

Sustainable Finance Disclosure Regulation ("SFDR") Article 9 (Sub-)Funds – Website Disclosures Sections based on Articles 23 and 37 to 49 [SFDR Delegated Regulation \(EU\) 2022/1288](#)

Full name of the Article 9 (sub-) fund: General Atlantic BNZ Companion Fund (Lux), SCSp (together with its successor funds, "GA BnZ")

Legal entity identifier (LEI): 254900DF4OHYKYVG1A98

International securities identification number (ISIN): N/A

Date of review: December 2022

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Summary

General Atlantic (“GA”, “General Atlantic” or the “Firm”)¹ established GA BnZ and its any affiliated successor vehicles to invest in portfolio companies that, at the time of the GA BnZ’s investment therein, is focused on developing and/or implementing climate solutions or whose business has the potential to help combat climate change. In addition to meeting General Atlantic’s global growth equity investment criteria, GA BnZ takes a thematic approach to identifying opportunities across: (i) decarbonization, (ii) energy efficiency, (iii) resource conservation and (iv) emissions management. Across these areas of focus, GA BnZ targets companies across four broad business models: (i) capex-light, (ii) technology-enabled products and services, (iii) developing supply chains and (iv) sustainable real assets.

Consistent with General Atlantic’s other investments, GA BnZ may invest globally, but will focus on making investments in countries which exhibit OECD characteristics, with policy regimes designed to create the conditions for innovation and premium returns; and in non-OECD countries where risks can be managed through partnerships and other appropriate mechanisms.

GA BnZ’s sustainable investment objective is the reduction of greenhouse gas emissions, as expressed through setting and monitoring achievement against Science Based Targets, and through the potential delivery of “GA BnZ Impact”, which is defined in this document and includes the delivery of avoided emissions and “Scope 4” emissions reductions. It is currently expected that at least 80% of the investments made by GA BnZ will constitute “sustainable investments”.

Achievement against the sustainable investment objective is monitored and reported annually using the Greenhouse Gas Protocol and other metrics which may be defined by GA BnZ during the investment process. Relevant data is expected to be collected directly from investments, meaning that GA BnZ does not expect to make use of estimates. The Greenhouse Gas Protocol is considered the global standard for emissions reporting; as such, GA BnZ believes there are few limitations inherent in this sustainable investment objective.

GA BnZ takes into account the indicators for adverse impacts on sustainability factors during its due diligence process, as well as during the annual monitoring of its investments. These same processes also include an assessment of good governance, and obtaining evidence of meeting the minimum social safeguards. GA BnZ uses the results of these assessments as part of its process to determine whether GA BnZ’s investments do not cause significant harm to any sustainable investment objective, taking account of any relevant additional information produced as part of the due diligence and investment processes.

¹ Except as otherwise noted, (i) where appropriate, “GA” or “General Atlantic” may refer to General Atlantic Service Company, L.P. (and its subsidiaries) (“GASC”), General Atlantic L.P. (“GA LP”), General Atlantic Partners, L.P. (“GA Partners”), or GASC, GA LP and GA Partners, collectively. The Firm may also refer to GASC BnZ, L.P. (the “Investment Manager”) and may refer to GA’s activities with respect to GA BnZ and its portfolio, as appropriate.



During the portfolio management process, GA BnZ will work with its portfolio companies to help them achieve the Science-Based Target and GA BnZ Impact identified during the investment process. Portfolio companies are generally required to provide the information necessary for GA BnZ to assess their performance against the Principle Adverse Impact (“PAI”) indicators. If a portfolio company is not willing or able to provide the information required to make PAI disclosures, the GA BnZ board representative(s) are expected to initiate a discussion with the company’s leadership about how the information might be made available.

No significant harm to the sustainable investment objective

During the investment process, GA BnZ takes into account the indicators for adverse impacts on sustainability factors by assessing a company's performance against the mandatory and other relevant Principle Adverse Impact sustainability indicators established by SFDR. It also seeks to carry out an assessment of alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. These assessments (which may be undertaken with assistance from third parties) form a core part of GA BnZ's ESG due diligence process, and are undertaken using a combination of publicly available data and data requested directly from targets during due diligence.

GA BnZ uses the results of these assessments as part of its process to determine whether GA BnZ's investments do not cause significant harm to any sustainable investment objective, taking account of any relevant additional information produced as part of the due diligence and investment processes. On an annual basis, GA BnZ portfolio companies are generally required to provide the data necessary for GA BnZ to determine that its investments continue to do no significant harm to sustainable investment objectives. GA BnZ uses this data as a core part of its investment monitoring and governance process for its portfolio.

Sustainable investment objective of the financial product

The GA BnZ investments have a sustainable investment objective of greenhouse gas emissions reduction.

GA BnZ takes a thematic approach to identifying opportunities across: (i) decarbonization, (ii) energy efficiency, (iii) resource conservation and (iv) emissions management. Across these areas of focus, GA BnZ targets companies across four broad business models: (i) capex-light, (ii) technology-enabled products and services, (iii) developing supply chains and (iv) sustainable real assets.

Within this investing framework, GA BnZ pursues greenhouse gas emissions reductions by targeting companies that have the potential to reduce emissions by setting a Science-Based Target ('SBT'), with a goal to reach net zero emissions by 2050, thereby aligning them with the Paris Agreement.

Additionally, the investment team will seek to invest in companies that have the potential to reduce emissions faster than their SBT requires; to deliver products or services that displace alternatives with higher scopes 1-3 emissions²; and/or to deliver products or services that generate or enable emissions reductions elsewhere (referred to by GA BnZ as 'Scope 4' emissions reductions). These

² Emissions 'scopes' are defined by the Greenhouse Gas Protocol. See, for example, <https://ghgprotocol.org/corporate-standard>

criteria will be used to determine the expected or actual “GA BnZ Impact” of a potential or actual portfolio company. This is a quantitative metric, and is the sum of:

- The company’s over/underperformance against its SBT
- The scopes 1-3 emissions avoided by a company’s product or service
- The scope 4 emissions reductions delivered by the company’s product or service

Investment strategy

GA BnZ will take a thematic approach to identifying investments and reducing risk through strategic partnerships, dedicated research capabilities, and a deep understanding of market dynamics. The investment team believes that its thematic investment approach will enable it to engage in nuanced pattern recognition, providing a useful framework to identify investment opportunities.

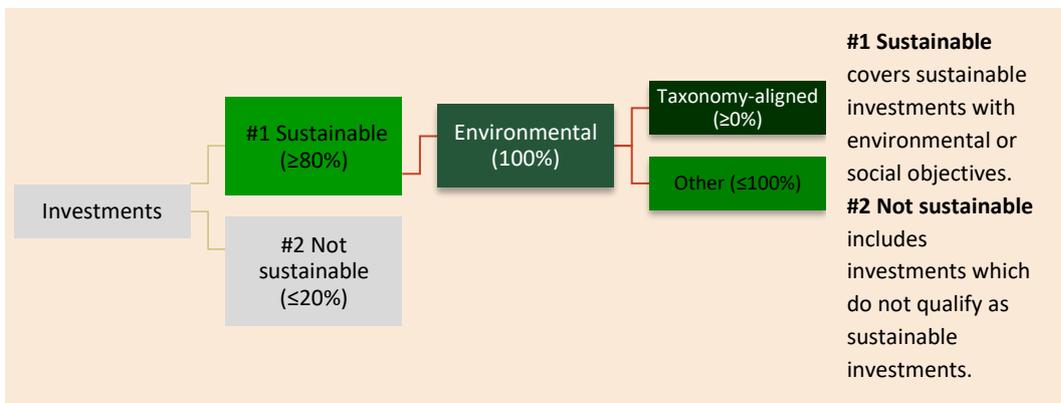
The GA BnZ Fund’s thematic approach will seek to identify opportunities across: (i) decarbonization, (ii) energy efficiency, (iii) resource conservation, and (iv) emissions management. Across these areas of focus, the Partnership will target companies across four broad business models: (i) capex-light business models, (ii) technology-enabled products and services, (iii) developing supply chains, and (iv) sustainable real assets.

Good governance practices are considered as part of the due diligence process undertaken on potential investment opportunities and as part of the GA BnZ Fund’s principal adverse impact reporting – as described elsewhere in this document.

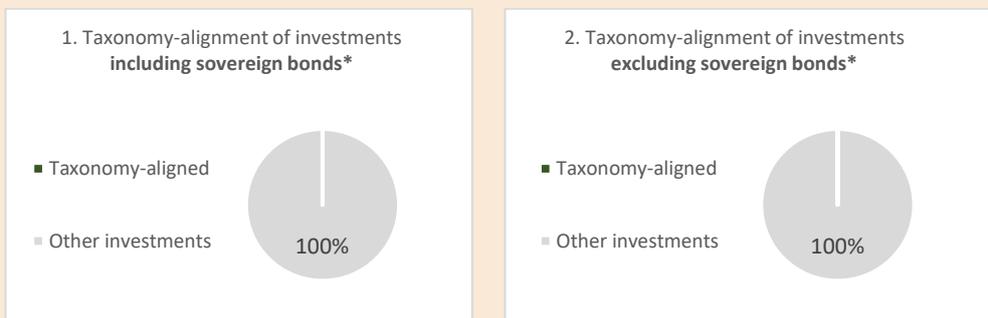
Proportion of investments

It is currently expected that at least 80% of the investments made by GA BnZ will constitute “sustainable investments” as defined by SFDR, with an environmental objective. Investments of GA BnZ will be subject to ongoing monitoring and will take into account regulatory developments which impact the classification of current or potential investment opportunities. GA BnZ expects only to have direct exposure to investee entities.

GA BnZ’s asset allocation and alignment with the EU Taxonomy



The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

Monitoring of the sustainable investment objective

The sustainable investment objective is measured through the progress of each portfolio company against its GA BnZ Impact potential and its SBT.

This progress is monitored and reported annually using the Greenhouse Gas Protocol and other metrics which may be defined by GA BnZ during the investment process. The investment team utilises third party advisors to assist with monitoring the attainment of the sustainable investment objective by:

- providing independent supervision of portfolio companies as they collect and report data needed to calculate GA BnZ Impact
- applying expertise, experience and independence to the calculation of GA BnZ Impact

By requiring portfolio companies to set SBTs, GA BnZ benefits from the work of the Science Based Target Initiative, which acts as an independent reviewer and validator of the targets proposed by portfolio companies. This contributes to the quality and consistency of sustainability data reported by GA BnZ. A company's performance against its SBT then becomes a component of that company's GA BnZ Impact. GA BnZ Impact is described above, and is a consistent and repeatable measurement that GA BnZ has developed to help assess climate impact across its portfolio.

If a portfolio company is materially and persistently failing to contribute to GA BnZ's sustainable investment objective, GA BnZ will request a meeting between one or more of its representatives and senior management of the portfolio company to discuss a plan to address this non-compliance.

Methodologies

After an investment is made, the investment team will work with the company to set and seek to achieve SBTs. Achievement against SBTs will be determined by measuring the company's Scopes 1-3 emissions, expressed as CO₂-equivalent emissions. The greenhouse gas emissions of investments are measured by portfolio companies themselves in alignment with the Greenhouse Gas Protocol.

The investment team and its third party advisors will also assess each company's success in generating emissions reductions through their products or services (avoided emissions and Scope 4 emissions reductions). This will also be expressed as CO₂-equivalent emissions, and is calculated from bespoke "climate models" built for each investment.

Data sources and processing

As described above, the greenhouse gas emissions of investments are measured by the companies themselves in alignment with the Greenhouse Gas Protocol. The investment team will also assess each company's success in generating emissions reductions through their products or services (avoided emissions and Scope 4 emissions reductions). This will also be expressed as CO₂-equivalent emissions, and is calculated from bespoke "climate models" built for each investment by the GA BnZ team. GA BnZ's third party advisors provide a degree of independent oversight of this process, and can help ensure portfolio companies provide quality data.

In the case of greenhouse gas emissions and related metrics, GA BnZ does not expect to make use of estimates. However, measurement of greenhouse gas emissions, and greenhouse gas emissions avoided, is an inherently inexact process. GA BnZ generally requires all investments to report their emissions in a way which is consistent with the Greenhouse Gas Protocol, and is transparent about the assumptions and calculations made to report avoided emissions and Scope 4 emissions reductions.

Other material ESG metrics, including those related to principal adverse impacts ("PAI") and "do no suitable harm" criteria are collected directly from the target company itself at diligence and then regularly during the portfolio monitoring process. GA BnZ typically engages a third party to assist with this process and to provide independent assessments of the quality and reliability of data.

Limitations to methodologies and data

As described above, measurement of greenhouse gas emissions, and greenhouse gas emissions avoided, is an inherently inexact process and is subject to estimation. GA BnZ generally requires all investments to report their emissions in a way which is consistent with the Greenhouse Gas Protocol, and is transparent about the assumptions and calculations made to report avoided emissions and Scope 4 emissions reductions.

The Greenhouse Gas Protocol is considered the global standard for emissions reporting; as such, GA BnZ believes there are few limitations inherent in this sustainable investment objective.

More generally, due to the nascency of ESG reporting requirements, the preparation of due diligence reports can be limited as a result of unavailability of the required data. In particular, this limitation applies to the collection of PAI data. While this can have an impact on the determination of an investment meeting the "do no significant harm" principle, GA BnZ is typically able to mitigate this through the use of other PAI data which is available. As PAI data is collected during due diligence prior to the making of an investment, where data unavailability would prevent GA

BnZ from determining whether the potential investment would amount to a "sustainable investment", GA BnZ does not have to proceed with the investment.

Due diligence

The investment team undertakes two forms of ESG and climate due diligence on its investments:

1. As part of its commitment to help companies achieve impact beyond net zero, GA BnZ has a partnership with a third party ESG advisor and works alongside the advisor to conduct an assessment of the prospect's ability to set and achieve SBTs and achieve GA BnZ Impact. If the results of this process indicate that the potential investment is unlikely to be able to set an SBT, and/or is expected to achieve no or insufficient GA BnZ Impact, then the GA BnZ Investment Committee will not pursue the opportunity.
2. The team has developed a consistent ESG due diligence process which assesses an investment's alignment with SFDR Article 9 requirements, namely:
 - a. Review against mandatory and material voluntary principle adverse impact indicators
 - b. Assessment of good governance
 - c. Evidence of meeting minimum social safeguards

Where issues are flagged during due diligence, GA BnZ will typically investigate further in order to determine whether the issue in question stops the proposed investment being classified as sustainable; and/or what corrective action, if any, should be taken post-investment. This work is managed by GA BnZ's Head of ESG, and the outcomes are provided to the GA BnZ Investment Committee in connection with the review and approval of that investment. The GA BnZ Investment Committee will decide on the investment based on all relevant inputs.

GA BnZ's Responsible Investment Policy contains more information about the way in which ESG due diligence and considerations are incorporated throughout the investment process.

Engagement policies

During the portfolio management process, GA BnZ will work with its portfolio companies to help them achieve the Science-Based Target and GA BnZ Impact identified during the investment process. The investment team will also engage with its portfolio companies to assist them in mitigating other material ESG risks and opportunities identified during the investment process. BeyondNetZero expects to make active use of its board representation in each portfolio company (to the extent board representation is available) and may seek to incorporate achievement against climate and other ESG targets into executive compensation plans (as relevant).

Portfolio companies are generally required to provide the information necessary for GA BnZ to assess their performance against the PAI indicators. If a portfolio company is not willing or able to provide the information required to make PAI disclosures, the board representatives are expected to initiate a discussion with the company's leadership about how the information might be made available. If a portfolio company remains unable (or unwilling) to produce relevant PAI data (either wholly or partially) for any reference period set out under SFDR that GA BnZ will be required to report against, GA BnZ has the right to calculate PAI data in its sole discretion using such formulae, assumptions or other method of calculation as it deems appropriate at that time, provided that where there is any regulatory guidance on such calculations GA BnZ will take this into account.

Attainment of the sustainable investment objective

After an investment is made, the investment team will work with the company to set and seek to achieve its decarbonisation goals including SBTs. Achievement against SBTs will be determined by measuring the company's Scopes 1-3 emissions, expressed as CO₂-equivalent emissions.

The investment team will also assess each company's success in generating emissions reductions through their products or services (GA BnZ Impact potential). This will also be expressed as CO₂-equivalent emissions.

No specific index has currently been designated as a reference sustainable benchmark for GA BnZ. Article 9(3) of SFDR states that the objective of 'a reduction in carbon emissions' includes the objective of low carbon emission exposure in view of achieving the long-term global warming objectives of the Paris Agreement. GA BnZ seeks to achieve the objectives of the Paris Agreement by requiring portfolio companies to set SBTs.