

Responsible Investment Manifest

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Jet
Investment

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Jet Investment's Commitment

Where others see industry, we see exciting opportunities. Evolving valuable industrial assets means building an impact far beyond our involvement. Jet Investment's core strategy is to play a role in turning a dirty economy into a clean one.

In the transition:

- from a carbon to a non-carbon economy,
- from an economy of manpower to an economy where human labour is treated as a source
- of knowledge, creativity, and ingenuity,
- and from an economy where products are intended for single use and decomposing for thousands of years to an economy where materials can circulate regardless of the product lifecycle and where after-sale service represents an essential part of each business.

Our goal is to build the next generation of European industrial champions bringing high-quality and beneficial products that are made sustainably and transparently. Thanks to our 28+ years of experience in investing and active management of various industrial assets, we know, for example, how to:

Come up with power-engineering solutions that meet the highest expectations for environmental friendliness, safety, and stability in the energy sector.

Invent and produce light and lean materials for smart industrial machines and products.

Reorganize the automotive and rail business to be compatible with eco-friendly mobility.

We have helped breathe new life into numerous businesses and succeeded in their business recovery from scratch. Streamlining operations, energy saving, and process & product greening are an inherent part of our management DNA.

1. Global frameworks impacting Jet's ESG principles

At Jet Investment, we firmly believe that a healthy environment, decency, and respect for people – their abilities, needs, and transparency in management are fundamental prerequisites for a quality and sustainable business and, therefore, a quality and sustainable life on Earth, our home.

1.1 UN Principles for Responsible Investment (PRI)



Since 7 September 2021, we have been signatories of UNPRI, which encourage investors to integrate environmental, social, and governance (“ESG”) issues into their investment decision-making process to manage risk, generate sustainable and long-term returns, and benefit society. We are convinced that engaging with our peers and the broader financial industry is vital in driving a positive transformation and addressing current and future economic, social, and environmental challenges.

1.2 Sustainable Finance Disclosure Regulations (SFDR)

In early 2021, we responded to the 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, as amended (“SFDR”), by issuing our first internal Sustainability Risk Integration Policy. The SFDR is an opportunity to demonstrate our commitment to sustainable investing.

In terms of SFDR categorization, since 2024, our funds have been fully compliant with its Article 8, meaning that these funds promote, among other characteristics, environmental and social characteristics, or a combination of those characteristics, while the companies in which they invest follow good governance practices.

Regardless of whether the portfolio company's industry is close to the topic of sustainability and carbon neutrality or not, we enhance and implement responsible investment principles in the daily business and operation of all our portfolio companies, bringing measurable results to each one of them. Nevertheless, carbon neutrality remains one of the key elements in Jet Investment's corporate strategy, which is why we always seek to invest in projects where sustainability is the company's business “raison d'être.”

2. Jet's Responsible Investment Principles (RIP)

Jet Investment has defined four main principles driving its investment policy. We are committed to creating sustainable outcomes that drive value and fuel growth while strengthening our environment and society.



TRANSPARENCY



CLIMATE ACTION &
GREEN DEAL



EQUAL
OPPORTUNITY
ORGANIZATION



PARTNERSHIP
WITH EMPLOYEES
& LOCAL
COMMUNITIES

2.1 Climate action & Green Deal

We share the Green Deal's mission for Europe to become the world's first carbon-neutral continent by 2050. However, we firmly believe that the European Green Deal is a more ambitious goal than just climate neutrality. It is a concept of making Europe a global green technology leader. Europe faces a difficult task in this respect.

The transformation of Europe's economy and its many key parameters has underpinned the last few decades. It is an industrial transformation from scratch with similar scope and significance as our regional economic transformation (liberalisation), which followed the fall of the Eastern bloc in the '90s and '00s. It meant a tremendous challenge for the whole economy and its enterprises – the need for their processes and mindsets to transition – from ineffectiveness, fustiness, and resource wastage to smart solutions, lean production, and standard market operation. Although the objectives of the Green Deal differ, our direct experience with transformation of similar importance and scale is priceless.

We are convinced that three main phases must constantly be implemented on the way to achieving the goal of carbon neutrality:

- environmentally friendly, economically sustainable, and technologically as well as geopolitically safe energy production,
- switching the running of all processes and everyday life activities to this energy, and
- making production more efficient, light, lean and circular.

In all these areas of transformation, we have already been actively involved both as investors and managers. In Jet Investment, we not only invest in companies but also help develop them further to become worldwide green technology leaders.

We believe not only in new industries that produce environmentally friendly things but also in the part of traditional industries that the transformation cannot do without. We see leveraging existing industrial infrastructure as critical for successful and affordable transformation. That's why we focus on new greenfield technologies and traditional companies with great potential for their advanced development in the new post-carbon era.

2.2 Partnership with employees and local communities

We employ thousands of people all over the industrial heartland of Europe, who we consider our indispensable partners in creating added value and building an economically and environmentally sustainable business.

The quality and safety of their working conditions, their fair compensation & profit sharing, and their engagement in the company development belong to our highest priority. Because innovation and creativity are key to the success of the business cases we execute in

portfolio companies, equal opportunity is one of the essential prerequisites for making these business cases a reality.

Not only because of the size of the companies in which we invest but also of the general principle that this should be a market standard, the companies we manage, and where we see long-term business potential go beyond the role of a mere employer. They participate in local social and environmental activities and are active members of their neighbourhood communities.

2.3 Transparency

We approach all our investment decisions with the diligence of a good steward, verifying information from multiple unbiased sources and always considering whether our decisions are consistent with our societal values of protecting freedom and democracy, human rights, and international security. Jet Investment's governance is based on transparency, and we believe this to be a fundamental principle of trust, no matter how much or how little each investment has succeeded. In case of unexpected events or tangled situations, we are not afraid to take responsibility and make difficult or unpopular decisions in the short-term perspective, as long as we are convinced that they contribute to economic and environmental

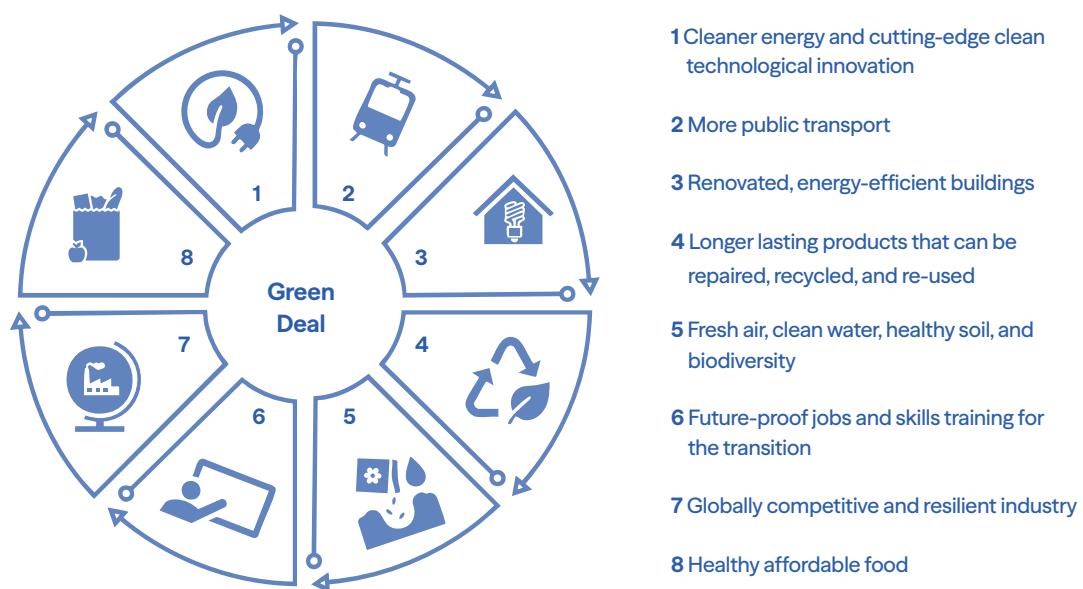
sustainability. However, we never do them without proper communication, explanation, and responsible consequence-solving. We fundamentally refuse to invest in sectors that are considered controversial due to their adverse impacts on environmental and social matters, such as tobacco, alcohol, controversial weapons, pornography, and gambling. In accordance with our Anti-Money Laundering ("AML") and Know-Your-Client ("KYC") policies, we also refuse to invest in companies owned or controlled by individuals and/or legal entities targeted by international sanctions. We are subject to regulation by Czech and Luxembourg regulatory authorities, renowned auditors, valuers, and experienced external depositaries.

2.4 Equal opportunity organization

Improving our and portfolio teams' diversity of ideas, backgrounds, and perspectives are the key drivers of long-term performance and vital for success. We are committed to promoting equal opportunity and removing obstacles to fostering a fair society, and we support the inclusion of the disabled wherever it is feasible.

3. Key investment priorities and main objectives

At Jet Investment, we do not see ESG as the right and necessary thing only but also as an investment opportunity. Although our funds are considered "light green funds" in the SFDR classification, our investment appetite for seeking out opportunities that contribute to the modernization of Europe to make the industry clean and sustainable is strong. We focus on all of eight EU Green Deal areas:



Contribution to process & gradual product decarbonization, as well as supportive and fair relations with employees and local communities, are our salient objectives in each of our investments, regardless of whether it is into an industry that by its nature enhances ESG topics or into a neutral business.

4. Implementation of ESG Principles

Our principles and objectives described above are integral to our firm's culture, investment, and management thinking. Jet investment partners are the primary guarantors that our responsible investment policy and its principles & objectives are materialized in our investment and management activities and the results are honestly presented to all stakeholders.

4.1. Responsible Manager

Forming an Responsible Manager is a crucial step to get start with the responsible investment journey. To strengthen our ESG activities' coordination and prevent unnecessary greenwashing, a dedicated manager has been also appointed at the Jet Investment level. This manager is also responsible for:

- reporting on ESG metrics and activities,
- providing ongoing education to project directors on ESG-related topics,
- acting as the primary point of contact for portfolio companies on ESG matters.

The Investment Committee, acting as an independent oversight body, assumes responsibility for supervising ESG activities. While the Responsible Manager is not a member of the committee, their work is regularly reviewed and evaluated by the committee, which meets annually and on an ad-hoc basis to assess ESG KPIs and impact initiatives at both the firm and portfolio levels.

Additionally, the Responsible Manager shares key insights and learnings from ESG training sessions during regular meetings with partners and project directors, supporting continuous development and alignment across the organization

Implementation of ESG Principles at Jet Investment



4.2 Investment Process

In line with the UN PRI, SFDR, and our Responsible Investment Policy, we integrate ESG into every phase of the investment cycle. We have created a proprietary rating system (attached as Appendix I. to this policy) for each investment considered for potential acquisition, a decision tree model, and a post-acquisition reporting and evaluation system. All that is designed to review a specific set of responsible investment matters, assess risk pertaining to the same and provide transparency to our stakeholders.

Responsible Investment Manifest

4.2.1 Initial Analysis

We apply a long-term perspective when evaluating potential investment opportunities. Before we analyse them in more detail, all potential targets are subject to our pre-investment exclusion ESG checklist. If the target matches even one of the seven exclusion points, we examine, the fund manager shall repudiate the potential acquisition at its very beginning. This exclusion checklist for each firm includes the following points:

- have failed to take reasonable steps to reduce significantly large GHG emissions (i.e., combustion engines, coal mining, and processing),
- pattern of non-compliance with environmental regulation,
- pattern of engaging in child labour or forced labour,
- contributed to the systematic denial of human rights,
- produces weapons that may violate fundamental humanitarian principles,
- directly related to pornography, tobacco, gambling, or alcohol,
- owned or controlled by individuals and/or legal entities targeted by international sanctions.

4.2.2 Internal Review

Before starting the Due Diligence process, the potential investment is internally reviewed from our responsibility and sustainability objectives' perspective. The internal review consists of a review of both business (product) and management (operational) levels. The former is appraised primarily through using the EU taxonomy regulation objectives:

- climate change mitigation,
- climate change adaptation,
- sustainable use and protection of water and marine resources,
- transition to a circular economy (including waste prevention and recycling),
- pollution prevention and control,
- protection and preservation of healthy ecosystems,

whereas if the target's core business meets one of the points mentioned above, it is treated as an ESG investment target. We focus on leveraging this objective when outlining our investment plan and modelling our business cases for the potential investment. The latter is reviewed in light of relevant industry standards, while potential ESG risks and shadow zone in the internal processes are brainstormed, and possible mitigations and further improvements from dirty to clean business & operation in such target are outlined.

4.3 Due Diligence

Alongside conducting business, technical, financial, tax & law, and other types of due diligence before signing any M&A deal, we also perform two significant responsibility - and sustainability-related ESG due diligence, during which project directors assess the materiality of any potential ESG or Climate Change Risks and Opportunities. If a significant material risk or, conversely, very strong potential is identified, an external consultant is involved in the DD process, otherwise the DD are performed

4.3.1 ESG DD

An ESG due diligence is a standard requirement for all new potential investments. The main objective of this DD is to understand the ESG environment in the potential acquisition target, identify the risks and outline possible mitigation steps.

This DD is performed through various activities such as on-site due diligence, careful sources analysis, or management session. Multiple factors and different information are analysed:

- integrity background checks of the target, its management, and the seller(s),
- anti-corruption and sanction screening,
- target's ESG policies, environment, and employment-related reports and data collections, and their reliability.

In general, our ESG DD of potential investment targets consists of the following elements that make up our Environmental and Social Management System (ESMS) for any potential project analysis:



The scope of our ESG DD strongly depends on the company industry specifics and relevant jurisdiction. Nevertheless, the integrity of management due diligence and anti-corruption due diligence are always included.

4.4 Decision-making

Internal regulations govern our investment decision-making process. In assessing investment intentions, Jet Investment mainly considers the given fund's investment limits, the statutory requirements for minimum fund capital, and factors relevant to the asset type, as derived from the fund's investment strategy.

A summary of the ESG analysis is included in the investment memorandum submitted to the Investment Committee, which is ultimately

responsible for the investment's recommendation. Depending on whether material ESG risks were identified in the due diligence phase, a mitigation plan can be included in the post-acquisition plan.

Jet Investment always complies with the following principles of good corporate governance when selecting a target asset:

4.4.1 Fairness

Fairness refers to equal treatment, e.g., all shareholders (including other beneficiaries) should receive equal remuneration for any shares they hold. All stakeholders, including employees, should be treated fairly as well.

4.4.2 Accountability

Corporate accountability refers to the duty and responsibility to provide an explanation or reason for the company's actions and conduct, in particular:

- the governing body should provide a balanced and comprehensive assessment of the company's position and prospects,
- the governing body is responsible for determining the nature and extent of material risks that the company is willing to take,
- the governing body should maintain sound risk management and internal control systems,
- the governing body should establish formal and transparent arrangements for corporate reporting and risk management and for maintaining an appropriate relationship with the company's auditor, and
- the governing body should communicate with stakeholders regularly and assess how the company achieves its business plans in a fair, balanced, and understandable manner.

4.4.3 Responsibility

A specific governing body should be authorized to act on behalf of the company, accepting full responsibility for its powers and the authority it exercises. This governing body should oversee the management of the company's business and affairs, appoint officers, and monitor the company's performance. In doing so, it should always act in the company's best interests.

4.5.4 Transparency

Transparency means disclosing information about the company's activities, what it plans to do in the future and any risks associated with its business strategies. Transparency implies openness, the company's willingness to make clear disclosures to shareholders and other stakeholders.

Above all, transparency means a disclosing truthful and accurate financial performance data.

Disclosure of significant matters relating to an organization's performance and activities should be timely and accurate to ensure that all investors have access to transparent information that accurately reflects the organization's financial, social, and environmental position. All entities should clarify and disclose their board of directors and management's roles and responsibilities to demonstrate a certain level of accountability to the shareholders. Transparency ensures shareholders have confidence in the company's decision-making and governance processes.

4.5 Ownership Period

Through our governance and hands-on management, we implement or improve (where needed) the following aspects of sustainability (in all our portfolio companies), which concern both the operational (management) and business (product) levels:

4.5.1 Environmental

- Sustainable resource management & general environmental protection.
- Particular commitment to reducing GHG emission footprint and implementing energy efficiency measures.
- Openness to launching alternative and more circular products or even direct entrance of new green and transition-related markets.

4.5.2 Social

- Compliance with labour law standards, promoting equality and a fair remuneration model
- Safety and health management throughout the entire value chain.
- Promotion of training and further education opportunities.
- General social and societal engagement.

4.5.3 Governance

- General corporate policy and Code of conduct or the equivalent.
- Information management/disclosure and reporting.
- Compliance and risk management.
- Ownership and remuneration structure, including incentives and conflicts of interest.
- Data management and cyber security management.

During our investment, the Responsible Manager monitors the above-mentioned sustainability aspects and evaluates, in cooperation with the Board of Directors, selected KPIs in all portfolio companies at least once a year. A vital role is also played by the project director, who acts as a link between the portfolio company and the Responsible Manager and is also responsible for implementing the ESG activities in the given portfolio company. Project directors are also responsible for resolving and mitigating any material ESG issues identified during the due diligence or during our investment period. Suppose a material ESG incident; the company management informs the project director, who is then obligated to notify Jet Investment's investment committee, which throughout its regular and ad hoc reporting, informs all limited partners of the Jet fund.

Jet Investment has also implemented a comprehensive Sustainability Risk Integration Strategy to ensure that environmental, social, and governance (ESG) risks are systematically considered throughout the investment process. This strategy is embedded into our due diligence, decision-making, and portfolio management practices. By identifying and assessing sustainability-related risks—such as climate impact, regulatory changes, and social responsibility issues—we aim to enhance long-term value creation, protect stakeholder interests, and align our investments with responsible and resilient business practices.

4.6 Exit Phase

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We believe ESG integration in our portfolio companies is a key part of their value creation.

Marek Malík
Managing Partner

Throughout the ownership period, Jet Investment puts portfolio companies in a better position to capture emerging ESG opportunities, thereby increasing the companies' value. Accordingly, the investment team will then seek to work credibly and openly with the potential buyers in their ESG-related Due Diligence. In close cooperation with our management teams, we seek to create robust and sustainable businesses – we make an impact that lasts beyond our ownership period.

4.7 Reporting

We use, among other things, internal reporting of key non-financial data to monitor, evaluate and manage our investments in the long run. The investee companies must report the following seven key performance indicators:¹

1. GHG Emissions

- a. Scope 1 (direct emissions => stationary combustion [company facilities], mobile combustion [company vehicles excl. electric vehicles])
- b. Scope 2 (indirect emissions - owned => purchased electricity, steam, heating & cooling for own use)

2. Renewable energy

- a. Total energy consumption (kWh),
- b. % Renewable energy consumption (kWh)

3. Water consumption

- a. Total water consumption (m3)

4. Diversity of board members

- a. % Woman

5. Work-related injuries

- a. Injuries
- b. Fatalities
- c. Days lost due to injury

6. Net new hires

- a. Net new organic hires
- b. Net new total hires
- c. Attrition

7. Employee engagement

- a. Employee survey

8. Annual Green CAPEX

9. Sponsorship & partnerships expenditures, socially oriented support

10. FTE with physical or mental impairments

¹Indicators are in line with ILPA convergence plan of ESG reporting.

Besides monitoring these non-financial KPIs, the Responsible Manager collects and compares other information on individual ESG activities in each investee company. At the end of each calendar year, Jet Investment issues ESG reporting within our Portfolio report with results from all the collected KPI data. The news from our portfolios are reported to LPs on numerous occasions during the year. Other information per each fund is also presented, including all accompanying information concerning ESG-related activities within our portfolio.