all climate and other environment-related indicators they have a less negative impact than the animal products which they replace. Carbon footprint and GHG emissions are lower.

There is no investment in fossil fuels, rather the activities replace products made from fossil fuels as well. The sites of operations are not in biodiversity-sensitive areas. There are reduced water emissions and no hazardous waste generation.

There is no investment in any companies with human rights violations, nor any weapons manufacturer. In terms of gender, the companies report no pay gap and there is adequate diversity of board members.

There are no other known harmful emissions, and companies engage in water management practices and sustainable land and water practices. Companies have the appropriate policies in place for workplace safety, supplier codes of conduct, employee grievances, whistleblower protection etc.

There are no situations of compromised human rights or corruption and bribery.

## 3. Sustainable investment objective of the financial product

The objective of the financial product is to invest in companies whose products are superior, scalable and sustainable and which contribute to a kinder, cleaner, healthier world, through a reduction in the use of animal-derived products; with benefits for the climate, reduced water use and healthier marine ecosystems, reduced pollution and waste generation, reduced land use and less deforestation, greater biodiversity; and a more circular economy via the upcycling and production of more valuable materials from waste biomass.

## 4. Investment strategy

The investment strategy is pursued by an analysis of the principal uses of animals in products and services for human consumption and an identification of the negative impacts of these practices, with a view to identifying those products which provide the most suitable replacements, both from a perspective of addressing animal usage and reducing cruelty and also which have significant sustainability benefits, not just by virtue of their avoidance of the use of animals.

The sourcing and selection of investments are done in order to achieve the greatest impact but also a superior financial return by selecting those companies with products that are scalable and hence whose revenues can grow exponentially.

The investment decision is supported by an analysis of product-market fit, pricing, size of the market, team capabilities and technological advantages and financial projections.

## 5. Proportion of investments

The financial product will invest, for a minimum of 70% of its portfolio, into investments deemed sustainable and with an environmental and social objective.

## 6. Monitoring of sustainable investment objective

The business activities of the investee companies are monitored by the Advisor and the AIFM to ensure that they are still in line with their sustainable objectives. This includes a strong dialogue with the target and, sometimes, strategic positions at the Board level to keep a view of the company’s business and thus be able to monitor its advancement.

A reassessment of the exposure can be made if the investee is assessed as not fitting anymore to the financial product’s philosophy.

## 7. Methodologies

The principal indicators used are the following: The products made by companies in the portfolio are providing an alternative to animal products which have better environmental sustainability in terms of carbon, waste, water, and land use, than their animal equivalents.

The company is investing in products which have lower GHG (Green House Gas emission), water and waste than the products that they replace. Companies can provide these statistics and some have already done LCA (Life Cycle Assessment).

## 8. Data sources and processing

When evaluating security on the basis of ESG criteria, the Portfolio Manager may use information, reports, selections, ratings, analyses and ESG data received by a third party.

## 9. Limitations to methodologies and data

The application of non-financial criteria such as ESG may lead to a deliberate restriction of the possible investment universe and, as a result, the waiver of investment opportunities, an underweighting of certain securities or a reduction in exposure.

The application of ESG criteria may in some cases result in more concentrated portfolios and may undermine short-term profit.

When evaluating security on the basis of ESG criteria, the Portfolio Manager may use information, reports, selections, ratings, analyses and ESG data received by a third party. These may be incomplete, inaccurate or even unavailable. Thus, the Portfolio Manager may evaluate an investment on the basis of incomplete or inaccurate information, or, in the event of unavailability, may not be able to conduct such an evaluation. In addition, the Portfolio Manager may not correctly interpret or apply the relevant ESG criteria. There is always the risk of non-guarantee explicit or implicit of the fairness, accuracy, reasonableness or completeness of the evaluation of the ESG criteria.

## 10. Due diligence

The process assumes appraising potential investments for the traditional business qualities of strong management, robust operations and risk management, but also the inclusion of ESG criteria and dynamic attributes that are attractive to consumers and trade customers, namely innovation, scalability, agility and speed to market.

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises (OECD Guidelines) and the UN Guiding Principles on Business and Human Rights (UNGPs) to the extent that Beyond Impact has incorporated them into its investment policies and procedures, including conducting due diligence to assess the potential impacts of investment on labour, environment, human rights, corruption, and consumer interests, and ensuring that the company's investments do not contribute to negative impacts in these areas.

The investment process duly integrates a series of criteria each target investment shall meet at the selection and holding stages.

## 11. Engagement policies

Sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises (OECD Guidelines) and the UN Guiding Principles on Business and Human Rights (UNGPs) to the extent that Beyond Impact has incorporated them into its investment policies and procedures.

## 12. Attainment of the sustainable investment objective

Not applicable to the financial product as the financial product is not benchmarked against any index.

The financial product invests in companies favoring alternative products which avoid the use of animals, so reducing carbon footprint, animal cruelty and risk of zoonoses and antibiotic resistance thus attainment of the sustainable objective will be observed by the portfolio companies thriving.