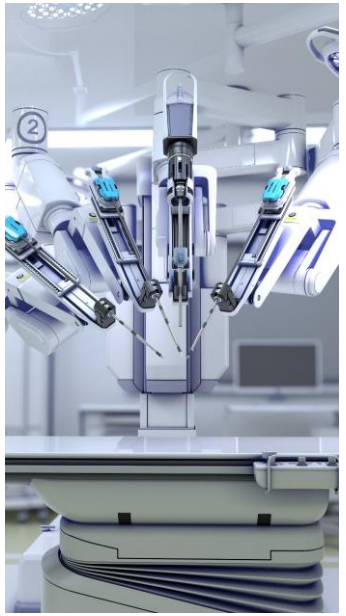
Sustainability-related disclosures

Financial product: Smile Invest NV
Diestsesteenweg 31a, 3210 Lubbeek, Belgium
BCE n° 0675.942.817

20 October 2026







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RELEVANT LEGAL FRAMEWORK

The present document ("**Website Disclosure**") is established in accordance with **Article 10** of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on the publication of sustainability information in the financial services sector ("**SFDR**") and **Articles 23 to 36** of Commission Regulation (EU) 2022/1288 of 6 April 2022 supplementing SFDR with regulatory technical standards ("**RTS**").

This document also takes into account the various guidelines related to SFDR and its RTS that have been published by European and Belgian competent authorities[1].

DISCLAIMERS

The information provided within the Website Disclosure under Article 10 of SFDR is intended to be general in nature and may thus not cover all specific aspects or circumstances relating to your specific situation. It is advisable, before making any investment decision, to consult qualified professionals or advisors in order to obtain advice tailored to your needs and specific to your situation.

Article 10 of SFDR and all related laws and regulations (e.g. RTS) are subject to change, whether in terms of possible modifications and/or interpretation. It is therefore possible that the information published within this Website Disclosure does not yet reflect legal and regulatory amendments and/or interpretation changes that have occurred subsequently. Therefore, it is advisable to stay informed of updates from the competent authorities and to always check the latest version and date of the present Website Disclosure (see "Document history" section).

The information provided in accordance with Article 10 of SFDR does not imply endorsement or recommendation of any specific product, service, or investment. The information provided is intended solely to ensure transparency with regard to the disclosure of sustainability-related information regarding Smile Invest NV and, hence, to comply with current applicable regulatory requirements.

[1] Such as :
- ***the FSMA Communication*** *dated 09.03.2021 regarding the entry into force of SFDR, https://www.fsma.be/sites/default/files/legacy/content/FR/circ/2021/fsma_2021_06_fr.pdf ;*
- ***Consolidated Q&A on SFDR*** *dated 25.07.2024, https://www.esma.europa.eu/sites/default/files/2023-05/JC_2023_18_-_Consolidated_JC_SFDR_QAs.pdf ;*
- ***ESMA clarifications on the ESAs' draft RTS under SFDR*** *of 02.06.2022, https://www.esma.europa.eu/sites/default/files/library/jc_2022_23_-_clarifications_on_the_esas_draft_rts_under_sfdr.pdf ;*
- ***FSMA Q&A of 24.01.2023 regarding the entry into force of the RTS****, https://www.fsma.be/sites/default/files/media/files/2023-01/fsma_2023_01_fr.pdf;*
- ***Consolidated Q&A on SFDR*** *dated 12 January 2024, https://www.esma.europa.eu/sites/default/files/2023-05/JC_2023_18_-_Consolidated_JC_SFDR_QAs.pdf.*

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1. Financial product

Smile Invest NV is a public limited company incorporated under the laws of Belgium, with registered office at Diestsesteenweg 31a, 3210 Lubbeek, Belgium, registered with the Crossroads Bank for Enterprises under number 0675.942.817 and qualifying as a non-public alternative investment fund (the "**Fund**").

The Fund has appointed ***Smile Invest Management Company NV***, a public limited company incorporated under the laws of Belgium, with registered office at Diestsesteenweg 31a, 3210 Lubbeek, Belgium, that is registered with the Crossroads Bank for Enterprises under number 0675.995.671 and that is authorised as Belgian manager of non-public alternative investment funds by the Financial Services and Markets Authority ("**FSMA**"), to act as its alternative investment fund manager (hereinafter referred to as the "**AIFM**" or "**SIMC**").

The Fund acts as the master fund in the context of a master-feeder structure where the feeder fund is ***Dutch Smile Invest BV***, a private limited company with registered office at Lange Voorhout 59, 2514 EC 's-Gravenhage, the Netherlands, registered with the commercial register under number 72349689, which also qualifies as a non-public alternative investment fund (the "**Feeder Fund**").

2. Summary (Article 25)

The Fund, which is active in the private equity sector, promotes environmental and social characteristics but does not have, as its objective, sustainable investment.

In order to have a positive impact on society, the Fund aims to promote the following environmental (E) and social (S) characteristics:

- healthcare & well-being (S); and
- reducing the effects of climate change (E).

In this regard, the investment strategy of the Fund is structured around three key aspects:

- four investment themes: (i) advanced technologies, (ii) healthcare & well-being, (iii) environment, and (iv) B2B services;
- engagement with stakeholders; and
- sustainability analysis of investment opportunities.

The minimum proportion of the Fund's investments used to comply with the environmental and social characteristics promoted by the Fund under the binding elements of its investment strategy is 30%.

The Fund does not plan to invest in sustainable investments as defined by SFDR and therefore does not undertake to invest in environmentally sustainable investments as defined by the Taxonomy Regulation (the minimum percentage of aligned investments within the meaning of the Taxonomy Regulation: 0%).

The AIFM, on behalf of the Fund, has put in place several measures so as to ensure the continuous monitoring of the E/S characteristics promoted by the Fund and of the sustainability indicators used to measure the attainment of these characteristics:

- Sustainability analysis: it enables the AIFM to 1° identify the sustainability risks and opportunities of the portfolio company as well as 2° the portfolio company's best practices and areas for improvement and 3° define a list of priority areas to focus on during the lifetime of its investment in the portfolio company.
- List of excluded sectors and countries: this exclusion list is checked prior to investing, and a screening of the investments is made on a regular basis thereafter, to make sure that the portfolio companies' direct activities are not related to such sectors or countries.
- Sustainability reporting questionnaire: it enables the AIFM to evaluate the portfolio companies' progress, best practices and areas of improvement on sustainability topics and on their sustainability action plan, when applicable.

To measure how the E/S characteristics promoted by the Fund are met, the AIFM on behalf of the Fund:

- From a quantitative standpoint, analyses the share of its investments in portfolio companies active in two of its investment themes, namely healthcare & well-being and environment, and how this percentage is evolving throughout the years.
- From a qualitative standpoint, ensures that sustainability topics are, at least once a year, on the agenda of the portfolio companies' board meetings (if the Fund is represented in the board of directors of the portfolio company) and may, on a case-by-case basis, build a sustainability action plan with the management team of a portfolio company so as to guide more specifically their progress on sustainability.

To attain the E/S characteristics promoted by the Fund, the AIFM uses a software tool to request data related to environmental, social and governance matters to the different portfolio companies on a yearly basis. The Chief Financial Officer ("**CFO**") of each portfolio company is responsible for the completion of the questionnaire made available in this tool. To ensure data quality, a review of data is performed by the different investment managers of the AIFM and, if necessary, adapted by the designated ESG Responsible within the AIFM ("**ESG Responsible**"), in collaboration with the CFO of the relevant portfolio company.

There are limitations to the availability and quality of data in the market due to the diversity of methodologies used, the lack of some types of data in general and the costs that need to be incurred to obtain such data. However, the AIFM 1° tries to define in the most precise way the requested indicators to ensure that consistent methodologies are used and 2° organizes trainings to help the different portfolio companies complete such questionnaire. Therefore, the limits set out above should not have a significant influence on the extent to which the environmental or social characteristics promoted by the Fund are achieved.

Before making any investment, the AIFM, on behalf of the Fund, performs a red flag sustainability analysis (pre-investment due diligence). In addition, the AIFM on behalf of the Fund may, as the case may be, solicit an external due diligence if potential red flags are identified during the internal analysis. During the investment period, a sustainability analysis is performed by the AIFM on behalf of the Fund via a reporting questionnaire to be filled in by the portfolio companies on an annual basis.

As the AIFM of the Fund does not invest in shares traded on a regulated market on behalf of investors, it is not subject to the obligation of publishing an engagement policy describing how it integrates shareholder engagement into its investment strategy under the EU Directive 2007/36. However, engagement with stakeholders on sustainability factors is part of the investment strategy pursued by the Fund. In this context, sustainability-related topics are regularly put on the agenda of the portfolio companies' respective board meetings (if the Fund is represented in the board of directors of the portfolio company) and the Fund is committed to supporting the portfolio companies along their growth and sustainability journey, and to provide them with experience and expertise, particularly on sustainability-related topics.

No index was designated as a reference benchmark to meet the environmental and/or social characteristics promoted by the Fund.

2. Samenvatting (Artikel 25) – *Dutch translation*

Het Fonds (Smile Invest NV), dat actief is in de private-equity sector, promoot ecologische en sociale kenmerken, maar heeft duurzaam beleggen niet als doelstelling.

Om een positieve invloed op de samenleving te hebben, wil het Fonds de volgende ecologische (E) en sociale (S) kenmerken promoten:

- gezondheidszorg & welzijn (S); en
- effecten van klimaatverandering verminderen (E).

In dit opzicht is de investeringsstrategie van het Fonds gestructureerd rond drie belangrijke aspecten:

- vier beleggingsthema's: (i) geavanceerde technologieën, (ii) gezondheidszorg & welzijn, (iii) milieu, en (iv) B2B services;
- dialoog met stakeholders; en
- duurzaamheidsanalyse van investeringsopportuniteiten.

Het minimumpercentage van de beleggingen van het Fonds dat wordt gebruikt om te voldoen aan de ecologische en sociale kenmerken die het Fonds promoot, in het kader van de bindende elementen van zijn beleggingsstrategie, bedraagt 30%.

Het Fonds is niet van plan om te investeren in duurzame beleggingen zoals gedefinieerd door SFDR en verbindt zich er daarom niet toe om te beleggen in ecologisch duurzame investeringen zoals gedefinieerd door de Taxonomieverordening (het minimumpercentage te beleggen in investeringen die in aanmerking komen als ecologisch duurzaam in de zin van de Taxonomieverordening bedraagt 0%).

De AIFM (Smile Invest Management Company NV) heeft namens het Fonds diverse maatregelen ingevoerd om een voortdurende controle te waarborgen van de gepromote ecologische en sociale kenmerken die het Fonds uitdraagt en van de duurzaamheidsindicatoren die worden gebruikt om te meten in hoeverre deze kenmerken worden bereikt:

- Duurzaamheidsanalyse: deze stelt de AIFM in staat om 1° de duurzaamheidsrisico's en -opportuniteiten van de portefeuillebedrijven te identificeren, alsook 2° de beste praktijken van de portefeuillebedrijven en de elementen die voor verbetering vatbaar zijn te identificeren, en 3° een lijst van prioriteiten op te stellen waarop de AIFM zich tijdens de investeringsperiode in de portefeuillebedrijven moet focussen.
- Lijst van uitgesloten sectoren en landen: deze uitsluitingenlijst wordt gecontroleerd vóór de investering en daarna worden de investeringen regelmatig gescreend om er zeker van te zijn dat de directe activiteiten van de portefeuillebedrijven niet gerelateerd zijn aan dergelijke sectoren of landen.
- Vragenlijst voor duurzaamheidsrapportage: hiermee kan de AIFM de voortgang, beste praktijken en verbeterpunten van de portefeuillebedrijven op het gebied van duurzaamheidsthema's en hun duurzaamheidsactieplan beoordelen, indien van toepassing.

Om te meten in welke mate de door het Fonds gepromote E/S-kenmerken worden gehaald, gaat de AIFM namens het Fonds als volgt te werk:

- Vanuit een kwantitatief standpunt wordt er geanalyseerd wat het aandeel is van de beleggingen in portefeuillebedrijven die actief zijn in twee van zijn beleggingsthema's, namelijk gezondheidszorg & welzijn en milieu, en hoe dit percentage evolueert doorheen de jaren.
- Vanuit een kwalitatief oogpunt zorgt de AIFM ervoor dat duurzaamheidsthema's ten minste één keer per jaar op de agenda staan van de bestuurdersvergaderingen van de portefeuillebedrijven (indien Smile Invest NV vertegenwoordigd is in de raad van bestuur van het portefeuillebedrijf). Van geval tot geval kan de AIFM een duurzaamheidsactieplan opstellen samen met het managementteam van een portefeuillebedrijf om meer specifiek hun vooruitgang op het gebied van duurzaamheid te begeleiden.

Om de E/S-kenmerken te bereiken die het Fonds promoot, gebruikt de AIFM een softwaretool om jaarlijks gegevens over milieu-, sociale en bestuurskwesties op te vragen bij de verschillende portefeuillebedrijven. De Chief Financial Officer ("**CFO**") van elk portefeuillebedrijf is verantwoordelijk voor het invullen van de vragenlijst die in deze tool beschikbaar wordt gesteld. Om de kwaliteit van de gegevens te garanderen, wordt de data door de verschillende investment managers van de AIFM geëvalueerd

en indien nodig aangepast door de aangewezen ESG-verantwoordelijke binnen de AIFM ("**ESG-verantwoordelijke**"), in samenwerking met de CFO van het betrokken portefeuillebedrijf.

De beschikbaarheid en de kwaliteit van de gegevens op de markt zijn beperkt door de diversiteit van de gebruikte methodologieën, het gebrek aan bepaalde gegevens in het algemeen en de kosten die moeten worden gemaakt om dergelijke gegevens te verkrijgen. De AIFM probeert echter 1° de gevraagde indicatoren zo precies mogelijk te definiëren om ervoor te zorgen dat consistente methodologieën worden gebruikt en 2° organiseert opleidingen om de verschillende portefeuillebedrijven te helpen bij het invullen van een dergelijke vragenlijst. Daarom zouden de hierboven uiteengezette beperkingen geen significante invloed mogen hebben op de mate waarin de ecologische of sociale kenmerken die door het Fonds worden gepromoot, worden bereikt.

Alvorens te investeren, zal de AIFM namens het Fonds een red flag duurzaamheidsanalyse uitvoeren (pre-investment due diligence). Daarnaast kan de AIFM namens het Fonds in voorkomend geval een extern due diligenceonderzoek laten uitvoeren in het geval er tijdens de interne analyse potentiële risico's worden geïdentificeerd. Tijdens de beleggingsperiode voert de AIFM namens het Fonds een duurzaamheidsanalyse uit via een vragenlijst die de portefeuillebedrijven jaarlijks dienen in te vullen.

Aangezien de AIFM van het Fonds niet namens beleggers belegt in aandelen die op een gereglementeerde markt worden verhandeld, is zij niet onderworpen aan de verplichting om een betrokkenheidsbeleid te publiceren waarin wordt beschreven hoe zij de betrokkenheid van aandeelhouders integreert in haar investeringsstrategie in het kader van de EU-richtlijn 2007/36. De dialoog met stakeholders over duurzaamheidsfactoren maakt echter deel uit van de investeringsstrategie van het Fonds. In dit verband worden onderwerpen die verband houden met duurzaamheidsfactoren regelmatig op de agenda geplaatst van de respectievelijke bestuurdersvergaderingen van de portefeuillebedrijven (indien Smile Invest NV vertegenwoordigd is in de raad van bestuur van het portefeuillebedrijf) en het Fonds zet zich in om de portefeuillebedrijven te ondersteunen op hun weg naar groei en duurzaamheid en om hen ervaring en expertise te bieden, met name op het gebied van onderwerpen die verband houden met duurzaamheidsfactoren.

Er is geen index aangewezen als referentiebenchmark om te voldoen aan de ecologische en/of sociale kenmerken die door het Fonds worden gepromoot.

3. No sustainable investment objective (Article 26)

The Fund promotes environmental and social characteristics but does not have, as its objective, sustainable investment.

4. Environmental and social characteristics of the financial product (Article 27)

The Fund aims to combine a positive impact on society and the economy with attractive returns for its stakeholders.

In order to have a positive impact on society, the Fund aims to promote the following environmental and social characteristics:

HEALTHCARE & WELL-BEING



The aging population worldwide needs innovative and advanced healthcare. Evolutions in diagnostics and medical technology make it possible to decentralize healthcare and bring it closer to the patient. In addition, there is an increasing demand for a better quality of life and well-being.

The Fund aims to promote healthcare and well-being by investing in companies active in medical technology, diagnostics or services that contribute to better healthcare and to a better quality of life.

REDUCING THE EFFECTS OF CLIMATE CHANGE



Under the European climate law, EU countries must cut greenhouse gas emissions by at least 55% by 2030. Their goal is to make the EU climate neutral by 2050. Significant investment will be needed in all sectors to achieve the EU's climate ambitions by 2050.

There is also gradually a consensus that the world should use scarce raw materials such as air, water, energy and certain ores in a more sustainable way. Accelerating the efficient use of energy and materials is an important way to reduce the effects of climate change and, in this matter, promoting innovation and technology development is unavoidable and necessary.

The Fund aims to reduce the effects of climate change by, amongst others, investing in companies active in energy transition, innovative environmental solutions and resource efficiency.

5. Investment strategy (Article 28)

The responsible investment strategy pursued by SIMC on behalf of the Fund to meet the environmental and social characteristics promoted is structured as follows:

1. Four investment themes

The Fund exclusively invests in the four following investment themes:

- advanced technologies;
- healthcare & well-being;
- environment; and
- B2B services.

Contributing to societal change is core to these four investment themes:

- Investments in companies active in energy transition, innovative environmental solutions & resource efficiency and, in some cases, investments in advanced technologies and B2B services, help to reduce the effects of climate change;
- Investments in medical technology, diagnostics or services contribute to better healthcare and well-being.

Within this framework, the Fund sources companies that have or can have a positive impact on tomorrow's society, namely companies within sectors that already consider sustainability stewardship or for which the Fund has the appropriate experience to support them in integrating sustainability into their business practices and business model.

2. Engagement with stakeholders

The Fund aims to meet today's environmental and social challenges and more specifically to reduce the effects of climate change and improve healthcare and well-being by engaging with its stakeholders on sustainability issues. This engagement with stakeholders takes different forms:

- The Fund accompanies its portfolio companies on a sustainable growth journey by defining a sustainability roadmap with them as the case may be and by assessing their progress in terms of sustainability;
- The Fund ensures that sustainability topics are regularly put on the agenda of the portfolio companies' board (if the Fund is represented in the board of directors of the portfolio company);
- The Fund puts in place, as the case may be, mitigating actions in collaboration with the management of the portfolio companies, in the event of potential significant sustainability risks or principal adverse impacts on sustainability factors; and

- The AIFM of the Fund provides sustainability information to potential new shareholders at the time of divestment to ensure that actions implemented with the portfolio companies have a long-term impact.

The Fund, through its continuous and strong active engagement with stakeholders, also assesses and ensures the respect of good governance practices by portfolio companies, notably in terms of management structure, employee relations, remuneration of the staff and tax compliance.

3. Sustainability analysis of investment opportunities

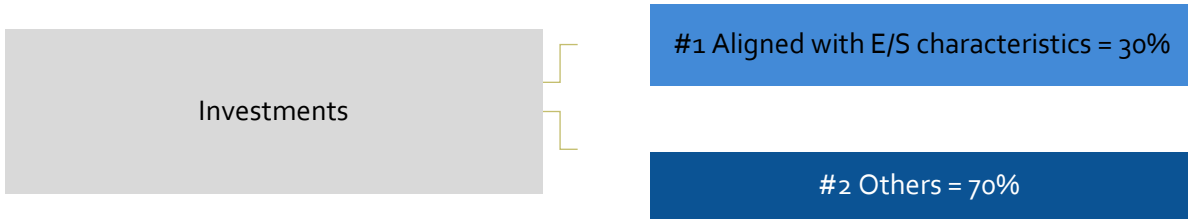
The Fund operates a sustainability analysis prior to any investment decision. The goal of this analysis is to identify potential red flags in terms of sustainability by assessing the investment opportunity's level of exposure to sustainability risks and opportunities, based on its sector, business model and geographical location.

The results of this analysis are systematically included in a sustainability section in the investment note and discussed within the Executive Committee (established by the board of directors of the AIFM and dedicated to a specific AIF managed by the AIFM). If an investment opportunity represents a critical risk in terms of sustainability, the Fund will refrain from investing in such investment opportunity. To make this decision, the Fund takes into account the level of risk identified, the level of maturity of the portfolio company on sustainability issues and more importantly, the willingness of its management to improve the company's sustainability performance.

6. Proportion of investments (Article 29)

The minimum proportion of the Fund's investments used to comply with the environmental and social characteristics promoted by the Fund under the binding elements of its investment strategy is 30%.

The Fund does not plan to invest in sustainable investments as defined by SFDR and therefore does not undertake to invest in environmentally sustainable investments as defined by the Taxonomy Regulation (the minimum percentage of aligned investments within the meaning of the Taxonomy Regulation: 0%).



The "#1 Aligned with E/S Characteristics" category includes the Fund's investments (direct exposure) used to achieve the environmental and/or social characteristics promoted by the Fund.

Category "#2 Others" includes remaining Fund's investments that are neither aligned with the promoted environmental and/or social characteristics nor considered sustainable investments within the meaning of SFDR.

7. Monitoring of environmental and social characteristics (Article 30)

The AIFM, on behalf of the Fund, has put in place several measures so as to ensure the continuous monitoring of the environmental (i.e. reducing the effects of climate change) and social (i.e. healthcare & well-being) characteristics promoted by the Fund and of the sustainability indicators used to measure the attainment of these characteristics:

- The **sustainability analysis** performed by the AIFM on behalf of the Fund, on the portfolio companies, and which is part of its investment strategy, enables the AIFM to identify the sustainability risks and opportunities of the portfolio company as well as the portfolio company's best practices and areas for improvement. If this internal control is not enough and/or if potential red flags are identified, the AIFM may request, on behalf of the Fund, an external sustainability due diligence. This internal (and external, as the case may be) due diligence exercise is then used by the AIFM to define a **list of priority areas** to focus on during the lifetime of its investment in the portfolio company and to **start the conversation** with the portfolio company's management on sustainability risks and opportunities.

- In addition, the AIFM established a **list of excluded sectors and countries** (i.e. alcohol, fast food, palm oil, fishing, fur, gambling, illicit activities, narcotics, tobacco, deforestation, production of pesticides, pornography, production of fossil fuels (incl. coal, oil), offensive weapons; companies with a physical presence and/or legal entities in countries under trade restrictions or embargoes) that have a negative impact on the environmental and social characteristics promoted by the Fund. This exclusion list is checked prior to investing, and a screening of the investments is made on a regular basis thereafter, to make sure that the portfolio companies' direct activities are not related to such sectors or countries.

- Finally, the AIFM established a **sustainability reporting questionnaire** so as to enable it to evaluate the portfolio companies' progress, best practices and areas of improvement on sustainability topics and on their sustainability action plan, when applicable.

8. Methodologies (Article 31)

From a quantitative standpoint, to measure how the environmental (i.e. reducing the effects of climate change) and social (i.e. healthcare & well-being) characteristics promoted by the Fund are met, the AIFM on behalf of the Fund **analyses the share of its investments in portfolio companies active in two of its investment themes**, namely healthcare & well-being and environment, **and how this percentage is evolving** throughout the years.

From a qualitative standpoint, to measure how the environmental (i.e. reducing the effects of climate change) and social (i.e. healthcare & well-being) characteristics promoted by the Fund are met, the AIFM on behalf of the Fund ensures that sustainability topics are, **at least once a year**, on the agenda of the portfolio companies' board meetings (if the Fund is represented in the board of directors of the portfolio company). In addition, the AIFM, on behalf of the Fund, may, on a case-by-case basis, build a **sustainability action plan** with the management team of a portfolio company so as to guide more specifically their progress on sustainability.

9. Data sources and processing (Article 32)

To attain the environmental and social characteristics promoted by the Fund, SIMC uses a software tool to request data related to environmental, social and governance matters to the different portfolio companies on a yearly basis. The Chief Financial Officer ("**CFO**") of each portfolio company is responsible for the completion of the questionnaire made available in this tool related to sustainability factors and/or sustainability risks. In the event the data is not available, and the CFO is not able to provide a supported estimate, the CFO shall duly explain the underlying reasons in the questionnaire as well as the actions they will take in the future to gather such data.

To ensure data quality, a review of data is performed by the different investment managers of the AIFM and, if necessary, adapted by the ESG Responsible. This review consists, as the case may be, in (i) challenging their calculations, (ii) checking that the methodology has been applied correctly and/or (iii) challenging some of their answers based on other information provided by the portfolio company where a potential discordance has been spotted.

The data is processed and archived in the software tool to which only the designated ESG Responsible within SIMC has access. The investment managers receive an Excel file with the completed questionnaire of each portfolio company enabling them to perform the sanity check / review of data explained above. The ESG Responsible then performs a final review of the investment managers' findings and liaises with the relevant CFOs to discuss and amend their answers, if necessary.

10. Limitations to methodologies and data (Article 33)

There are limitations to the availability and quality of data in the market due to the diversity of methodologies used, the lack of some types of data in general and the costs that need to be incurred to obtain such data.

Indeed, SIMC mainly invests in small and medium-sized companies (on behalf of the Fund), that are not yet legally required to collect and report on sustainability-related data. Consequently, not all requested data is always available or captured by the portfolio companies.

However, SIMC tries to define in the most precise way the requested indicators to ensure that it gets comparable data over the different portfolio companies and that the diversity of methodology and/or interpretation does not become an issue. Moreover, SIMC has the flexibility to amend the content and frequency of the questionnaire in the software tool as it sees fit.

In addition, SIMC organizes trainings to help the CFOs of the different portfolio companies complete such questionnaire. In any event, CFOs of the portfolio companies can contact SIMC at any time if they have any questions with the requested reporting.

Therefore, the limits set out above should not have a significant influence on the extent to which the environmental or social characteristics promoted by the Fund are achieved.

11. Due diligence (Article 34)

As explained further under Section 7, the AIFM, on behalf of the Fund, performs a red flag sustainability analysis (pre-investment due diligence) before making any investment. In addition, the AIFM on behalf of the Fund may, as the case may be, solicit an external due diligence if red flags are identified during the internal analysis.

During the investment period, the AIFM on behalf of the Fund launches a reporting questionnaire to be filled in by the portfolio companies on an annual basis.

This reporting questionnaire covers, amongst other things, the following topics:

Environment:	**Social:**	**Governance:**
• Environmental Management • Climate Change • Natural resources consumption • Biodiversity • Pollution & Waste	• Employment • Diversity • Compensation and benefits • Labor relations • Training • Work accidents	• Shareholder governance • Operational governance • Sustainable purchasing • Taxes and litigation

12. Engagement policies (Article 35)

As the AIFM of the Fund does not invest in shares traded on a regulated market on behalf of investors, it does not fall within the scope of Chapter Ib – Article 3h of the Directive (EU) 2007/36 with a view to promoting long-term shareholder engagement as amended by Directive (EU) 2017/828 of 17 May 2017 and is therefore not subject to the obligation of publishing an engagement policy describing how it integrates shareholder engagement into its investment strategy.

However, the AIFM of the Fund aims at reducing principal adverse impacts on sustainability factors through a strong engagement, on behalf of the Fund, with the portfolio companies as regards sustainability factors. Indeed, engagement is part of the environmental and social investment strategy of the Fund.

Moreover, the AIFM of the Fund is committed to supporting the portfolio companies along their growth and sustainability journey, and to provide them with experience and expertise, particularly on sustainability-related topics. On a case-by-case basis, the AIFM of the Fund may decide to build a sustainability action plan with the management team of a portfolio company to guide its progress on sustainability. More particularly, the AIFM of the Fund performs an annual evaluation of the portfolio companies' progress, best practices, and areas of improvement with regard to their impacts on sustainability factors. Finally, to ensure that actions implemented with the portfolio companies have a long-term impact beyond the investment horizon, the AIFM of the Fund provides sustainability information at the time of divestment. Communicating transparently to potential new shareholders about sustainability issues on exit is both an ethical requirement and an opportunity to highlight the value creation of the portfolio companies.

In the event of sustainability-related controversies in a portfolio company, the AIFM of the Fund will discuss with the management team of the relevant portfolio company so as to help it remedy the situation. The AIFM of the Fund will then closely monitor the situation to ensure that it is improving.

13. Designated reference benchmark (Article 36)

No index was designated as a reference benchmark to meet the environmental and/or social characteristics promoted by the Fund.