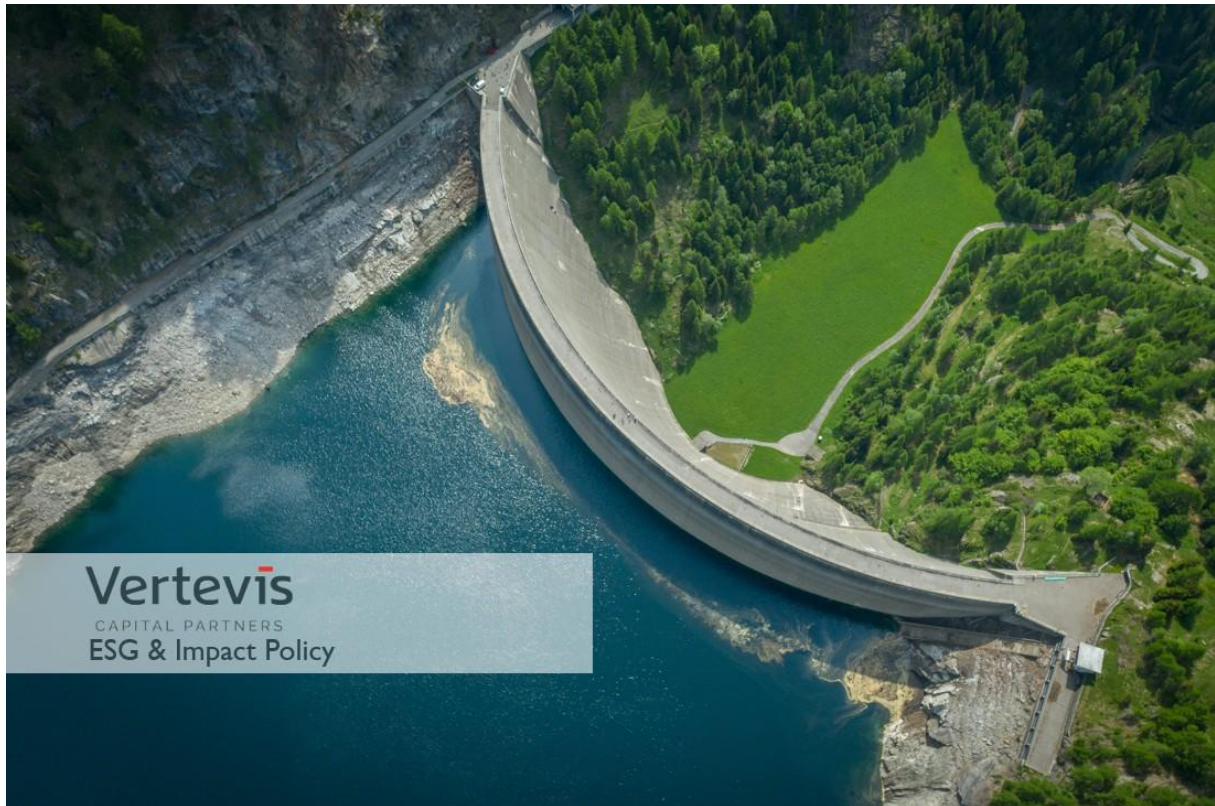




Vertevis Capital Partners GmbH

October 2025

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I. Vertevis' Philosophy

Vertevis Capital Partners GmbH ("Vertevis") is a Frankfurt-based private equity firm founded in 2022. The investment strategy focuses on growing small and lower-mid cap companies in Germany to deliver solutions to meet sustainability goals. Led by a visionary woman, our team is composed of employees with diverse ethnicities and lived experiences. We view the diversity within our workforce — shaped by varied professional, cultural, and geographic backgrounds — as a strategic advantage that drives both organizational excellence and ongoing innovation.

The world today is facing unprecedented environmental and social challenges that can best be tackled with the engagement and active participation of the private sector. As stewards of capital, we are committed to leveraging our resources, expertise, and networks to drive positive change and address these pressing global issues.

Our mission in addressing these challenges and opportunities is to foster technological innovation through the investment of capital, with the objective to mitigate and adapt to climate and social challenges and drive digital transformation, while targeting a market-driven financial return for our investors. This shall be accomplished by

- (i) investing in companies that provide products and services to address environmental and/or social needs and
- (ii) supporting portfolio companies in improving environmental, social and governance (ESG) practices and delivering measurable impact-aligned value creation.

We view ESG integration as focusing on risks and opportunities, whilst impact is about delivering changes in outcomes. They are separate and distinct components of our investment approach.

We firmly believe that purposeful impact investing is the most sustainable path to achieving lasting environmental and social progress. Together with our partners and stakeholders, we are shaping a more equitable and resilient future for generations to come. Our work is guided by a commitment to strengthening communities, advancing diversity, equity and inclusion (DEI), and empowering people to drive sustainable change.

The Fund is managed by Vertevis. This policy sets out the framework of Vertevis and the Fund on how impact is integrated throughout the investment process, including impact considerations for screening, due diligence and the path to value creation.

2. Purpose

This ESG & Impact policy is designed to ensure compliance with Article 8 of the EU Sustainable Finance Disclosure Regulation (SFDR) and aims to generate long-term positive impact for investors, portfolio companies, and society at large. It outlines the principles, procedures, and responsibilities through which Vertevis integrates ESG & Impact criteria and pursues measurable sustainability objectives

alongside traditional financial measures. By embedding ESG & Impact considerations into our investment approach, we seek to enhance risk management and deliver lasting value to our clients.

3. Scope

Vertevis' ESG & Impact Policy applies to all investment vehicles marketed under SFDR Article 8. It governs to integrate ESG & Impact considerations through the investment lifecycle from sourcing to exit and is binding for the investment team, Sustainability officers, and all related operational functions. The policy further defines the firm's approach to active ownership, emphasizing proactive engagement with portfolio companies on material issues. We acknowledge that the relevance of ESG & impact criteria may vary depending on the sector in which a specific investment operates. Nevertheless, across all sectors, VCP aims to systematically consider material ESG factors throughout the investment process — including due diligence, selection, and ongoing monitoring — to ensure a consistent and comparable approach to responsible investment.

This policy is reviewed annually to ensure it remains up to date. In the event of change in market practices, standards, and regulatory requirements, the revised version is promptly updated and published.

4. Impact Investment Strategy

Overview

The Fund generates impact by investing in small and lower mid-cap companies in Germany that qualify as 'impact investments'. Vertevis defines 'impact investments' as investments in companies whose core business provides a solution to at least one of the 17 UN Sustainable Development Goals (SDGs) and respectively their underlying targets.

SDG alignment

Vertevis selects investments that align with the UN SDGs, recognizing them as a universally accepted framework for addressing global challenges. By focusing on companies whose operations and products contribute positively to SDG outcomes, the Fund aims to generate tangible social, environmental, and economic benefits. Vertevis is committed to the 17 UN Sustainable Development Goals, with particular focus on the following:



EU Taxonomy alignment

Vertevis aims to achieve alignment with the EU Taxonomy even though lack of contribution to the objectives of the EU Taxonomy is not an exclusion criterion for investment. Given the evolving nature of sustainability standards and regulations, the Fund will continuously monitor and evaluate its investments to ensure ongoing alignment with sustainability frameworks, including the SFDR and EU Taxonomy. This proactive approach allows Vertevis to adapt its investment strategy in response to emerging regulatory requirements and industry best practices.

Thematic investment portfolio

Vertevis recognizes the pivotal role that private capital plays in advancing sustainable development and addressing global challenges. We follow a thematic investment approach, targeting companies that operate in sectors directly aligned with the (SDGs). By focusing on themes such as energy transition, built environment, and critical infrastructure protection - while also actively promoting gender equality - the Fund aims to maximize its societal and environmental impact, alongside delivering market-based financial returns.

Due diligence

Prior to making investment decisions, Vertevis conducts rigorous due diligence to assess the sustainability credentials and ambitions of potential investee companies. This includes evaluating their alignment with the SDGs and reviewing their environmental, social, and governance (ESG) performance. Using robust impact assessment methodologies, Vertevis quantifies the positive contributions of its investments to the SDGs and monitors progress over time.

Majority ownership and business development

Vertevis majority ownership model drives investee companies towards continuous improvement in their sustainability practices by setting ambitious sustainability targets and promoting responsible business conduct. Vertevis seeks to deliver positive change within the companies it owns and across the broader investment ecosystem.

Transparency and Reporting

Vertevis' reporting framework for ESG performance and Impact assessment reflects its commitment to rigorous measurement, transparency, and continuous improvement. The ESG performance and impact of each portfolio company will be reviewed, analyzed, and documented on an annual basis.

Where appropriate, reporting draws on recognized frameworks such as the PRI Reporting Framework, Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and the Impact Frontiers Impact Performance Reporting Norms, to promote consistency and comparability across investments.

Risk management

Vertevis understands that maintaining investors' trust in its competence and integrity is vital for success. Therefore, the Fund has established a robust risk management framework comprising four key pillars, each of which is designed to create and apply controls, as well as to appropriately address risks that may arise:

- Internal Monitoring and Reporting
- Investor KYC and monitoring
- Regulatory Reporting
- Investor Reporting

In addition to the four pillars, Compliance oversees the implementation of controls across the organization and provides regular assessments of their adequacy and effectiveness. This ensures the Fund maintains a proactive approach to risk management, enabling it to operate with the confidence and integrity which is at the heart of our value proposition.

5. Impact Thesis

The addressable problem

The Paris Agreement aims to limit global warming to well below 2 degrees Celsius above pre-industrial levels by facilitating international cooperation to reduce greenhouse gas emissions, enhance adaptation to the impacts of climate change, and mobilize financial and technological support. Additionally, the agreement aims to strengthen the resilience of ecosystems and promote sustainable development pathways that are low-carbon and climate-resilient.

The transition to a net zero economy requires significant investments in infrastructure, technology, and innovation. The International Energy Agency (IEA) estimates that achieving global net zero emissions by 2050 will require annual investments of approximately USD 4.5 trillion by the early 2030s in clean energy, energy efficiency, grids, clean fuels, and related infrastructure. This investment is projected to increase over time as more ambitious actions are needed to decarbonize the economy.

As governments around the world develop policies to meet net zero CO₂ emissions targets, there are favourable regulatory tailwinds for innovative solutions in renewable energy, energy efficiency, the built environment and other climate-related sectors.

Investment approach

Vertevis employs a rigorously structured approach to seamlessly integrate Environmental, Social, and Governance (ESG) factors along with impact-driven objectives at every stage of the investment process. The twin objectives are:

- (i) identifying and mitigating potential ESG risks (value protection) and
- (ii) supporting opportunities to advance impact (value creation).

ESG & Impact integration

ESG & Impact are key to Vertevis' investment philosophy. This integration starts from the initial screening process and continues through due diligence, portfolio construction, and ongoing monitoring.

Risk Mitigation

By proactively identifying and addressing ESG risks, Vertevis protects its investments from potential downsides that may arise from environmental or social controversies, regulatory non-compliance, or governance deficiencies. This approach enhances the resilience of its portfolio in the face of evolving market dynamics.

Value creation

Vertevis only seeks investment opportunities which can generate positive societal or environmental impacts. By aligning capital with businesses or projects that contribute to sustainability, social progress, or technological innovation, Vertevis aims to deliver not only financial returns but also measurable positive outcomes for stakeholders and communities.

Future focus

Vertevis adopts a forward-looking approach. It invests in companies or projects which have, or have the potential for, strong sustainability practices, robust governance structures, and a clear vision for creating positive change, thereby positioning itself for sustainable growth over time.

Transparency

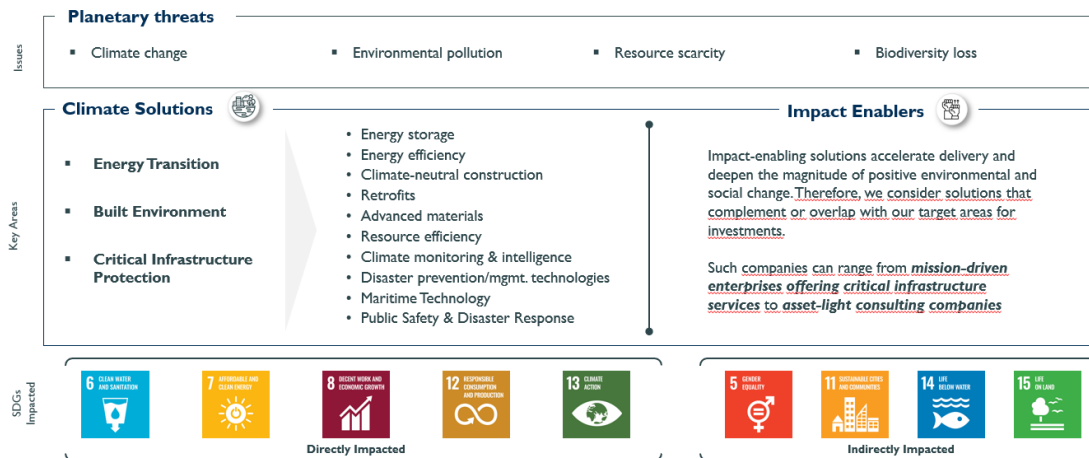
Vertevis maintains transparency and accountability by disclosing its ESG integration and Impact assessment methodologies, allowing investors to understand how these factors are incorporated into investment decisions and how they contribute to overall portfolio performance. Our goal is to use reporting on Impact Key Performance Indicators (KPIs) as a tool for driving positive change, enhancing accountability, and maximizing the impact of our investments on society and the environment.

Target sector verticals and selected SDGs

The Fund focuses on small and medium-sized enterprises (SMEs) operating across several thematic areas, whose core business contributes measurably and positively to (i) climate solutions and (ii) social development, thereby supporting the Sustainable Development Goals (SDGs). Target companies are screened for alignment with the Fund's priority sector verticals — namely energy transition, built environment, and circular economy — as well as for impact alignment. The latter includes assessing whether the company's core business addresses at least one environmental and/or social challenge relevant to the SDGs.

Investment Thesis and Target Areas

Vertevis focuses on sectors where the most urgent climate and environmental challenges intersect with compelling investment opportunities, applying a **double materiality approach**: We prioritise strong financial performance and apply a double materiality perspective to identify both sustainability risks and opportunities. This allows us to capture long-term value and manage our impact responsibly.



Note: The list is non-exhaustive and select deals might fall beyond these verticals and be included in the pipeline if the business model of the target company creates significant positive impact.

Geographical focus

The deal team further verifies whether the target company operates within the Fund's geographical focus area - Germany - for platform investments.

The process of managing sustainability risks and opportunities in each stage is set out in the following sections.

5.1 Deal Origination (Pre-Due Diligence Phase)

Vertevis' deal team considers investment opportunities that are suggested by its network of M&A/ corporate finance advisors and other financial intermediaries as well as proprietary sourcing through its own research and professional network. Combining its in-house PE and VC expertise, the company excels at direct sourcing, and leverages technology and software know-how as a value driver in all target areas. This process includes:

- the usage of electronic platforms and financial news providers (e.g. PitchBook, Crunchbase, Mergermarket, Capital IQ) to identify potential investment opportunities;
- the growing presence of Vertevis in social media with support of in-house resources and external agencies improving inbound lead generation;
- the participation in theme-driven conferences and sector-specific fairs and industry events to make personal contact with relevant stakeholders, and
- the engagement of platform investment managers to scout add-on companies.

During the pre-due diligence phase, relevant sustainability information of companies is collected through a review of available documents (e.g. pitch deck) as well as personal exchange with M&A advisors, the company's founders and/or management.

5.2 Deal Screening

5.2.1 Positive Screening Criteria

Target companies are screened for alignment with the positive screening criteria to ensure that only investments are selected which are aligned with the Fund's investment and impact strategy.

5.2.2 Exclusion Criteria

Exclusion criteria help ensure that the fund's investments are aligned with its mission and values and are used as a risk management tool to mitigate potential financial, reputational, and regulatory risks associated with certain industries or practices.

Companies are also screened for the exclusion criteria set out below to ensure that no investments are made in companies that are engaged in the following activities:

- Production or trade in any product or any activity deemed illegal under the target company's national laws or regulations or international conventions and agreements, or subject to international bans, such as (i) certain pharmaceuticals, pesticides/herbicides and other toxic substances (under the Rotterdam Convention, Stockholm Convention and WHO "Pharmaceuticals: Restrictions in Use and Availability"), (ii) ozone depleting substances (under the Montreal Protocol), (iii) protected wildlife or wildlife products (under CITES/ Washington Convention) and (iv) prohibited transboundary trade in waste (under the Basel Convention).
- Production or trade in weapons, ammunition or critical components thereof.
- Production or trade in tobacco and distilled alcoholic beverages and related products.
- Any activities related to adult entertainment.
- Any forms of gambling: operation of casinos, production of devices or other equipment or electronic data programs for casinos or betting offices or other equipment for casinos or betting offices or companies that generate turnover via online betting.
- Production or trade in radioactive materials which does not apply to the procurement of medical equipment, quality control equipment or any other application for which the radioactive source is insignificant and/or adequately shielded.
- Production or trade in unbonded asbestos fibers which does not apply to the purchase or use of bonded asbestos cement sheeting where the asbestos content is less than 20%.

- Destructive fishing methods or drift net fishing.
- Production or trade in wood or other forestry products other than from sustainably managed forests.
- Any production, trade, storage, or transportation of significant volumes of hazardous chemicals or commercial-scale utilization of hazardous chemicals.
- Investments which could be associated with the destruction or significant impairment of areas particularly worthy of protection (without adequate compensation in accordance with international standards).
- Nuclear power generation (apart from measures that reduce environmental hazards of existing assets), fossil fuel-fired power generation, any production or exploration of arctic offshore oil and gas or shale gas or non-conventional prospection, exploration and extraction of oil from bituminous shale, tar sands or oil sands.
- Prospection, exploration and mining of uranium or coal and related transport activities or infrastructure.
- Any kind of research, development or technical applications related to human germline gene editing under any circumstances in any jurisdiction or, except to the extent that appropriate legal regulatory and ethical allowances/documents are in place, somatic gene editing.
- Any products involving testing on animals; operating fur farm or trading/manufacturing fur products.
- Mining or trading of any cryptocurrency.

The exclusion criteria play an important role in shaping the investment strategy and portfolio composition of the fund. By carefully selecting which industries or activities to exclude, Vertevis can effectively align its investments with its mission, manage risks, focus on impact, meet stakeholder expectations, and ensure regulatory compliance.

5.2.3 Initial Decision-Making Process

After the initial screening process, an informal partner meeting is held to decide whether to proceed with the investment. The responsible deal team shall, among others, specify the environmental and/or social challenge(s) addressed by the company, including relevance to the specific SDG(s), and elaborate on the company's alignment with the positive screening criteria and exclusion criteria.

5.3 Due Diligence

After the pre-due diligence phase, an impact due diligence is performed. The impact due diligence is usually integrated with other due diligence processes, including commercial, technical (if required), financial and legal due diligence. For this purpose, the deal team reviews documents made available by the target company (e.g. data room) and exchanges with the company's founders and/or management. Vertevis can engage expert partners to lead the impact due diligence, including due diligence providers with ESG & Impact expertise as well as other technical areas of expertise as needed.

The impact assessment comprises

- (a) the identification of any risks in relation to environmental, social and governance issues and
- (b) an assessment of the target company's contribution to address the environmental and/or social challenge(s) identified in the pre-due diligence phase.

The focus is on the company's business as it is today and, where relevant, may also consider how the business is expected to evolve during the holding period. This is particularly relevant for add-on acquisition targets that are planned to be added to a platform company.

I) Assessment of ESG Risks

Vertevis conducts an assessment of the target company's exposure to ESG risks using the SASB standards, including the identification of relevant ESG factors related to the products and/or services offered by the target company and across the value chain. The assessment includes:

- (i) screening of the economic activities of the target company against the do no significant harm (DNSH) requirements related to the objectives of the EU Taxonomy set out in the Technical Screening Criteria;
- (ii) taking into account the principal adverse impact indicators (PAI) set out in Annex 2 and using those indicators which are deemed relevant to the Fund, to determine current and potential PAI of the target company on sustainability factors;
- (iii) screening for adherence to the Minimum Safeguards comprising alignment with the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights (including the declaration on Fundamental Principles and Rights at Work of the International Labour Organisation, the eight fundamental conventions of the International Labour Organisation and the International Bill of Human Rights); and
- (iv) checking for adherence of the target company to good governance practices in accordance with the SFDR.

Environmental	Social	Governance
▪ Climate change ▪ Greenhouse gas emissions ▪ Energy efficiency ▪ Air and water pollution ▪ Resource use and waste management ▪ Biodiversity and ecosystems	▪ Working conditions of workforce (including value chain) ▪ Living standards and well-being of customers ▪ Impact on communities and societies	▪ Board composition ▪ Risk and compliance management ▪ Ethical business conduct – Anti-bribery and corruption – Adherence to UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises

Figure 1: Overview of ESG risk factors assessed in the context of the impact due diligence

Greenhouse gas (GHG) emissions are calculated by Vertevis for each investment, which is used to initiate measures to reduce GHG emissions. GHG emissions are divided into three categories (“scopes”) by the most widely used international calculation tool, the Greenhouse Gas (GHG) Protocol.

Scope 1 covers **direct** emissions from owned or controlled sources.

Scope 2 covers **indirect** emissions from the generation of purchased electricity, steam, heat and cooling consumed by the company in question.

Scope 3 covers all **other indirect** emissions generated in a company's value chain.

Managing conflicts of interest related to responsible investment

Where a target company is deemed (i) to do significant harm to any objective of the EU Taxonomy and/or (ii) to cause a principal adverse impact on sustainability factors and/or (iii) not to adhere to the Minimum Safeguards and/or (iv) not to follow good governance practices, the Sustainability Manager shall assess the materiality of the identified sustainability issues.

If these issues are assessed as not material, a clear and concise justification shall be documented in the investment memorandum as referenced in [section 5.4](#).

If the Sustainability Manager determines that the sustainability risks are material, appropriate remedial measures shall be proposed to address and mitigate them.

2) Assessment for Value Creation Potential (Impact)

(i) Theory of Change

In this step, a customized Theory of Change is developed for each investment. It outlines how the inputs will lead to specific activities (outputs), which in turn produce medium- and long-term outcomes and ultimately generate the intended impact. This impact logic forms the foundation for subsequent impact measurement and management.

(ii) Application of the Impact Frontiers ABC Framework

To categorize and evaluate the intention behind each impact, the ABC Framework developed by Impact Frontiers is applied. It distinguishes between three types of impact strategies:

A – Act to Avoid Harm: Measures that prevent harm to people and the environment.

B – Benefit Stakeholders: Activities that provide tangible benefits to relevant stakeholders.

C – Contribute to Solutions: Investments that actively address specific social or environmental challenges.

This classification enables a clear mapping of investments according to their depth and intent of impact.

(iii) 5 Dimensions of Impact (as defined by the Impact Management Project)

The Sustainability Manager extends and deepens the assessment of the target company's contribution to address the environmental and/or social challenges(s) identified in screening by following the structure of five dimensions of impact by the Impact Management Project (IMP).

Impact Dimension	Description	Impact Questions
 WHAT	What outcome does the company contribute to and how important is the outcome to people (or planet) experiencing it?	- Which SDG(s) and EU Taxonomy objectives (if any) does the company contribute to? - How important is the outcome to the people (or planet)?
 HOW MUCH	How significant is the outcome generated by the company?	- How many people are impacted (scale)? - What is the degree of change in the outcome experienced by the customer segments/ users (depth)? - How long is the outcome expected to last (duration)?
 WHO	Who experiences the outcome and how underserved are they in relation to the outcome?	- What customer segments/ users experience the outcome? - How underserved are these customers/ users in relation to the outcome?
 RISK	What is the risk that impact does not occur as expected?	- What are the main impact risks that jeopardize the achievement of the outcome, their likelihood and severity? - How can the identified impact risks be mitigated?

 CONTRIBUTION	What is Vertevis' contribution to achieving the outcome?	• How can Vertevis purposefully support the achievement of the outcome? • How much control does Vertevis have over the company's decision-making process?
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Figure 2: Framework to assess the impact of the target company

To assess the intended impact (WHAT) the SDG mapping conducted in the screening process is substantiated and an additional assessment for contribution to the objectives of the EU Taxonomy is conducted. For this purpose the economic activity of the target company is checked for compliance with the Technical Screening Criteria for the relevant economic activity. Where the economic activities of the target company are not eligible under the EU Taxonomy, the target company is still eligible for investment by the Fund for as long as it makes a positive contribution to one of the SDGs.

The impact due diligence aims at assessing the quantification of impact (HOW MUCH), the beneficiaries experiencing the impact (WHO) and the risk factors that could result in the impact varying from expectations (RISKS). The due diligence comprises also an assessment of the assigned responsibility for sustainability topics within the target company (e.g. sufficient expertise and decision-making power) to understand whether the required capacity and competence is in place to execute the impact agenda as well as Vertevis' contribution to achieving the impact agenda (CONTRIBUTION).

The impact assessment further includes an assessment of two general sustainability themes that are important for all companies:

- (i) climate - strategies to work towards science-based net-zero targets based on the sectoral decarbonization approach; and
- (ii) diversity lens – strengthening diversity in operations and governance, including improving diversity in teams and board, equal pay and diversity in employment.

Based on the proposed enhancements of impact related to the general sustainability themes Vertevis will work closely with the target company's senior management team post-investment to further develop the recommendations with the objective to incorporate planned measures in the sustainability action plan.

5.4 Investment Decision

A summary of the results of the ESG & Impact due diligence together with findings of the commercial, technical, financial and legal due diligence are included in the investment memorandum. The deal team is responsible for ensuring that all sustainability risks identified as part of the impact due diligence are summarized in the investment memorandum together with proposed remedial actions. The deal team

shall further summarize all proposed enhancements of impact in the phase of ownership. The deal team together with the target company, define also one to three indicators relevant for measuring the chosen sustainable investment objective for the portfolio company (impact KPIs), if possible, derived from the IRIS+ Core Metrics Sets together with annual targets of such impact indicators for a three-year period. The Sustainability Manager oversees the deal team's approach to impact integration to ensure it is in line with the Fund's requirements.

Setting targets for impact Key Performance Indicators (KPIs) is a crucial step in measuring and managing the effectiveness of our impact investing strategy. Impact KPIs serve as quantitative and qualitative metrics that assess the outcomes of our investments, allowing Vertevis and its investors to track progress towards their stated goals. The KPIs we target and report on will be aligned with the specific impact objectives and thematic focus areas of the investment strategy. This ensures that KPIs are relevant, meaningful, and properly reflect the intended outcomes we seek.

The investment memorandum is presented to (i) the investment committee to make an investment decision on the deal and (ii) the impact committee to check the impact dimension of the deal and approve the proposed impact indicators and annual targets. Decisions of the investment committee in relation to any investment require the approval of 50% or more of the members of the investment committee, provided that Sadia Wern-Sukhera has not vetoed such decision. Decisions of the impact committee in relation to the impact indicators and annual targets require simple majority approval.

5.5 Deal Structuring and Portfolio Management

As part of the deal structuring stage, Vertevis takes an active approach to ensure that the company is aligned with the Fund's ESG & Impact investment strategy. The deal team engages with the senior management team to discuss the outcome of the ESG & Impact due diligence and develop a sustainability action plan for the target company. The action plan shall define all remedial actions and initiatives to address all sustainability risks identified and all planned enhancements of impact (value creation) as well as required additional capacity to execute the impact agenda. The action plan should include timelines, responsibilities and performance indicators to track progress in addressing sustainability gaps and achieving impact objectives. Vertevis will work closely with the portfolio company to provide support and guidance in implementing the sustainability action plan and driving positive impact. To ensure sustained commitment to sustainability by the portfolio company, sustainability clauses will be integrated into both the term sheet and shareholders' agreement in case of minority investments. The following table gives a summary of the impact considerations on portfolio company level to guide portfolio management.

	Active ownership	Vertevis requires each portfolio company to designate a sustainability coordinator among the senior management team to serve as the person with the responsibility of overall administration and oversight for the company's sustainability activities. The sustainability coordinator will advise and assist the board to implement the sustainability action plan and recommendations to ensure the appropriate delegation of sustainability-related tasks and roles.
	Action plan	The implementation of the recommendations of the sustainability action plan are reviewed by Vertevis on a regular basis to monitor the progress made and, if required, amend the actions and recommendations to ensure the sustainability action plan reflects any changes that might have occurred.
	Regular impact reporting	Each portfolio company will report to Vertevis on a quarterly basis on the progress of the sustainability action plan, relevant impact indicators and sustainability developments in general. Any sustainability incident shall be immediately reported to the portfolio company's board and Vertevis.

5.6 Exit Impact Assessment and Buyer Evaluation

Before any potential exit, Vertevis conducts a comprehensive assessment of the portfolio company's progress in generating measurable impact. This process involves evaluating:

- the effectiveness of the implemented impact strategy, and
- the extent to which the intended social and/or environmental outcomes have been achieved.

To promote impact continuity, Vertevis also assesses the impact orientation of potential buyers. This includes an evaluation of:

- the buyer's commitment to sustainability or impact-related goals,
- the alignment between the buyer's operating model and the portfolio company's impact mission, and
- any risks that the exit could undermine prior impact achievements.

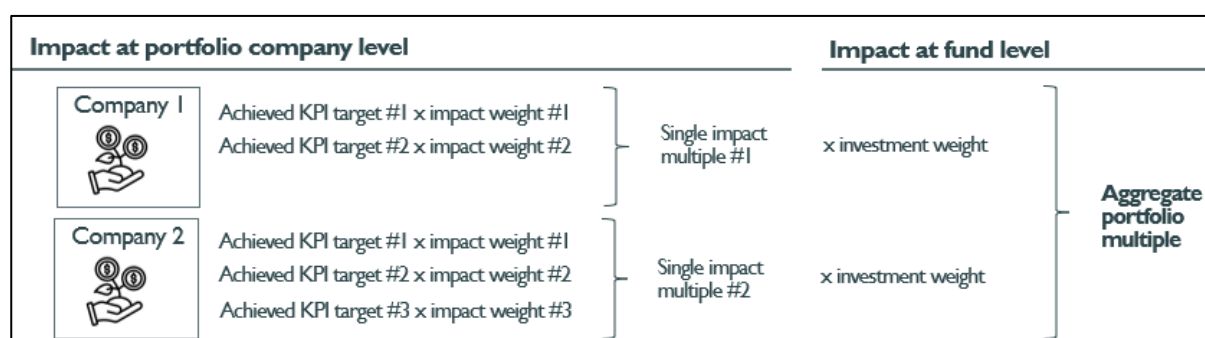
These findings are documented in a dedicated Exit Impact Memo, which forms part of the investment exit decision-making process. Any material concerns identified are transparently reported to stakeholders, and mitigation measures may be considered where appropriate.

This ensures that the positive impact generated by the portfolio company will continue to be supported even after the exit, to the extent possible.

6. Reporting and Disclosure

Reporting on Impact KPIs is a critical component of our commitment to transparency, accountability, and impact-driven decision-making. For each portfolio company, Vertevis will review, analyze and document positive and negative aspects of ESG performance and impact on an annual basis. The results and lessons learned will be used to continuously improve the impact measurement and management system,

Based on the portfolio company information an annual impact report on an aggregated level for the Fund on the progress made regarding ESG and the status of achieved impact objectives will be prepared. For this purpose the single impact multiple for each portfolio company will be calculated on a quarterly basis by setting off the actual target reached for each impact indicator against the impact target set by the impact committee multiplied by the assigned impact weight per impact indicator. The aggregate portfolio multiple for the Fund will be calculated by multiplying the single impact multiple per portfolio company by the relative investment weight of that investment. Where appropriate, reporting draws on recognized frameworks such as the PRI Reporting Framework, Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and the Impact Frontiers Impact Performance Reporting Norms, to promote consistency and comparability across investments.



The Fund will disclose all sustainability-related information required under the SFDR on Vertevis' website.

7. Roles and Responsibilities

Both the investment team and the operations team (legal, sustainability) are involved in the investment process (comprising due diligence and execution) and portfolio management. The sustainability manager is responsible for the impact due diligence related to any investment as well as monitoring and management with the objective of closing sustainability gaps and enhance positive impacts.

8. Commitments

UN PRI

The UN PRI (Principles for Responsible Investment) is a United Nations-supported network of investors working to promote responsible investment practices. It helps investors incorporate ESG issues into investment and ownership decisions.

The Six Principles of the UN PRI:

- **1:** We will incorporate ESG issues into investment analysis and decision-making processes.
- **2:** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- **3:** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- **4:** We will promote acceptance and implementation of the Principles within the investment industry.

- 5: We will work together to enhance our effectiveness in implementing the Principles.
- 6: We will each report on our activities and progress towards implementing the Principles.

Vertevis has been a provisional signatory since 2023 and supports the principles. Starting in 2025, Vertevis will annually produce a PRI report to help transparently document and continuously monitor the integration of sustainability strategies and risks into its investment processes.

Vertevis' Code of Conduct

At Vertevis, we are committed to conducting our business in accordance with all applicable laws, regulations, and internal guidelines. Our Code of Conduct serves as the foundation for a strong compliance culture and outlines the ethical and professional standards we expect from all employees. While the Code does not replace legal requirements, it provides clear guidance on responsible behavior and decision-making. Employees are encouraged to seek advice from management or Compliance Officers when facing uncertainties. Non-compliance with the Code may lead to disciplinary, legal, or financial consequences. Vertevis continuously reviews and updates its policies to reflect changes in the regulatory environment.

Vertevis' commitment to GHG emission avoidance

We work in a LEED Platinum-certified building. LEED Platinum certification is the highest level under the LEED (Leadership in Energy and Environmental Design) standard — a globally recognized framework for sustainable construction. This means the building meets the most stringent requirements across several sustainability categories, including, among others, energy efficiency and water conservation. Vertevis' employees are provided with monthly public transportation passes to commute to work. Business travel is prioritized — and almost exclusively conducted — by train in order to minimize environmental impact.

Annex I: Definitions

“EU Taxonomy” means	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June on the establishment of a framework to facilitate sustainable investment
“Minimum Safeguards” means	the minimum safeguards set out in Article 18 of the EU Taxonomy.
“Principal Adverse Impact” (PAI) means	the principal adverse impact on sustainability factors set out in Annex I of the Commission delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports.
“Sustainable Finance Disclosure Regulation” means	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.
“Technical Screening Criteria” means	the Commission delegated Regulation (EU) 2021/2139 of 4 June 2021 and (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualified as contributing substantially to the six environmental objectives set out in Article 9 of the EU Taxonomy: (a) climate change mitigation; (b) climate change adaptation; (c) the sustainable use and protection of water and marine resources; (d) the transition to a circular economy; (e) pollution prevention and control; (f) the protection and restoration of biodiversity and ecosystems.

Annex 2: Principal Adverse Impact Indicators (Mandatory and Selected Additional Indicators)

Mandatory indicators applicable to investments in investee companies

Adverse sustainability indicator		Metric
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS		
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions
		Scope 2 GHG emissions
		Scope 3 GHG emissions
		Total GHG emissions
	2. Carbon footprint	Carbon footprint
	3. GHG intensity of investee company	GHG intensity of investee company
Biodiversity	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
	5. 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
	6. 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
Water	7. 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
Waste	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
	9. Hazardous waste	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS		
Social and employee matters	10. 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
	11. 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
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies

	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. 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

ADDITIONAL selected climate and other environment-related indicator applicable to investments in investee companies

Adverse sustainability impact	Adverse impact on sustainability factors (qualitative or quantitative)	Metric
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement

ADDITIONAL selected indicator for social and employee, respect for human rights, anti-corruption and anti-bribery matters applicable to investments in investee companies

Adverse sustainability impact	Adverse impact on sustainability factors (qualitative or quantitative)	Metric
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption