

Sustainability-Related Disclosures : **QUILVEST CAPITAL PARTNERS BUYOUT FUND IV EUROPE** **S.C.A. SICAV-RAIF**

Summary: QUILVEST CAPITAL PARTNERS BUYOUT FUND IV EUROPE S.C.A. SICAV-RAIF has (E) environmental and (S) social characteristics and promotes investment into companies which follow good governance practices in accordance with Article 8 of the Sustainable Finance Disclosure Regulation (“SFDR”).

No Sustainable Investment Objective: the Fund promotes environmental or social characteristics but does not have sustainable investment as its objective.

Environmental or social characteristics of the financial product: The Fund promotes the development of an environmental, social and governance (“ESG”) strategy, processes and organization at portfolio company level at both pre-investment and post-investment levels. At the pre-investment level through conducting ESG due diligence using internal tools and expertise, and based on the results, either engaging external advisors for an independent review or using them to help develop an ESG roadmap aligned with the value creation plan when a full review is not required. And at the post-investment level the Fund embeds ESG into portfolio companies’ governance and boards, and monitors performance through regular reporting, benchmarking, and climate-focused actions.

Investment strategy: The investment policy of the Fund is to predominantly acquire private equity investments in unquoted companies in Western Europe. The Fund will actively seek to promote the development and implementation of ESG strategies and sound governance policies in the portfolio companies.

Proportion of investments: The investments generally require an equity investment by the Fund of between €30 million and €60 million. Such Investments shall typically be Investments in which the Fund has a lead or co-lead role as shareholder in the relevant entity (whether through a majority or influential minority stake), as opposed to passive co-investments.

Monitoring of environmental or social characteristics: Quilvest will notably support the systematic tracking and monitoring of standard and most material ESG indicators related to portfolio companies’ industry through systematically assessing ESG risks and/or opportunities, including sustainability risks, as well as good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance, before entering any new investment to allow a better decision making by the investment committee. Additionally, Quilvest will aim to support the systematic tracking and monitoring of standard and most material ESG indicators related to portfolio companies’ industry and will benchmark ESG performance against peers through the access and the use of a dedicated platform / database.

Quilvest will implement a process to review at least annually the development and implementation of the ESG strategy on the portfolio companies. Please refer to section “Engagement Policies” for more detail.

Methodologies: The Fund will ensure that targeted investments do not directly derive a significant portion of their revenues from, or are critical to the value chain, of industries that are on QUILVEST exclusion list. Moreover, Quilvest will actively seek to support the implementation of ESG-related improvements at portfolio company level.

The Fund will promote, among other characteristics, the development of an ESG strategy, processes and organization at its portfolio companies, using the following indicators:

- a) Developing or updating an ESG action plan within 12 months following the investment date;
- b) Including ESG as a standing item on board agendas, with at least one board meeting per year featuring an in-depth ESG review;
- c) Appointing a senior manager responsible for overseeing ESG matters;
- d) Completing the annual QCP ESG reporting survey;
- e) Completing a carbon footprint assessment (at least scope 1 and 2) within twelve months following the investment date
- f) Validating a decarbonization plan (or equivalent plan aligned with the alternative methodology referenced in the preceding paragraph, where applicable), within 24 months after the investment date
- g) Integrating ESG criteria into the management package
- h) Entering into a Sustainability-Linked Loan (SLL)

For an investment to be considered “aligned” with the promotion of the environmental and/or social characteristics, at least 4 of the above indicators must be met.

Data Sources and processing: The Fund uses several data sources during its risk review process as outlined in its investment policy. The data acquired from the portfolio companies is then showcased in the regular performance reports issued by Quilvest.

Limitations to methodologies and data: The Fund’s sustainability indicators fairly represent the ESG objective set-up for the Fund and provide a fair measure of progress, nevertheless the impact of these actions on the portfolio companies may vary depending on the sector where the portfolio companies are active.

Due Diligence: Quilvest’s ESG due-diligence framework combines industry-tailored internal ESG screening and internal ESG expertise, with targeted involvement of external advisors, either to review ESG risks and governance practices or to support the development of an ESG roadmap aligned with the value-creation plan, depending on the outcome of the internal assessment.

Engagement of policies: During the ownership period, depending on risks identified in the due diligence, Quilvest will work with the top management and the boards of these companies to develop and/or improve their overall ESG strategy, policies, processes and/or performance.

Designated reference benchmark: the Fund does not have a reference indicator.