



Sustainable Risk Finance Disclosure Regulation (2019/2088) (the "Disclosure Regulation")

Carne Global Fund Managers (Luxembourg) S.A., BC Partners' alternative investment fund manager ("AIFM") in Luxembourg, makes the following disclosures in accordance with Articles 3(1), 4(1)(b) and 5(1) of the Disclosure Regulation.

Approach to sustainability risk

The AIFM, acting as third-party alternative investment fund manager of the BC Partners Funds has delegated the portfolio management functions with respect to the Fund to the relevant BC Partners Investment Manager.

A sustainability risk means "an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment". In the context of the BC Partners Funds, sustainability risks are risks which, if they were to crystallise, would cause a material negative impact on the value of the portfolios of the funds.

Before any investment decisions are made on behalf of any funds, the material risks, including sustainability risk, associated with each proposed investment are identified - supplemental due diligence may also be conducted by an external professional firm when deemed necessary.

Such risks are considered as part of our fund risk management process having regard to the fund's investment policy and objective. This leads to the submission of investment proposals to the investment committee.

The relevant investment committee assesses all identified risks alongside other factors set out in the proposal. Following its assessment, investment decisions are made having regard to the fund's investment policy and objectives.

Consideration of sustainability adverse impacts

Article 4 of the Disclosure Regulation requires fund managers to make a clear statement as to whether or not they consider "principal adverse impacts".

Although ESG and sustainability risk is important to the Investment Manager and is taken seriously, the principal adverse impacts of investment decisions on sustainability factors in the manner prescribed by Article 4 of the Disclosure Regulation are not taken into consideration. This current position will be kept under review and may change in the future.

The detailed requirements were not settled by at the time of publication of this Disclosure, when we were required to decide and publish our initial approach. The Investment Manager expects that fund managers who confirm they do consider principal adverse impacts will be required to make an annual disclosure against a mandatory list of adverse sustainability indicators set out in European Union legislation. That list has yet to be finalised. We also expect fund managers opting into this provision will be required to obtain a set of data mandated by European Union legislation to generate this disclosure. Again, this data has yet to be finalised.



We are continuing to assess the mandatory data collection and disclosure requirements which are applicable to firms which opt in to consider the principal adverse impacts of their investment decisions.