

SUSTAINABILITY-RELATED DISCLOSURES

Product name: Ekkio Capital V

Legal entity identifier: Ekkio Capital

ARTICLE 10 SFDR DISCLOSURE: WEBSITE PRODUCT DISCLOSURE FOR FINANCIAL PRODUCTS THAT PROMOTE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

(a) Summary

The Fund promotes environmental and social characteristics for all portfolio companies with no objective sustainable investment. The environmental and social characteristics promoted by the Fund and associated KPIs are the following:

- Characteristic 1: Tracking and reducing GHG emissions
- Characteristic 2: Sharing value within the company
- Characteristic 3: Promoting well-being and social dialogue at work

100% of the investments realized by the Fund will be aligned with the environmental and/or social characteristics promoted.

The Fund shall make its Investments in Portfolio Companies which, at the time of the First Investment, each have their registered office, principal place of business or main activity located in Europe. The Management Company expects, however, that the majority of its Portfolio Companies at the time of the First Investment will have their registered office, principal place of business or main activity located in France, Switzerland, Germany, Austria, Belgium, Monaco or the Luxembourg, to reflect the Management Company's geographic focus on those markets.

The fund applies sustainability practices at pre-investment, holding and exit phases to ensure that characteristics, sustainability risks and principal adverse impacts are taken into account.

(b) No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

(c) Environmental or social characteristics of the financial product

The Fund promotes environmental and social characteristics for all portfolio companies. The environmental and social characteristics promoted by the Fund are the following:

- Environmental characteristics:
 - Characteristic n°1: Tracking and reducing GHG emissions
- Social characteristics:
 - Characteristic n°2: Sharing value within the company
 - Characteristic n°3: Promoting well-being and social dialogue at work

The Fund will invest mainly in Portfolio Companies, according to a sector-based approach, essentially in the healthcare, tourism and leisure, controlling and security, sustainable development sectors.

The characteristics will be promoted throughout the investment process: from pre-investment to holding and exit phases.

(d) Investment strategy

The Fund shall make its Investments in Portfolio Companies which, at the time of the First Investment, each have their registered office, principal place of business or main activity located in Europe. The Management Company expects, however, that the majority of its Portfolio Companies at the time of the First Investment will have their registered office, principal place of business or main activity located in France, Switzerland, Germany, Austria, Belgium, Monaco or the Luxembourg, to reflect the Management Company's geographic focus on those markets.

The Fund shall invest mainly in Portfolio Companies, according to a sector-based approach, essentially in the healthcare, tourism and leisure, controlling and security, sustainable development sectors, within the framework of leveraged buyout and leveraged buy in, by acquiring stakes in the capital or which may give access to the capital of Portfolio Companies, with a preference for Investments of between five million Euros (€ 5,000,000) and thirty-Five million Euros (€ 35,000,000) million Euros per Investment.

The Fund shall make its Investments in Portfolio Companies which, at the time of the First Investment, each have their registered office, principal place of business or main activity located in Europe.

The following binding elements are implemented to ensure that the environmental and social characteristics are reached:

Pre-investment phase

- The Fund applies a sector exclusion policy that limits Ekkio's exposure to a number of negative impacts. In particular, the Fund does not invest in companies operating in the following sectors: alcohol, coal, deforestation, fishing, fossil fuel production, furis, gambling, GMO, palm oil, tobacco and weapons.
- The fund has implemented a pre-investment analysis grid and performs ESG due diligences for each investment.
- Subsequently, ESG factors, including sustainability risks and principals adverse impacts, are included in the investment memo, discussed in the investment committee meeting, based on the outcomes of the pre-investment screening and the due diligence results, and are one of the decision criteria for an investment.

Holding period

In the first 12 months following the investment, an ESG action plan is established for each portfolio company, based on the company's business model and principal adverse impacts ; a particular focus on the fund's Environmental and Social characteristics.

- Each year, the management company conducts a quantitative and qualitative survey of sustainability performance of its portfolio companies. In collaboration with Reporting 21, a panel of approx. 200 questions on environmental, social and governance criteria ; including the funds' specific indicators related to its characteristics; is monitored and analyzed to assess the companies' sustainability issues and performance, and the achievement of the action plan defined previously.
- Afterwards, an annual sustainability committee meeting is held with each investment company, attended by an Ekkio representative, one or more partners in charge of sustainability, and the Reporting 21 team. During this meeting, the ESG performance and progress of the company are presented, in relation to the company's action plan. During this annual committee, the ESG action plan is updated to integrate new commitments and improvements.

The Fund assesses the portfolio companies' good governance practices through the different procedures:

- Pre-investment, the good governance practices will be analyzed through the pre-investment analysis grid,
- During the detention period, they will be promoted by the Fund and monitored annually through the ESG questionnaire.

(e) Proportion of investments

100% of the investments realized by the Fund will be aligned with the environmental and/or social characteristics promoted.

Aligned with E/S characteristics includes investments in the financial product that are used to achieve the environmental or social characteristics promoted by the financial product.

The Fund will seek to apply the Characteristics outlined above to all of its investments. However, liquidities are not included as part of the fund's alignment.

(f) Monitoring of environmental or social characteristics

To monitor the performance of portfolio companies with respect to the three promoted characteristics listed above, the management company has defined indicators for each characteristic.

- Characteristic 1: Tracking and reducing GHG emissions

Description: Actively monitor and minimize greenhouse gas emissions.

- Percentage of companies within the Funds that have carried out a carbon footprint assessment
 - Global GHG emissions of the Funds (scopes 1, 2 and 3 in tonnes of CO2 emissions equivalent)
 - Percentage of companies within the Funds that have implemented other initiatives to reduce their GHG emissions
 - % of companies with a carbon reduction trajectory
 - Carbon intensity of portfolio companies (TCO2e/m€ of turnover)
 - Assessment of the companies' vulnerability to climate change (transition risks and physical risks)
- **Characteristic 2: Sharing value within the company**

Description: Involve the employees of each holding in the company's value creation.

- Percentage of companies within the Funds that have implemented a non-mandatory value-sharing mechanism
 - Percentage of capital held by non-management employees
 - Percentage of capital held by employees
 - Total amount of value shared per exited company
 - Percentage of companies for which compensation of the CEO is conditioned to the achievement of sustainability performance targets
- **Characteristic 3: Promoting well-being and social dialogue at work**

Description: Creating a supportive and collaborative workplace environment.

- Percentage of companies within the Funds that have faced social litigations within the year
- Percentage of companies within the Funds that have conducted a social barometer in the last 2 years
- Percentage of companies within the Funds that have implemented actions in favor of their employees' well being
- Percentage of companies with a social dialogue body

(g) Methodologies

As explained in section (f) 'Monitoring Environmental or Social Criteria,' to assess how well each company in the portfolio aligns with the environmental and/or social criteria promoted by the Fund, specific indicators will be monitored by each company at the time it joins the portfolio. The data for these indicators will be gathered annually through the Annual ESG Portfolio Questionnaire. The Management company will distribute this questionnaire to all portfolio companies once a year, starting from the fiscal year in which the company enters the portfolio and continuing until it exits the portfolio.

(h) Data sources and processing

The data sources employed for assessing the achievement of the environmental and/or social criteria are directly furnished by each portfolio company through their responses to the Annual ESG Portfolio Questionnaire and/or supplemented by third party advisors, as required.

In order to uphold data accuracy, the Management company with the help of third party consultants conducts a thorough review of the questionnaire responses and implements consistency checks. An interview with the portfolio company's management is conducted in order to verify and complete data.

Based on these data and this interview, an annual sustainability committee meeting is organized with each portfolio company.

Real data is used where available as far as possible but estimates may be used by portfolio companies in respect of specific ESG metrics when data is not available. Estimated data represents less than 10% of the total ESG data collected during the annual ESG data collection.

(i) Limitations to methodologies and data

As data is not audited, the Management company cannot guarantee that data provided by portfolio companies is complete, accurate or reliable.

However, the management company will ensure that the data available is sufficient to assess the maturity of the company's ESG issues on an annual basis, particularly in terms of the characteristics promoted by the fund. If this cannot be guaranteed, the management company may help portfolio companies to collect the necessary information.

(j) Due diligence

For each acquisition, an ESG due diligence is carried out with the help an external third party, to identify principal adverse impacts on sustainability factors, and implement improvement plans. In accordance with a risk-based approach, these due diligences encompass an assessment of best practices and areas for improvement to define the company's sustainability roadmap.

Subsequently, principals adverse impacts on sustainability factors are included in the investment memo and discussed in the investment committee meeting, based on the outcomes of the pre-investment screening and the due diligence results. They are one of the criteria for investment decisions.

Moreover, the fund uses a comprehensive pre-investment ESG screening grid to assess prospective opportunities thoroughly. This grid considers sustainability risks and principals adverse impacts on sustainability factors.

(k) Engagement policies

The ESG team will engage with portfolio companies at least on an annual basis to (i) support implementation of actions and steps outlined in ESG Roadmaps; and (ii) carry out an annual data collection exercise in respect of ESG Roadmaps and wider ESG KPIs.

Each year, the management company conducts a quantitative and qualitative survey of sustainability performance of its portfolio companies. A panel of approx. 200 questions on environmental, social and governance criteria ; including the funds' specific indicators related to its characteristics; is monitored and analyzed to assess the companies' sustainability issues and performance, and the achievement of the action plan defined previously. The results are consolidated in a dedicated ESG report.

In addition, an annual sustainability committee meeting is held with each investment company. During this meeting, the ESG performance and progress of the company are presented, in relation to the company's action plan.

(I) Designated reference benchmark.

No reference benchmarks have been identified for the Fund.