

**Statement on principal adverse impacts of investment decisions on sustainability factors**

**Financial market participant** Bamboo Tech4Impact Fund S.A., SICAV-RAIF – Bloc Smart Africa Sub-fund (the “BLOC SA” or "Sub-Fund")

**Summary**

The Bloc Smart Africa Sub-fund (the “BLOC SA” or "Sub-Fund") 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 Bloc Smart Africa Sub-fund (the “BLOC SA” or "Sub-Fund”).

This statement on principal adverse impacts on sustainability factors covers the reference period from January 1st, 2022 to December 31st, 2022.

**Description of the principal adverse impacts on sustainability factors**

**Indicators applicable to investments in investee companies**

Adverse sustainability indicator	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period
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**CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS**

Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	6.637 tCO2eq	N/A	This data was estimated using the Joint Impact Model SFDR PAI calculation tool in 2022. The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.
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		Scope 2 GHG emissions	51.74 tCO <sub>2</sub> eq	N/A	This data was estimated using the Joint Impact Model SFDR PAI calculation tool in 2022. The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.
		Scope 3 GHG emissions	177.585 tCO <sub>2</sub> eq	N/A	This data was estimated using the Joint Impact Model SFDR PAI calculation tool in 2022. The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.
		Total GHG emissions	235.963 tCO <sub>2</sub> eq	N/A	This data was estimated using the Joint Impact Model SFDR PAI calculation tool in 2022. The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.
	2. Carbon footprint	Carbon footprint	114.966 tCO <sub>2</sub> eq/mEUR	N/A	This data was estimated using the Joint Impact Model SFDR PAI calculation tool in 2022. The Sub Fund commenced	No specific quantitative targets have been set related to this PAI for the

					its investment activities in 2022.	next reference period.
	3. GHG intensity of investee companies	GHG intensity of investee companies	255.958 tCO <sub>2</sub> eq/mEUR	N/A	This data was estimated using the Joint Impact Model SFDR PAI calculation tool in 2022. The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	N/A	None of the BLOC SA Sub Fund's investees are active in the fossil fuel sector. The Sub Fund commenced its investment activities in 2022.	The Sub-Fund will not invest in companies active in the fossil fuel sector. The target for this PAI for the next reference period is therefore 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	Consumption: 54,97%  Production: N/A	N/A	No investee companies of the Sub Fund produce energy. The percentage included here represents the share of energy consumed from non-renewable energy sources by investee companies compared to renewable	No specific quantitative targets have been set related to this PAI for the next reference period.

		compared to renewable energy sources, expressed as a percentage of total energy sources			energy sources. As many of the investees do not track this data, this indicator has been estimated based on the share of non-renewable energy sources in the national grids in the countries where investees operate. The Sub Fund commenced its investment activities in 2022.	
	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	N/A	N/A	The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.
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	0%	N/A	The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.

		negatively affect those areas				
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	N/A	N/A	Not available.	No specific quantitative targets have been set related to this PAI for the next reference period.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	N/A	N/A	Not available.	No specific quantitative targets have been set related to this PAI for the next reference period.
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD)	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for	0%	N/A	The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.

	Guidelines for Multinational Enterprises	Multinational Enterprises				
	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	100%	N/A	The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	N/A	N/A	Not available.	No specific quantitative targets have been set related to this

						PAI for the next reference period.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	31%	N/A	The Sub Fund commenced its investment activities in 2022.	No specific quantitative targets have been set related to this PAI for the next reference period.
	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%	N/A	The Sub-Fund's exclusion list includes ammunition, weapons, and weapons carriers. The Sub Fund commenced its investment activities in 2022.	The Sub-Fund will not invest in weapons. The target for this PAI for the next reference period is therefore 0%.
<b>Indicators applicable to investments in sovereigns and supranationals</b>						
<b>Adverse sustainability indicator</b>	<b>Metric</b>	<b>Impact [year n]</b>	<b>Impact [year n-1]</b>	<b>Explanation</b>	<b>Actions taken, and actions planned and targets set for the next reference period</b>	

Environmental	15. GHG intensity	GHG intensity of investee countries	N/A	N/A	Not applicable	N/A
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	N/A	N/A	Not applicable	N/A
<b>Indicators applicable to investments in real estate assets</b>						
<b>Adverse sustainability indicator</b>		<b>Metric</b>	<b>Impact [year n]</b>	<b>Impact [year n-1]</b>	<b>Explanation</b>	<b>Actions taken, and actions planned and targets set for the next reference period</b>
Fossil fuels	17. Exposure to fossil fuels	Share of investments in real	N/A	N/A	Not applicable	N/A



	through real estate assets	estate assets involved in the extraction, storage, transport or manufacture of fossil fuels				
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/A	N/A	Not applicable	N/A
<b>Other indicators for principal adverse impacts on sustainability factors</b>						
Share of investments in investee companies the activities of which cause land degradation, desertification or soil sealing: 0%						
Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of forced or compulsory labour in terms in terms of geographic areas and/or the type of operation: 0%						
<b>Description of policies to identify and prioritise principal adverse impacts on sustainability factors</b>						
<p>Across its investments, the Sub-Fund is exposed to sustainability risks in the form of environmental, social or governance (ESG) events and conditions that can have negative impacts on the assets, financial and/or earnings situation, or the reputation of the Sub-Fund. However the Sub-Fund's investments are selected for their high potential for positive impact in line with the Sub-Fund's impact framework, and the risks of negative impacts are mitigated through the Sub-Fund's ESG policy which allows the identification and prioritisation of principal adverse impact on sustainability factors. The Sub-Fund's impact and ESG management process is deployed throughout the lifetime of each investment.</p> <p>First, during the pre-investment phase, the investment team checks potential investments against the Sub-Fund's impact goals and the Sub-Fund's Exclusion List.</p> <p>Second, during the due-diligence phase, the investment team conducts further on-site analyses on the expected impact of the company towards the SDGs targeted by the Sub-Fund.</p>						

Third, an investment memo is prepared and submitted to the Sub-Fund's investment committee, containing a description of the alignment of the company with the impact goals of the Sub-Fund.

Fourth, during the negotiation of terms for investment, the Sub-Fund team and the investee agree on selected output/outcome indicators which the investee will report on to the Sub-Fund team at a defined frequency.

Fifth, during the holding period, investee companies send regular reports on the defined list of impact indicators at the agreed frequency. The Sub-Fund team monitors the data collected and reviews assumptions based on new evidence.

The binding elements of the investment strategy must be applied by the Sub-Fund's investees at each stage of the investment process: (i) Alignment with the Sub-Fund's impact objectives ((a) The company increases accessibility of essential goods and services for consumers in Africa; (b) The company generates employment and/or income-generating opportunities, either directly and/or in its value chain; (c) Usage of the company's products/services results in positive social impacts and/or reduces environmental impact; (d) The company's core products/services contribute to the Sub-Fund's target SDGs) ; (ii) Compliance with the Sub-Fund's Exclusion List; (iii) Compliance with national applicable national laws on labour, environment, health, safety and social issues, as well as with the above-mentioned international principles of respect for human rights and international conventions of the International Labour Organization (ILO); (iv) Possession of all necessary environmental and social permits applicable to the activity of the company.

#### **Engagement policies**

The Sub-Fund's engagement with investees, including on sustainability-related matters, is an integral component of the Sub-Fund's investment cycle and contribution to positive development impact. Prior to investing in any company, the Sub-Fund conducts an ESG assessment of investees, during which any potential sustainability-related controversies are identified, and monitors progress through annual reporting. Incident reporting further facilitates the Sub-Fund's management of such sustainability-related incidents. In addition, the Sub-Fund requires its investees to comply with a set of ESG requirements and, where necessary, engages with investees to ensure improvement of their ESG performance. Where relevant, technical support to help investee improve their performance can be mobilized using external funding sources as the Fund does not have its own Technical Assistance Facility.

#### **References to international standards**

The Fund Manager of the Sub-Fund, Bamboo Capital Partners, is a signatory to the Global Compact, the Principles for Responsible Investments (PRI) and the Operating Principles for Impact Management. The principles set by these standards are applied in the investments made by the Funds that Bamboo manages. Investees of the Sub-Fund are required to comply with the international principles of respect for human rights and international conventions of the International Labour Organization (ILO).

#### **Historical comparison**

The Sub-Fund had not yet commenced its investment activity in 2021. Therefore 2022 is the first year of reporting. Historical comparisons will be available for the next reporting period.

Table 2

**Additional climate and other environment-related indicators**

Adverse sustainability impact	Adverse impact on sustainability factors (qualitative or quantitative)	Metric
<b>Indicators applicable to investments in investee companies</b>		
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>		
Emissions	1. Emissions of inorganic pollutants	Tonnes of inorganic pollutants equivalent per million EUR invested, expressed as a weighted average
	2. Emissions of air pollutants	Tonnes of air pollutants equivalent per million EUR invested, expressed as a weighted average
	3. Emissions of ozone-depleting substances	Tonnes of ozone-depleting substances equivalent per million EUR invested, expressed as a weighted average

	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
Energy performance	5. Breakdown of energy consumption by type of non-renewable sources of energy	Share of energy from non-renewable sources used by investee companies broken down by each non-renewable energy source
Water, waste and material emissions	6. Water usage and recycling	1. Average amount of water consumed by the investee companies (in cubic meters) per million EUR of revenue of investee companies  2. Weighted average percentage of water recycled and reused by investee companies
	7. Investments in companies without water management policies	Share of investments in investee companies without water management policies
	8. Exposure to areas of high water stress	Share of investments in investee companies with sites located in areas of

		high water stress without a water management policy
	9. Investments in companies producing chemicals	Share of investments in investee companies the activities of which fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006
	10. Land degradation, desertification, soil sealing	Share of investments in investee companies the activities of which cause land degradation, desertification or soil sealing
	11. Investments in companies without sustainable land/agriculture practices	Share of investments in investee companies without sustainable land/agriculture practices or policies
	12. Investments in companies without sustainable oceans/seas practices	Share of investments in investee companies without sustainable oceans/seas practices or policies
	13. Non-recycled waste ratio	Tonnes of non-recycled waste generated by investee companies per million EUR invested,

		expressed as a weighted average
	14. Natural species and protected areas	<p>1.Share of investments in investee companies whose operations affect threatened species</p> <p>2.Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in, or adjacent to, a protected area or an area of high biodiversity value outside protected areas</p>
	15. Deforestation	Share of investments in companies without a policy to address deforestation
Green securities	16. Share of securities not issued under Union legislation on environmentally sustainable bonds	Share of securities in investments not issued under Union legislation on environmentally sustainable bonds

**Indicators applicable to investments in sovereigns and supranationals**

Green securities	17. Share of bonds not issued under Union legislation on environmentally sustainable bonds	Share of bonds not issued under Union legislation on environmentally sustainable bonds
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**Indicators applicable to investments in real estate assets**

Greenhouse gas emissions	18. GHG emissions	Scope 1 GHG emissions generated by real estate assets
		Scope 2 GHG emissions generated by real estate assets
		Scope 3 GHG emissions generated by real estate assets
		Total GHG emissions generated by real estate assets
Energy consumption	19. Energy consumption intensity	Energy consumption in GWh of owned real estate assets per square meter
Waste	20. Waste production in operations	Share of real estate assets not equipped with facilities for waste

		sorting and not covered by a waste recovery or recycling contract
Resource consumption	21. Raw materials consumption for new construction and major renovations	Share of raw building materials (excluding recovered, recycled and biosourced) compared to the total weight of building materials used in new construction and major renovations
Biodiversity	22. Land artificialisation	Share of non-vegetated surface area (surfaces that have not been vegetated in ground, as well as on roofs, terraces and walls) compared to the total surface area of the plots of all assets

Table 3

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

<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>		
<b>Adverse sustainability impact</b>	<b>Adverse impact on sustainability factors (qualitative or quantitative)</b>	<b>Metric</b>
<b>Indicators applicable to investments in investee companies</b>		



Social and employee matters	1. Investments in companies without workplace accident prevention policies	Share of investments in investee companies without a workplace accident prevention policy
	2. Rate of accidents	Rate of accidents in investee companies expressed as a weighted average
	3. Number of days lost to injuries, accidents, fatalities or illness	Number of workdays lost to injuries, accidents, fatalities or illness of investee companies expressed as a weighted average
	4. Lack of a supplier code of conduct	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)
	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
	6. Insufficient whistleblower protection	Share of investments in entities without policies on the protection of whistleblowers
	7. Incidents of discrimination	1. Number of incidents of discrimination reported in investee companies expressed as a weighted average  2. Number of incidents of discrimination leading to sanctions in investee companies expressed as a weighted average
	8. Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)

Human Rights	9. Lack of a human rights policy	Share of investments in entities without a human rights policy
	10. Lack of due diligence	Share of investments in entities without a due diligence process to identify, prevent, mitigate and address adverse human rights impacts
	11. Lack of processes and measures for preventing trafficking in human beings	Share of investments in investee companies without policies against trafficking in human beings
	12. Operations and suppliers at significant risk of incidents of child labour	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of child labour in terms of geographic areas or type of operation
	13. Operations and suppliers at significant risk of incidents of forced or compulsory labour	Share of the investments in investee companies exposed to operations and suppliers at significant risk of

		incidents of forced or compulsory labour in terms in terms of geographic areas and/or the type of operation
	14. Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption
	16. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	Share of investments in investee companies with identified insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery
	17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	Numbers of convictions and amount of fines for violations of anti-corruption and anti-

		bribery laws by investee companies
<b>Indicators applicable to investments in sovereigns and supranationals</b>		
Social	18. Average income inequality score	The distribution of income and economic inequality among the participants in a particular economy including a quantitative indicator explained in the explanation column
	19. Average freedom of expression score	Measuring the extent to which political and civil society organisations can operate freely including a quantitative indicator explained in the explanation column
Human rights	20. Average human rights performance	Measure of the average human right performance of investee countries using a quantitative indicator explained in the explanation column
Governance	21. Average corruption score	Measure of the perceived level of public sector corruption using a quantitative indicator

		explained in the explanation column
	22. Non-cooperative tax jurisdictions	Investments in jurisdictions on the EU list of non-cooperative jurisdictions for tax purposes
	23. Average political stability score	Measure of the likelihood that the current regime will be overthrown by the use of force using a quantitative indicator explained in the explanation column
	24. Average rule of law score	Measure of the level of corruption, lack of fundamental rights, and the deficiencies in civil and criminal justice using a quantitative indicator explained in the explanation column