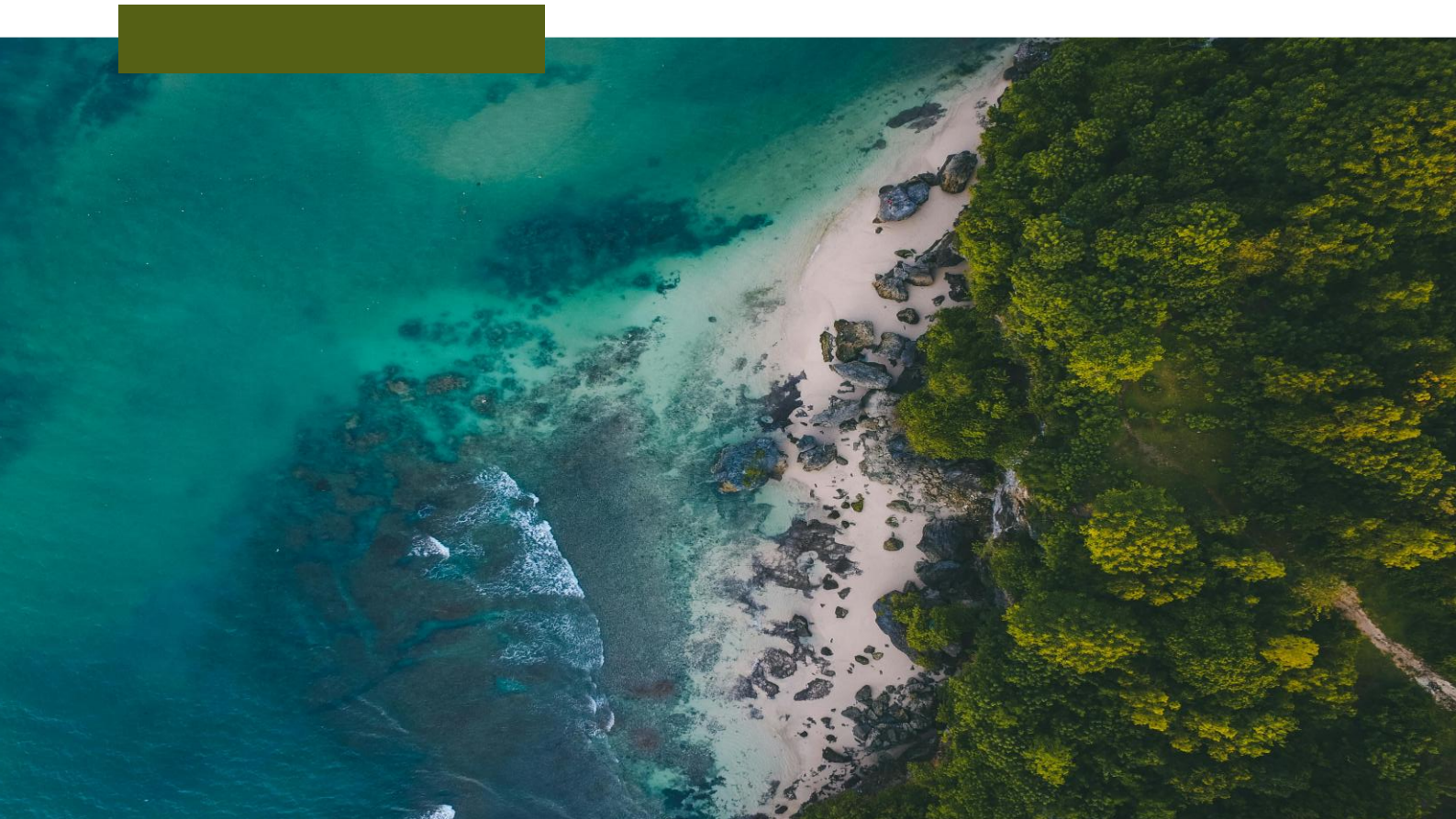


BIODIVERSITY IMPACT REPORT

2026

**Clear Skies
Biodiversity
Fund**



The Clear Skies Biodiversity Fund

By strategically investing in companies that enable and deliver measurable biodiversity outcomes, this fund seeks to address nature loss and to generate long-term returns for investors.

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From Vision to Systemic Impact

A Note from the Founder of Clear Skies Investment Management

When we launched the Clear Skies Biodiversity Fund on July 1, 2025, our goal was clear: to move beyond passive observation of environmental decline and toward the active financing of its reversal. Today, as we present our first comprehensive Impact Report for this fund, that vision has matured into a robust investment engine.

At Clear Skies, we do not view biodiversity as a niche category. We see it as the literal infrastructure of the global economy. As of early 2026, the market has shifted and we are seeing capital begin to flow away from nature-negative activities towards a nature-positive economy, a "**Trillion-Dollar Nature Transition**" as drawn from the [UNEP State of Finance for Nature 2026 report](#). Our strategy remains focused on **enablers** which are companies providing the high-integrity technologies and circular innovations required to de-risk our global supply chains from nature degradation while at the same time creating solutions for restoration.

We have moved past traditional labels. Instead, we identify investments driven by innovations that tackle urgent planetary problems with solutions that can scale globally. By narrowing our focus from broad market movements to high-conviction assets in public equities, we ensure that every dollar of capital is an active participant in planetary health.

This report outlines how we are deploying capital into these critical solutions, ensuring that our portfolio companies are not just surviving the shifting regulatory landscape but are the ones defining it.

Michel Brutti,
Founder and CEO



...the market has shifted
and we are seeing a
"Trillion-Dollar Nature
Transition"



Briefly About Clear Skies Investment Management

WHAT WE DO

By targeting impactful global solutions, we anchor our impact funds and your portfolio in durable, structural growth tailwinds.

IMPACT
= **GROWTH**

Performance

We generate competitive returns by selecting financially robust and impactful companies which are equipped to meet the changing demands of tomorrow.

Impact

100% of our investments are providing solutions to meet at least one of the United Nations Sustainable Development Goals

Risk

A multi-level risk frameworks measuring financials, environment, social indicators and governance structures minimize downside risk.



4 Years = Performance = Impact

Clear Skies is a boutique firm equipped to offer a collaborative client-centric approach to foundations, family offices, institutional investors and accredited investors alike. Our team adds value through investee engagement and public awareness, as well as prepares detailed impact reporting to meet the needs of our clients.

Signatory of:



4

OPEN-ENDED,
IMPACT FUNDS

12

COUNTRIES
INVESTED IN

100+

WATCHLIST
SECURITIES

45%

WOMEN REPRESENTATION
THROUGHOUT THE FIRM

100%

IMPACT

The Clear Skies Biodiversity Fund (CSBIO)

[PDF Fund Facts](#)

- Actively managed and open-ended impact fund
- 39 holdings in global public equities as of Dec 31, 2025
- Well-diversified selection of securities across sectors
- Launched in July 2025 with a value-driven long-term investment horizon
- Managed with the help of the Clear Skies Investment Committee

Overview of Biodiversity Concerns

Nature's price tag

The global economy is no longer just "linked" to nature; it is highly dependent on it. As of early 2026, over **\$44 trillion USD of annual economic value** (more than half of global GDP) is at moderate or high risk due to nature loss¹.

Financing the Deficit

Current financial flows remain imbalanced. Recent 2026 data from UNEP reveals that for every dollar the world invests in protecting or restoring nature, approximately US\$30 is still spent on activities that degrade it¹. Nature-negative finance flows reached \$7.3 trillion annually, concentrated primarily in private capital within the energy, utilities, and industrials sectors. The expansion of fossil fuel extraction sites can lead to habitat fragmentation, particularly when projects rely on outdated technologies, inefficient waste management systems dependent on landfills, or manufacturing processes that discharge chemicals into local waterways, ultimately increasing financial risks and remediation costs. This "nature bank account" is being depleted at a rate that threatens the stability of global supply chains and fiscal health².



Why Biodiversity is Key to Economic Development

Investment in biodiversity is the primary lever for future-proofing economic development. By 2030, annual investment in nature-based solutions must increase 2.5 times to \$571 billion to meet global targets¹.

Systemic Resilience

Healthy ecosystems provide "defensive" services, such as carbon sequestration and water filtration. For example, Canada's wetlands alone provide services valued at roughly \$225 billion per year, equivalent to 10% of the national GDP³.

The Scalability of Solutions

Clear Skies focuses on the Nature-Positive Inflection market which is projected to be worth \$10 trillion annually by 2030². By investing in enablers that focus on the **Drivers of Biodiversity Loss** (examined on the next page) we provide the foundation for future generations to inherit a functional, productive global economy.

Fund Theory of Change

At Clear Skies, we do not view environmental degradation as a singular event, but as the result of **five distinct, measurable drivers** as identified by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). These drivers form our core investment thesis by identifying companies that reduce these pressures, we leap ahead traditional asset managers who adopt a passive and risk mitigation approach to biodiversity loss. This theory of change for the Clear Skies Biodiversity Fund (CSBIO) aligns directly with our **“Preserving the Planet” impact investment theme** and supports its key Sustainable Development Goals (SDGs), specifically SDG 6 (Clean Water and Sanitation), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), SDG 14 (Life Below Water), and SDG 15 (Life on Land).

Drivers of Biodiversity Loss

1. Pollution

Pollution remains a critical systemic risk, with nature-negative flows in industrials and utilities often manifesting as unmitigated chemical and plastic discharge¹. While air pollutants like Sulfur and Nitrogen Oxides have seen regional declines, nitrogen-based pollution like ammonia (NH₃) from industrial agriculture is 25% higher in 2026 than in the 1990s⁴.

2. Land and Sea Use Change

Current data for 2026 shows that wetlands, Earth's most effective natural water filters, are disappearing three times faster than forests, with a 35% total loss since 1970⁵. We invest in precision agriculture and land-restoration enablers that decouple economic growth from further land conversion.

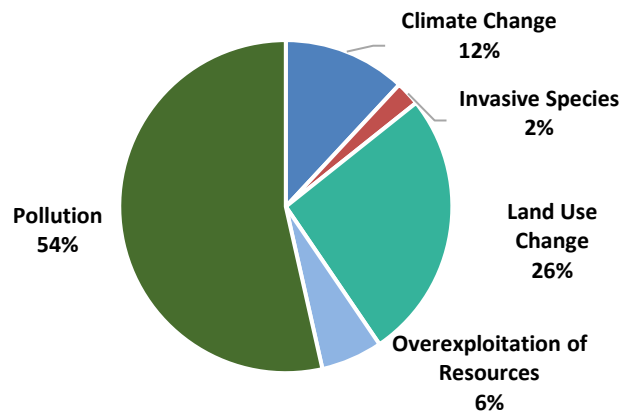
3. Overexploitation of Resources

The unsustainable extraction of resources threatens the stability of global supply chains. We target companies in the public equity space that provide high-integrity traceability and resource-efficiency tools, ensuring that extraction does not exceed the biological rate of renewal.

4. Climate Change

Climate change is a threat multiplier, accelerating the impact of all other drivers. By 2026, extreme weather events have led to annual insured losses consistently exceeding \$100 billion⁶. It is estimated that 100% of vulnerable ecosystems, such as coral reefs, are now at risk due to rising temperatures². Higher temperatures are now documented as causing trophic mismatches, where pollinators and plants are out of sync⁷.

Clear Skies Biodiversity Fund (CSBIO) Weight Allocation by the Addressed Drivers of Biodiversity Loss as of Dec 31, 2025



5. Invasive Species

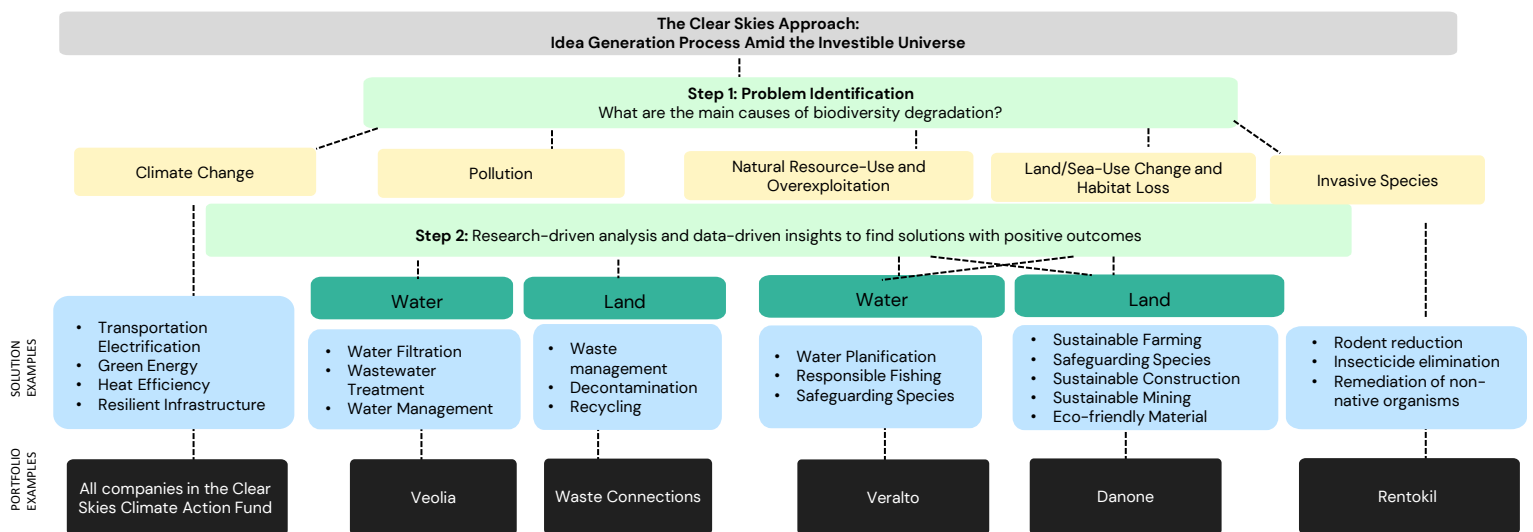
Invasive species are a primary driver of extinction, often occurring in combination with other threats that accelerates population declines. Warmer temperatures are enabling the rapid spread of tropical pathogens into temperate zones⁷. Clear Skies invests in firms that provide the specialized technologies like pest control innovation to protect and maintain the integrity of local agricultural and forestry sectors.

Investing in the high-integrity solutions that restore our world



The Fund Idea-Generation Process

The process depicted below illustrates our two-step "Way of Thinking" used to navigate the investible universe, beginning with scientific research and identification of challenges and solutions for any of the **Drivers of Biodiversity Loss**. We then identify the enablers generating positive outcomes through innovative solutions. While we maintain a strict foundation of responsibility ensuring every portfolio company meets strategies and policies on environment impact, employees' impact and governance structures, we distinguish between two distinct types of high-conviction enablers: **Operational Innovators and Product/Service Innovators**.



Operational Innovators: The Process is the Solution

Some companies achieve impact not just by what they sell, but by how they are built. These are firms where the operational model is a direct antidote to biodiversity loss. A prime example is Trex Company (see our case study #1 on page 10), which has integrated circularity into its very DNA by using 95% of reclaimed materials, such as plastic film and sawdust, to create its products. In this model, the solution is the industrial-scale diversion of waste from ecosystems. The more the company scales its operations, the more pressure it removes from virgin forests and landfills. **We invest in these firms because their growth directly correlates with a reduction in the drivers of nature loss, such as habitat degradation and pollution.**

Product/Service Innovators: The End Result is the Solution

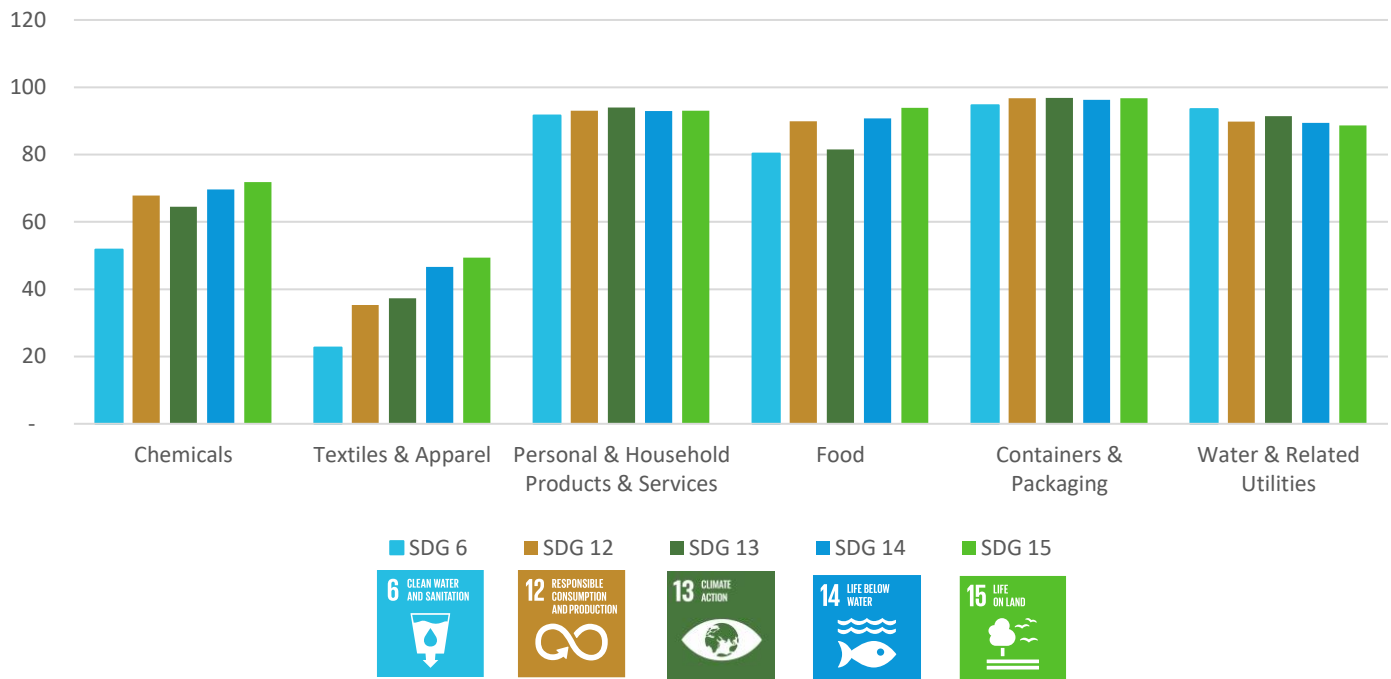
The second category includes companies whose core products and services act as external levers for others to solve urgent problems. These firms provide the tools and services for the nature-positive transition. Whether it is a company developing advanced water-planning software, non-toxic pest control, or waste management systems (see our case study #2 of Clean Harbors on Page 15), their impact is extrinsic. Their value lies in enabling their clients (from sectors such as agriculture or heavy industry), to decouple their growth from environmental harm. **By investing in these scalable services, we deploy capital into solutions that can be implemented globally, multiplying our impact across diverse geographic and economic landscapes.**

The Clear Skies Impact Radar

Clear Skies has developed the Impact Radar, an internally built dynamic tool, to systematically assess and score companies' sustainability practices against the United Nations Sustainable Development Goals (SDGs). See the 2025 PRI Case Study about the [Clear Skies Impact Radar](#).

The chart below provides an industry-relative view of biodiversity-related positioning across the portfolio, based on **Impact Radar** scores for **SDG 6, SDG 12, SDG 13, SDG 14, and SDG 15**. Companies are assessed only against peers within the same industry group, so scores reflect relative sector positioning rather than comparison with the broader market. The lower positioning of **Textiles & Apparel** reflects more limited sustainability disclosure alongside higher biodiversity-related pressures across the value chain.^{8,9}

Relative Biodiversity Positioning by Industry Group



What Do Companies in Our Fund Enable?

83%
of retail post-consumer packaging is recyclable, reusable or compostable.

50%
of reduction in energy consumption for computing needs

3.7 billions
of cubic meters of water saved by companies' products and services.

~3.5 million tons
of materials reintroduced, recovered, recycled, or diverted from landfill

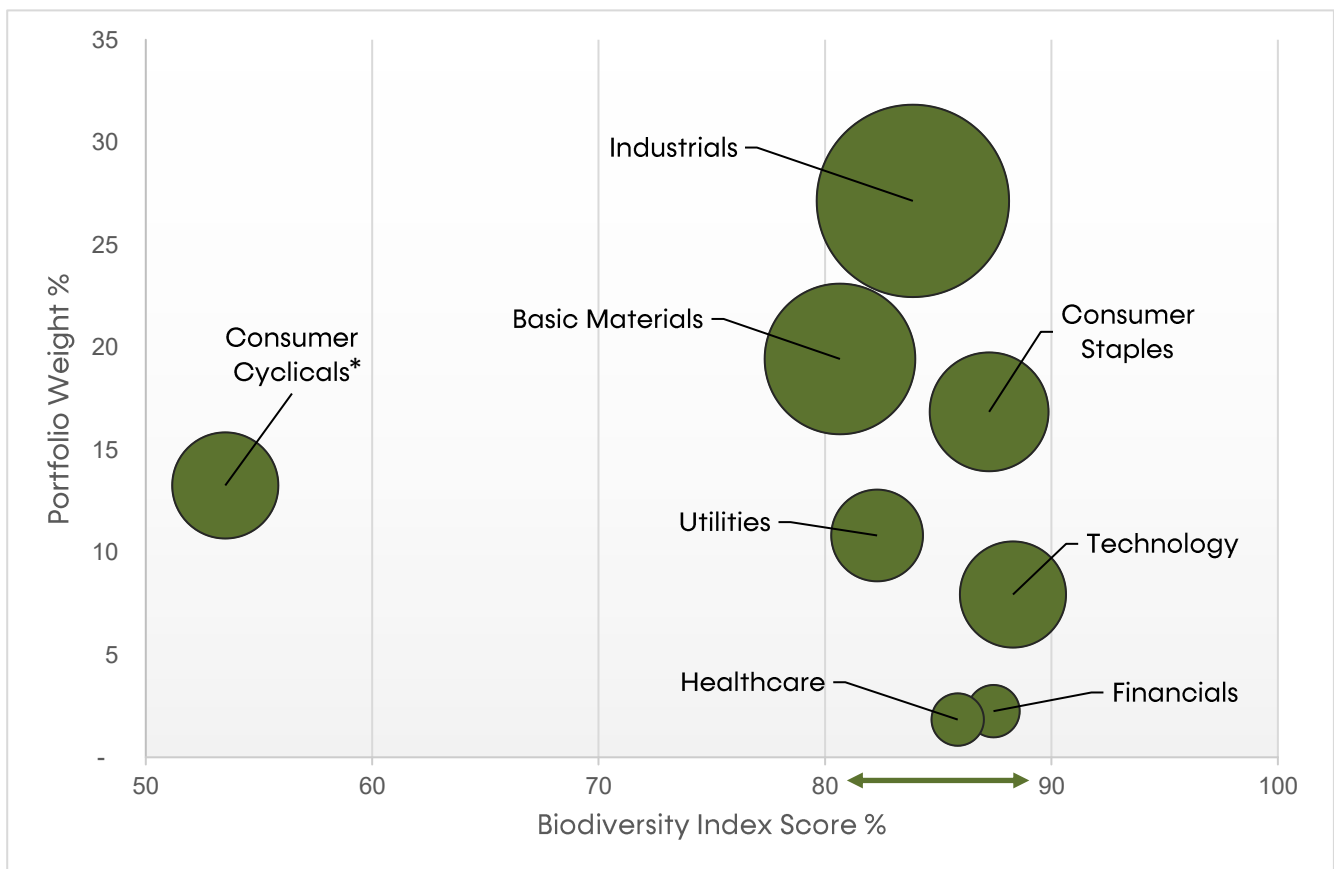
All underlying data are derived from publicly disclosed, company-reported information, aggregated on Bloomberg.

Portfolio Biodiversity Exposure by Sector

The **Clear Skies Impact Radar** is an in-house tool designed to assess how portfolio companies' disclosed activities, commitments, and reported sustainability performance align with the United Nations Sustainable Development Goals (UN SDGs). Applied consistently across the portfolio, it provides a structured view of alignment at both the goal and underlying target level, helping identify where sustainability-related contributions appear most evident and where further progress may be needed. In doing so, the Impact Radar supports a more consistent, transparent, and decision-useful approach to impact assessment across companies and sectors.

Sector Biodiversity Index vs. Portfolio Weight

This chart presents sector-level biodiversity performance across the portfolio. The x-axis shows each sector's **Biodiversity Index Score**, derived from Impact Radar scores across SDGs 6, 12, 13, 14, and 15, while the y-axis shows aggregate portfolio weight. Bubble size reflects the number of holdings in each sector.



***Note:** The lower score for Consumer Cyclical largely reflects uneven sustainability disclosure across underlying holdings, which constrained SDG scoring for certain positions and weighed on the sector's aggregate result.

Due-Diligence and Risk Assessment

To move beyond traditional risk mitigation, Clear Skies employs a rigorous due diligence process that also seeks to identify operational innovators, companies whose business models actively contribute to the restoration of natural capital. **This is not a checklist-based exercise, but a structured and data-driven analysis of how businesses interact with natural assets.** By leveraging a range of analytical tools and internationally recognized frameworks from external sources, we assess companies' biodiversity risks, impacts, dependencies, and opportunities. These tools help us understand how operational activities interact with ecosystems, identify areas for improved management, and inform our engagement with companies across different stages of their biodiversity journey.



Developed by the UN Environment Programme World Conservation Monitoring Centre, ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) helps identify how different economic activities depend on and impact natural capital. It allows us to map sector-level dependencies on ecosystem services and highlight operational activities that may generate material biodiversity risks.



Clear Skies uses frameworks now incorporated into IFRS S2, including TNFD and SASB, to guide our assessment of how companies are addressing nature-related risks across operations, supply chains, and value chains, and integrating biodiversity considerations into governance, strategy, risk management, and disclosures. As [IFRS S3](#), focused on biodiversity, ecosystems, and ecosystem services, continues to develop, Clear Skies actively monitors its evolution and will integrate it into our research and analysis framework.



CDP provides a global environmental disclosure platform where companies report on climate, forests, water, and biodiversity-related impacts and dependencies, with ocean-specific questions planned for 2026. These disclosures help Clear Skies evaluate corporate transparency, management practices, and progress on biodiversity commitments.



We use Bloomberg as our data provider for ESG and financial analysis. Through the Nature tab covering forests, water, and other ecosystems, we can assess companies' exposure to nature across different geographic locations, identify potential risks tied to specific regions, and pinpoint where along their supply chains these impacts are occurring.



Beyond these tools, Clear Skies is also exploring [THRIVE](#) to enhance the granularity of its analysis of companies' impacts and dependencies on nature. THRIVE is a spatial biodiversity framework developed by the Naturalis Biodiversity Center to support biodiversity reporting and decision-making. Still under development, it links operational activities with 15 environmental data layers, ranging from global biomes and ecoregions to local species data, to assess nature-related risks. This enables a more detailed understanding of impacts and dependencies at specific business locations and strengthens ecological footprint assessment.

Case Study #1 : Trex Company Inc.

Operational Innovators:
The Process is the Solution

Turning waste, water and plastic in everyday materials

Nature loss is increasingly shaped by the way materials are sourced, processed, and replaced. In the built environment, pressure on ecosystems is not created by land use alone. It is also created by the volume of raw materials pulled into production, the amount of waste left without a productive end use, and the speed at which products move through replacement cycles.^{11, 12}

This is why materials lifecycle management matter. In categories such as building products, the use of virgin inputs, short-lived products, and weak end-of-life management can reinforce pressure on forests, waste systems, and broader ecological resilience. These pressures accumulate over time through repeated extraction, processing, disposal, and replacement.^{11, 12}

+ 90%

biodiversity loss

driven by extraction & processing ¹³

10M ha/yr

deforestation

avg each year (2015–2020) ¹⁴

~3×

ocean plastic

could triple by 2040 if no action ¹⁵

~1M

species

at risk of extinction ¹²

In contrast, product systems built around **reclaimed inputs, durability, and longer useful life** can help reduce that pressure at its source. When materials are kept in use for longer and less dependent on virgin feedstock, the relationship between product growth and natural resource demand begins to change.^{11, 12}

“...we continuously innovate to find new sources of waste wood and plastic to reclaim and recycle...”

- Trex



Operational Innovators:
The Process is the Solution



TREX, a circular building products model with nature co-benefits

Trex is the **world's largest manufacturer of high-performance, low-maintenance, eco-friendly wood-alternative composite decking and railing**, with more than **30 years of product experience**.¹⁶ The company, which invented composite decking, holds more than **50% of the U.S. composite decking market**. It remains a leading and highly recognized brand in the category, manufactures its products in the United States, and distributes through wholesale channels as well as major retailers including Home Depot and Lowe's.¹⁶

95%
recycled &
reclaimed
product content ¹⁷

1.05B lbs
inputs sourced
recycled & reclaimed
in 2024 ¹⁷

5.5B+ lbs
upcycled
since inception ¹⁷

That scale of market leadership is matched by product design. Trex reports one reportable segment, Trex Residential, and states that its core products are made with **approximately 95% recycled and reclaimed content**.^{16,17} The company's position in the market is therefore tied not only to brand strength and distribution, but also to a product model built on **reclaimed wood fiber, recycled plastic film**, and a value proposition centered on **durability, low maintenance, and longer warranty coverage**.^{16,17}

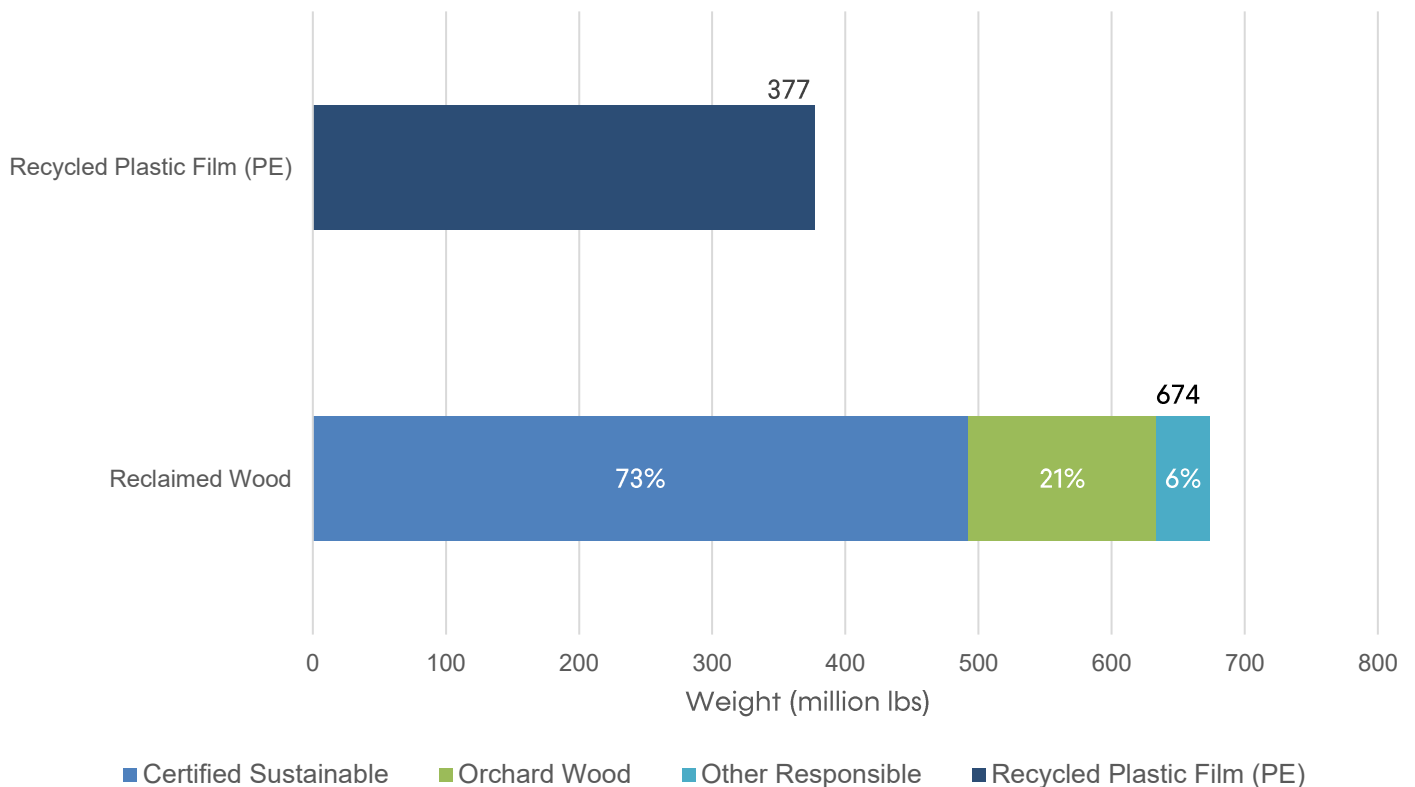
Operational Innovators:
The Process is the Solution



TREX - Cont.

Trex's core model is built on replacing virgin timber demand with a product system that uses **reclaimed wood fiber** and **recycled polyethylene film (PE)** as primary inputs in composite decking. That circular sourcing model is paired with **extended lifespan, low maintenance, and long warranty coverage**, allowing the company to compete in a mainstream building products category while reducing reliance on new raw material extraction and repeated replacement over time. In biodiversity terms, the relevance is not only the use of recovered inputs, but the combination of **material substitution, scaled recovery, and longer product life** within a commercial product platform. ^{16,17}

2024 Input Sourcing Mix: Reclaimed Wood and Recycled Plastic Film (PE)



Operational Innovators:
The Process is the Solution



Impact Analysis: What is the company addressing?

Impact Definition: Circular material substitution in outdoor living products

Trex converts waste polyethylene film and reclaimed wood fiber into composite decking and related outdoor living products, with approximately **95% of materials sourced from recycled and reclaimed sources.**

Product activity: Composite decking made from recycled PE film and reclaimed wood.

Operating mechanism: Trex reports **1,050 million pounds** of waste PE film and reclaimed wood sourced in 2024 for use in products.

Circular operations: Trex reports it **recycles nearly all production scraps back into its products**, including line startups, cutoffs, rejects, and field returns.

What and Who is Being Impacted

The primary beneficiaries are **natural systems** impacted by material extraction, land conversion, and waste leakage, and **communities** where reduced pollution and reduced pressure on forests support resilience.

How Much

1. **Scale: annual and cumulative circular material throughput**
 - a. **2024 throughput: 1,050 million pounds** of reclaimed wood and waste PE film sourced for products.
 - **Reclaimed wood: 674 million pounds** sourced in 2024.
 - **Recycled PE film: 377 million pounds** sourced in 2024, making them the backbone of the PE film recycling industry as they acquire approximately 1/3 of yearly U.S. supply.
 - b. **Cumulative scale:** Trex reports it has upcycled over **5.5 billion pounds** of waste plastic film since the inception of the company.
 - c. **Collection footprint indicator:** Trex runs **NexTrex**, a retail drop-off network that collects plastic film for recycling; the network reached **10,000+ retail stores** in 2024.

IMPACT RADAR

The Clear Skies Impact Radar Scores indicate Trex's percentile ranking among its peers in terms of performance alignment with these SDGs.



Impact score 69



Impact score 73



Impact score 74

All underlying data are derived from publicly disclosed, company-reported information.

Operational Innovators: The Process is the Solution



2. **Scale normalized to business output: circular inputs per revenue**
 - a) Trex reported net sales of **\$1.151 billion** in 2024.
 - b) Based on reported sourcing, Trex's 2024 circular input throughput equates to **~912 pounds of reclaimed and recycled inputs per \$1,000 of net sales.**
3. **Depth: quality of the circular substitution**
 - a) Trex estimates **94% of reclaimed wood received in 2024 came from certified sources and agricultural waste**, including **73% sustainability-certified wood** and **21% end-of-life orchard wood.**
4. **Duration: how long benefits persist**
 - a) Trex reports its decking is **warranted for 25 to 50 years** (by product line) and is **at least twice as long as the life of a wood deck.**

What are the Risks?

1. **Feedstock continuity risk:** If PE film and reclaimed wood supply become constrained or contaminated, throughput and circular content can decline.
2. **System dependency risk:** The model relies on consistent performance of collection partners and retail drop-off infrastructure to keep material flowing.
3. **End-of-life circularity risk:** If end-of-life recovery channels do not mature, circularity remains strongest at the input stage rather than full closed-loop recovery.

What is the Company's Contribution?

Trex's contribution is rooted in **direct execution**, not indirect enablement.

1. **Direct recycling system:** Trex operates and expands the NexTrex program, partnering with commercial and retail sources of PE film and building a national collection network.
2. **Direct substitution claim:** Trex states that by using waste fiber as its raw material, it eliminates purchasing any virgin timber.
3. **Nature linkage disclosed by the company:** Trex states that replacing traditional wood decking helps reduce demand for commercial forestry, supporting biodiversity and ecosystem health.

All underlying data are derived from publicly disclosed, company-reported information.

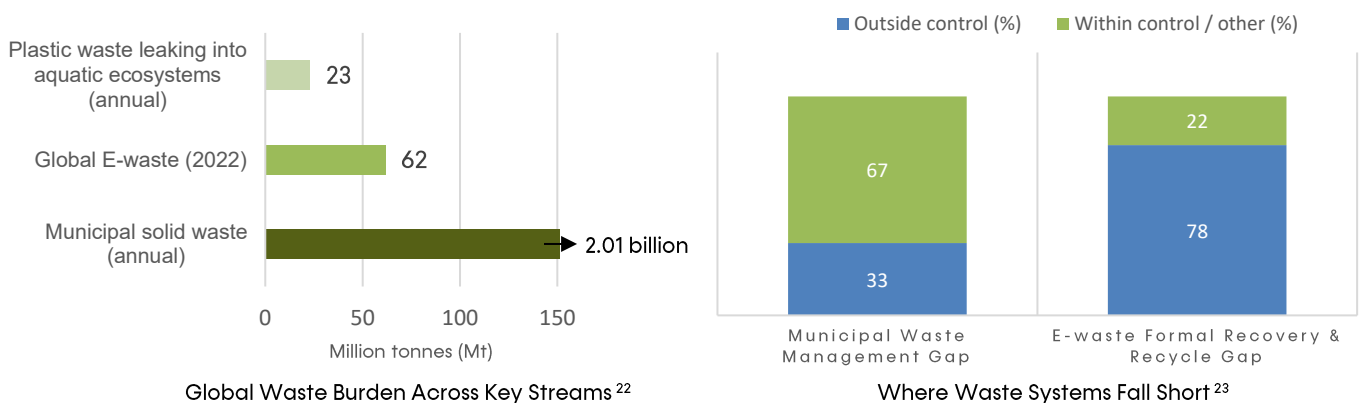
Case Study #2 : Clean Harbours

Product/Service Innovators: The Results is the Solution

From Contamination to Recovery

The global waste challenge is no longer defined by volume alone. It is shaped by the interaction of **scale, toxicity, persistence, and weak end-of-life management** across waste streams that are increasingly difficult to contain safely. ^{18,19,20}

For ecosystems, the consequences are direct. Poorly managed waste can move through soil, groundwater, rivers, sediments, coastlines, and food webs, turning waste management failures into **habitat degradation, water-quality deterioration, and long-tail pollution burdens**. The same pattern applies across municipal waste, electronic waste, plastics, and contaminated liquids. Once materials leave controlled systems, the burden shifts to **ecosystems and communities downstream**. ^{18,19,20}



The biodiversity challenge is also upstream. **Resource extraction and processing** remain a major source of ecological pressure, meaning that **circularity, material recovery, remediation, and contamination control** are not peripheral environmental functions. They are part of the practical infrastructure needed to **reduce pollution, relieve pressure on natural systems, and limit additional damage** from replacing what has already been discarded.²¹

90%+
biodiversity loss & water-stress impacts
linked to the extraction and processing of materials, fuels, and food ²⁴

“The economy is a wholly owned subsidiary of the environment, not the other way around.”

- Gaylord Nelson



Product/Service Innovators: The Results is the Solution



Environmental Infrastructure for Containment, Recovery, and Response

Clean Harbors is best understood as **hard-to-replicate environmental infrastructure** operating where hazardous materials can become diffuse harm across **land and water systems** if not tightly controlled. Its integrated platform links collection and transport with regulated **treatment, destruction, remediation, and recovery**, reducing weak handoffs across high-consequence waste streams.^{25, 26}

The moat is tangible in scale*:

- **100+ waste** disposal facilities
- **10 incinerators** across **five** sites running at about **88% utilization** on roughly **562k tons** of practical capacity,
- **20k+** vehicles, enabling delivery that includes **20k+ emergency responses in 2024**
- PFAS platform that has treated **8B+ gallons** of impacted water and removed **100k+ tons** of PFAS-contaminated (forever chemicals) soil
- **10 wastewater** facilities treating **50M+ gallons** annually, a closed-loop used-oil system returning roughly **250M gallons** to market,
- **1.7M metric tons** of recycled materials processed.^{25, 26}



Clean Harbors' Integrated Environmental Services Platform^{25, 26}

From a sustainability perspective, that integration matters because it concentrates on the operating pathways where environmental harm is most likely to occur. Across its disclosures, the company emphasizes **air quality, hazardous waste and leachate management, and recycling and resource recovery**, placing the business at the intersection of **pollution prevention, site restoration, and circular material stewardship**.²⁶

The platform also extends beyond disposal. Through **Safety-Kleen** and related service lines, the business converts **used oil and solvents** back into usable products and supports closed-loop models that **reduce waste** and **reduce disposal dependence**. Taken together, the company's sustainability relevance lies in enabling recovery pathways that help lower pollution pressure across **land and water systems**.^{25, 26}

*The infrastructures are located throughout the U.S., Canada, Mexico, Puerto Rico, and India.

Product/Service Innovators: The Results is the Solution



Impact Analysis: What is the company addressing?

Impact identification: Reducing Pollution and Restoring Environmental Quality

Primary impact: Clean Harbors reduces contamination pressure across land and water systems by keeping hazardous materials out of soil, groundwater, surface water, and surrounding habitats.

How the impact is delivered: The platform combines hazardous waste treatment and destruction, emergency response and remediation, and circular recovery of selected waste streams within one operating system. Through this model, waste is collected, transported, treated, destroyed, remediated, or returned to market in recycled form rather than left unmanaged in the environment.

Why it matters for biodiversity: The biodiversity value sits in three linked outcomes: lower risk of toxic release, removal of contamination from affected sites, and reduced pressure on disposal pathways and virgin resource extraction through recovery and reuse.

Who is Impacted?

Primary beneficiaries include **ecosystems and communities** affected by hazardous releases, wastewater contamination, spills, and legacy pollution. **Industrial and government customers** benefit from **compliant** hazardous waste management, remediation, and resource recovery solutions.

How Much Can be Quantified?

1. Scale

a. Clean Harbors operated **10 incinerators across 5 facilities** in 2024. The **9 full-year units** averaged **87.6% utilization** on **561,721 tons** of annual practical capacity.

b. Including HEPACO¹, Clean Harbors handled more than **20,000 emergency waste response events** in 2024.

c. The PFASⁱⁱ platform has treated more than **8 billion gallons** of PFAS-impacted water, installed more than **60 wastewater** treatment systems, completed **55 PFAS** remediation projects over the past five years, and removed more than **100,000 tons of PFAS-contaminated soil**.

d. The wastewater network includes **10 wastewater facilities** treating more than **50 million gallons annually**. In 2023, Clean Harbors treated more than **4 billion additional gallons** through remediation, on-site treatment, recirculation, and industrial wastewater treatment.

e. In 2024, Clean Harbors collected **253 million gallons** of used oil and returned approximately **249 million gallons** of re-refined base oil, lubricants, and byproducts to market.

f. In 2023, Clean Harbors recycled nearly **1.7 million metric tons of materials**.

IMPACT RADAR

The Clear Skies Impact Radar Scores indicate Clean Harbors percentile ranking among its peers in terms of performance alignment with these SDGs.



Impact score 69



Impact score 77



Impact score 89



Impact score 94

All underlying data are derived from publicly disclosed, company-reported information.

Product/Service Innovators: The Results is the Solution



How Much Cont.

2. Depth

- a. The PFAS solution is reported at **more than 99.99% PFAS elimination**.
- b. The operating chain is end-to-end, spanning testing, analysis, treatment, transportation, remediation, destruction, and safe final disposition.
- c. The combined platform addresses both acute incidents and long-duration contamination, covering emergency spill response, contaminated-site cleanup, wastewater treatment, and material recovery.

3. Duration

- a. Benefits can extend over multiple years where persistent contaminants are removed or destroyed and where recovered materials displace future disposal demand.
- b. Long-tail environmental obligations are embedded in the operating model, including **30-year** regulatory post-closure periods for landfill sites.

What are the Risks?

1. **Handling and containment failure:** If hazardous waste is not safely contained, treated, or disposed of, pollution can escape and reduce the intended environmental benefit.
2. **Remediation complexity:** Harder-than-expected site conditions can delay cleanup and reduce recovery effectiveness.
3. **Governance and oversight:** Weak environmental management, audits, or board oversight can reduce the consistency of outcomes.

What is the Company's impact Contribution?

1. Clean Harbors provides **hard-to-replicate, permitted environmental infrastructure** that underpins controlled treatment, destruction, and final disposition for high-consequence waste streams.
2. The operating model is **integrated end-to-end**, reducing execution and handoff risk across response, transportation, treatment, remediation, and disposal.
3. The platform **includes material circular recovery capabilities**, converting selected waste streams back into usable products and reducing reliance on disposal pathways.
4. The combination of asset breadth and logistics capability supports **reliable delivery at scale**, strengthening confidence in consistent execution across a wide service footprint.

All underlying data are derived from publicly disclosed, company-reported information.

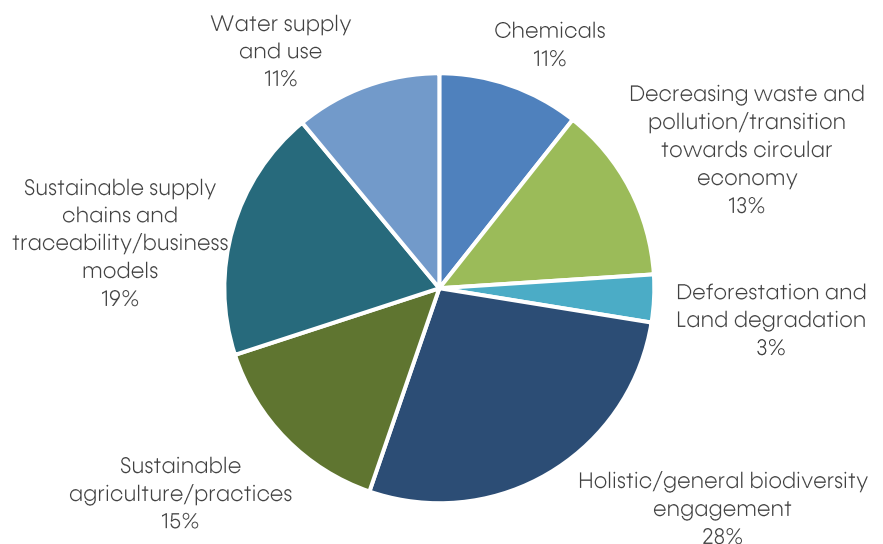
Engagement: Driving change through collaborations

To enhance our performance and maximize our impact, Clear Skies actively participates as a member of engagement collaborations. These collaborations allow us to leverage collective expertise, resources, and influence to drive meaningful change. Clear Skies utilizes a comprehensive engagement framework, starting with identifying opportunities for interaction, followed by engagement activities. We then track escalation milestones and review outcomes with our Investment Committee to determine strategic next steps.

As part of our biodiversity commitment, Clear Skies is a proud signatory of the *Finance for Biodiversity Pledge*, through which we have committed to:

- Collaborate and share knowledge
- Engage with companies on biodiversity issues
- Assess impact
- Set targets
- Report progress publicly

As of Dec 31st 2025 - Portfolio Weight Allocation by Topics of Engagement - Finance for Biodiversity Pledge



Vote

Our voting decisions align with SHARE proxy voting guidelines, supporting social and environmental disclosure and reporting.

As part of our portfolio monitoring, Clear Skies tracks and reports proxy voting through our partnership with Groupe Investissement Responsable (GIR), a Canadian leader in ESG-aligned strategic services.



Dialogue

We conduct proactive and constructive dialogue based on data-driven insights. Our dialogues are characterized by a constructive approach, wherein we seek to find common ground, explore solutions collaboratively, and maintain a respectful exchange of ideas.

Engagement Highlights

Overview

Nature Action 100 is a global investment initiative aimed at supporting companies in their efforts to reverse nature and biodiversity loss. Launched in 2022 at COP15 in Montreal, the initiative targets 100 companies, across 8 sectors, representing over \$11 trillion in market capitalization. Clear Skies became a participant in 2023 and is proud to be one of 240 investors worldwide.

Impact

Clear Skies participates in two investor groups, taking a leadership role in one engagement. Our focus is on a global animal pharmaceutical company, an industry that both relies on biodiversity for research and development and can have significant downstream environmental impacts. We engage with the company to ensure it manages its upstream and downstream effects, including applying green chemistry principles to minimize the use of hazardous substances, reducing the risk of pollution from active pharmaceutical ingredients, and improving supply chain traceability.

Milestones

In November 2025, we met with the company for a second time to review their latest sustainability progress report, released earlier this previous summer. The investor group noted limited progress since our previous engagement, and the company did not achieve any scores on the Nature Action 100 benchmark indicators. The company is currently finalizing its sustainability strategy framework, with more detailed updates expected next year. During the discussion, we covered several topics, including the decline in their water assessment score, ongoing initiatives on pharmaceuticals in the environment, the application of green chemistry principles, and updates on TNFD and LEAP assessments. We also shared examples from other companies demonstrating best practices in ingredient selection that go beyond regulatory compliance.

Looking Forward

We are committed to engage with the company at least once annually. In 2026, we plan to meet following the release of their new sustainability report. Our engagement will focus on ensuring their ambitions align with the Nature Action 100 benchmark, advancing their Pharmaceuticals in the Environment Program, assessing biodiversity-related risks, and improving transparency in their reporting.



Engagement Highlights

Overview

Spring is a PRI stewardship initiative centered on nature, tackling the systemic risks of biodiversity loss to protect the long-term interests of investors. Its objective is to enable investors to contribute to halting and reversing biodiversity loss by 2030, in alignment with the Kunming-Montreal Global Biodiversity Framework. Clear Skies participates as an investor in a group focused on a global specialty chemicals company, engaging specifically on deforestation-related issues.

Impact

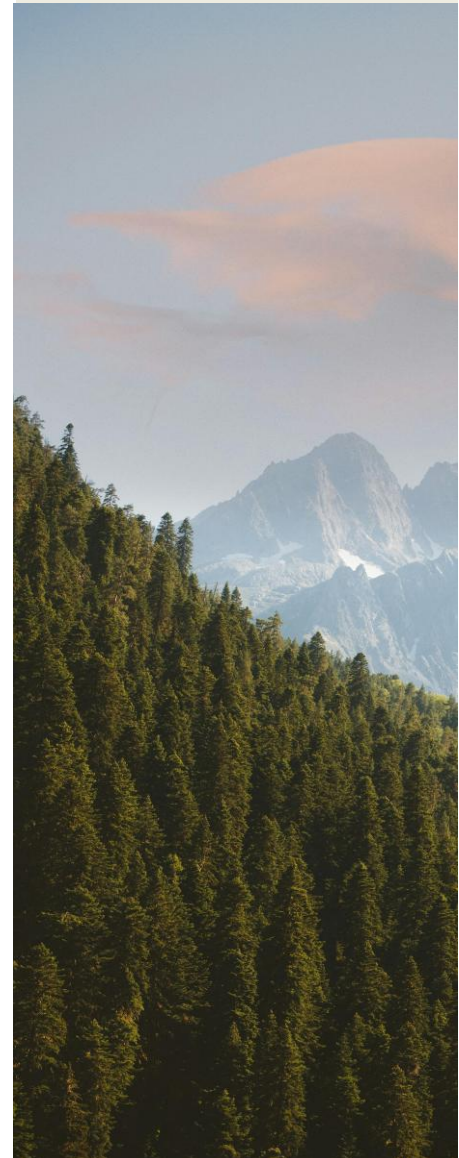
The company is directly and indirectly engaged in Brazil and the EU on policies related to mineral commodity production and chemical trade. It also has a portfolio of products that may be exposed to deforestation-linked agricultural commodities and mineral supply chains, across both upstream and downstream activities.

Milestones

Clear Skies officially joined the engagement group in March 2025 and held its first meeting with the company in June 2025. During this initial dialogue, investors raised expectations related to palm oil, the company's involvement in the mining sector, supply chain transparency on nature-related risks, adoption of the TNFD framework, and management of downstream impacts. The company indicated that its roadmap to achieve 100% RSPO certification is supported by a revised palm oil policy currently under development, alongside ongoing engagement with suppliers, stakeholders, and customers. It also noted that it is considering publishing a dedicated TNFD-aligned report focused specifically on biodiversity.

Looking Forward

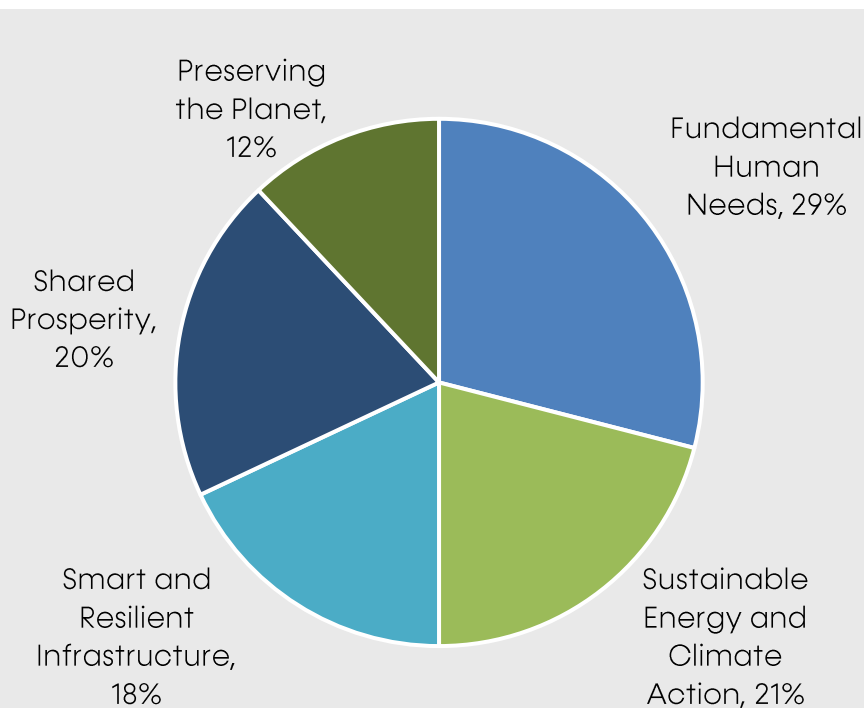
The company's new integrated report was published in February 2026. Key progress highlighted in the report includes an increase in supply chain coverage for palm oil mapping to 97%, new targets related to sustainable palm oil, and the initial adoption of the TNFD LEAP approach. A call with the company has already been scheduled for the coming weeks.



Proxy Voting Results

Transparent Proxy Voting Monitoring

As part of our portfolio monitoring, Clear Skies tracks and reports proxy voting through our partnership with Groupe Investissement Responsable (GIR), a Canadian leader in ESG-aligned strategic services. There were 18 shareholders supporting ESG and 7 Anti-ESG proposals. None of the proposals that received over 30% support were related to ESG.



Distribution of companies on which we cast votes as of December 31, 2025, highlighting how our voting was allocated across the Clear Skies Impact Themes.

780

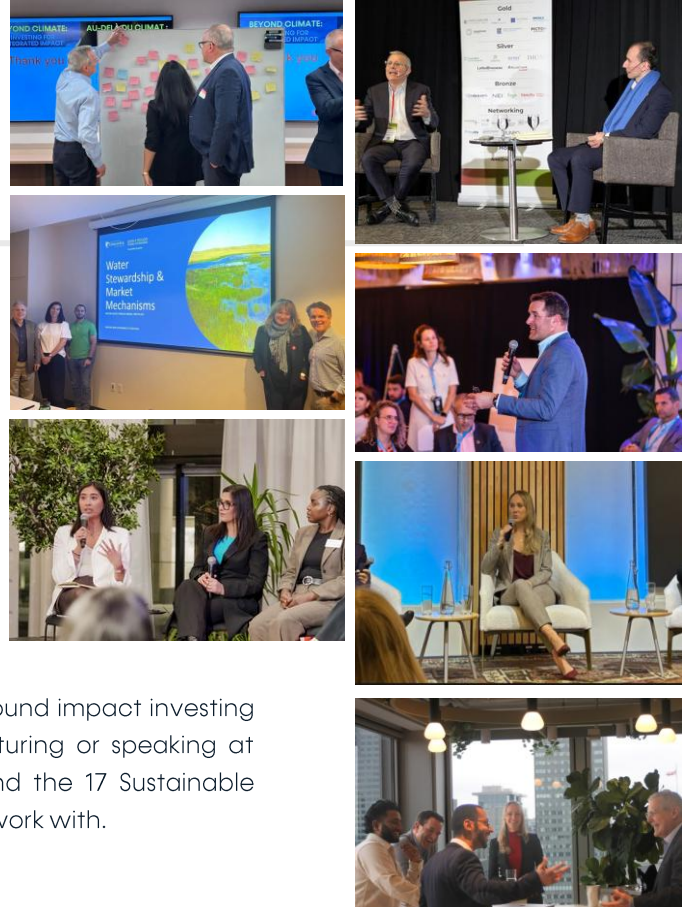
Proposals were voted on in 2025, compared to 681 in 2024.

51%

Of our votes were aligned with board recommendations, similarly to 2024

100%

Of the ESG shareholder proposals were voted FOR



Clear Skies Thought Leadership and Philanthropy 2025-2026

Beyond managing capital, Clear Skies shapes the conversation around impact investing and sustainable finance such as convening industry leaders, lecturing or speaking at events, and now embedding biodiversity and the thinking behind the 17 Sustainable Development Goals (SDGs) into the practices of the institutions we work with.

Highlights

Active members of the Community of Practice for Finance and Biodiversity by Finance Montreal



Host of the "Beyond Climate" Biodiversity and Impact Investing Workshop with CAFIID, FINDEV, Fondation and UNDP



Co-creation of a Micro Certificate Program at Concordia on Water Risks and Stewardship



The Clear Skies Impact Radar was featured as a PRI Case study for its capability in assessing SDG targets



Expanded our strategic advisory partnership with two new advisors specialized in biodiversity research and experience in the environmental sector



Disclosed our first report on the progress against each Finance for Biodiversity pledge commitments



Nourish McGill – empowering the next generation of financial and impact analysts



Philanthropy

Throughout the year, employees have volunteered at local foundations, lectured at university classes across Canada, and assisted student led organizations with professional development. Additionally, to maximize opportunities of realizing sustainability goals, the Clear Skies Foundation has been established to donate a portion of its grants to charities actively tackling each SDG. This year, Employees individually selected the beneficiary Canadian charities to donate on their behalf (below are donations since 2022).



The Team for Impact



Michel Brutti, CFA
Founder & CEO

[Connect](#)



Polina Gamayunova
Director, Operations & Strategy

[Connect](#)



Dan Chacko
Director, Sustainable, Investments

[Connect](#)



Saphira Suoi
Impact Investment Research

[Connect](#)



Nazim Benguetat
Global Equity Portfolio Manager

[Connect](#)



Jacques-A. Caussignac
CCO & Director of Client Experience & Strategy

[Connect](#)



100 % of the employees are shareholders of the firm



Each investment strategy of Clear Skies has at least one employee investor



0% Employee turnover.



Languages spoken by Employees and Board: French, English, Canada's official languages. Employees can also speak in Spanish, Arabic, Khmer, Hindi, Russian, Ukrainian, Tamil, Mandarin, Taiwanese.



Cross-disciplinary backgrounds in finance, economics, commerce, psychology, engineering, business administration.



Clear Skies Employees presented at over 10 events in 2025 (as moderators, panelists, hosts or speakers)

33

Interns trained on impact investing and sustainability from May 2021-December 2025.



Located in Quebec and Ontario.

Relevant publications by the team in 2025 and 2026

Climate Law Initiative: Investors and the Ostrich Effect in Climate Investing by Michel Brutti
<https://ocli.ubc.ca/investors-and-the-ostrich-effect-in-climate-investing/>

Finance for Biodiversity: Report and Disclosure against each Pledge commitment by Saphira Suoi
<https://www.financeforbiodiversity.org/about-us/signatories-and-repository/>

Principals for Responsible Investment (PRI): Using the SDGs to Guide Investment Decisions by Dan Chacko
<https://public.unpri.org/clear-skies-investment-management-using-the-sdgs-to-guide-investment-decisions/12899.article>

United Nations: Valuing Water Finance Initiative Signatories, an engagement initiative with Ceres
<https://sdgs.un.org/partnerships/valuing-water-finance-initiative-signatories>

Canadian Association for Impact Investment Development (CAFIID): Building Impact Leaders by Polina Gamayunov
<https://www.cafiid.ca/cafiid-member/clearskies>



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Definitions:

- i. HEPACO, a leading environmental provider of field and emergency response services in the Eastern United State. Acquired by Clean Harbor in 2024. <https://ir.cleanharbors.com/news-releases/news-release-details/clean-harbors-completes-acquisition-hepaco>
- ii. PFAS (per- and polyfluoroalkyl substances) are a class of synthetic chemicals used for their resistance to water, grease, stains, and heat, and are commonly found in products such as firefighting foams, microwave popcorn bags, water-resistant clothing, paint, stain-resistant products, personal care products, cosmetics, non-stick cookware, fast food packaging, stain-resistant furniture, photography products, and pesticides.

Disclaimer

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