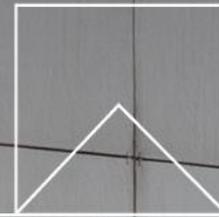




ASSET  
MANAGEMENT

WEBSITE PRODUCT DISCLOSURE FOR FINANCIAL  
PRODUCTS REFERRED IN ARTICLE 8 (1-2A) REGULATION  
(EU) 2019/2088 AND ARTICLE 5 OF REGULATION (EU)  
2020/852



Product name: INVL Partner Private Equity Fund (hereinafter – “the Feeder Fund”)

Legal entity identifier: NA

Does this financial product have a sustainable investment objective?	
<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ____% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ____%	<input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>
Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?	
<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO

## I Summary

The Feeder Fund invests in EQT X (No. 1) EUR SCSp, hereinafter the Master Fund, registration number B261.680. The Feeder Fund indirectly, through investments in the Master Fund, promotes the environmental and social characteristics promoted by the Master Fund. Neither the Feeder Fund nor the Master Fund commits to making sustainable investments.

The social and environmental characteristics promoted by the Master Fund include investing in solutions with a positive impact on society, measuring sustainability metrics, and promoting responsible environmental and social practices in the companies in which it invests. The Master Fund expects that the companies in which it invests will implement plans in the following areas:

- reduction of GHG emissions, Scope 1, 2, and 3, at portfolio and fund level,
- increase of the share of electricity from renewable sources to at least 85 percent,
- representation of women on boards of at least 40 percent,
- effective sustainability governance, including a responsible board member, a materiality assessment, and at least one ambitious target linked to the business model or sustainability opportunities.

In order to assess, measure, and monitor the environmental and social characteristics promoted by the Master Fund, the Master Fund will require portfolio companies to:

- set targets for the reduction of GHG emissions,
- increase the share of renewable electricity,
- promote gender diversity on boards.

Data on progress toward these indicators are collected annually, and data on board gender diversity are collected quarterly. In cases of insufficient progress, portfolio companies must carry out an analysis of causes and define corrective actions. The Master Fund reports in accordance with EU requirements, and the Feeder Fund passes this information on to its investors to the same extent.

The Master Fund, to the extent possible, takes into account principal adverse impacts, PAI, related to the Master Fund’s investments in portfolio companies.

The Master Fund will primarily carry out control and joint control private equity investments in medium sized and large companies with attractive market positions, significant revenue and profit growth potential, sustainable cash flows, and the ability to retain or attract highly qualified management. In line with recent private equity fund practice, the Master Fund applies a thematic investment approach focused on high quality companies which, in the assessment of the Master Fund manager, have significant expansion and value creation potential.

The Master Fund integrates environmental and social aspects throughout the investment cycle, with the aim of investing in companies that have a positive impact or transformation potential and of avoiding harm to the environment or society. Where harm cannot be avoided, the objective is to promote the transformation of companies.

The Feeder Fund invests all of its assets in the Master Fund, which seeks to ensure that all of its investments meet environmental and or social characteristics.

The Feeder Fund monitors the information disclosed by the Master Fund on the monitoring of environmental and social characteristics, while itself having only limited influence. In the event of significant deviations, it may initiate dialogue on corrective actions. The Master Fund assesses sustainability indicators at least once a year, monitors board gender diversity and SBT status quarterly, and in cases of insufficient progress, where it has control, may require companies to submit an analysis of causes and an action plan.

For the assessment of good governance, the Master Fund, prior to investing, reviews companies' governance structures, compliance, employee relations, remuneration and tax practices, and whistleblowing systems. The companies in which it invests must comply with the principles of the UN Global Compact and ensure monitoring of progress. Where the Master Fund is the main shareholder, it may appoint the chair of the board and its own representative, and in cases of lower control it seeks to implement responsible investment policy standards.

The Master Fund collects ESG data from portfolio companies annually through a questionnaire, and board gender diversity is monitored quarterly. The data are first reviewed by the deal team, then reviewed by the sustainability data controller, and additional internal expertise of the Master Fund is involved to ensure quality assurance. The Feeder Fund does not verify or assess the information disclosed by the Master Fund and discloses it to the extent disclosed by the Master Fund.

The collected information is aggregated in accordance with established methodologies, using third party service providers to calculate GHG emissions and electricity consumption. Where sufficient data are not available, extrapolation methodologies are applied, based on available trends or derived indicators. Sustainability data may be unavailable due to limited resources of portfolio companies, the limited influence of the Master Fund, in cases of joint control or minority holdings, the exit process, or different data collection timelines. The Master Fund continuously improves its data control and reporting system, aiming for accuracy comparable to that of financial data. In cases of shortcomings, it cooperates with companies to improve data completeness and transparently discloses gaps in its reports.

The Feeder Fund, while not itself making any investment decisions, bases its detailed review of potential investments on the procedures of the Master Fund, which include a responsible investment policy, analysis of sustainability risks and opportunities, and ESG due diligence carried out by third parties. The results of these analyses are documented. Companies whose activities cause harm to the environment or society are avoided, unless there is a clear transformation pathway.

The engagement policy is also implemented at the level of the Master Fund. It engages with portfolio companies, sets sustainability KPIs, requires the appointment of a board member or committee responsible for sustainability, and ensures at least one annual ESG discussion at board level. In addition, external services are used to monitor adverse impacts, and where issues arise, work is carried out with companies to achieve long term progress.

## II No sustainable investment objective

### **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

Both the Feeder Fund and the Master Fund promote environmental and social characteristics, but do not commit to making sustainable investments.

## III Environmental or social characteristics promoted of the financial product

### **What environmental and/or social characteristics are promoted by this financial product?**

The Feeder Fund indirectly, through investments in the Master Fund, promotes the environmental and social characteristics promoted by the Master Fund. The social and environmental characteristics promoted by the Master Fund include investing in solutions with a positive impact on society, measuring sustainability metrics, and promoting responsible environmental and social practices in the companies in which it invests.

The Master Fund expects the companies in which it invests to prepare plans to achieve specific sustainability objectives in four areas:

- GHG emissions reduction. The Master Fund promotes the reduction of greenhouse gas, GHG, emissions, Scope 1, 2, and 3, at portfolio company and fund level.
- Renewable electricity. The share of electricity purchased from renewable sources by the relevant Master Fund portfolio companies is expected over time to increase to at least 85 percent.
- Board gender diversity. The long term objective is that the share of women appointed by the Master Fund on the boards of the relevant portfolio companies reaches at least 40 percent.
- Governance. The relevant Master Fund portfolio companies are expected to have an effective sustainability governance structure and a board member responsible for sustainability matters, ensuring strategic commitment at board level. It is also expected that a materiality assessment is carried out and a strategy is prepared with at least one ambitious target linked to the company's business model or to key sustainability opportunities.

The policies, procedures, and or initiatives of the Master Fund, and the related sustainability objectives for portfolio companies, may change over time, taking into account the overall objective of the EQT group to create positive impact and to invest responsibly and sustainably.

### **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

To assess the achievement of the environmental or social characteristics promoted by the Feeder Fund, it uses the sustainability indicators applied by the Master Fund. The Master Fund's portfolio companies are required to comply with EQT sustainability expectations, which are defined through a set of key performance indicators, KPI. Companies must report on their implementation at least once a year. Illustrative KPIs include the existence of an ESG policy, a materiality assessment, an annual employee engagement survey, board and management gender diversity, GHG emissions, the share of renewable electricity, and the amount of waste sent to landfill. EQT sustainability expectations for portfolio companies are continuously developed.

In order to assess, measure, and monitor the environmental and social characteristics promoted by the Master Fund, the Master Fund will require portfolio companies to:

- set targets for the reduction of GHG emissions,
- increase the share of renewable electricity,
- promote board gender diversity.

The Master Fund teams work with the management of portfolio companies to accelerate positive impact, improve sustainability performance and disclosures, by setting expectations and providing strategic guidance on integrating sustainability into business and operational strategy.

During the first years of investment ownership, baseline values for the relevant KPIs are established. In subsequent years, the indicators are measured, assessed, and compared both against the baseline and, where possible, against peer companies. The results of the analysis are presented to investors in regular reports. The Feeder Fund will disclose progress on sustainability indicators in its annual reports in accordance with SFDR requirements. Where progress on sustainability is insufficient, the portfolio company must carry out an analysis and identify the main reasons why the expected progress has not been achieved.

### **Does this financial product consider principal adverse impacts on sustainability factors?**

Yes, in order to assess, measure, and monitor the environmental and social characteristics promoted by the Master Fund, the Master Fund, to the extent possible, takes into account principal adverse impacts, PAI, related to the Master Fund's investments in portfolio companies and, taking into account the nature of the investment, makes best efforts by applying the following methodologies:

- monitoring progress of sustainability indicators, KPI, including PAI. This includes the 14 mandatory PAI indicators set out in Table 1 of Annex I to Commission Delegated Regulation, EU, 2022/1288, and two additional indicators, which are:
  - o Environmental: investments in companies that do not have initiatives to reduce carbon dioxide emissions, and
  - o Social: the number of days lost due to injuries, accidents, fatalities, or illnesses.
- PAI data are collected annually on a best effort basis, based on information collected from portfolio companies through questionnaires.

The Feeder Fund discloses the PAI information disclosed by the Master Fund on a look through basis, as it does not itself make investment decisions.

## **IV Investment strategy**

### **What investment strategy is used to meet the environmental or social characteristics promoted by the financial product?**

The investment strategy of the Feeder Fund is to invest in the Master Fund, whose investment strategy is to invest in medium sized and large companies with attractive market positions, significant revenue and profit growth potential, sustainable cash flows, and the ability to retain or attract highly qualified management. In line with the recent private equity fund practice of its manager, the Master Fund will apply a thematic investment approach focused on high quality companies which, in the assessment of the Master Fund manager, have significant expansion and value creation potential.

Based on this approach, the Master Fund is increasingly concentrating its investments in the healthcare and technology sectors, which accounted for nearly 75 percent of invested capital in the three most recent EQT private equity funds. The Master Fund will primarily focus its portfolio company investments on core European markets, and will also seek to invest in US companies, particularly in the healthcare, technology, and business services sectors. In addition, the Master Fund may selectively consider thematic investment opportunities outside its core geographies where EQT can leverage its global sector expertise, network, and local presence.

### **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The Feeder Fund does not itself carry out investment selection, as full responsibility for this lies with the Master Fund. The Master Fund integrates environmental and social aspects throughout the entire investment cycle, from deal sourcing to exit.

The Master Fund's thematic sourcing and investment approach consists of an assessment of alignment and the identification of target companies that generate a positive impact on society or have transformation potential. By applying this thematic approach, the Master Fund seeks to avoid investments in companies whose products, services, or operating practices cause harm to the environment or society, in each case assessed against the material sustainability factors that are recognised as having an

influence on the planned investment’s ability to create or preserve economic or environmental value for itself, its stakeholders, or society at large. Where there are no possibilities to mitigate such negative impact, the Master Fund will encourage the transformation of the company so that it becomes a positive contributor to society.

It is expected that the companies in which investments are made will prepare plans to achieve specific sustainability objectives, expressed through a set of key performance indicators, KPI, in four areas aligned with EQT sustainability ambitions: GHG emissions, renewable electricity, board gender diversity, and governance.

It is also envisaged that the Master Fund will make use of financial structures linked to sustainability elements, sustainability linked financing. The interest rate applicable to a financing instrument linked to sustainability objectives will be tied to the achievement of specific sustainability targets.

In addition, the Master Fund will seek to set and approve science based targets, Science Based Targets, SBT, at the level of the companies in which it invests, where an SBT framework has been developed for the relevant asset class of the portfolio company, in cases where the Master Fund holds at least 25 percent of the shares of such companies and a seat, or seats, on the board.

**What is the policy to assess good governance practices of the investee companies?**

As the Feeder Fund does not itself take investment decisions with regard to portfolio companies, reliance is placed on the good governance procedures applied by the Master Fund. Prior to investing, the Master Fund, as part of its due diligence, assesses the good governance practices of potential investments. This includes, among other things, areas such as governance structures, supply chain management, compliance with laws and regulations, employee relations, remuneration, tax practices, and whistleblowing systems. Where action is required to improve such practices, efforts are made to support portfolio companies in implementing the necessary measures.

The Master Fund seeks to ensure that the portfolio companies in which it invests comply with good governance practices by setting clear sustainability related transparency and accountability objectives, covering social, environmental, and other corporate governance aspects. These objectives include, among others, requirements that the relevant portfolio company:

- comply with the ten principles of the UN Global Compact,
- appoint a board member responsible for the sustainability strategy of the portfolio company and establish clear accountability at board level for sustainability related initiatives, and
- monitor its sustainability progress and performance.

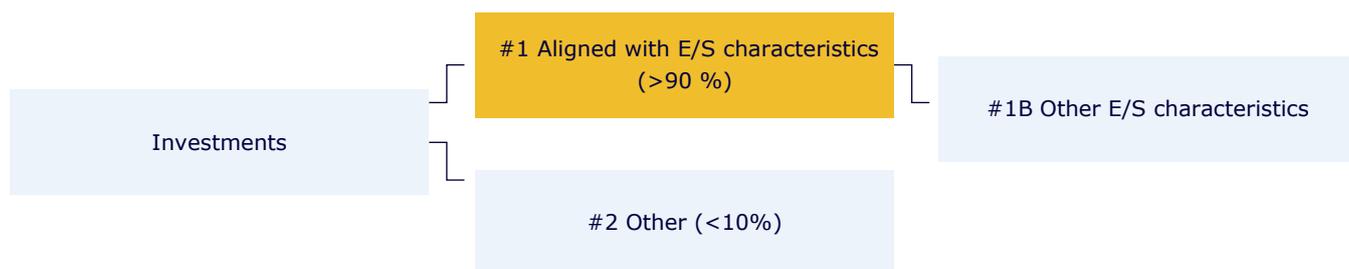
It is expected that the boards of portfolio companies will actively discuss sustainability matters and progress in this area. In addition, where the Master Fund is the main shareholder in a relevant portfolio company, the Master Fund will appoint the chair of the board of that company and require that a representative of the Master Fund be appointed to the board. In cases where the Master Fund is not the main shareholder, its influence is generally more limited, including with respect to sustainability matters. Nevertheless, the Master Fund will seek to integrate in such companies the standards set out in the Master Fund’s responsible investment policy, available at <https://eqtgroup.com/eqt-policies-and-statements>.

**What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no minimum proportion by which the scale of investments is committed to be reduced that is taken into account prior to the application of the investment strategy.

**V Proportion of investments**

The Feeder Fund invests all invested assets in the Master Fund, and the latter seeks to ensure that all of its investments meet environmental and or social characteristics. The Master Fund does not intend to make any sustainable investments, including environmentally sustainable investments based on the EU Taxonomy Regulation, and there is no guarantee that the investments of the Master Fund will be sustainable as defined under SFDR or the EU Taxonomy.



**#1 Aligned with E/S** characteristics includes the investments of the Fund used to attain the environmental or social characteristics promoted by the Fund.

**#2 Other** includes the remaining investments of the Fund which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments. See further explanation in this Section below.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**How does the use of derivatives attain the sustainable the environmental or social characteristics promoted by financial product?**

The Master Fund may invest in derivative financial instruments for the purpose of hedging certain risks faced by the Master Fund. Derivative financial instruments will not be used as a means to promote the environmental and social characteristics of the Master Fund. The Feeder Fund does not intend to use hedging or derivative financial instruments for investment purposes.

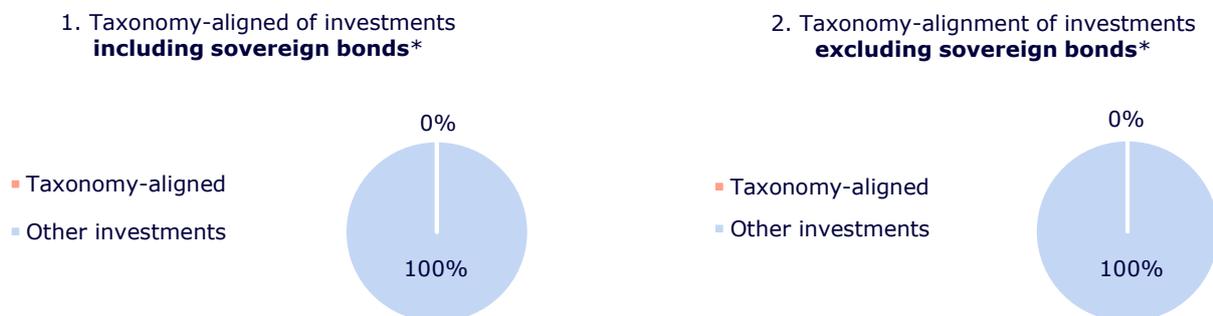
**To what minimum extent are sustainable investments with an environmental objective aligned with the Taxonomy?**

The Master Fund does not intend to invest in environmentally sustainable economic activities as defined in Article 3 of Regulation, EU, 2020/852 of the European Parliament and of the Council of 18 June 2020. Therefore, the compliance of such investments with the requirements of that Regulation will not be verified by an auditor or through a third party review.

The investment strategy of the Master Fund is focused on private equity companies, whose economic activities' eligibility under the EU Taxonomy and level of alignment may vary significantly depending on the sector. For this reason, it is not possible to set a minimum commitment for investments aligned with the EU Taxonomy. Such a commitment would not be compatible with the specific characteristics of the private equity asset class, as it is not possible at the investment selection stage to ensure in advance that the portfolio composition will meet a certain percentage level of EU Taxonomy aligned activities.

The Master Fund does not plan to have investments related to states.

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the Taxonomy?**

The Feeder Fund nor the Master Fund do not commit to making any Taxonomy-aligned investment.

**What is the minimum share of socially sustainable investments?**

Not applicable.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Under certain circumstances, the Feeder Fund may hold cash and cash equivalents or other financial instruments for liquidity management and or hedging purposes, up to less than 10 percent. The purpose of these investments is not to seek returns from economic activity, but to ensure the operational stability and risk management of the Feeder Fund. No specific mandatory environmental or social safeguards apply to these investments, as they are not used as standalone investments in economic

activity, but they may be considered within the context of the Feeder Fund's overall responsible investment policy and minimum adverse impact mitigation principles.

## VI Monitoring environmental or social characteristics

### **How are the environmental and social characteristics monitored throughout the lifecycle of the financial product and the related internal/external control mechanisms?**

The Feeder Fund monitors the information disclosed by the Master Fund on how the monitoring of environmental and social characteristics is carried out. The Feeder Fund has limited ability to influence the actions of the Master Fund in the context of promoting progress on environmental and social characteristics and therefore limits itself to monitoring only. In the event of significant deviations and in the absence of an adequate response from the Master Fund, the Feeder Fund may initiate a dialogue with the Master Fund regarding the necessary corrective actions.

From deal sourcing to exit, the Master Fund monitors sustainability indicators at least once a year and reports on them to its investors. Board gender diversity and the status of science based targets, SBT, are monitored at least quarterly. In addition, the Master Fund carries out monitoring within the context of the Portfolio Performance Review, PPR. The PPR process is designed to provide the Master Fund with a comprehensive owner perspective and helps to track value creation progress in portfolio companies.

In cases where insufficient progress has been achieved in terms of expected positive impact and where the Master Fund holds a controlling shareholding, portfolio companies may be required to carry out an analysis to identify and present to the Master Fund the reasons why progress was not achieved, and to define corrective actions.

## IX Methodologies

### **What are methodologies used to measure the attainment of the social or environmental characteristics promoted by the financial product using sustainability indicators?**

During the investment holding period, the Master Fund assesses and monitors the progress of portfolio companies in relation to the promoted environmental and social characteristics, based on predefined key performance indicators, KPI:

#### **1) GHG emissions**

The GHG emissions of portfolio companies are calculated for Scope 1, direct emissions, Scope 2, indirect emissions including purchased energy, and Scope 3, indirect supply chain emissions, expressed in metric tonnes of CO<sub>2</sub> equivalents in accordance with the GHG Protocol. The data are subsequently aggregated at the level of the Master Fund, taking into account ownership in portfolio companies, in line with the carbon footprint methodology set out in Annex I to Commission Delegated Regulation, EU, 2022/1288. In addition, the Master Fund monitors the overall carbon footprint of the fund by assessing GHG emissions relative to the current value of the fund's investments, applying the same methodology. Furthermore, the status of portfolio companies with respect to science based targets, SBT, for example committed, submitted, approved, is monitored quarterly.

#### **2) Renewable electricity**

Renewable electricity consumption is calculated on the basis of fund ownership. Portfolio companies disclose the total amount of renewable electricity consumed, MWh, irrespective of the ownership share held by the Master Fund, as well as the percentage of renewable electricity as a share of total electricity consumption, percent. The Master Fund works with portfolio companies to increase the share of renewable electricity. This indicator helps to assess the achievement of environmental characteristics, in particular progress towards a faster transition to renewable energy sources.

#### **3) Board gender diversity**

The average board gender diversity of the fund's portfolio companies is calculated as a simple average. The proportion of women on the board of each company is calculated and these values are then averaged across the total number of portfolio companies in the fund. The Master Fund works with portfolio companies to promote gender diversity on boards. Where the Master Fund has control or joint control, its ability to influence board composition is greater. In cases of minority shareholdings, efforts are made to encourage diversity to the extent possible through influence on decision making.

#### **Reporting and data availability**

Data on sustainability indicators are generally collected annually, with the exception of board gender diversity, which is updated quarterly. At fund level, the Master Fund monitors, assesses, and reports on KPIs in the fund report in accordance with Article 11(2a) of Regulation, EU, 2019/2088. Where a portfolio company does not provide sufficient data, the Master Fund works with the company to improve data availability. In cases where progress on a specific indicator is insufficient, the portfolio company is required to carry out an analysis of causes and submit it to the Master Fund, on a best effort basis.

The Feeder Fund discloses sustainability information to its investors with the same frequency and to the same extent as disclosed by the Master Fund.

## VII Data sources and processing

### **What data sources were used to attain each of the environmental or social characteristics (including information on how the data is processed, what measures are taken to ensure data quality, and what proportion of data is estimated)?**

The Master Fund carries out an annual data collection process during which a questionnaire is sent to portfolio companies to collect the required ESG data. Data on board gender diversity are updated quarterly through internal systems. In order to consistently improve data quality, the Master Fund applies a clearly defined data review process that functions as an internal control mechanism. Data received from portfolio companies are first validated by the deal team, after which the sustainability data controller of the relevant business line reviews the information to identify and correct potential shortcomings or inconsistencies. Within the Master Fund manager, the sustainability function is being rapidly expanded, with new competencies being added in order to achieve the stated objectives and strengthen sustainability data management capabilities. This allows for a clearer allocation of responsibilities and ensures greater control over data and the data collection process.

The collected data are aggregated by the Master Fund in accordance with predefined methodologies, using third party service providers, in particular for the calculation of GHG emissions and electricity consumption. The aggregated indicators are disclosed at fund and portfolio level in the fund report in accordance with Article 11(2a) of Regulation, EU, 2019/2088. The Master Fund relies on third party service providers that calculate greenhouse gas emissions and renewable electricity consumption and provide this information to the Master Fund. In cases where data for a specific portfolio company are not available, or where only partial data for the reporting year are obtained due to data collection challenges, an estimation method is applied. In such cases, quarterly and or annual consumption trends of the portfolio company are monitored, and the available baseline data are used for extrapolation in order to estimate emissions. This analysis is carried out on a case by case basis and the results are reflected in the reports.

## VIII Limitations to methodologies and data

### **What limitations surrounded the described methodologies and data sources (including what actions are taken to address such limitations).**

Sustainability data may be unavailable in the following cases:

- where portfolio companies do not have sufficient resources and expertise to carry out regular data collection and reporting processes,
- where the Master Fund has joint control or a minority shareholding and therefore has limited influence over the data collection process,
- where an exit process has been initiated,
- where there are timing mismatches between the data collection process carried out by EQT and the processes of portfolio companies, in particular in cases of joint control or minority shareholdings.

In such cases, the Master Fund may rely on proxy data, in particular where information on renewable electricity consumption or GHG emissions is missing. When calculating the GHG emissions of portfolio companies, if data for a specific location are not available, data from other comparable locations are used and extrapolated in order to estimate emissions, using available baseline data points, such as floor area, number of employees, or production volumes. In the fund report prepared in accordance with Article 11(2a) of Regulation, EU, 2019/2088, the Master Fund clearly indicates cases where data are missing and identifies where proxy data have been used to calculate indicators. The Feeder Fund correspondingly indicates this information in the preparation of its own report.

The Master Fund also identifies methodological limitations arising from the fact that third party service providers or portfolio companies themselves may apply different emission factors when calculating GHG emissions, which may affect the final result. In such cases, information on the emission factors used and the applied methodology is disclosed accordingly. In particular, when calculating portfolio company GHG emissions, where location specific data are not available, extrapolation is applied using data from comparable locations and available baseline indicators, such as floor area, number of employees, or production volumes.

The system of controls and accountability for sustainability related data within the organisation of the Master Fund manager is continuously being improved, with the aim of achieving a level of quality, control, and accountability equivalent to that applied to financial data. This is an ongoing process in which the final objective is pursued gradually, involving the contributions of multiple teams within the organisation.

Accordingly, where the Master Fund identifies data gaps, it cooperates with the relevant portfolio companies, to the extent possible, to ensure data completeness and accuracy. In any event, the Master Fund transparently discloses any data gaps in the fund report prepared in accordance with Article 11(2a) of Regulation, EU, 2019/2088.

## IX Due diligence

### **What internal and external controls were in place on that due diligence?**

The Feeder Fund relies exclusively on the procedures of the Master Fund when carrying out due diligence. Sustainability is an integral part of the Master Fund’s approach to identifying investment opportunities. The Master Fund applies a Responsible Investment and Ownership Policy, available at [<https://eqtgroup.com/eqt-policies-and-statements>](<https://eqtgroup.com/eqt-policies-and-statements>), which sets out its commitment to sustainability and its approach to integrating material sustainability considerations throughout the investment and value creation process.

Before taking any investment decisions, the Master Fund carries out a process to identify material risks, including sustainability risks, associated with the proposed investment. The assessment of these risks forms part of the overall investment proposal submitted to the investment committee. The investment committee reviews the identified risks, including sustainability risks, together with other relevant factors included in the proposal. In this process, sustainability risks are identified and assessed in the same manner as other risks that may affect the returns of the Master Fund.

The Master Fund applies a thematic investment approach focused both on directing capital towards innovative solutions that help address societal challenges and on the transformation of companies and assets over time. At the same time, the Master Fund avoids investing in companies whose products, services, or operating practices cause harm to the environment or society, or in cases where it is not possible, through active ownership, to identify a clear transition pathway to mitigate negative impacts.

The Master Fund works with third party service providers acting as an external control mechanism to carry out sustainability related due diligence analyses. These analyses identify and assess material sustainability factors. The purpose of due diligence is to identify, assess, and manage sustainability risks and value creation levers in order to comprehensively evaluate investment opportunities. The results of the sustainability analysis may have a decisive influence on the entire transaction process and may even lead to a decision to abandon an investment opportunity.

“Material sustainability aspects” are understood as those factors which the management company of the Master Fund identifies as having, or potentially having, a significant impact on the investment’s ability to create, preserve, or diminish economic value, including impacts on environmental and social value, which are relevant both to the organisation itself and to its stakeholders. It is noted that, in this context, the term “material” should not be equated with the concept of materiality of ESG factors under any legal or regulatory regime at international level.

The results of the sustainability analysis are documented in investment recommendations submitted to the managers of the Master Fund and are taken into account when assessing investment opportunities.

## X Engagement policies

The Feeder Fund does not implement an engagement policy with respect to the portfolio companies of the Master Fund. Full responsibility for the implementation of the engagement policy lies with the Master Fund.

The Master Fund is committed, during the investment holding period, to consistently improving the sustainable business practices and sustainability performance of portfolio companies. A core element of this approach is the governance model applied to each portfolio company and the regular monitoring of key performance indicators, KPI, against defined objectives and expectations. Through the relevant team, the Master Fund works with the management and boards of each portfolio company to accelerate their positive impact on society, improve sustainability performance, and enhance disclosure practices. For this purpose, clear expectations are set and strategic guidance is provided.

The Master Fund seeks to ensure that a sustainability committee and or a board member responsible for sustainability matters is appointed at the board level of each portfolio company. The main objectives of this responsible body are:

- to increase awareness of the impact of sustainability on value creation and the portfolio company’s operating performance,
- to set ESG objectives together with the portfolio company’s management,
- to monitor sustainability related areas relevant to the portfolio company and, where necessary, bring them to the attention of the board or management,
- to ensure at least one annual board discussion on ESG or sustainability matters,
- to represent the board in sustainability committees or to participate in in depth thematic discussions.

In addition, the Master Fund uses the services of external service providers who assess companies’ performance on sustainability matters by carrying out adverse media monitoring. Where significant issues are identified, the Master Fund, to the extent possible, works with companies to promote long term positive progress.

Version	Changes	Date
No. 1	First Publication	2023-01-17
No. 2	Updated format, additional process details and translations included	2026-02-11