

SUSTAINABILITY-RELATED DISCLOSURES

Product Name: “PrivAccess XV – Europe Mid Cap X” (the “**Feeder Fund**”)

A compartment of PrivAccess XV, an investment company with variable capital – reserved alternative investment fund (*société d’investissement à capital variable – fonds d’investissement alternatif réservé*) (SICAV-RAIF) incorporated as a partnership limited by shares (*société en commandite par actions*) under the laws of the Grand Duchy of Luxembourg.

LEI Number: 894500HVR79O69K5MZ40

Registered office: 50, avenue John F. Kennedy – L-1855 Luxembourg – Grand Duchy of Luxembourg

Luxembourg RCS: B 265 498

General Partner: PrivAccess General Partner S.à.r.l.

Alternative Investment Fund Manager: Global General Partner

Version history	Date
V.1	05/07/2024

Important Note: Master / Feeder Structure

The Feeder Fund will invest substantially all of its assets in IK X Fund No.2 SCSp (the “**Master Fund**”), a Luxembourg alternative investment fund managed by its alternative investment fund manager, IK Investment Partners AIFM, as manager (*gérant*) of the Master Fund (the “**Master Fund’s Manager**”) and which is part of the investment arrangements known as the “IK X Fund”.

The Feeder Fund through its investment in the Master Fund, which itself is categorised as complying with Article 8 of the SFDR, promotes environmental or social characteristics but does not have as its objective sustainable investments.

As a result, the below disclosures pursuant to articles 24 *et seq* of Commission Delegated Regulation¹ have been provided by the Master Fund’s Manager and reflects the Master Fund’s promotion of environmental and/or social characteristics.

Terms not defined herein shall have the meaning ascribed to them in the issuing document of the Feeder Fund and/or the IK Fund Memorandum available upon request from the General Partner, each as may be amended and/or supplemented from time to time. Any reference to “this financial product” in this document shall be understood as the Feeder Fund, through its investment in the Master Fund.

Disclaimer: The present website disclosure will be updated from time to time and may be subject to further regulatory changes. The below section a) “Summary” was prepared in English and is being translated to other official languages of the European Economic Area. In case of any inconsistency(ies) or conflict(s) between the different versions of this section a) “Summary”, the English language version shall prevail.

¹ Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports.

a) Summary

b) No sustainable investment objective:

This Feeder Fund, through its investment in the Master Fund (and more generally in the IK X Fund), promotes environmental or social characteristics, but does not have as its objective sustainable investment, and while it does not have as its objective sustainable investment, it will have, through its investment in the Master Fund, a minimum of 10% of sustainable investments.

c) Environmental or social characteristics of the financial product:

(1) the setting and validation of Science Based Targets for a minimum of 25% of majority invested Portfolio Companies by the end of the holding period for the IK X Fund (“**Science-Based Targets**”); and (2) the setting of a gender diversity target of one female board member on each Portfolio Company board of directors within 12 months of investment, together with an overall portfolio average of 30% female board members across the portfolio within two years of the first investment closing (“**Gender Diversity Target**”).

d) Investment strategy:

The Feeder Fund’s investment strategy is to invest substantially all its assets in the Master Fund (and more generally in the IK X Fund), whose investment strategy is to make private equity and equity-related investments, predominantly in connection with buyouts, growth buyouts, buy-ins, recapitalisations, or similar investment opportunities in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, the Grand Duchy of Luxembourg, the Netherlands, Norway, Sweden, Switzerland and the United Kingdom. The investment strategy used to meet the environmental or social characteristics will be based on ESG integration and engagement with Portfolio Companies.

e) Proportion of investments:

Science Based Target: The IK X Fund will seek to work with Portfolio Companies to set and have validated SBTs for a minimum of 25% of majority invested Portfolio Companies by the end of the holding period for the IK X Fund.

Gender Diversity Target: The IK X Fund will seek to apply the gender diversity target to 100% of its investments. The IK X Fund intends to make a minimum proportion of 10% of sustainable investments across the life of the IK X Fund which contribute to an environmental or social objective².

The IK X Fund is expected to have 0% of its investments with an environmental objective that are aligned with Regulation (EU) 2020/852.

f) Monitoring of environmental or social characteristics:

Monitoring of achievement of the characteristics begins in pre-investment diligence to identify whether Portfolio Companies have already set SBTs or whether female board members are in place. Post-investment, progress in attaining the characteristics will be monitored annually during an in-depth annual review by IK Investment Partners Limited (“IK”) in March each year (an “**Annual Review**”).

g) Methodologies for environmental or social characteristics:

Science based targets will be set and validated by the Science Based Targets Initiative. Gender diversity targets will be monitored based on the number of individuals who self-identify as female sitting as board members.

h) Data sources and processing:

Real data provided by Portfolio Companies will be used, where available however estimates may be used in respect of emissions data. Data will be processed by the IK and/or third parties, who will also take certain

² For the avoidance of doubt, this minimum proportion is not expected to be a year-on-year commitment. This commitment is intended to reflect that at least one portfolio company is expected to qualify as a “sustainable investment”.

steps to ensure data quality. No commitment is made to verify, audit or certify any of the information that is provided to IK for the purpose of disclosures made pursuant to the SFDR.

i) Limitations to methodologies and data:

Limitations to the methodologies and data primarily arise because of a lack of available data by Portfolio Companies and/or a lack of infrastructure in place for the collection and processes of relevant data by Portfolio Companies. In some cases, investments are made in early or growth-stage businesses, who have not yet developed adequate data collection processes. The IK X Fund makes reasonable efforts to ensure the methodologies and data do not affect the attainment of the environmental or social characteristics.

j) Due diligence:

Identifying sustainability risks is an integral part of IK's due diligence process. All prospective investments must be compatible with IK's Responsible Investment Policy ("**RI Policy**"). In addition, IK maintains an ESG policy ("**ESG Policy**") which further details IK's consideration of sustainability risks in the investment process. Further, external specialists will be instructed to perform enhanced ESG due diligence on potential target investments, where appropriate. A summary of ESG due diligence findings must be included in the Investment Committee's memorandum alongside the investment thesis for a proposed investment.

k) Engagement policies:

Engagement will consist of an on-boarding conversation with senior company management and periodic discussions with senior company management thereafter. In line with IK's ESG Policy, all Portfolio Companies are subject to an in-depth Annual Review.

l) Designated reference benchmark.

No reference benchmark has been designated to determine whether the Master Fund is aligned with the environmental and social characteristics it promotes.

b) No sustainable investment objective

The Feeder Fund, through its investment in the Master Fund (and more generally in the IK X Fund), promotes environmental or social characteristics, but does not have as its objective sustainable investment. While it does not have as its objective sustainable investment, it will have, through its investment in the IK X Fund, a minimum of 10% of sustainable investments³.

The objectives of sustainable investments that the IK X Fund expects to make are set out in the table below and each such sustainable investment will contribute to an environmental or social objective through its own operations, products and/or services. Any sustainable investment made by the IK X Fund is expected to align with one of the objectives set out below and the IK X Fund makes no commitment to any individual investment aligning with more than one objective. For the avoidance of doubt, if the IK X Fund makes a sustainable investment that does not align with the objectives and/or business activities set out below, periodic disclosures will specify what are the objectives of the sustainable investments that the IK X Fund has made and how the sustainable investment contributes to such objectives.

IK Partners Business Sector	Sustainable investment objective	How does the sustainable investment contribute to such objectives?	Illustrative potential Indicators ⁴
Business Services	Climate change adaptation	Provision of the following non-life insurance and reinsurance relating to the underwriting of climate related perils ⁵ : medical expense insurance; income protection insurance; workers' compensation insurance; motor vehicle liability insurance; other motor insurance; marine, aviation and transport insurance; fire and other damage to property insurance; assistance.	<ul style="list-style-type: none"> • Revenue generated for insurance and reinsurance business lines relating to underwriting of climate related perils, including as a proportion of total revenue • Revenue growth for insurance and reinsurance business lines relating to underwriting of climate related perils, including as a proportion of total revenue
	Climate change mitigation	Development or use of ICT solutions that are aimed at collecting, transmitting, storing data and at its modelling and use where those activities are predominantly aimed at the provision of data and analytics enabling GHG emission reductions. Such solutions may include the use of decentralized technologies (i.e., distributed ledger technologies), Internet of Things, 5G and Artificial Intelligence	<ul style="list-style-type: none"> • Revenue generated from ICT products or services aimed at the collection, transmission, storage and/or modelling of data and analytics enabling GHG emission reductions, including as a proportion of total revenue • Revenue growth from ICT products or services aimed at the collection, transmission, storage and/or modelling of data and analytics enabling GHG emission reductions,

³ For the avoidance of doubt, this minimum proportion is not expected to be a year-on-year commitment. This commitment is intended to reflect that at least one Portfolio Company is expected to qualify as a “sustainable investment”.

⁴ For the avoidance of doubt, not all indicators below will be tracked. IK will consider the most appropriate indicator on an investment-by-investment basis.

⁵ These include chronic perils such as: changing temperature, heat stress, changing winds, temperature variability, permafrost thawing, changing wind patterns, changing precipitation patterns and types (rain, hail, snow/ice), precipitation or hydrological variability, ocean acidification, saline intrusion, sea level rise, water stress, coastal erosion, soil degradation, social erosion and solifluction; and acute perils such as: heat waves, cold waves/frost, wildfire, cyclones, hurricanes, typhoons, storms, tornados, drought, heavy precipitation, floods, glacial lake outburst, avalanches, landslides and subsidence.

			<p>including as a proportion of total revenue</p> <ul style="list-style-type: none"> • Number of ICT products or services aimed at the collection, transmission, storage and/or modelling of data and analytics enabling GHG emission reductions • Investment in (Capex/Opex) research and development of ICT products or services aimed at the collection, transmission, storage and/or modelling of data and analytics enabling GHG emission reductions
Healthcare	Climate change adaptation	Provision of residential care combined with either nursing, supervisory or other types of care as required by the residents, where physical and non-physical solutions ('adaptation solutions') that substantially reduce the most important physical climate risks that are material to that activity have been implemented	<ul style="list-style-type: none"> • Products and/or services where physical and non-physical solutions ('adaptation solutions') that substantially reduce the most important physical climate risks that are material to that activity have been implemented • Capex / Opex allocated to adaptation solutions
Consumer	Circularity	Minimisation of product loss and waste through manufacture and/or design of goods that are designed for reuse, uses circular or biowaste feedstock and/or designed for recycling	<ul style="list-style-type: none"> • Type of packaging used by the organization during the reporting period. Select all that apply: Recycled materials; Non-recycled compostable or renewable materials; Non-recycled, non-compostable, non-renewable materials • Amount of biodegradable materials used in the organization's products (including packaging) during the reporting period. • Percentage of recycled materials used to manufacture the organization's products (including packaging) during the reporting period. • Amount of recycled material used in the organization's products (including packaging) during the reporting period. • Products designed for reuse and/or recycling • Investment in (Capex/Opex) research and development of products designed for reuse and/or recycling • Waste reduced through programs for substitution, recycling or recovery

		Repair, refurbishment and remanufacturing of consumer goods that have been used for their intended purpose before by a customer	<ul style="list-style-type: none"> • Revenue generated from repair, refurbishment and remanufacturing, including as a proportion of total revenue • Revenue growth from repair, refurbishment and remanufacturing, including as a proportion of total revenue
	Biodiversity	Manufacture of food products selection of ingredients for which primary production practices improve biodiversity	<ul style="list-style-type: none"> • Revenue generation / growth of food products selection of ingredients for which primary production practices improve biodiversity • Biodiversity footprint assessment of food production practices Primary production sites located in or near to biodiversity-sensitive areas where activities of those suppliers/producers negatively affect those areas • Investments in companies with initiatives and targets to improve biodiversity associated with primary production
		Selection of protein-rich ingredients that reduce pressure on biodiversity by substituting protein-rich ingredients that have high negative impact on biodiversity	<ul style="list-style-type: none"> • Revenue generated from products substituting protein-rich ingredients that have high negative impacts on biodiversity, including as a proportion of total revenue • Revenue growth from products substituting protein-rich ingredients that have high negative impacts on biodiversity, including as a proportion of total revenue • Investment in (Capex/Opex) research and development of selection of protein substitutes • Products substituting protein-rich ingredients • Investments in companies with initiatives and targets to substitute protein-rich ingredients
		Selection of ingredients that contribute to conservation and genetic diversity	<ul style="list-style-type: none"> • Biodiversity footprint assessment of primary ingredients used in products • Primary ingredient sourcing from sites located in or near to biodiversity-sensitive areas where activities of those suppliers/producers negatively affect those areas • Revenue generation / growth of products selection of ingredients for which primary production practices contribute to conservation and genetic diversity

Industrials	Climate change mitigation	Professional services related to energy performance of buildings, such as but not limited to technical consultations (energy consultations, energy simulations, project management, production of energy performance contracts, dedicated trainings) linked to the improvement of energy performance of buildings; accredited energy audits and building performance assessments; energy management services; energy performance contracts; energy services provided by energy service companies (ESCOs)	<ul style="list-style-type: none"> • Revenue generated from professional services related to energy performance of buildings, including as a proportion of total revenue • Revenue growth from professional services related to energy performance of buildings, including as a proportion of total revenue
		Construction, refurbishment and operation (including provision of a managed service) of pipelines and associated infrastructure for distribution of heating and cooling	<ul style="list-style-type: none"> • Revenue generated from construction, refurbishment and operation of pipelines and associated infrastructure for distribution of heating and cooling, including as a proportion of total revenue • Revenue growth from construction, refurbishment and operation of pipelines and associated infrastructure for distribution of heating and cooling, including as a proportion of total revenue
		Construction and operation (including provision of a managed service) of facilities that store electricity, thermal energy and/or hydrogen and return it at a later time in the form of electricity, thermal energy or other energy vectors	<ul style="list-style-type: none"> • Revenue generated from construction and operation of facilities that store electricity, thermal energy and/or hydrogen, including as a proportion of total revenue • Revenue growth from construction and operation of facilities that store electricity, thermal energy and/or hydrogen, including as a proportion of total revenue • Energy storage capacity of facilities
		Renewal of water collection, treatment and supply systems including renewals to water collection, treatment and distribution infrastructures for domestic and industrial needs	<ul style="list-style-type: none"> • Revenue generated from renewal of water collection, treatment and supply systems, treatment and distribution infrastructure, including as a proportion of total revenue • Revenue growth from renewal of water collection, treatment and supply systems, treatment and distribution infrastructure, including as a proportion of total revenue • Percent of water samples at distribution or network sampling points that meet national

			<p>standards for chemical water quality, residual chlorine, and microbiological contamination during the reporting period</p> <ul style="list-style-type: none"> • Volume of water treated according to planned capacity • Water quality practices • Water treatment level
		Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment	<ul style="list-style-type: none"> • Revenue generated from installation, maintenance or repair of energy efficiency equipment, including as a proportion of total revenue • Revenue growth from installation, maintenance or repair of energy efficiency equipment, including as a proportion of total revenue • Building area of energy efficiency improvements (m2)
		Manufacture, installation, maintenance and repair of renewable energy technologies	<ul style="list-style-type: none"> • Revenue generated from products and/or services for the manufacture, installation, maintenance and repair of renewable energy technologies, including as a proportion of total revenue • Revenue growth from products and/or services for the manufacture, installation, maintenance and repair of renewable energy technologies, including as a proportion of total revenue • Avoided emissions associated with renewable energy technologies manufactured or installed
		Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	<ul style="list-style-type: none"> • Revenue generated from products and/or services for the installation, maintenance and repair of instruments and devices for measuring energy performance of buildings, including as a proportion of total revenue • Revenue growth from products and/or services for the installation, maintenance and repair of instruments and devices for measuring energy performance of buildings, including as a proportion of total revenue
		Electricity generation using: solar photovoltaic technology, concentrated solar power (CSP) technology, wind power, ocean energy technologies, hydropower, geothermal energy, bioenergy and	<ul style="list-style-type: none"> • Electricity generated from solar photovoltaic technology, concentrated solar power (CSP) technology, wind power, ocean energy technologies, hydropower, geothermal energy, bioenergy and

		renewable non-fossil gaseous and liquid fuels	<p>renewable non-fossil gaseous and liquid fuels (MW)</p> <ul style="list-style-type: none"> • Investment in (Capex/Opex) research and development of solar photovoltaic technology, concentrated solar power (CSP) technology, wind power, ocean energy technologies, hydropower, geothermal energy, bioenergy and renewable non-fossil gaseous and liquid fuels • Revenue generated from electricity generation, including as a proportion of total revenue • Revenue growth from electricity generation, including as a proportion of total revenue
		Purchase, financing, leasing, rental and operation of low carbon urban and suburban transport vehicles	<ul style="list-style-type: none"> • Revenue generated from purchase, financing, leasing, rental and operation of low carbon urban and suburban transport vehicles, including as a proportion of total revenue • Revenue growth from purchase, financing, leasing, rental and operation of low carbon urban and suburban transport vehicles, including as a proportion of total revenue • Avoided emissions related to the purchase, financing, leasing, rental and operation of low carbon urban and suburban transport vehicles. Calculation methodology to be determined but this could be done, for example, by comparing over a reference period, in tonnes of CO2e or percentage reduction, the emissions of the low carbon fleet (or per vehicle) with the emissions that would have occurred over the same reference period with a fossil fuel-based fleet
	Climate change adaptation	Manufacture of low carbon technologies	<ul style="list-style-type: none"> • Investment in (Capex/Opex) research and development of low carbon technologies • Revenue generated from the manufacture of low carbon technologies, including as a proportion of total revenue • Revenue growth from manufacture of low carbon technologies, including as a proportion of total revenue
	Circularity	Increasing product use intensity and life extension	<ul style="list-style-type: none"> • Increase in product use intensity / life extension

		Repair, refurbishment and remanufacturing; and sale of spare parts	<ul style="list-style-type: none"> • Revenue generated from services for the repair, refurbishment and manufacturing of products, and sale of spare parts, including as a proportion of total revenue • Revenue growth from services for the repair, refurbishment and manufacturing of products, and sale of spare parts, including as a proportion of total revenue
		Preparation for re-use and end-of-life products and product components	<ul style="list-style-type: none"> • Revenue generated from preparation for re-use and end-of-life products and product components, including as a proportion of total revenue • Revenue growth from preparation for re-use and end-of-life products and product components, including as a proportion of total revenue
		Sale of second-hand goods	<ul style="list-style-type: none"> • Revenue generated from sale of second-hand goods, including as a proportion of total revenue • Revenue growth from sale of second-hand goods, including as a proportion of total revenue
		Product as-a-service and other circulate use- and-result-orientated service models	<ul style="list-style-type: none"> • Revenue generated from product as-a-service and other circulate use-and-result-orientated service models, including as a proportion of total revenue • Revenue growth from product as-a-service and other circulate use-and-result-orientated service models, including as a proportion of total revenue • Investment in (Capex/Opex) research and development of product as-a-service and other circulate use- and-result-orientated service models
All - cross-sector	Decent work	Investments in a business that is contributing to decent work through payment of a Living Wage based on a recognized benchmark and/or Living Wage initiative that is aligned with the Anker Methodology or an equivalent recognized methodology. Such investment may also contribute to decent work through payment of a Living Wage where a public commitment and/or published strategy has been formally adopted and is being implemented at the point of investment.	<ul style="list-style-type: none"> • Opex associated with payment of Living Wage • Living Wage aligned with the Anker methodology (or equivalent recognized methodology)

IK shall ensure that any sustainable investments made by the IK X Fund do not cause significant harm to any environmental or social sustainable investment objectives by applying the processes set out below:

- IK will consider the adverse impacts on sustainability factors included in Annex I of the Commission Delegated Regulation (EU) 2022/1288 in Table 1 and any relevant indicators in Tables 2 and 3. These adverse impacts will be considered during pre-investment diligence and information on the outcomes of these assessments will be included in the investment committee memo that is submitted to the investment committee of the IK X Fund. Where data is not available prior to closing, IK will continue diligence on adverse impact indicators during ownership; and
- For investments that qualify as sustainable investments, the IK X Fund will incorporate into pre-investment diligence questions that are intended to identify alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Post-investment, IK may take steps to improve alignment through engagement to improve the Portfolio Company's policies and procedures.

c) Environmental or social characteristics of the financial product

The Feeder Fund will promote environmental or social characteristics through its investment in the Master Fund (and more generally in the IK X Fund), which itself is categorized as complying with Article 8 of the SFDR. The environmental and social characteristics promoted by the Master Fund consist of two elements:

- **Characteristic 1:** the setting and validation of Science Based Targets (“SBTs”) for a minimum of 25% of majority invested Portfolio Companies by the end of the holding period for the IK X Fund, (“**Science-Based Targets**”)⁶; and
- **Characteristic 2:** the setting of a gender diversity target of one female board member on each Portfolio Company board of directors within 12 months of investment, together with an overall portfolio average of 30% female board members within two years of the first investment closing (“**Gender Diversity Target**”).

d) Investment strategy

Investment strategy

The Feeder Fund's investment strategy is to invest substantially all of its assets in the Master Fund (and more generally in the IK X Fund).

The IK X Fund's investment strategy is to make private equity and equity-related investments, predominantly in connection with buyouts, growth buyouts, buy-ins, recapitalisations, or similar investment opportunities in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, the Grand Duchy of Luxembourg, the Netherlands, Norway, Sweden, Switzerland and the United Kingdom. Such investments shall include, but shall not be limited to, the purchase, sale and disposal of shares and other securities in listed companies and, more commonly, non-listed companies located in the Austria, Belgium, Denmark, Finland, France, Germany, Ireland, the Grand Duchy of Luxembourg, the Netherlands, Norway, Sweden, Switzerland and the United Kingdom and the making of loans (whether secured or unsecured) to such companies, with the principal objective of creating capital growth and realising capital gain⁷.

⁶ No representation or guarantee is made about the progress against or the achievement of SBTs by Portfolio Companies.

⁷ There can be no assurance that the IK X Fund will implement its investment objectives or strategy or identify portfolio investments that meet its acquisition criteria. Any failure by the IK X Fund to identify adequate

The investment strategy used to meet the environmental or social characteristics will be based on ESG integration and engagement with Portfolio Companies.

Good governance

Good governance practices of Portfolio Companies are assessed in the following ways:

- Prospective investments are screened for compatibility with IK's Responsible Investment Policy ("**RI Policy**"), which includes consideration of principles relating to human rights, diversity and equity, employee relations and working conditions, good governance practices and environmental responsibility. Portfolio Company adherence to the principles of the RI Policy is monitored through an annual review.
- Portfolio Companies are encouraged to follow the principles outlined in the RI Policy by implementing governance structures that provide appropriate levels of oversight and by seeking disclosure on ESG issues.
- Pre-investment diligence conducted in accordance with IK's ESG Policy includes considerations of ESG factors that include labour rights and labour conditions, diversity, regulatory compliance (including in relation to tax compliance), business ethics, transparency and accountability, board composition and independence and shareholder rights. A baseline of a prospective investment's current good governance performance is established at this point.
- IK's Ethical Guidelines for Portfolio Companies ("**Ethical Guidelines**") describe IK's fundamental principles and sets out the commitment that a Portfolio Company is expected to make. The guidelines should be formally adopted by all Portfolio Companies and then can be signed by the CEO or adopted by the board of directors.
- At the point of investment, IK will seek to integrate clauses to establish expectations around the Portfolio Company's adoption of Ethical Guidelines, the reporting of material adverse events, the frequency of communications, engagement on good governance, and Board oversight.
- During ownership, the good governance practices of Portfolio Companies are monitored periodically (including via an annual ESG survey) to ensure ongoing compliance. Mitigating or remedying actions for improvement of any identified gaps are established and, where relevant, key performance indicators or other milestones to monitor improvements. Progress is reported to IK annually.
- IK's approach, set out in the IK Fund Memorandum, is that Portfolio Company boards of directors typically comprise a third-party chairman appointed by IK, two IK's partner representatives and one or two further third-party representatives. In most IK's jurisdictions, the board is a supervisory board to which the CEO and CFO report. The format for board meetings typically covers operational themes, often involving other managers from within the company depending on the topic (e.g., HR, IT, ESG, procurement, etc.). Boards generally include a remuneration committee as well as an audit and ESG committee. Appointment to the board is reviewed by the lead partner in conjunction with IK's Coordination Committee.

investment opportunities can have the effect of decreasing the diversification of the IK X Fund and, as a result, can increase the risk of an investment in the IK X Fund and thus in the Master Fund. There can be no assurance that historical and current trends will continue during the life of the IK X Fund, and any actual deviation from historical and current trends that underlie an investment decision by the IK X Fund can have an adverse effect on the IK X Fund.

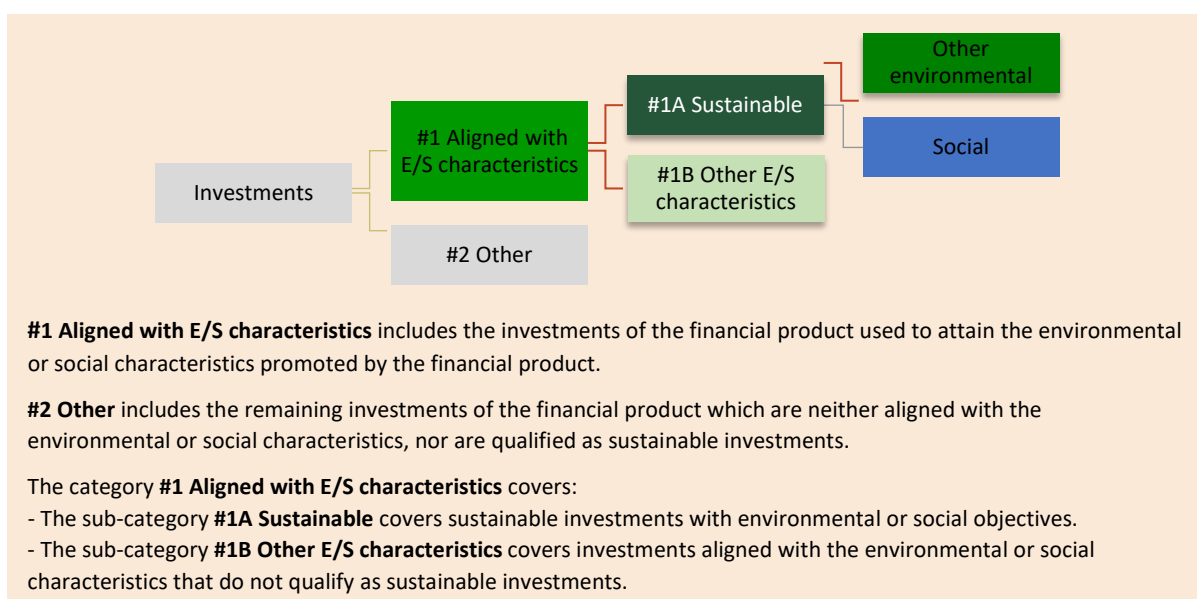
e) Proportion of investments

- **Science Based Target:** The IK X Fund will seek to work with Portfolio Companies to set and have validated SBTs for a minimum of 25% of majority invested Portfolio Companies by the end of the holding period for the IK X Fund.
- **Gender Diversity Target:** The IK X Fund will seek to apply the gender diversity target to 100% of its investments.

Sustainable Investments: The IK X Fund intends to make a minimum proportion of 10% of sustainable investments across the life of the IK X Fund which contribute to an environmental or social objective⁸.

The IK X Fund is expected to have 0% of its investments with an environmental objective that are aligned with Regulation (EU) 2020/852.

The Master Fund anticipates making only direct investments in investee companies.



The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

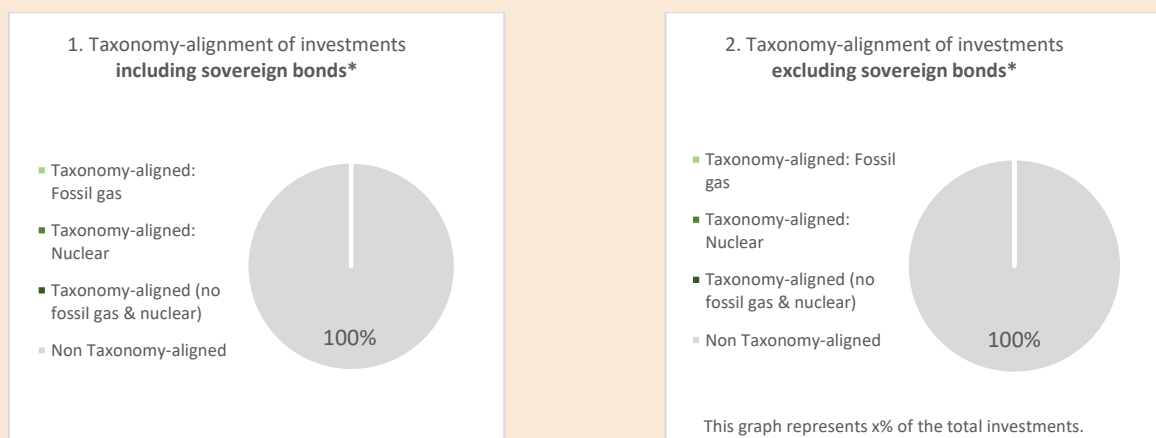
The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-

⁸ For the avoidance of doubt, this minimum proportion is not expected to be a year-on-year commitment. This commitment is intended to reflect that at least one Portfolio Company is expected to qualify as a “sustainable investment”.

alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

f) Monitoring of environmental or social characteristics

The sustainability indicators used to measure the attainment of the characteristics will be:

- **Science Based Target:** The number of Portfolio Companies that have had SBTs validated by the Science Based Targets initiative (SBTi). Only official validation by the Science Based Targets Initiative will be used to satisfy this sustainability indicator.
- **Gender Diversity Target:** Vacancies created by a female board member will be counted where that board member was in place for the majority of the applicable reference period and provided that the vacancy has not been filled.
- The percentage of individuals who identify as female as board members across the portfolio.

Monitoring of achievement of the characteristics begins in pre-investment diligence to identify whether investee companies have already set SBTs or whether female board members are in place. Post-investment, progress in attaining the characteristics will be monitored annually during an in-depth Annual Review.

g) Methodologies for environmental or social characteristics

Science based targets

IK will either identify Portfolio Companies that have set SBTs pre-investment or work with Portfolio Companies to set SBTs and submit targets for validation within two years of IK's investment. Performance against the SBTs will be validated, monitored and reported in line with the SBTi, which will apply science-based criteria and methodologies⁹. Where the Portfolio Company does not already have SBTs in place, IK will seek to include a commitment to set and validate an SBT in the post-acquisition Full Potential Plan or Medium-Term Strategy Plan where IK has a stake which is greater than 25%. Where a Portfolio company is held for less than two years, a SBT may not be set.

Post-investment, IK will seek to work with those Portfolio Companies in the following ways:

⁹ For more information on applicable methodologies please visit: <https://sciencebasedtargets.org/faqs#how-do-i-submit-my-target-for-validation>.

- Engage on consistent and accurate annual monitoring of scope 1, scope 2 and, where relevant, scope 3 emissions;
- Include metrics related to monitored emission levels in Portfolio Company annual reporting surveys to IK;
- Encourage Portfolio Companies to find emission reduction opportunities, including mapping out an emission reduction trajectory aligned with 1.5 degree temperature rise scenario, and develop an internal strategy to achieve alignment with such a pathway; and
- Encourage Portfolio Companies to set SBTs (where they do not already have SBTs in place) and submit them to be approved by the SBTi within two years of acquisition of the relevant Portfolio Company.

Gender Diversity Target

Where a Portfolio Company board does not already have any board members who identify as female, IK will work with the Portfolio Company to appoint at least one board member who identifies as female within the first 12 months after investment. Information on whether an individual identifies as female will be based on their own self-identification.

Once appointed, if any board member who identifies as female resigns or is otherwise removed from the board resulting in no board members who identify as female, IK will work with the Portfolio Company to ensure that a replacement candidate who identifies as female IK will work with the Portfolio Company to ensure that a replacement candidate who identifies as female is appointed within 12 months. Vacancies created by a female board member will be counted where that board member was in place for the majority of the applicable reference period and provided that the vacancy has not been filled.

h) Data sources and processing

Data sources used to attain the characteristics

- Science Based Targets: Initial Greenhouse Gas emissions baseline assessments will be conducted by Portfolio Companies or a third party provider. Annual updates on progress against SBTs will be conducted by reporting from Portfolio Companies collected by means of an annual questionnaire.
- Gender Diversity Targets: Portfolio Companies will provide updates using an annual ESG Questionnaire.

Measures taken to ensure data quality

A number of measures are taken to ensure data quality, including:

- Science Based Targets: Engaging consultant(s) to work with Portfolio Companies to measure the baseline footprint, set an SBT and develop a carbon reduction plan.
- Gender Diversity Targets: Responses by Portfolio Companies are reviewed and confirmed by IK's ESG team.

Data processing

- Data provided by Portfolio Companies will be processed by IK's ESG team.

Proportion of data estimated

- Real data provided by Portfolio Companies will be used, where available; however estimates may be used in respect of emissions data. Where not data is provided by Portfolio Companies it will be assumed that the characteristics have not been met.

i) Limitations to methodologies and data

Limitations to the methodologies and data primarily arise because of a lack of available data by Portfolio Companies and/or a lack of infrastructure in place for the collection and processes of relevant data by Portfolio Companies. In some cases, investments are made in early or growth-stage businesses, who have not yet developed adequate data collection processes.

The IK X Fund makes reasonable efforts to ensure the methodologies and data do not affect the attainment of the environmental or social characteristics.

j) Due diligence

Identifying sustainability risks is an integral part of IK's due diligence process. All prospective investments must be compatible with IK's Responsible Investment Policy ("**RI Policy**"). Judgment will be applied by IK with respect to any prospective investment that is not listed in the RI Policy, but which poses a similar risk profile to those listed. If it transpires during the pre-investment phase that a potential investment will not comply with IK's RI Policy, the investment opportunity will not be pursued.

In addition, IK maintains an ESG policy ("**ESG Policy**") which further details IK's consideration of sustainability risks in the investment process. IK's evaluation of investment opportunities will always include the identification and assessment of relevant sustainability risks. In order to assist the relevant Investment team with its sustainability risk assessment in the pre-investment stage, IK has put in place an Environmental and Social Risk ("**E&S**") Tool as well as a "Climate Change Tool". The use of both is mandatory for each investment proposal. The E&S Tool is a high-level proprietary risk scoping tool, which generates key risk categories based on the industry/sector/sub-sector classification of the Portfolio Company. This guides the relevant Investment team as they design their approach to the sustainability risk assessment during the pre-investment stage.

Further, external specialists will be instructed to perform enhanced ESG due diligence on potential target investments, where appropriate. IK anticipates that in due course external specialists will be used in relation to all proposed investments which are to be considered by its investment committee. A summary of ESG due diligence findings must be included in the investment committee's memorandum alongside the investment thesis for a proposed investment. A mandatory sustainability risk screening and summary assessment of ESG factors relevant to an investment, are mandatory aspects of the detailed presentation made to the investment committee before its determination. These considerations enable the Investment Committee to properly assess the sustainability risk factors and adherence to IK's ESG Policy before determining whether to recommend an investment by the IK X Fund.



k) Engagement policies

Engagement will consist of an on-boarding conversation with senior company management and periodic discussions with senior company management thereafter.

In line with IK's ESG Policy, all Portfolio Companies are subject to an in-depth Annual Review. Included in this review, is an investment specific ESG section. In addition, each Portfolio Company is required to complete a questionnaire on ESG progress provided by IK, on an annual basis. IK's ESG team is responsible for preparing, updating and providing the questionnaire to Portfolio Companies and subsequently aggregating and analysing the collected data.

l) Designated reference benchmark

No reference benchmark has been designated to determine whether the IK X Fund (and thus the Master Fund and indirectly of the Feeder Fund) is aligned with the environmental and social characteristics it promotes.

*Pre-contractual information (related to Articles 8 of the SFDR)

Pre-contractual disclosure related to Article 8 of the SFDR is available in the Issuing Document, which is available on the Investors' portal: <https://services-uk.sungarddx.com/LogOn/128060>

*The information in the periodic reports (those referred to in Article 11 of the SFDR)

Periodic reports' disclosure related to Article 11 of the SFDR will be available on the Investors' portal: <https://services-uk.sungarddx.com/LogOn/128060>