



Principal Adverse Impact Statement

June 2025

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1. SUMMARY

Vendis Capital Management NV/SA (LEI: 875500GRGM3CZXM36K92) (**Vendis**) considers principal adverse impacts of its investment decisions on sustainability factors. Two different motivations underline Vendis' decision to consider these impacts: firstly, the requirement to comply with external laws and regulation, and secondly, the Vendis internal policy to endorse concrete actions which contribute towards a sustainable future.

As regards the regulatory compliance aspect, Vendis considers being compliant to be part of its contribution to public policy (in spite of the regulation's mandatory nature). It has therefore opted for the 'comply' approach under SFDR. Vendis welcomes regulation aimed at introducing real change towards a more sustainable society, in order to maintain a level playing field for all market participants. However, since regulation is designed to be applicable in all scenarios (one-fit-all approach), not all regulatory initiatives are as relevant in the context of the Vendis portfolio companies' operations. This is also the case for the mandatory PAI indicators. In some instances, the application of the PAI definitions may even lead to adverse conclusions.

It is important to emphasize that the data included in this PAI Statement for the years 2023 and 2024 must be analysed on a stand-alone year-by-year basis without comparison between the years. The data presented in this PAI statement at the total portfolio level are insufficient to assess whether Vendis and its portfolio companies have made any progress in limiting the adverse impact of their activities, and for several reasons:

1. The underlying portfolio is not the same between the years: some companies are sold, new companies have been acquired. The GHG intensity of the total portfolio could go down simply because a company with high GHG intensity is sold (which does not change anything in reality), even when the GHG intensity of all remaining portfolio companies would go up e.g. due to bad environmental management (which does have a real negative impact).
2. The weighted contribution of each portfolio company to the total portfolio PAI's changes between the years. This happens as a result of the calculation methodology, where differences in enterprise value and debt levels, and potential differences in shareholding, all have an impact on the PAI levels of the total portfolio. These parameters have no relation with e.g. actual carbon emissions of the portfolio. Even if there was no change in real emissions in any portfolio company, the total GHG and even the GHG intensity of the total portfolio could go down simply because a low emission company has become more valuable, all else remaining the same.
3. Even for the same company, year-on-year data may differ due to reasons that are not related to improvement or deterioration of the underlying PAI, for example due to:
 - a. Improvement of data availability (expansion of data coverage) and data quality; and
 - b. Add-on acquisitions by portfolio companies.

For the reasons above, we have not commented on the evolution of the data between the years since we would compare apples with oranges. In order to assess whether Vendis portfolio companies have reduced the adverse impact of their activities, we refer to more detailed reports per portfolio company.

With regards to Vendis' internal ambitions, Vendis has developed a policy that is focused on a set of concrete ESG actions, both at the level of Vendis itself as at the level of the portfolio companies. In contrast with regulatory requirements, the actions which Vendis puts forward are tailored to the concrete situations in which its portfolio companies find themselves and each of these actions should therefore be realistic and achievable. As such, **Vendis' principle strategy towards a more sustainable economy is to stimulate and monitor the execution of concrete ESG projects by its portfolio companies, while adhering itself to advanced ESG objectives. Vendis strongly believes in the authenticity of its approach to ESG and is mindful that its activities do not give rise to greenwashing, mis-selling or misrepresenting of its investment strategies.** More details about the Vendis policies can be found in Sections 3 and 4 of this statement, as well as the Vendis Sustainable Investment and Ownership Policy ([link](#)).

The present statement covers the reference period from 1 January 2024 to 31 December 2024. All indicators set out in Table 1 of the Regulatory Technical Standard are monitored, and two additional indicators from Table 2 and Table 3 have been selected, as shown in the table below.

Assumptions in collaboration with the portfolio companies are made when data points were not available. Importantly, it is through implementation of the actions and measures, as further described in the policies referred to in Section 3 and Section 4 of this Statement, that Vendis aims to minimise potential adverse sustainability impacts caused by its investments, insofar relevant (and at the same time, to maximise the ESG improvement potential of its investments).

In summary, the following key actions have been undertaken over the course of 2024:

1. All portfolio companies have been subjected to an annual ESG review, at the occasion of which:
 - Material ESG themes were identified for new portfolio companies and performance on material themes was analysed for all companies;
 - ESG data was collected through a common platform;
 - Progress on existing ESG action plans was assessed whilst new action plans and future ambitions were identified; and
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 - An audit has taken place resulting in an ESG report for each company.
 2. ESG learning sessions have been organised for companies based in the Netherlands;
 3. Vendis has required its portfolio companies to adhere to a 'Code of Conduct for Portfolio Companies';
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4. All portfolio companies are requested to establish a coherent ESG strategy and set out concrete measures that will be taken in the framework of such strategy;
5. All portfolio companies are requested to outline a carbon reduction plan for Scope I and II emissions;
6. All portfolio companies are requested to start reporting their full Scope III carbon emissions as part of the ESG audit for the first year;
7. Where feasible and proper, portfolio companies have started the application process to obtain a B-Corp Certification (or equivalent); and
8. All portfolio companies are required to adopt a set of policies on various ESG topics tailored to the activities of the companies.

For 2025, Vendis has set the following key targets for its portfolio companies:

1. Further detail and implement, on an annual basis, a coherent ESG strategy and set out concrete measures that will be taken in the framework of such strategy;
2. Further detail and implement, on an annual basis, a carbon reduction plan for Scope I and II emissions;
3. Improve data collection granularity and accuracy concerning Scope III emissions;
4. Where feasible and proper, start the application to obtain a B-Corp Certification (or equivalent); and
5. Subscribe to the Vendis ESG Action Program. This Program provides portfolio companies with practical tools, learnings modules and contacts in order to help the companies in making concrete and regular progress in their sustainability journey. The Program will be tailored to the Vendis portfolio companies' activities by a steering committee consisting of a third-party sustainability consultant, Vendis representatives, and portfolio company representatives.

The main objective in 2025 is to ensure that this Program is introduced with the management of the portfolio companies and that ESG representatives of each portfolio company are individually onboarded to the platform and trained in using the Program.

2. DESCRIPTION OF THE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS

Table 1 of the Regulatory Technical Standards

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	1,281 t Co2-eq	990 t Co2-eq	Scope 1 emissions increased due to the inclusion of two new portfolio companies as well as an increase in data coverage and quality for two companies and the growth and expansion of 5 businesses. See 'Total GHG emissions' for a further explanation.	Actions taken: The portfolio companies have been subjected to an annual ESG review, at the occasion of which (i) carbon footprint management was identified as one of the material themes for all companies; (ii) action plans that were centered around this theme were reviewed and future action plans were identified; and (iii) relevant environmental data was obtained. Carbon footprint has been identified as the key area of focus. Accordingly, portfolio companies (re)assessed their
		Scope 2 GHG emissions	1,043 t Co2-eq	1,120 t Co2-eq	Despite the addition of two new companies, Scope 2 emissions reduced due to improved energy efficiencies (4 companies), increased use of renewable energy (1 company), changes in local grid emissions (1 company), and the closure of business	

					locations (1 company). See 'Total GHG emissions' for a further explanation.	action plans to include carbon footprint reduction initiatives (at least for Scope I and II emissions) and targets.
		Scope 3 GHG emissions	38,055 t Co2-eq	332 t Co2-eq (Business travel)	<p>Emissions increased significantly as all companies conducted a full Scope 3 assessment in 2024 and two new companies were included in the assessment. Across the portfolio, 56% of companies provided data for over 80% of their material Scope 3 categories.</p> <p>Consequently, as Scope 3 data coverage and quality improves across the portfolio over time, Scope 3 emissions are expected to further increase. See 'Total GHG emissions' for a further explanation.</p>	<p>Companies have been encouraged to improve the quality of the environmental data collected to ensure accurate and reliable information.</p> <p>Furthermore, Vendis adhered to its exclusion policy for its investments.</p> <p>As part of its annual ESG reporting cycle, Vendis has requested all portfolio companies to start reporting on full Scope III carbon emissions for the first year.</p>
		Total GHG emissions	40,379 t Co2-eq	2,442 t Co2-eq	<p>The GHG emissions should be acknowledged on a stand-alone year-on-year basis. Emissions increased significantly due to the inclusion of two new portfolio companies and the expansion of Scope 3 data monitoring.</p>	<p>A template environmental policy was provided to portfolio companies as part of the general policies initiative, in order to trigger a debate on the initiatives and policies that can be adopted regarding this topic.</p>

					<p>For more information, please refer to the introduction of the PAI statement to understand why the data presented cannot be compared.</p> <p>Companies are actively working to reduce their emissions (see PAI 15, pg.17), which is a priority for Vendis.</p>	<p>Vendis has considered measures to further internalize the ESG responsibility (within Vendis investment team). In that sense, as from 2024, ESG is systematically discussed at board level of the portfolio companies, including any progress made on carbon reduction initiatives.</p> <p>Actions planned:</p>
	2. Carbon footprint	Carbon footprint	63 tCo2-eq/€m invested	4.6 tCo2-eq/€m invested	<p>The carbon footprint should be acknowledged on a stand-alone year-on-year basis. Emissions intensity increased significantly due to the inclusion of two new portfolio companies and the expansion of Scope 3 data monitoring.</p> <p>For more information, please refer to the introduction of the PAI statement to understand why the data presented cannot be compared.</p>	<p>Vendis will launch an ESG Action Program to provide portfolio companies with practical tools, learnings modules and contacts in order to help the companies in making concrete and regular progress in their sustainability journey. The following core modules are offered through the Action Program:</p> <p>(i) Carbon reduction: carbon policy, measurement and reduction roadmap.</p> <p>(ii) Sustainable product development: materials & ingredients footprint,</p>
	3. GHG intensity of	GHG intensity of investee companies	64 tCo2-eq/€m revenue	5.7 tCo2-eq/€m revenue	<p>The carbon footprint should be acknowledged on a stand-alone year-on-year basis.</p>	

	investee companies				<p>Emissions increased significantly due to the inclusion of two new portfolio companies and the expansion of Scope 3 data monitoring.</p> <p>For more information, please refer to the introduction of the PAI statement to understand why the data presented cannot be compared.</p>	<p>improvement plan and sustainable packaging.</p> <p>Vendis will continue to encourage a reduction in energy consumption intensity, and the use of green electricity when possible, and to promote efforts aimed at installing renewable energy sources.</p> <p>In line with the previous reporting year, the companies are continuously encouraged to improve the quality of the environmental data collected to ensure accurate and reliable information.</p> <p>Also in 2025, Vendis will organize workshops on ESG-related topics including GHG emissions and to provide information on the ESG Action Program (see below). During the workshops, new developments and insights on ESG topics will be shared with the portfolio companies. Furthermore, the workshops present the portfolio companies (specifically their ESG</p>
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%		
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable	Consumption: 77.0%	Consumption: 77.00%	Multiple companies generate electricity via own solar panels but no detailed specific data is obtained on the proportion, yet. For 2023 and 2024, no energy production has been recorded.	

		energy sources compared to renewable energy sources, expressed as a percentage of total energy sources				representatives) with the opportunity to meet up with like-minded people and share their knowledge, ideas, and challenges. In addition, portfolio companies will be stimulated to apply for and obtain a B-Corp Certification, insofar as this process is feasible and proper for the specific company. Companies who have not implemented an Environmental Policy tailored to their activities, are strongly encouraged to do so in 2025.
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	C. Manufacturing: 0.003 GWh/€m revenue G. Wholesale: 0.017 GWh/€m revenue	C. Manufacturing: 0.01 GWh/€m revenue G. Wholesale: 0.015 GWh/€m revenue		Targets set: A key target for portfolio companies remains the yearly updating and implementation of a carbon reduction action plan and a general ESG strategy. Vendis aims for all companies to have set a carbon reduction

						<p>target in line with the Paris Agreement by 2027.</p> <p>Furthermore, Vendis aims to maximise the number of portfolio companies that start and continue tracking scope 3 emissions with the aim of having at least 75% of portfolio companies with a full Scope 3 assessment by 2025.</p>
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0%	0%		<p>Actions taken:</p> <p>Since none of the 2024 Vendis portfolio companies invested in are considered to have a material adverse impact on the biodiversity, water emission, and hazardous waste indicators, no specific actions have been taken in these areas.</p> <p>Actions planned:</p> <p>For the same reasons, no actions are planned in these areas.</p> <p>Targets set:</p>
Water	8. Emissions to water	Tonnes of emissions to water	0.0 tonne/€m invested	0.0 tonne/€m invested		<p>For the same reasons, no targets are set in these areas.</p>

		generated by investee companies per million EUR invested, expressed as a weighted average				
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0.00 tonne/€m invested	0.00 tonne/€m invested		

Adverse sustainability indicator	Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period	
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	0%		<p>Actions taken:</p> <p>The portfolio companies have been subjected to an annual ESG review, at the occasion of which (i) employee wellbeing and gaining insight into the pay gap are identified as material themes; and (ii) action plans that were centered around this theme were reviewed and future action plans were identified.</p> <p>Furthermore, Vendis required the existing and new companies to adhere to a 'Code of Conduct for Portfolio Companies' in which strict rules against corruption and bribery are included, as well as basic social and employee wellbeing rules such as respect for human rights (although there is no</p>
	11. Lack of processes and compliance mechanisms to monitor	Share of investments in investee companies without policies to monitor	100%	100%	All of the companies are active in the European Union where basic social and labour standards are applicable. By virtue of the Vendis Code of Conduct, the companies have	

	<p>compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</p>	<p>compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises</p>			<p>agreed to comply with applicable labour standards, applicable code of conducts and a variety of different policies. Companies are required to consider these standards at all times when taking operational decisions or shaping the employees' working environment. However, given the relative maturity of Vendis portfolio companies compared to large multinationals, the currently adapted codes and policies might not fully comply with the UN Global Compact principles and OECD Guidelines which are specifically prepared for Multinational Enterprises. Vendis and the portfolio companies are in the process to align the codes and policies to international standards.</p>	<p>explicit reference to the UNGC Principles and OECD Guidelines).</p> <p>Vendis also provided portfolio companies with template policies regarding social and employee matters (Anti-corruption & Anti-Bribery Policy, an Anti-Discrimination Policy, an Employee Code of Conduct, a Health & Safety Policy, a Privacy Policy and a Whistleblowing Policy) and requested existing and new companies to adapt such policies tailored to their needs.</p> <p>Through the ESG review cycle, portfolio companies are requested to look at measures to further positively impact the employees' well-being.</p> <p>Vendis has considered measures to further internalize the ESG responsibility (within Vendis investment team). In that sense, as from 2024, ESG is systematically discussed at</p>
	<p>12. Unadjusted gender pay gap</p>	<p>Average unadjusted gender pay gap</p>	<p>17.74%</p>	<p>13.8%</p>	<p>Providing the unadjusted gender pay gap as a single number has limitations. This number does not provide any</p>	

		of investee companies			insight into the difference of wages between women and men for the same job level (adjusted pay gap). As such, the indicator could give misleading results.	board level of the portfolio companies, including any progress made on social and employee matters.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	33.02%	29.3%	For both 2023 and 2024, Board gender diversity was collected at C-suite, since Vendis believe that the decisions of the top management team have a higher impact on the day-to-day operations of a company than those of the board.	<p>Actions planned:</p> <p>Vendis will launch an ESG Action Program to provide portfolio companies with practical tools, learnings modules and contacts in order to help the companies in making concrete and regular progress in their sustainability journey. The following core modules are offered through the Action Program:</p> <p>(i) Talent management: talent management & equal opportunities policy, survey and action plan</p> <p>(ii) Responsible supply chain: ethical sourcing policy, supplier code of conduct and supply chain improvement plan;</p> <p>(iii) Decent business conduct: basic sustainability policies,</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	0%		

						<p>including employee code of conduct & anti-corruption;</p> <p>(iv) Green claims & sustainability communications: training on anti-greenwashing and sustainability communication.</p> <p>Through the ESG review cycle, portfolio companies are continuously encouraged to look at measures to further positively impact the employees' well-being.</p> <p>Furthermore, all companies are encouraged to improve the quality of the social data collected.</p> <p>Additionally, where required, companies will be encouraged to report data to the Dutch SER and setting relevant goals on diversity, equity and inclusion.</p> <p>Also, all portfolio companies are encouraged to carry out employee surveys at least once</p>
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						<p>a year to add to and improve employee satisfaction.</p> <p>Companies who have not yet implemented the policies regarding social and employee matters are strongly encouraged to do so in 2025.</p> <p>Targets set:</p> <p>Also in 2025, a key target for portfolio companies remains the yearly updating and implementation of a general ESG strategy, which must include social and employee matters insofar considered material. The aim is to have at least 50% of the portfolio companies have in place a talent management plan in 2025.</p>
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Table 2 of the Regulatory Technical Standards

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Emissions	1. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	39%	64%	5 companies have a short- or long- term (i.e., 5- to 10-years) GHG emission reduction target in place that is in line with the Paris Agreement (covering Scope 1 & 2 emissions). However, all companies are planning to establish a detailed carbon reduction strategy within the next 2 years.	All carbon emission reduction actions taken, actions planned and targets set are set out under the first set of indicators.

Table 3 of the Regulatory Technical Standards

Adverse sustainability indicator	Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period	
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Social and employee matters	2. Lack of a supplier code of conduct	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	31%	33%	All existing and new companies plan to implement a supplier code of conduct within the next 2 years.	<p>Actions taken:</p> <p>Vendis has requested all existing and new portfolio companies to have adopted a supplier code of conduct.</p> <p>Actions planned:</p> <p>Vendis will launch an ESG Action Program to provide portfolio companies with practical tools, learnings modules and contacts in order to help the companies in making concrete and regular progress in their sustainability journey. The following core modules are offered through the Action Program:</p> <p>(i) Responsible supply chain: ethical sourcing policy, supplier</p>

						<p>code of conduct, supply chain improvement plan;</p> <p>(ii) Decent business conduct: basic sustainability policies, including employee code of conduct & anti-corruption.</p> <p>All new companies will be encouraged to adopt a supplier code of conduct and live by its principles</p> <p>Targets set:</p> <p>Vendis aims to ensure 100% of existing portfolio companies have adopted a supplier code of conduct by Q2 2025.</p> <p>Vendis aims to ensure that all new investments have a Supplier Code of Conduct in place within a year of closing.</p>
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3. DESCRIPTION OF POLICIES TO IDENTIFY AND PRIORITIZE ADVERSE IMPACTS

Vendis' Sustainable Investment and Ownership policy describes the policies to identify and prioritise principal adverse impacts on sustainability factors. The policy was approved by the Board of Directors on 30 June 2021 and has been reviewed in May 2022.

Vendis identifies and prioritises principal adverse impacts on sustainability factors in all phases of the investment cycle:

In the **due diligence phase**, material sustainability risks and potential for improvement are identified. To do so, the level of materiality is checked with a standard list of questions. This list is completed for all investment opportunities before starting the due diligence. The level of materiality determines the level of due diligence conducted during the diligence phase, ranging from a quick scan for low materiality to a full-fledged ESG due diligence in case of high materiality. Investigation of the ESG performance of an investment opportunity is based on desktop research and/or a third-party ESG analysis, which can be combined with occasional on-site visits. Output of these investigations is included in the Investment Memorandum which serves as a starting point for the fund's engagement with the company with regard to sustainability. In all instances, the Investment Memorandum will refer to the ESG risks identified (if any), their expected impact and any mitigating measures that are relevant.

For funds promoting environmental and/or social characteristics (i.e. Vendis Capital III CommV/SComm and Vendis Capital IV BV/SRL), the relevant fund makes sure that all portfolio companies are aligned **during the ownership period** with the environmental and/or social characteristics that the fund promotes. In case objectives are not met, this will be raised directly with the portfolio company. We secure full partner involvement throughout the investment phase on the ESG topic. Should a conflict of interest arise, the partner group will decide on the way forward. Furthermore, all portfolio companies have adhered to a 'Code of Conduct for Portfolio Companies' which imposes on those companies a commitment to compliance and a commitment to ESG. The commitment to ESG includes, among others, the requirement to set-up an ESG Action Plan, comply with Vendis ESG reporting requirements, uphold environmental and labour standards and observe good governance principles.

During the **annual ESG review**, the Vendis funds support portfolio companies, where possible, to gather and report on principal adverse impacts indicators and future ESG projects. Furthermore, the progress on those ESG targets is assessed every year by verifying the number of completed projects. In this process, the funds collaborate with a third-party ESG consulting firm to ensure that data are accurate, relevant, and benchmarked appropriately. The results are also published in the funds' annual PRI Transparency report. The annual ESG review for the portfolio companies is fully supported by the involvement of the entire investment teams.

A materiality assessment is conducted during the ESG review, which is based on the industry framework developed by the Sustainable Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI). Furthermore, the definitions and methodologies provided by the Regulatory Technical Standards are used for the principal adverse impacts calculations and the Greenhouse Gas Protocol for all carbon footprint calculations.

The information required to measure the sustainability factors is obtained directly from portfolio companies and/or is collected via a third-party data gathering platform supplemented by information from interviews. The proportion of estimated data is minimised, but the funds retain the right to make estimates based on reasonable assumptions if there is a lack of data. The data are processed and validated by an external ESG consultant in collaboration with the portfolio companies and Vendis' portfolio teams.

The ESG materiality assessments and ESG due diligences are carried out by Vendis and, if ESG considerations are considered material, an external ESG consultant in collaboration with the portfolio companies. Data availability may be a limitation, and estimates are assumed to be less reliable than actual data. Therefore, the funds clearly indicate when estimates are made to avoid misinterpretation.

4. ENGAGEMENT POLICIES

At the level of its portfolio companies, Vendis takes a result-oriented approach to the engagement strategy with its companies, ensuring that ESG targets are set as integral part of business plans and the overall strategy. Vendis requires that a yearly ESG action plan is proposed by the portfolio company's management to the board and that regular progress reviews take place at board level. Based on the targets and action plan, each company is monitored to identify progress on ESG performance. As part of this, a yearly ESG review is conducted by an external consultant. Through the engagement and monitoring process, best-practice sharing between portfolio companies is encouraged.

At the level of Vendis itself, a culture of ESG awareness and integration is actively fostered within the organization. Over the past few years, ESG tools have been developed for the investment staff enabling them to incorporate ESG considerations throughout the investment process. Several ESG training sessions have been organized in order to equip the Vendis staff with the necessary knowledge and skills. Furthermore, Vendis has set-up a dedicated internal ESG team who is actively proposing and following-up on new initiatives both at portfolio company level as at Vendis level. Vendis itself has become a B-Corp company. In 2024, Vendis has measured its own carbon footprint (2022 being the first year of measurement) which resulted in initiatives aimed at reducing its own GHG emissions. Finally, with the aim to standardize ESG reporting across the EU, Vendis continues to promote the use of the ESG GP-LP Reporting Template set forth by Invest Europe.

In terms of remuneration, Vendis promotes sound and effective risk management and ensures that the structure of remuneration does not encourage excessive risk-taking with respect to sustainability risks. The remuneration system in place within Vendis is aimed at avoiding the creation of incentives for short term or

excessive risk-taking. In this regard, sustainability risks are also taking into account. The appraisal processes take into account how employees promote and implement the approach set out in the Sustainable Investment and Ownership Policy.

5. REFERENCES TO INTERNATIONAL POLICIES

Vendis is a signatory to the Principles for Responsible Investment (PRI) and the Vendis annual PRI Transparency report is shared with investors. Furthermore, Vendis requires companies to adopt ESG action plans which include carbon footprint reduction initiatives and targets, whereby companies will be encouraged to set targets in line with SBTi where possible.

6. HISTORICAL COMPARISON

As stated in the introduction, the results in the 2024 PAI statement should be acknowledged on a stand-alone basis. As explained in the introduction of this PAI statement, a comparison with the previous year is not opportune.