



# Annex I

**Table 1**

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant Collateral Good Sustainability I SCSp – RAIF
<p>Summary</p> <p>Collateral Good Sustainability I SCSp – RAIF (the “Fund”), managed by Collateral Good Management S.à r.l. (“Collateral Good”), considers principal adverse impacts (“PAI”) of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of the Fund.</p> <p>This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2023 to 31 December 2023. This statement is the first statement to the Regulatory Technical Standards (RTS C(2022) 1931 final) of the Sustainable Finance Disclosure Regulation 2019/2088 (SFDR). Hence, there is no historical comparison prior to the reference period. A historical comparison will be included for the following reference period from 1 January to 31 December 2024.</p> <p>Collateral Good is an impact fund manager with the overall vision to actively support the transformation towards sustainable industry systems. The Fund has two investment focus areas:</p> <ol style="list-style-type: none"> <li>1. Speed up the world's transition to more sustainable packaging solutions</li> <li>2. Avoid, reduce or revalorise food waste</li> </ol> <p>Collateral Good’s investment policy and the Fund’s website disclosure define its approach to impact investing in line with Article 9 of the SFDR, including how PAI of investment decisions are considered and reported.</p> <p>The PAI indicators are an integral part of the pre-investment assessment. They are assessed by evaluating the investee company’s impact on the 14 mandatory PAI indicators set out in Table 1, indicator 14 in Table 2, and Indicator 4 in Table 3 in Annex 1 of the EU Commission’s Regulatory Technical Standard (“RTS”), supplementing the Regulation (EU) 2019/2088. If any additional indicators from Tables 2 and 3 are deemed material, these are also included in the analysis. The indicators are assessed in terms of whether the investee company has a significant negative impact on the indicator and whether mitigating actions are in place. If the investee company lacks sufficient mitigating measures, this is listed as a yellow flag, and correction will be a focus area during ownership. In case of any identified red flags, Collateral Good will only proceed with the investment if the red flag can be corrected prior to closing. As data availability in Collateral Good’s investment space is generally limited, Collateral Good always conducts a qualitative assessment supplemented with quantitative data if available. Portfolio Company (“PC”) reporting of data on the PAI indicators is an ownership requirement for PCs that had above 1 million EUR round size in the latest financing round in which Collateral Good has invested. For less mature PCs, data is estimated by Collateral Good. For PCs acquired shortly before the reporting deadline, data may also be estimated by Collateral Good in the first reporting year, depending on the PC’s resource availability.</p> <p>As a responsible and supportive partner, Collateral Good has taken proactive steps to educate and support our portfolio companies. We conducted workshops to enhance their understanding of principal adverse impacts and potential mitigation measures. In the first reporting period of 2023, our portfolio companies received extensive support from our dedicated team and specialist sustainability consultants, demonstrating our commitment to responsible investing.</p>



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Description of the principal adverse impacts on sustainability factors							
Indicators applicable to investments in investee companies							
Adverse sustainability indicator	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned and targets set for the next reference period		
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS							
Greenhouse gas emissions	GHG emissions	Scope 1 GHG emissions	1,70 tCO <sub>2</sub> e	N/A	N/A	Part of Collateral Good's ownership requirements for all PCs is the performance of a LCA. In addition, a GHG Baseline was conducted on the PC and fund management level, serving as a basis for calculating the GHG emissions of the Fund. During the dedicated workshops, mitigating measures were promoted. They are a key ownership objective to ensure minimal emissions, especially once the PCs grow.	
		Scope 2 GHG emissions	2,09 tCO <sub>2</sub> e	N/A	N/A		
		Scope 3 GHG emissions	102,70 tCO <sub>2</sub> e	N/A	N/A		
		Total GHG emissions	106,49 tCO <sub>2</sub> e	N/A	N/A		
	Carbon footprint	Carbon footprint	2,68 tCO <sub>2</sub> e/mEUR	N/A	N/A		
	GHG intensity of investee companies	GHG intensity of investee companies	150,92 tCO <sub>2</sub> e/mEUR	N/A	N/A		
	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	N/A	N/A		Collateral Good has not invested in companies active in the fossil fuel sector and will not do so in the future.
	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 compared to renewable energy sources, expressed as a percentage of total energy sources	41,20 %	N/A	N/A		As part of this reporting period, Collateral Good promoted awareness of this indicator on the PC level. Several PCs have already initiated or plan to increase their share of renewable energy. Collateral Good plans to continue pushing for improvement on this indicator.
	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	Manufacturing: 0,02 GWh/mEUR	N/A	N/A		As for the share of renewable energy, PCs are working on reducing energy consumption and becoming more efficient at scale. Collateral Good will continue to promote this.
Biodiversity	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 negatively affect those areas	0%	N/A	N/A	Collateral Good carries out a rigorous sustainability DD pre-investment, which includes assessing potential negative effects on biodiversity-sensitive areas and will continue to do so for new investments and PCs. Collateral Good continuously assesses the impact on biodiversity as part of the data collection for the purpose of PAI reporting and monitoring.	



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Indicators applicable to investments in investee companies						
Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned and targets set for the next reference period
Water	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0 tonnes/m EUR	N/A	N/A	Collateral Good carries out a rigorous sustainability DD pre-investment, which includes assessing potential negative effects on water emissions and will continue to do so for new investments and PCs. Collateral Good continuously assesses the impact on water as part of the data collection for the PAI reporting monitoring purpose.
Waste	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	2,4 tonnes/m EUR	N/A	N/A	Collateral Good has raised awareness of the PC producing hazardous waste. The company is working on an environmental policy to minimise waste and raise team awareness. Collateral Good will continue to push for reduction and carefully assess the potential impacts of new investments.
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	N/A	N/A	Collateral Good has not invested in companies that have violated the UN Global Compact principles and OECD Guidelines for Multinational Enterprises. Collateral Good will continue to assess PC annually as part of the monitoring process.
	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	15,67%	N/A	N/A	Collateral Good raised awareness among PCs that still need to have such processes in place to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises. Collateral Good will continue to push PCs to implement such processes in this case and for potential new investments.



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Indicators applicable to investments in investee companies						
Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned and targets set for the next reference period
Social and employee matters	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	14,26%	N/A	N/A	Gender diversity and equality are essential mandates for Collateral Good, leading with a good example. It will continue to promote this topic at the PC level.
	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	7,30%	N/A	N/A	
	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	N/A	Collateral Good does not invest in companies active in the weapon industry and will not do so in the future.
Indicators applicable to investments in sovereigns and supranational						
Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned and targets set for the next reference period
Environmental	GHG intensity	GHG intensity of investee countries	N/A	N/A	N/A	It is not applicable as Collateral Good has not invested in sovereigns and supranationals.
Social	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	N/A	It is not applicable as Collateral Good has not invested in sovereigns and supranational.



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Description of the principal adverse impacts on sustainability factors						
Indicators applicable to investments in real estate assets						
Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned and targets set for the next reference period
Fossil fuels	Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/A	N/A	N/A	It is not applicable as Collateral Good has not invested in real estate assets.
Energy efficiency	Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/A	N/A	N/A	It is not applicable as Collateral Good has not invested in real estate assets.
Other indicators for principal adverse impacts on sustainability factors						
Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned and targets set for the next reference period
Water, waste and material emissions	Non-recycled waste ratio	Tonnes of non-recycled waste generated by investee companies per M EUR invested, expressed as weighted average	1,1 tonnes/mEUR	N/A	In line with the EU's definition of 'recycling' in Article 3(17) of Directive 2008/98/EC, the average recycling rates of the countries the PCs operated in were applied to their waste amounts (per waste types).	Collateral Good is promoting the reduction of waste and inhouse recycling of occurring waste streams in the PCs to reduce the non-recycled waste ratio.
Social and Employee matters	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)	36,2%	N/A	Based on an assessment proportionate to the investee companies' maturity and risk profile.	Collateral Good legally requires all PCs to have a supplier code of conduct and will insist on implementation by the PC that does not yet have one.
<b>Description of policies to identify and prioritise principal adverse impacts on sustainability factors</b>						
Collateral Good's investment policy is applicable to all funds managed by Collateral Good as well as Collateral Good Ventures Sustainability I's website disclosure define the Fund's handling of principal adverse impacts on sustainability factors.						
<b>Engagement policies</b>						
Collateral Good's engagement policy is included in its investment policy mentioned above.						
<b>References to international standards</b>						
Due to the investment stage, a relevant reference index to measure attainment of the sustainable investment objective has not been identified.						
<b>Historical comparison</b>						
It is not applicable as 2023 is the first reporting period for the fund						