

ESG POLICY

No consideration of sustainability adverse impacts
In accordance with Article. 4(1)(b) of Regulation (EU) 2019/2088

This document sets out disclosures by BCB & Partners S.A. (“BCB”), in respect of the Principal Adverse Sustainability Impact (“PASI”) of our investment decisions on sustainability factors. The EU Sustainable Finance Disclosure Regulation (“SFDR”) requires BCB to make a “comply or explain” decision whether to consider the PASI of our investment decisions on sustainability factors, in accordance with a specific regime as outlined in SFDR. BCB has decided not to comply with that SFDR regime but will keep its decision under regular review.

1. Rationale for not considering adverse impact indicators as defined by SFDR

Though we make assessments of potentially adverse impact in connection with all portfolio investments, BCB does not consider the principal adverse sustainability impact indicators (PASI) as defined by SFDR. We have determined that the portfolio companies and institution into which our funds invest are usually not able to provide the relevant data, in sufficient quality, to satisfy the requirements associated with reporting on the PASI.

2. Description of principal adverse sustainability impacts

Each investment faces the risk of unintended side effects as defined by ESG, or sustainability risks (namely Environmental, Social and Governance). An event, or potential event in this category could materialize into a decrease in the value of the investment.

Our funds do not directly invest in sectors which are prohibited by the International Finance Corporation Exclusion List (such as tobacco, alcohol, casinos, etc...).

3. Description of policies to identify and prioritise principal adverse sustainability impacts

Environmental, Social and Governance (“ESG”) criteria are non-financial considerations currently not integrated in the investment process of BCB. ESG criteria are however considered in our risk management framework to get an idea about the ESG profile of each fund. For this, Refinitiv scoring, ratings and levels (Excellent, Good, Satisfactory, Poor) are used and the percentage of the fund in each ESG category is computed. There are currently no restrictions in place (like 5% of the portfolio maximum in “Poor” ESG investments) and we do this exercise to be aware of the risks and mitigate them should it be needed.