

Sustainability policy



1 Introduction

The EVERITA Sustainability Policy (the “Policy”) guides our approach to sustainability, integrating environmental, social, and governance (ESG)¹ considerations into all aspects of our work. The Policy ensures that every investment and partnership aligns with our core values, ambitions, and commitments. We believe that sustainability is fundamental to long-term value creation.

Our primary focus is investing growth capital into Central European small and medium-sized enterprises (SMEs) and promoting and advancing gender diversity in leadership, targeting at least 70% of deployed capital into companies with diverse leadership. While gender diversity is our primary focus, we recognise that sustainability encompasses a broader range of considerations, therefore we take a holistic approach when considering new investments. To reflect this holistic approach, we aim to invest at least equal to 10% of it aggregate invested amounts in portfolio companies contributing to climate action and environmental sustainability in accordance with the latest CA&ES criteria published by the European Investment Fund (EIF).

1.1 Core Values

We perceive investing as encompassing more than merely generating returns, improving efficiency, and maximising short-term profitability. Our approach focuses on long-term vision, an inclusive culture, sustainability, the well-being of both customers and employees, and a commitment to creativity and innovation.

We believe that the diversity of thought, experience, and background is key in challenging the status quo, driving innovation, and delivering lasting value. Within our portfolio companies, we actively promote our core values among management and employees:

- **Collaboration:** We believe the most significant growth happens when diverse minds work together toward common goals. We encourage environments where founders, management teams, and investors become true partners—sharing knowledge, challenging assumptions, and creating solutions that benefit all stakeholders.
- **Professionalism:** Our professional depth goes beyond technical skills to include emotional intelligence and contextual understanding. We bring rigorous analysis and market knowledge while recognizing that true excellence requires adapting our approach to each unique business and human dynamic.
- **Impact:** We intentionally seek opportunities where financial returns and positive change align. By championing diverse leadership, sustainable practices, and responsible growth, we build businesses that create lasting value for their communities and contribute to a more inclusive economy, while realising attractive returns for our investors.

¹ In our Policy, we refer to all ESG-related matters under the broader term "sustainability," as we believe it encompasses aspects beyond traditional ESG considerations. However, in the context of SFDR compliance and in particular our alignment with SFDR Article 8, we may use the terms "environmental" and "social" where relevant.

- **Integrity:** We operate with complete transparency in both successes and challenges, having honest conversations even when they're difficult. Our word is our bond—building trust through consistent actions that demonstrate reliability and ethical decision-making.
- **Respect:** We respect the unique values, history, and people that make each company special. Rather than imposing standardized approaches, we carefully build upon existing strengths while introducing new perspectives that enhance rather than replace what works.

1.2 Ambitions & Commitments

We aim to create positive impact through:

- Providing access to growth capital for SMEs in Central Europe
- Investing in gender diversity and supporting inclusion
- Prioritising sectors and companies with a positive impact on society
- Supporting responsible entrepreneurship, transparency, and improvement in approach to employees, customers, suppliers, communities and the environment
- Generating returns for investors

We uphold the highest standards of conduct, ethics and compliance, maintaining a zero-tolerance policy for bribery and corruption at both the in-house and portfolio levels. In addition, our approach aligns with the UN Sustainable Development Goals (SDGs)². While we are not formal signatories, we recognise the importance of the six UN Principles for Responsible Investment (PRI),³ which help to integrate sustainability considerations into the investment process. Our investments are also structured to align with the mission of the EIF and its ESG Principles.⁴

As part of our gender-lens investment strategy and approach, we aim to create a diverse, inclusive and sustainable environment within our firm, portfolio companies, and broader investment community where people feel respected, valued, and supported.

Our mission is to

- Advocate for increased female representation on management and supervisory boards
- Encourage women's active participation and inclusion in investment decisions
- Promote financial literacy and entrepreneurship for women
- Contribute to the overall employee diversity and reducing the negative environmental impacts of business

In line with our commitment to a sustainable and resilient future, we regard this Policy as a dynamic document. We are committed to continuously refining it to stay aligned with evolving regulatory standards, industry best practices, and the changing needs of our portfolio companies.

² UN: [Sustainable Development Goals](#)

³ UN: [Principles for Responsible Investment](#)

⁴ EIF: [Environmental, Social and Corporate Governance \(ESG\) Principles](#), 2022

2 Scope

The Policy serves as a framework for embedding sustainability across all aspects of EVERITA's operations and investments within our direct influence. It applies to all funds⁵ and portfolio companies managed by EVERITA, as well as to our own organisational practices. By defining the scope and integration of sustainability within our processes, the Policy ensures a structured and comprehensive approach across all relevant areas. The key focus areas covered include:

1. Sustainable Finance Disclosure Regulation (SFDR)⁶ alignment
2. Governance
3. ESG training
4. Investment process - sustainability is integrated into each step of our investment process, from initial assessments to exit:
 - Pre-investment, including due diligence and exclusions
 - Post-investment, including ESG risk management, tracking and monitoring key performance indicators (KPIs) and engagement
 - Exit sustainability readiness
5. Data management & sustainability reporting
6. External collaborations

2.1 Out of Scope

The Policy does not extend to areas beyond EVERITA's direct influence, such as regulatory changes outside SFDR compliance, external stakeholder management unrelated to our portfolio companies, or broader value chain impacts. While the Policy promotes best practices for sustainability performance, it does not mandate specific operational procedures within our portfolio companies beyond agreed-upon sustainability goals, targets, and data points.

3 Regulatory Compliance

We are committed to aligning our investments with SFDR requirements. Our current fund aims to align with Article 8 of the regulation, promoting environmental and social characteristics, whilst maintaining strong governance standards. We believe this commitment enhances transparency, strengthens accountability, and allows for clear reporting on progress in our sustainability practices.

We will comply with SFDR disclosure requirements by publishing:

- **Entity-level disclosures:** Integration of sustainability risks, a statement regarding the decision not to consider the principal adverse impacts (PAIs) on entity level, and remuneration policy.
- **Product level disclosures:** Information on the promotion of environmental and social characteristics in pre-contractual, periodic, and website disclosures.

⁵ Currently, we operate a single fund; therefore, the majority of this policy is focused on it.

⁶ Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector.

3.1 Good Governance

As part of SFDR compliance, good governance practices of portfolio companies should be assessed. We believe that portfolio companies should at least demonstrate:

- Sound and robust management structures encouraging accountability and strategic clarity.
- Fair employment practices that prioritise diversity, equity, inclusion, employee well-being, and fair remuneration.
- Ethical business conduct, including anti-corruption and anti-bribery measures, conflict of interest management, and strict compliance with tax regulations.

Our assessment of the above is used as a basis for further discussions and plans for improvement. For more information about our internal governance practices, please refer to Section 4: Governance.

3.2 Principal Adverse Impacts

Under SFDR, principal adverse impacts (PAIs) refer to the potential negative effects of investment decisions on sustainability factors, such as environmental degradation or social harm. We assess and report PAIs and adverse impacts and report them on fund level, prioritising those most relevant to our portfolio companies. Our approach includes:

- Assessing PAIs during the investment process using standardised indicators
- Disclosing PAI findings in our reporting ensuring transparency of the environmental and social impacts of our investments.
- Systematically tracking and reporting adverse impacts, supporting continuous improvement.

3.3 Sustainability Risks

We assess sustainability risks that could materially impact our investments, with specific methodologies detailed in Section 6: Investment Process.

3.4 Remuneration

We transparently disclose how our remuneration policy integrates sustainability considerations⁷, with details provided in Section 4.3: Remuneration policy.

4 Governance

Sound governance standards are fundamental to our investment strategy and central to both the management of our funds and our overall operations. This section outlines our approach to

⁷ Means sustainability risks and other aspects.

sustainability management and internal governance. More details on governance practices at the portfolio level is provided in Section 6: Investment Process.

4.1 Sustainability oversight

To ensure clear accountability for sustainability-related matters, Emilia Mamajova (the “Manager”) has been appointed to oversee and manage all sustainability activities as part of their broader role. The Manager is responsible for coordinating our efforts, ensuring we comply with the latest regulatory developments, and maintain alignment with best practices.

The Manager is responsible for:

- Overseeing the integration of relevant sustainability factors into the fund's investment strategy and due diligence process, while guiding our long-term commitment to sustainability principles across operations.
- Collaborating with investment professionals to ensure that sustainability criteria are thoroughly assessed and considered in investment decision-making, ensuring each potential investment aligns with our standards.
- Supporting and guiding portfolio companies in integrating sustainability strategies, developing their sustainability practices, and driving best practices to enhance their market positioning.
- Monitoring key sustainability performance across investee companies, ensuring compliance with relevant regulations and tracking progress against sustainability goals and targets.
- Tracking information on the latest sustainability market trends and innovations and sharing these insights with the team.
- Supporting the onboarding of new employees by educating them on internal sustainability practices and processes.
- Creating and publishing our sustainability report

While the Manager oversees the integration of sustainability-related considerations, our investment professionals are responsible for incorporating relevant sustainability-related factors into their decision-making throughout the investment process.

In addition to the Manager, we have established a Sustainability Board to provide strategic oversight and guidance on sustainability matters. The board, comprising two internal senior employees (including the Manager) and one external subject-matter expert, plays an important role in shaping the sustainability agenda, ensuring alignment with industry standards, and reviewing current practices. Additionally, it provides strategic direction on key sustainability issues, driving continuous improvement across our operations. The board meets twice per year.

4.2 Code of Conduct

Our Code of Conduct outlines the ethical behaviour and professional standards expected of all employees. It sets rules to guide our personal and professional actions, decisions, and interactions in a manner that upholds our core values, encourages trust, and ensures accountability at every level. Additionally, it explains our guidelines to ensure we avoid conflicts

of interest, sets out rules for reacting to offers of gifts or favours, and discusses our approach to ensuring confidentiality. It is not intended as a stand-alone policy but rather one element of a broader effort to create sustainable value for all our stakeholders, by instituting and maintaining high standards of governance and business ethics within our firm and our portfolio companies.

4.3 Remuneration policy

Our remuneration principles align with sound and effective risk management, supporting it while preventing the encouragement of risk-taking that is inconsistent with the risk profile and statute of the managed funds. These principles are also in line with the business strategy, objectives, values, and interests of us, our funds, and investors, incorporating measures to prevent conflicts of interest.

In line with the SFDR, we are committed to transparently disclosing how our Remuneration policy integrates sustainability considerations, including risks. While specific sustainability KPIs may be linked to compensation, annual bonuses, or incentive plans, our ability to implement such measures depends on our ownership stake, as we do not always hold 100% ownership in our portfolio companies. Therefore, we have chosen to address alignment through shareholders' agreements rather than manager compensation structures. This approach ensures that sustainability targets, such as diversity and governance, are addressed at the shareholder level, and typically tied to annual bonuses. Responsibility for these KPIs is usually assigned within the portfolio company's internal governance, either to specific individuals or the entire board of a portfolio company. Details on how our remuneration aligns with SFDR requirements is published on our website.

5 Training

To ensure sustainability is integrated across our operations, all employees must complete onboarding training, covering key regulations, current trends, our internal approach, and goals and targets. While employees are regularly updated on our sustainability progress, as well as the latest market trends and innovations, the team must complete the educational training every two years.

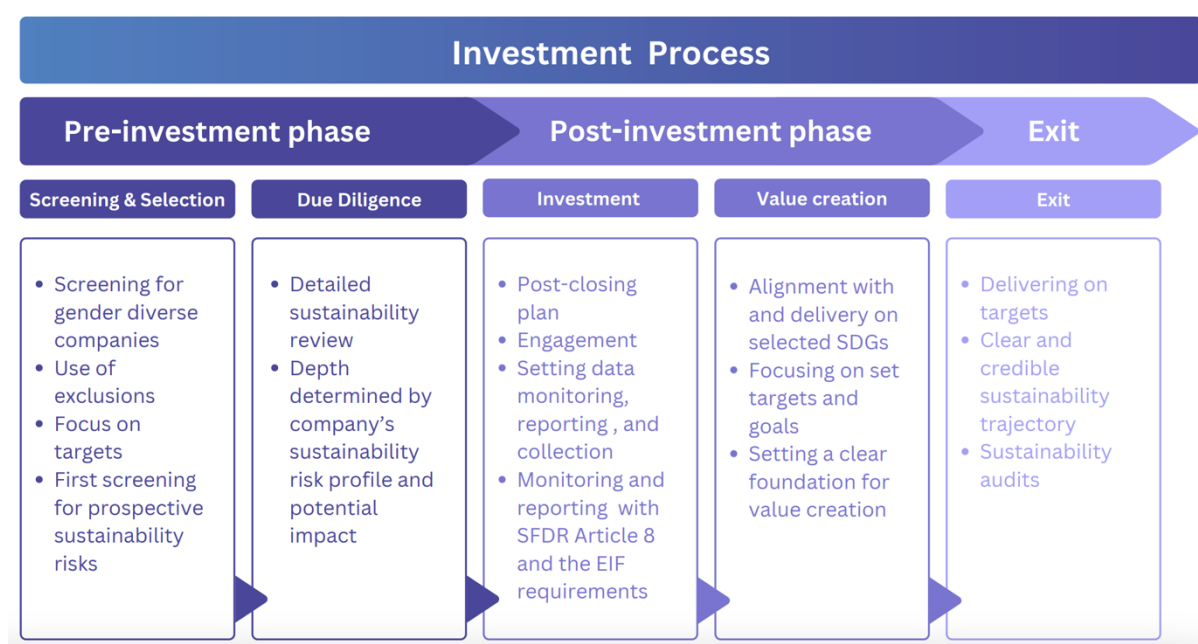
As part of the training, employees are encouraged to refer to the Policy for detailed information on how sustainability is integrated across the company. They can also consult the Manager responsible for sustainability oversight or direct any questions to the Sustainability Board, ensuring alignment with our sustainability objectives and fostering a culture of continuous learning and engagement.

Similarly, our portfolio companies are educated on sustainability topics through onboarding workshops, where we align on sustainability goals, targets, and strategies. This ensures that sustainability considerations are consistently integrated into their operations, both during and after the investment period, with the goal of equipping portfolio companies with the knowledge to maintain these practices over time.

6 Investment Process

This section outlines our sustainability approach throughout the investment process. As part of our commitment, we proactively target companies with gender-diverse leadership, aiming to deploy at least 70% of our capital into such businesses. Additionally, we seek to increase female representation in leadership roles from 25% to at least 30% by the time of exit. Furthermore, we will aim to invest at least equal to 10% of its aggregate invested amounts in portfolio companies contributing to climate action and environmental sustainability in accordance with the latest CA&ES criteria published by the EIF. Our primary focus is on service-oriented sectors, particularly healthcare and education providers. Furthermore, the companies we invest in must align with our core values, ambitions, and commitments. Our due diligence process integrates sustainability considerations alongside financial, legal, and commercial assessments, ensuring a comprehensive evaluation.

Our approach is aligned with the requirements of SFDR Article 8, and the EIF and incorporates selected SDGs that we aim to target and that align with our core value, ambitions, and commitments. We consider SDGs a valuable framework for identifying value-creation opportunities. However, specific sustainability outcomes will vary based on the size, sector, and geography of each portfolio company.



We aim to promote sustainability awareness and sound practices among our portfolio companies in order to minimise adverse impacts, which are related to the environmental, social, and governance factors. Therefore, we may focus on the following factors in our portfolio companies:



Environmental

- Consideration of the impact that the portfolio company's operations/products/services have on the environment (e.g. climate change, pollution levels, etc.)

- Review compliance by the portfolio company with the relevant environmental regulatory bodies
- Evaluation of potential measures to reduce the environmental footprint of the portfolio company, following acquisition, either in its manufacturing facilities, transportation / delivery and waste management where applicable
- Engagement of detailed Environmental Due Diligence when appropriate



Social

- Review and encourage diversity, especially with focus on gender in management and company teams
- Review the portfolio company's adherence to fair trade practices when sourcing, pricing and distributing products and services (e.g. working conditions, fair market pricing etc.)
- Review adherence to domestic health, zero safety incidents and labour standards
- Prohibit unlawful child labour or other forms of forced labour
- Track whether the portfolio company addresses social data points such as employee turnover and satisfaction within the company
- Review the portfolio company's engagement with local communities and charities as well as support of employees with regards to charitable work / supporting humanitarian actions
- Avoid discrimination in human resources policies and processes



Governance

- Review compliance by the portfolio company with applicable local and national laws
- Review/establish as appropriate anti-corruption practices, including extortion and bribery
- Establish a proper decision-making board of directors that acts in the best interest of the company, including appointment of independent directors, as appropriate
- Monitor board independence and their diversity as well as integrity
- Ensure portfolio company's diligent and transparent cooperation with regulatory and supervisory authorities

6.1 Pre-investment phase

All new investments are subjected to thorough screening and sustainability due diligence, the scope of which is tailored to address the typical risks applicable to the relevant target business, industry and sector. All material sustainability issues are notified to the Investment Committee, which considers them when evaluating whether to approve any investment.

6.1.1 Screening

Our initial assessment includes screening for gender-diverse companies with a minimum of 25% female participation in leadership roles. Additionally, we evaluate potential investments based on exclusions, sustainability risks, and alignment with our investment policy and targets. We strictly adhere to domestic and international laws, treaties, bans, and applicable embargoes when

defining our investment universe. Beyond legal requirements, we also apply sector and normative exclusions, avoiding investments in industries such as tobacco, pornography, coal exposure, and businesses with human rights violations. The full list of exclusions aligns those of the EIF⁸.

During this stage, we also evaluate potential sustainability risks, which can arise from any environmental, social or governance events or conditions and were they occur, they could cause a negative impact on the value of the investment. Specific risks may vary for each of our investments given our agnostic sectoral approach. Based on the nature of the risk and the mitigation potential we decide whether we will proceed further with the prospective investment.

Examples of sustainability risks we may identify and their impact:

Environmental risk: The risk arises from exposure to companies affected by environmental degradation and resource depletion. This includes air and water pollution, waste generation, depletion of freshwater and marine resources, biodiversity loss, and ecosystem damage. These factors can impact investment value by impairing assets, reducing productivity and revenues, or increasing liabilities and operational costs.

Social risk: The risk encompasses exposure to companies affected by poor labour practices, human rights violations, public health issues, data privacy breaches, and inequality. These factors can impair asset values, reduce productivity and revenues, or increase liabilities and costs, potentially affecting investment performance.

Governance risk: The risk stems from exposure to entities with weak governance structures. For companies, this includes ineffective boards, poor remuneration policies, shareholder rights violations, inadequate controls, aggressive tax practices, and weak business ethics. For countries, it encompasses political instability, corruption, privacy issues, and compromised judicial independence. These governance failures can significantly impact investment value through poor strategic decisions, conflicts of interest, reputational damage, increased liabilities, and loss of investor confidence. While sustainability risks vary by type, region, and asset class, robust sustainability risk analysis helps mitigate potential negative impacts and can enhance long-term risk-adjusted returns.

We also assess the broader implications of physical and transition risks, evaluating their potential impact on our portfolio companies. Physical risks include climate-related events such as extreme weather, resource scarcity, and environmental degradation, which may disrupt operations and supply chains. Transition risks arise from regulatory changes, market shifts, and evolving consumer expectations related to sustainability.

This initial screening identifies potential investment opportunities while filtering out those that do not align with our criteria. It also determines the scope and depth of the sustainability due diligence process that follows.

6.1.2 Due diligence process

Our due diligence process includes a detailed sustainability review, assessing prospective investments based on sustainability factors such as risks, controversies, and potential contributions to targeted SDGs: *SDG 4 Quality Education, SDG 5 Gender Equality, SDG 8 Decent Work and Economic Growth, SDG 12 Responsible Consumption and Production, and 13 Climate Action.*

⁸ These were defined in the EIF Side Letter.

The depth of sustainability due diligence is determined by the company's sustainability risk profile and potential impact. The process follows assessment of whether prospective investments align with our sustainability targets and policies by filling in a detailed ESG due diligence questionnaire. The findings from the sustainability due diligence process are systematically documented recommendations submitted to the Investment Committee, which is responsible for the final investment decision.

6.1.3 Sustainable conditions to investment, before signing and closing

During the finalisation of the pre-investment process, we communicate our sustainability commitments and expectations to portfolio companies, ensuring clear understanding of the sustainability provisions and investment conditions to be included in the shareholders' agreement. These provisions typically include standard sustainability terms, such as data collection, reporting requirements, the assignment of sustainability responsibilities, and budget allocations for improvement plans. Additionally, any investment-specific conditions identified during the sustainability due diligence process must be reflected in the shareholders' agreement. Gaps in alignment will be addressed as investment conditions, which may be formalised in an action plan (detailed in the post-investment phase) if necessary. Post-investment reporting requirements, particularly those related to the implementation of mitigating measures, should also be incorporated as covenants within the shareholder' agreement. Portfolio companies must be fully aware of our sustainability reporting obligations, including both our internal commitments and targets, as well as the SFDR requirements. By establishing these expectations early on, we ensure accountability, drive continuous improvement, and reinforce our long-term commitment.

6.2 Post-investment phase

During the post-investment phase, we define the next steps for portfolio management, focusing on the integration of sustainability considerations, monitoring approaches, and engagement practices for our portfolio companies. Specifically, we conduct an annual review of each portfolio company to assess sustainability risks, including governance and physical climate risks, alongside their alignment with and impact on the respective SDGs.

Having already identified risk levels, opportunities, targets, and areas for improvement, and assigned clear responsibilities, we ensure that sustainability matters are treated with equal importance as any other aspect of the business throughout the investment period.

To support this, we develop a post-closing action plan for each portfolio company, building on the sustainability factors identified during the pre-investment phase. This plan outlines how identified targets will be achieved, the responsibilities for implementation, and how these targets contribute to our overall mission, vision, and commitments. By embedding sustainability into the company's core processes, we ensure that sustainability considerations are continuously monitored and effectively addressed.

6.2.1 Engagement

Our engagement approach with portfolio follows a structured process designed to influence positive change and to drive sustainable value creation while supporting our investment objectives and aligning with our core values, ambitions, and commitments.

The foundation of our engagement strategy lies in systematic prioritisation and planning. We begin by identifying material sustainability issues through comprehensive data analysis and stakeholder input, which informs our risk-based prioritisation of engagement targets and topics. For each engagement, we develop specific objectives and timelines, documenting expected outcomes to ensure clear direction and accountability.

Implementation

Our primary method of engagement is sending regular ESG questionnaires, followed by direct dialogue with portfolio company leadership, supported by formal communications when necessary. We also aim to hold at least one meeting annually with the portfolio company to conduct an annual review.

Performance Tracking

We monitor and document all engagement activities and their outcomes. Progress is measured against our targets and commitments.

Data Collection, Monitoring, and Reporting

We maintain transparent data collection, monitoring, and reporting of our engagement activities and data collected, including those to fulfil the SFDR requirements. More on the data is provided in Section 7: Data Management & Sustainability Reporting.

Escalation Process

When initial engagement proves insufficient, we follow a clear escalation path:

- Management discussions
- Board-level engagement
- Exercise of shareholder rights
- Potential divestment

6.2.2 KPIs, Goals, and Targets

All portfolio companies are required to meet mandatory minimum sustainability standards including reporting on material KPIs and delivering on predefined targets. Beyond these requirements, portfolio companies are expected to identify and prioritise sustainability initiatives that align with their business objectives, leveraging sustainability as a driver of value creation within their operations and across their value chain.

Recognising that portfolio companies operate at different stages of maturity and across diverse sectors, each with its own sustainability profile, a standardised, one-size-fits-all approach would not be effective. Therefore, we employ a tailored methodology, providing all portfolio companies with a set of cores sustainability data points, while supplementing these with sector and stage specific data points that reflect unique characteristics of each investment.

Broadly, we aim to ensure that our portfolio companies:

- Comply with relevant legislation and work to high sustainability standards;
- Understand all material sustainability issues across their value chain and have plans to manage associated risks and capitalise on opportunities;
- Monitor and report performance against material KPIs to all necessary stakeholders;
- Exit the portfolio in a better position than when they entered, especially when it comes to diversity at leadership levels.

Goals and targets setting based on material KPIs (value creation)

Our approach is focused on delivering on selected SDGs that align most closely with our mission and vision. Within them we may focus on specific KPIs that are material both to us and our portfolio companies. The SDGs we prioritise, along with KPIs we may consider at our level and across our portfolio companies are:



Percentage of employees benefiting from training and professional development programmes

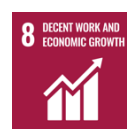
Investment in employee upskilling and leadership development, with a focus on female employees



Minimum 30% female representation in leadership roles at the time of exit, with a target for year-on-year improvement (target)

Gender-pay equity assessment and improvement measures across all portfolio companies

Policies in place to support parental leave, flexible work arrangements, and career progression for women



Implementation of ethical labour policies, including fair wages and safe working conditions

Percentage of portfolio companies adopting diversity and inclusion policies

Job creation within portfolio companies, with a focus on gender-balanced hiring practices

Employee satisfaction and retention rates



Percentage of portfolio companies implementing sustainable supply chain policies

Reduction in waste and resource consumption per unit of production or revenue

Adoption of circular economy principles in product design, materials sourcing, and waste management



Carbon footprint measurement and reduction targets for portfolio companies in production companies

Percentage of companies implementing energy efficiency measures and renewable energy solutions

More details are provided in Section 7.1: Data selection.

6.2.3 Sustainability risk management

During the pre-investment phase we identify potential risks that may impact our portfolio companies. During the post-investment phase, we work with individual companies to mitigate those risks. Throughout this period, we collaborate closely with portfolio company management to address and mitigate identified risks, report and assess any new risks that may arise, and leverage opportunities associated to sustainability.

The sustainability risk management includes:

- prioritisation based on risk likelihood, impact and adequacy of mitigation efforts
- qualitative discussion of high and medium priority risks
- compliance data and discussion of specific lapses as applicable
- accountability within the portfolio company's management team
- results tracking methodology and board review frequency

In case of serious controversies impacting an asset owned or financed by us, the Investment Committee may decide to exit a portfolio company prematurely.

6.2.4 Monitoring & Reporting

We promote the adoption of sustainability policies and initiatives within our portfolio companies and support the development of sustainability related tools, data points, and analysis. This includes regular reporting on sustainability progress and alignment with the requirements of SFDR Article 8.

We have set structured monitoring and reporting process, which should be conducted at least quarterly for the core KPIs and otherwise annually for sustainability related data points to identify and mitigate risks. If discrepancies are identified, reporting is required more frequently as deemed appropriate and needed. This process is carried out through an ESG questionnaire.

More on our monitoring and reporting processes is provided in Section 7: Data Management and Sustainability Reporting.

6.3 Exit phase

Our commitment to gender-lens investing and broader sustainability is demonstrated throughout the post-investment phase, during which we actively engage with our portfolio companies, monitor sustainability KPIs and alignment with our targets and SDGs. We implement improvement plans on key sustainability topics, and track performance progress. This allows us to present a clear and credible sustainability journey at the exit stage. By maintaining transparency about the portfolio company's sustainability performance and future ambitions, we ensure that prospective buyers and relevant stakeholders understand and can build upon the foundation we have established.

In every exit process, we prioritise the continuation of value creation, ensuring that key sustainability KPIs are improved and that targets are met in alignment with the SDGs. Our objective is to ensure portfolio companies retain their sustainability commitment beyond our period of ownership. To support this, we conduct sustainability audits and evaluations early in the exit planning and equip portfolio companies with the necessary policies, processes, structures, and governance tools that embed sustainability focus for the long term. As prospective buyers, particularly strategic investors, increasingly recognise the value of sustainability attributes, we provide comprehensive evaluation reports that support informed decision-making and ensure that sustainability considerations remain an integral part of the exit strategies.

7 Data Management & Sustainability Reporting

7.1 Data selection, collection, monitoring, and review

At EVERITA, we recognise the role of data in effectively integrating, enhancing, and monitoring material sustainability issues in our own operations and across our investments. This enables us to drive value but also to align our efforts with the key objectives, including diversity advancement and do no significant harm to the environment.

Since our founding, we have developed a strategic framework for data management that balances analytical depth with practical implementation. This approach is specifically tailored to our portfolio companies, predominantly SMEs, ensuring we gather meaningful insights while maintaining reasonable reporting requirements.

We understand that sustainability-related data is to be used for both (i) internal management purposes and (ii) external partners, investors and other stakeholders. The latter includes information for financing partners, such as institutional LPs like the EIF, and potential investors at exit, as well as reporting to the wider audience under general accounting rules, SFDR and/or ensuring our alignment with SDGs, which serve to deliver value, through following on the set targets and collection of relevant KPIs.

7.1.1 Data selection

We address the ability to collect and report non-financial data already during the screening and due diligence of (prospective) portfolio companies. As part of shareholders' agreements, we require all portfolio companies to regularly report on their sustainability performance, providing transparency and accountability for their progress. This mandates adherence to specific sustainability KPIs, goals and targets, ensuring that portfolio companies contribute positively to our sustainability agenda.

We focus on data with specific use cases and practical applications, but also linked with SFDR, rather than collecting information indiscriminately. Our objective is to track material sustainability KPIs for selected investments while minimising unnecessary reporting burdens. To determine the most relevant data points, we start with our ESG questionnaire, which is structured around established market sustainability reporting standards and templates.⁹ This helps us gather insights into material KPIs for each portfolio company. Additionally, we leverage publicly available

⁹ E.g. Invest Europe: [ESG reporting template](#), 2024.

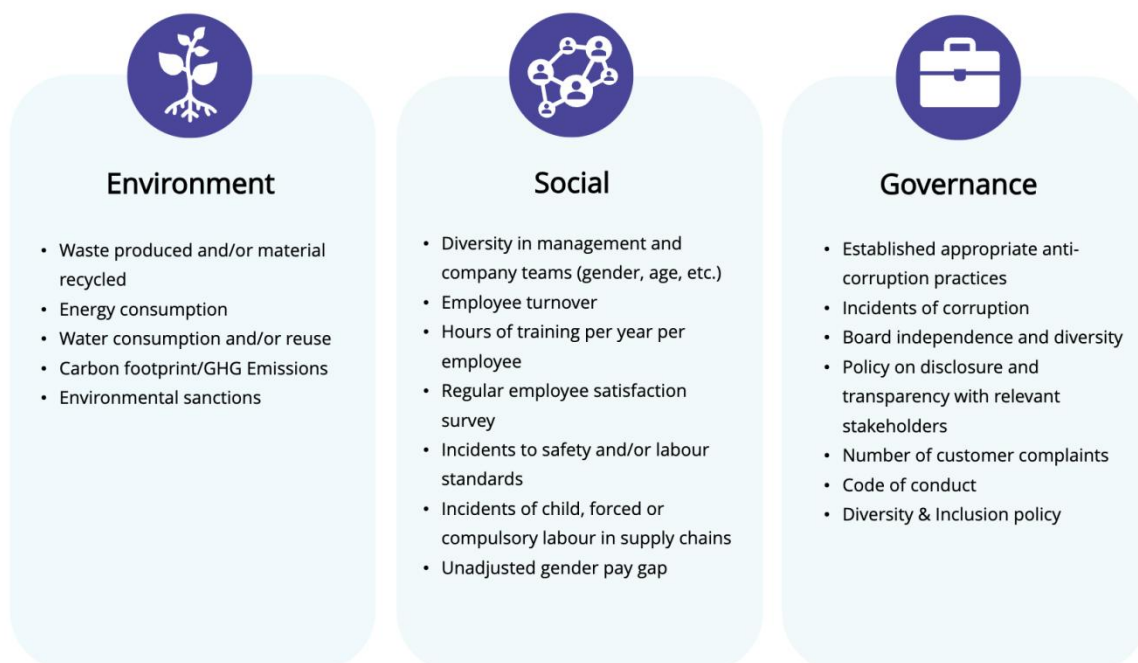
materiality maps from providers such as MSCI¹⁰ and SASB¹¹. Further, we may reference reporting initiatives like Invest Europe and European Sustainability Reporting Standards to identify sustainability data points that can be material to our portfolio companies. When selecting these data points, we also consider applicability to relevant SDGs¹²:

- SDG 4 Quality Education,
- SDG 5 Gender Equality,
- SDG 8 Decent Work and Economic Growth,
- SDG 12 Responsible Consumption and Production, and
- SDG 13 Climate Action.

Additionally, our selection process considers company size, capacity, applicable regulatory standards, and the need for tailored, SME-friendly solutions. This initial pool of sustainability data points is then evaluated against the company's operations and business model, focusing on factors that could significantly affect its financial performance, reputation and long-term resilience

In selection of these data points, we also consider the needs of our investors, and their reporting requirements as stated in Section 3: Regulatory Compliance. By defining these data points, we also assess their suitability for integration into remuneration and performance-based incentives for key individuals within portfolio companies. Combined with financial indicators, this approach provides a comprehensive and multidimensional view of each portfolio company's development, driving responsible growth and long-term value creation. We aim to balance impact and feasibility by implementing measurable and meaningful sustainability KPIs.

Examples of sustainability data points we may consider:



¹⁰ <https://www.msci.com/our-solutions/esg-investing/esg-industry-materiality-map>

¹¹ <https://sasb.ifrs.org/standards/materiality-finder/find/>

¹² Please note that SDGs were originally developed for countries, therefore certain data points may be only country specific and not applicable to companies.

The set of sustainability data points and selected KPIs is reviewed at least annually and may be adjusted in response to relevant developments such as regulatory changes. We remain flexible and open to incorporating new sustainability frameworks and KPIs that are relevant, tailored to SMEs, and add value to our portfolio companies. To stay informed, we engage with communities and professional associations, as further detailed in the Section 8: External Collaborations.

7.1.2 Data collection & storage

We establish a systemic process for data collection, maintenance and tracking for each portfolio company. This approach ensures that all necessary data is collected, tracked and assessed in a manner that is both consistent and actionable.

Given the size of our current fund and portfolio companies, all data collection and management processes are handled in-house without the use of external providers. We primarily utilise Microsoft tools such as Excel questionnaires, supplemented by additional data gathered through meetings and calls. These records are maintained in dedicated internal systems, primarily in structured Excel files. At present, we do not use any paid, customised sustainability management software. However, as our portfolio grows, we may evaluate the need for a more sophisticated data management tool, including specialised sustainability management software or dedicated platforms, to enhance efficiency and scalability.

Sustainability data collection, storage and overall management is overseen by the Manager. Access to data records is limited to the EVERITA investment team.

We collect the core data points quarterly, also in line with the SFDR methodology,¹³ though may consider a more frequent reporting in case of discrepancies. For significant issues such as workplace injuries, claims of harassment, misconduct of discrimination, relevant information is collected also through direct communication EVERITA investment team. On an annual basis, we require our portfolio companies to complete a detailed questionnaire and/or hold a joint meeting to gather updates specific to their sustainability initiatives, thereby contributing to our annual reporting obligations.

- **Quarterly data points:** Sustainability data points related to value creation are collected more frequently to provide up-to-date insights into the tangible contributions of our sustainability goals and targets. We also ask portfolio companies if/what new sustainability risks and opportunities they have identified or become material.
- **Annual data points:** Data for the complex sustainability assessments is collected annually to assess portfolio companies' practices and alignment with key sustainability considerations. The questionnaire covers contributions to sustainability, SDG alignment, achievements, and future development plans.

7.1.3 Data monitoring & assessment

Ongoing sustainability data evaluation is integral to our risk management. Regular monitoring allows us to assess mitigation strategies and make necessary adjustments, ensuring portfolio companies meet sustainability commitments. Up-to-date insights on progress, challenges, and incidents allow for timely intervention and support.

¹³ KPIs are to be calculated based on at least quarterly data. See [ESMA](#).

There is also a direct link between certain ESG data and alignment with the SDGs. Using an illustrative example, looking at the environmental pillar this could be assessing the greenhouse gas (GHG) emissions of portfolio companies, which could help us to determine their current GHG emissions levels and provide insights into prospective reduction strategies that could be implemented. Over time, these strategies (intended impact) would support alignment with SDG 13 – Climate Action, contributing to efforts to combat climate change and its impacts. At a more granular level, this activity would relate to SDG indicator 13.2.2 – total annual GHG emissions.

7.1.4 Data review

We are committed to fostering long-term partnerships through our investments, building trust with portfolio companies to enhance transparency, ensure compliance with the current fund's promoted social characteristics, and strengthen accountability.

Given our primary focus is on social data points, estimations are rarely needed. However, natural limitations in data availability and quality may arise. To address this, a more in-depth review or verification of collected information is conducted only in cases of suspected misrepresentation, which remains unlikely.

To stay aligned with evolving regulations and industry best practices, we review our methodology at least annually. We remain adaptable, integrating new sustainability frameworks as needed to ensure consistency and mitigate potential discrepancies.

7.2 Sustainability Reporting

Effective sustainability reporting is essential for transparency, accountability, and informed decision-making. It enables us to provide stakeholders with a clear and accurate assessment of sustainability impacts across our portfolio and operations.

By tracking and disclosing key sustainability data points, we demonstrate progress and ensure alignment with evolving regulatory and investor expectations. We also closely monitor current and emerging regulations and industry initiatives to maintain compliance with relevant sustainability standards. This includes, but is not limited to, the SFDR, CSRD, and the EU Taxonomy, ensuring our portfolio data points are appropriately reported at both the entity and fund levels.

7.2.1 Reporting requirements of the SFDR

We align we reporting requirements outlined in Regulation 2019/2088¹⁴ and Regulation 2022/1288¹⁵.

7.2.2 Reporting to financing partners

We are committed to periodically share a set of sustainability data points and other sustainability-related information in a pre-defined format agreed with our financing partners, such as the EIF, and other Limited Partners (LPs). Moreover, at the time of exit, we provide our exit partners with a set of sustainability data points and data that reflect each portfolio company's sustainability goals and targets. Currently, we track sustainability performance using material KPIs, assess alignment with the SDGs and are transparent with prospective buyers about the portfolio company's future sustainability ambitions.

¹⁴ Regulation: [2019/2088](#)

¹⁵ Regulation: [2022/1288](#)

7.2.3 Sustainability report

On our website we aim to publish an annual sustainability report that highlighting our sustainability efforts. By maintaining a consistent reporting process, we aim to encourage trust, accountability, and continuous improvement in our sustainability practices. Please note that portfolio companies are free to publish their own sustainability reports should they choose to do so.

8 External Collaborations

We engage with professional associations and initiatives such as the Czech Sustainable Investment Forum¹⁶ to stay informed about best practices and emerging trends in sustainable finance. This collaboration provides valuable opportunities for knowledge sharing and insights possibly informing our sustainability strategy and policy updates. We support the Level20¹⁷ initiative, which aims to increase the number of women working in private equity through mentoring, research, human resources modules and events.

Through these collaborations, we aim to effectively manage sustainable risks and identify opportunities whilst maintaining our commitment to responsible and sustainable investment practices.

Date of enforcement: April 2025.

¹⁶ See [CzechSIF](#)

¹⁷ See www.level20.org