Sustainability-related disclosures

*This section contains disclosures by Carne Global Fund Managers (Luxembourg) S.A. (the "**AIFM**") in relation to MML Partnership Origin II SCSp, ("**the Fund**") in accordance with article 10(1) of the EU Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**"). MML UK Advisor LLP has been appointed to advise the AIFM in respect of the Fund on investment matters (the "**Investment Adviser"**).*

This document does not constitute an offer or solicitation of interests in the Fund and is provided solely for the purposes of compliance with the SFDR and shall not form the basis of any contract and shall not be binding against, or create any obligations or commitment on the part of the AIFM or any of its affiliates.

SUMMARY

No sustainable investment objective
This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics
The Fund promotes environmental management, business ethics and social responsibility, and equality of opportunity, fair remuneration and staff health and safety (the "**Characteristics**"). Given the Fund's focus on small and mid-market businesses across different sectors and jurisdictions, the relevance of each Characteristic and any related actions will be determined for each portfolio company according to its circumstances, taking account of value creation and/or risk-adjusted returns. There is no guarantee that improvements will be achieved.

Investment strategy
The Fund invests in a combination of debt or similar securities and equity, focusing on established small and mid-market businesses in Northern Europe, particularly the United Kingdom. It provides structured growth capital and seeks to partner with management teams to support growth. The Investment Adviser integrates environmental, social and governance ("**ESG**") considerations into investment analysis, decision-making and portfolio management.

The Investment Adviser screens targets against binding exclusionary criteria (the "**Exclusionary Criteria**") before recommending investment. The Fund will not invest, directly or indirectly, in companies deriving more than 5% of their revenues at the time of investment from any of the following: the manufacture or sale of weapons prohibited under applicable law; pornography or the sex industry; the manufacture or sale of tobacco; products or services promoting the termination of human life; or businesses providing gambling opportunities to the public that the Investment Adviser considers addictive and/or exploitative. The Investment Adviser, General Partner and AIFM cannot disapply or override these criteria.

All potential investments are subject to ESG due diligence to identify material, company-specific risks and opportunities. The findings, including the screening results, are considered by the Investment Adviser's investment committee (the "**Investment Committee**") and shared with the AIFM before an investment recommendation is made. Following an investment, the Investment Adviser works with the company's management and, where appropriate, external specialists to complete an in-depth ESG review. Relevant actions are recorded in an ESG performance dashboard, with responsibility for delivery assigned within the portfolio company. Progress is monitored through board-level engagement and an annual ESG questionnaire. The Investment Adviser provides regular ESG training and knowledge-sharing for portfolio company management teams, and regular ESG training for its deal teams.

The Investment Adviser assesses good governance before recommending an investment to the AIFM and periodically thereafter, against minimum standards including sound management structures, employee relations, staff remuneration and tax compliance. The Investment Adviser recommends an investment only where it believes the company follows good governance practices and supports further improvements after investment.

Proportion of investments
All portfolio companies will be subject to the Exclusionary Criteria. At least 80% of the Fund's invested capital at the end of the investment period will be invested in portfolio companies promoting the Characteristics. Up to 20% of the Fund's investments may be classified as "#2 Other", including companies for which not all binding elements of the strategy have been, or can be, completed, for example because of a recent acquisition or insufficient data or influence. These companies remain subject to the Exclusionary Criteria as a minimum environmental and social safeguard.

The Fund does not intend to invest in economic activities qualifying as environmentally sustainable under the EU Taxonomy and makes no minimum commitment to such investments; the minimum proportion is 0%. The Fund does not use derivatives to attain the Characteristics. A small proportion of assets may be held as cash or deposits for ancillary liquidity, and derivatives may be used to manage interest rate and foreign currency risks. The Investment Adviser carries out legally required anti-money laundering and know-your-customer checks on counterparties, but does not consider additional environmental or social safeguards meaningful for these instruments.

Monitoring and methodologies
The Investment Adviser reviews each portfolio company holistically to assess whether it promotes the Characteristics relevant to that company. Indicators are collected annually, subject to data availability, through the ESG questionnaire. They include Scope 1 and 2 greenhouse gas emissions, greenhouse gas intensity, carbon footprint, the share of non-renewable energy consumption, the percentage of portfolio companies with policies and processes to monitor compliance with the United Nations Global Compact principles or Organisation for Economic Co-operation and Development ("**OECD**") Guidelines for Multinational Enterprises, the unadjusted gender pay gap, board gender diversity and the number of work-related injuries. Additional indicators may be used depending on the company's industry and as market practice develops. The indicators considered and any related actions are selected investment by investment, based on materiality.

As part of its initial assessment and ongoing monitoring, the Investment Adviser assesses all mandatory principal adverse impact indicators in Annex I of the SFDR regulatory technical standards ("**RTS**") and, where relevant, additional indicators. Where an adverse impact is assessed as material, taking account of sector benchmarks, trends and the company's size and activities, the Investment Adviser will take proportionate action, typically through the ESG performance dashboard and engagement with management. Data on some indicators may be limited for small and mid-market companies; the Investment Adviser will use reasonable efforts to obtain it and may rely on estimates. Further information will be included in the Fund's periodic report.

Data sources and limitations
Data is obtained from portfolio companies, desktop research and external consultants. An external consultant conducts pre-investment ESG due diligence with other specialists engaged as appropriate. The Investment Adviser may query data and compare it with third-party, historical and industry data. Reasonable assumptions, estimates or proxies may be used where data is unavailable or inaccurate. The proportion of estimated data cannot yet be confirmed, but estimates are expected to represent a minority of the data used. Estimated data used in reporting will be clearly identified.

Data may be incomplete, estimated, out of date or inaccurate, and its availability and reliability may vary by country, market and industry. Public sources, company disclosures and third-party data may limit verification and comparison between investments. Due diligence may also rely on forward-looking statements and analyst judgement. These limitations are not expected to materially constrain monitoring or promotion of the Characteristics. Data is subject to internal and external checks, and the Investment Adviser will engage with companies and data providers where appropriate.

Due diligence and engagement
ESG due diligence forms part of the Investment Adviser's investment process and is tailored to the facts and circumstances of each proposed investment. The assessment identifies material, company-specific ESG risks and opportunities and is considered by the Investment Committee before any recommendation is made. Post-investment engagement includes periodic and, where needed, emergency board discussions, recurring third-party reviews of policies and procedures, annual ESG plan reviews, agreed action points and bespoke ESG dashboards.

Portfolio companies remain independently managed by their boards. The Investment Adviser cannot require them to adopt particular ESG policies or achieve specific ESG goals.

Designated reference benchmark
No index has been designated as a reference benchmark for the Fund.

NO SUSTAINABLE INVESTMENT OBJECTIVE
This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT

Given the Fund's focus on small and mid-market businesses operating across different sectors and jurisdictions, it is not proportionate to prescribe the same specific environmental or social outcomes for every investment. Instead, the Fund promotes the following environmental and social characteristics, the relevance of which will be identified for each portfolio company, and which may include:

- understanding and, where appropriate, improving the portfolio company's environmental impacts, including those arising from its activities, energy consumption and waste management;
- supporting high standards of business ethics and social responsibility, including the maintenance of appropriate anti-corruption policies; and/or
- promoting equality of opportunity, fair remuneration and staff health and safety.

The matters addressed, and any resulting actions or outcomes, will depend on the portfolio company's activities, size, stage of development, available data and other relevant circumstances, and in all cases with consideration to the generation of value and/or risk-adjusted returns. There is no guarantee that improvements will be achieved in any or all of these areas. Together these are the "Characteristics".

INVESTMENT STRATEGY

The investment strategy of the Fund is to invest in a combination of debt or similar securities and equity and shall focus on established Northern European small to mid-market businesses (with a focus on the United Kingdom).

The Fund will continue the strategy of investing structured growth capital in established Northern European companies and will look to become partners with management teams in the UK and Northern Europe to support their growth strategy. Typically, these businesses are business-to-business (B2B), cash generative with visible and stable cash flows operating in robust and defensible end markets. The Fund will look to build a balanced portfolio of around 12 to 15 portfolio companies, diversified by sector, usually investing between £10 million and £30 million in any one portfolio company.

Throughout the investment lifecycle, the Investment Adviser and AIFM utilise a variety of tools to support the attainment of the Characteristics. The ESG areas considered as a result may include environmental impacts, such as energy use, greenhouse gas emissions, resource use and waste management; equality of opportunity, fair remuneration, health and safety, and employee learning and development; contributions to the wider community, including charitable activity and inclusion; and responsible business practices, including business ethics, social responsibility and anti-corruption.

The particular areas considered, and the actions identified, will be relevant and proportionate to the portfolio company's size, sector and geography, taking account of relevant market, regulatory and company developments.

Overall, the Investment Adviser pursues the following actions in its recommendations to the AIFM for consideration in the investment decision-making and in post-investment engagement and monitoring:

1. **Pre-investment:**

   - **Exclusionary Criteria:** prior to making an investment recommendation to the AIFM for the Fund to invest in a portfolio company, the Investment Adviser makes an assessment as to whether the target portfolio company complies with the exclusionary criteria ("**Exclusionary Criteria**"). Accordingly, the Fund will not (directly or indirectly) be invested in companies which

generate more than a *de minimis* proportion of their revenues from any of the following at the time the investment is made:

- The manufacture or sale of weapons, small arms, complete weapons systems and armaments that are prohibited under applicable law, including as implemented pursuant to applicable international conventions relating to chemical weapons, biological weapons, anti-personnel mines, cluster munitions and other specifically prohibited weapons (to protect human rights and foster social cohesion);
- Pornography or the sex industry (in respect of the prevention of exploitation of individuals and the promotion of respect for human rights);
- The manufacture or sale of tobacco (to promote good health);
- Products or services that promote the termination of human life (in respect of the avoidance of human rights abuses); or
- Casinos, betting shops, online gambling, gambling-like gaming, gaming machines and other businesses directly involved in the provision of gambling opportunities to the public that the Investment Adviser determines are addictive and/or exploitative in nature (to tackle inequality and to protect economically or socially disadvantaged communities).

For these purposes, a *de minimis* proportion will be deemed to be 5% for all assets in the Fund, which will be calculated at the time the investment is made. This screening and selection criteria may not be disapplied or overridden by the Investment Adviser, General Partner or AIFM.

- **Initial due diligence:** ESG due diligence assessments are completed for all portfolio companies, including through the utilisation of an external consultancy, prior to the Investment Adviser recommending an investment. The purpose of the ESG assessment is to identify initial key material ESG areas for each portfolio company.
- **Investment Committee:** each Investment Committee memorandum includes the relevant ESG-related analysis summarising the application of the Exclusionary Criteria and the findings of the initial ESG due diligence for the target portfolio company for the AIFM's consideration.

2. **Post-investment:**

- **In-depth ESG review:** following investment, the Investment Adviser works alongside the management of portfolio companies, external consultancies and other specialists to conduct an in-depth ESG review. This includes:
- An evaluation of a business's environmental, social and governance performance against core metrics covering a wide range of topics, including:
    - Environmental impact from activities, energy consumption, recycling etc.;
    - Managing and adhering to a high code of ethics; considering social responsibility, maintaining strong anti-corruption policies;
    - Ensuring equality of opportunity, remuneration based on contribution, the health and safety of staff at work, considering the learning and development needs of individuals;
    - A review of how well ESG has been integrated across the business and its processes, as well as a competitor analysis to compare a business against its closest competitors; and/or
    - An identification of relevant United Nations Sustainable Development Goals ("UN SDGs") for each portfolio company.
- **Baseline rating and ESG performance dashboard:** the Investment Adviser establishes a dashboard as an output of the in-depth ESG review, as an aid to prioritise and support management and the board in tracking progress on relevant ESG matters, with responsibility for them designated to a point of contact within the portfolio company.

- **Engagement:** The representative of the Investment Adviser, who sits on the board of directors of a portfolio company, will be responsible for overseeing and encouraging progress against the agreed ESG performance dashboard at the portfolio company. The representative will encourage that relevant ESG topics are included as regular board items.
- **ESG questionnaire:** Each portfolio company will be required to complete an ESG questionnaire that is based on ESG metrics created by the Investment Adviser to support the Investment Adviser in monitoring the portfolio company's approach to ESG matters.
- **Sharing network:** The Investment Adviser has also developed a knowledge-sharing network and will provide regular ESG training and knowledge-sharing with the management teams of the portfolio companies. This is in addition to regular ESG training to the deal team so that they can remain abreast of regulatory changes as well as MML's own processes and expectations.

Principal adverse impacts

As part of the initial assessment and ongoing monitoring, the Investment Adviser will assess all mandatory principal adverse impact indicators contained in Annex I of the SFDR RTS and, where relevant, additional indicators. Where an adverse impact is assessed as material, by reference to factors such as sector benchmarks, trends over time and the portfolio company's size and activities, the Investment Adviser will take proportionate action, typically through the portfolio company's ESG performance dashboard and engagement with management. Data on certain indicators may be limited for small and mid-market private companies, in which case the Investment Adviser will use reasonable efforts to obtain it and may rely on estimates. Further information will be made available in the Fund's periodic report.

Policy to assess good governance

The good governance practices of portfolio companies are assessed by the Investment Adviser prior to recommending an investment to the AIFM and periodically thereafter.

All portfolio companies are assessed against a set of minimum standards which include, but are not limited to: sound management structures, employee relations, remuneration of staff and tax compliance. The Investment Adviser will recommend an investment where it believes that the relevant portfolio company follows good governance practices.

Post-investment, the Investment Adviser actively supports portfolio companies to further improve the governance of their businesses.

PROPORTION OF INVESTMENTS

All (100%) of the Fund's portfolio companies will be subject to the Exclusionary Criteria. In addition, at least 80% of the Fund's invested capital at the end of the investment period will be in portfolio companies promoting the Characteristics. The Fund does not use derivatives to attain the environmental or social characteristics promoted by the Fund.

The Fund does not have as its objective sustainable investment and does not intend to make investments in economic activities that qualify as environmentally sustainable under the EU Taxonomy. The Fund does not commit to making a minimum proportion of investments which qualify as environmentally sustainable under Article 3 of the Taxonomy Regulation and therefore the minimum proportion of investments aligned with Article 3 of the Taxonomy Regulation is 0%.

Up to 20% of the Fund's investments may fall within "#2 Other", which may include portfolio companies which comply with the Exclusionary Criteria but in respect of which the Investment Adviser has not yet completed, or is unable to complete, all of the binding elements of the investment strategy (for example, recently acquired portfolio companies, or where sufficient data or influence is not available). All portfolio companies within "#2 Other" remain subject to the Exclusionary Criteria as a minimum environmental and social safeguard.

It is expected that a small proportion of the assets will consist of deposits and cash that will be held as ancillary liquidity. The Fund may enter into derivative financial instruments for purposes of managing the Fund's interest rate and foreign currency risks. While the Investment Adviser will carry out anti-money laundering and know-your-customer checks, as required by law, in respect of any counterparty,

in respect of these types of financial instruments, the Investment Adviser does not consider it meaningful to apply additional social or environmental safeguards.

MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

The indicators below are collected annually for all portfolio companies, subject to data availability. The Characteristics and indicators of greatest relevance to each portfolio company, and the corresponding actions taken, will be determined on an investment-by-investment basis by reference to materiality, with no guarantee that any areas will be improved.

E/S Characteristic	**Sustainability Indicators** *The Investment Adviser will review each portfolio company holistically in considering whether it has promoted the Characteristics as relevant to it.*
Environmental impacts	Scope 1 and 2 GHG emissions; GHG intensity; carbon footprint; share of non-renewable energy consumption
Business ethics and social responsibility	% of portfolio companies with policies and processes to monitor compliance with the UNGC principles or OECD Guidelines
Equality of opportunity, fair remuneration, health and safety	Unadjusted gender pay gap; board gender diversity; number of work-related injuries

Additional indicators will be used depending on the industry where the portfolio company operates and as market practice evolves from time to time. Overall, the Investment Adviser will measure the % of portfolio companies, meaning % of invested capital at the end of the investment period, will be measured against the relevant sustainability indicators to that portfolio company.

METHODOLOGIES

The sustainability indicators are collected annually for all portfolio companies, subject to data availability, via the Investment Adviser's ESG questionnaire.

Key indicators of the ESG questionnaire currently include:

- GHG emissions;
- GHG intensity;
- Carbon footprint;
- Share of non-renewable energy consumption;
- Policies and processes to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises;
- Unadjusted gender pay gap;
- Board gender diversity; and
- Work-related injuries.

Additional indicators will be used depending on the industry where the portfolio company operates.

The Characteristics and indicators of greatest relevance to each portfolio company, and the corresponding actions taken, will be determined on an investment-by-investment basis by reference to materiality.

DATA SOURCES AND PROCESSING

The data will be obtained through a combination of data provided by portfolio companies, desktop research and data provided by external consultants. In some cases where data is not available or accurate, reasonable assumptions may be made, or estimated or proxy data used.

The Investment Adviser engages an external consultancy to conduct pre-investment ESG due diligence, to identify and understand the potential ESG risks and opportunities, and to provide recommendations to enhance the ESG performance of the portfolio company. To date, the ESG consultants engaged by the Investment Adviser are Sustainable Advantage.

In addition, the Investment Adviser consults other specialists to perform a more detailed assessment of specific ESG considerations dependent on the nature of the business where appropriate.

The Investment Adviser obtains data through the ESG questionnaire that each portfolio company will be required to complete on an annual basis. The ESG questionnaire is based on ESG metrics created by the Investment Adviser.

Where relevant and appropriate, the Investment Adviser will consider taking steps to follow-up and query data with portfolio companies and compare data obtained from third parties and self-reported data against historic data and comparable industry and sector data.

It is currently not possible to confirm the proportion of data that will be estimated for the purpose of the initial due diligence and ongoing monitoring. However, where estimated data is used for the purpose of reporting, it will be clearly stated in the ongoing reporting documentation of the Fund.

LIMITATIONS TO METHODOLOGIES AND DATA

A lack of harmonization in relation to data availability across Europe, as well as globally, means that when monitoring ESG characteristics the Investment Adviser may be wholly, or in part, reliant on proxies and data based on public sources of information.

Further, the ability of the Investment Adviser and its affiliates to verify data may be limited by the integrity of the data available at the relevant point in time and the status and evolution of global laws, guidelines and regulations in relation to the tracking and provision of such data.

As the Investment Adviser will use third party ESG data, such may be difficult to obtain and/or incomplete, estimated, out of date or otherwise inaccurate. In particular, data may be more readily available and/or reliable in certain countries, markets and/or industries where the Fund invests, making direct comparison between different investments difficult.

In addition, the Investment Adviser’s own due diligence relies on the availability and accuracy of various sources, such as portfolio companies' disclosures and other third-party information, which often include forward looking statements of intent and are not necessarily fact-based or objectively measurable. The Investment Adviser is also dependent on the subjective judgements of its investment analysts.

The Investment Adviser believes that the above limitations should not materially limit the monitoring or attainment of the Characteristics as the data is generally subject to internal and external checks and the Investment Adviser will engage with portfolio companies and third-party data providers where appropriate. Where estimated data is used it will typically represent the minority of data used and will be based upon reasonable assumptions and appropriate comparators.

DUE DILIGENCE

The Investment Adviser incorporates ESG analysis as part of its due diligence process. Before making investments, the Investment Adviser will conduct due diligence that they deem reasonable and appropriate based on the facts and circumstances applicable to each proposed investment.

All potential investments are reviewed against the Exclusionary Criteria and are subject to detailed ESG assessments. The purpose of the ESG assessment is to identify key material ESG areas for each portfolio company, through defining and focusing on company specific key material ESG aspects.

In addition, the Investment Adviser assesses good governance practices of portfolio companies prior to recommending an investment to the AIFM and periodically thereafter.

The result of the ESG assessment is shared with and considered by the Investment Adviser's investment committee before making any recommendations. After completing an investment, the Investment Adviser works alongside management of portfolio companies, external consultancies and other specialists to conduct an in-depth ESG review.

ENGAGEMENT POLICIES

Engagement on ESG topics forms an integral part of the investment process for the Fund. The Investment Adviser recognises that every investment will be at different stages in its ESG journey, and works with each business in a number of ways, including by encouraging a collegiate approach to sharing best practice and ideas across portfolio teams. The objective is to encourage portfolio companies to improve their ESG practices and maintain a long-term direct dialogue.

The Investment Adviser will engage with portfolio companies in the following ways:

- Board level discussion on a periodic and emergency basis;
- Recurring third party review of policies and procedures;
- Annual review of ESG plan;
- Action points agreed with management and a designated point of contact responsible for delivery;
- Oversight responsibility designated to Investment Adviser's deal team member;
- Bespoke ESG performance dashboard to monitor action point progress.

It is important to note that the portfolio companies are managed independently by their board of directors, including but not limited to, with respect to ESG matters and compliance with legislation and procedures. The Investment Adviser cannot directly mandate portfolio companies to adopt specific ESG related policies and procedures or commit to achieve specific ESG goals or objectives.

DESIGNATED REFERENCE BENCHMARK

No index has been designated as a reference benchmark for the Fund.