

EQUISTONE PARTNERS EUROPE SAS

SUSTAINABILITY RISK POLICY – SFDR STATEMENT

Equistone Partners France SAS ('Equistone', 'we', 'our') makes the following disclosures in accordance with Articles 3(1), 4(1)(b) and 5(1) of the Sustainable Finance Disclosures Regulation (2019/2088) (the 'Disclosure Regulation').

APPROACH TO SUSTAINABILITY RISK

A sustainability risk means "an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment". This is a broad term which could describe a large number of events or conditions related to, for example, climate change, pollution, biodiversity or human rights violations, amongst others. For Equistone, sustainability risks are risks which, if they were to crystallise, would cause a material negative impact on the value of the portfolios of our funds.

As detailed in our Responsible Investing and Stewardship Policy, before any investment decisions are made on behalf of any funds that we manage, we identify the material risks associated with each proposed investment, including sustainability risk. We consider such risks as part of our fund risk management process, having regard to the fund's investment policy and objective. This leads to the submission of investment proposals to the investment committee.

The investment committee assesses all identified risks alongside other factors set out in the proposal. Following its assessment, investment decisions are made having regard to the fund's investment policy and objectives.

NO CONSIDERATION OF SUSTAINABILITY ADVERSE IMPACTS

Although ESG and sustainability risk is important to Equistone and we take it seriously, we do not consider the adverse impacts of investment decisions on sustainability factors in the manner prescribed by Article 4 of the Disclosure Regulation.

This is our current position, which we will keep under review. We are evaluating disclosure requirements which are applicable to firms which opt in to consider the principal adverse impacts of their investment decisions. As part of this evaluation, Equistone has started collecting Principal Adverse Impact (PAI) data across the portfolio. In particular, we are considering whether: (i) opting in would be the right strategic decision for us as a group and would help us to effectively facilitate our broader ESG and sustainability objectives; and (ii) we could gather and/or measure the mandatory data on which we would be obliged to report systematically, consistently and at a reasonable cost to our investors.

RELATED POLICIES

The Disclosure Regulation requires that Funds classified as Article 8 (or Article 9) must not invest in companies which do not follow good governance practices.

Please refer to the "Good Governance" section of Equistone's Responsible Investing and Stewardship Policy for a summary of how it seeks to comply with this good governance requirement through the assessment of good governance practices of our investee companies. This applies to Equistone funds categorised as Article 8.

TRANSPARENCY AND REPORTING

Equistone is a signatory, member or sponsor of the following initiatives:

- › Principles for Responsible Investment (PRI)
- › Initiative Climat International (iC International)
- › Level20
- › France Invest (Sustainability Committee and Talents & Diversity Committee)

REMUNERATION POLICY

Equistone has reviewed its Remuneration Policy in accordance with the requirements of Article 5 of the Disclosure Regulation to ensure consistency with Equistone's integration of sustainability risks as described above. The relevant details incorporated in that respect are featured below:

- › Internal controls verify and validate that variable remuneration amounts are justified relative to individual, team and firmwide performance, fairness across peers and established bonus targets.
- › Further, central to our Remuneration Policy is extending beyond financial risk to incorporate sustainability factors and compliance with our Responsible Investing and Stewardship Policy and other policies and procedures relating to the impact of sustainability risks on the investment decision making process.

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