

EQUISTONE

RESPONSIBLE INVESTING AND
STEWARDSHIP POLICY

FEBRUARY 2026

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OVERVIEW

Equistone Partners Europe Limited and Equistone Partners Europe SAS (together “Equistone”, “we”, “us” and “our”), are investment managers (‘AIFMs’) that operate across Benelux, France, Germany, Switzerland, and the UK. As stewards of investors’ capital, Equistone manages its business and investments responsibly to unlock long-term value. As such, Equistone recognises the importance of integrating Environmental, Social and Governance (‘ESG’) considerations into our investment decision-making as well as throughout the holding period of fund assets. The purpose of this policy is to outline the framework governing the approach of Equistone in using ESG issues to better inform our investment decisions.

Equistone believes that aligning the interests of our clients and portfolio companies with those of society at large can enhance returns for our investors on top of our collective and individual contributions to the communities we belong to. We recognise that responsible investment – the consideration of ESG issues when making investment decisions and active engagement with companies on these issues (known as stewardship) – is part of our fiduciary duty. We believe that businesses must preserve the trust of stakeholders and effectively manage ESG issues to guarantee they remain resilient and attractive for the future. We therefore take an interest in how companies in our portfolio manage ESG risks and opportunities and, on behalf of our investors, encourage companies to adhere to strong standards of ESG conduct. As a signatory of the Principles for Responsible Investment (PRI), Equistone is committed to promoting best practice ESG initiatives throughout our own organisation, the organisations we interact with and the wider industry.

In line with best practice, this policy is informed by:

- › The Principles for Responsible Investment (PRI)
- › The UN Global Compact Ten Principles
- › The Sustainable Development Goals and targets
- › The UN Guiding Principles on Business and Human Rights
- › The OECD Guidelines for Multinational Enterprises
- › The ILO Declaration on Fundamental Principles and Rights at Work

ENVIRONMENTAL AND SOCIAL FACTORS

The ESG factors that Equistone incorporates into its investment decision-making process are shaped by two primary inputs: materiality at firm, fund, and portfolio company level and Equistone’s overall targets and commitments as a responsible investor.

When referring to materiality, Equistone considers both the factors that have implications on a firm’s financial value as well as the firm’s wider impact on the world. This is because ESG factors which may not be considered material in the first instance can, in a rapidly evolving macroeconomic and sustainability landscape, prove to have an impact on an organisation. The table below provides a non-exhaustive overview of some of the environmental and social factors that are reviewed within our investment screening and due diligence process.

ENVIRONMENT	SOCIAL
<ul style="list-style-type: none">› Greenhouse Gas (“GHG”) emissions› Climate change (physical and transitional climate risks)› Energy management› Waste management› Water management› Biodiversity› Product / services design, and lifecycle› Raw material sourcing and efficiency	<ul style="list-style-type: none">› Health and safety› Employee engagement and development› Labour relations› Diversity and inclusion› Human rights› Community relations› Cyber security and data protection

PRIORITY ENVIRONMENTAL AND SOCIAL FACTORS

While the ESG issues addressed at portfolio company may vary due to materiality, Equistone is committed to addressing Climate Change and Human Rights across the entirety of our portfolio, in alignment with the PRI's highest priority issues for signatory action. This is due to our belief that the systemic sustainability risks posed by climate change and the safeguarding of human rights are material to all our businesses.

GOOD GOVERNANCE

GOOD GOVERNANCE DEFINITION

Equistone considers "good governance" to mean a standard of governance that is aligned to widely recognised industry norms and international standards. This is consistent with both the good governance topics identified in Sustainable Finance Disclosure Regulation ("SFDR") – management structures, employee relations, staff remuneration and tax compliance – as well as the Minimum Safeguards provision of the EU Taxonomy Regulation ("MS") which requires companies to respect basic human rights and follow good business conduct rules.

GOVERNANCE INDICATORS AND EXAMPLE METRICS

The table below summarises some of the topics that form part of Equistone's good governance assessment¹. While the example metrics are purposefully simplistic for comparability and monitoring purposes, their relevance will vary according to the size of the company and the sector in which the company operates as well as the jurisdiction(s) in which the company operates. Where possible, metrics have been aligned to the Principal Adverse Impact indicators² to align with industry best practice. They may also vary based on the evidence and information available to investment teams as well as any wider governance or ESG factors uncovered separately as part of due diligence. As such, no one indicator will be determinative, and judgement will be required.

TOPIC	INDICATOR	EXAMPLE METRICS
Sound Management Structure	Board Structure and Diversity	Range of relevant skills and experience
		Share of non-executive members
		Share of females in the board and management
		Separation of Chairman and CEO
		Board or equivalent body comprising of at least [3] members
	Risk management processes and committees	ESG / CSR policy and/or strategy
		Risk management policy and/or processes
		Breaches of anti-competition laws Cybersecurity policy and insurance
Business ethics	Bribery and Corruption	Policy on anti-corruption and anti-bribery
	Ethics	Code of conduct
		Supplier code of conduct

¹ In developing our key metrics and approach, Equistone has consulted the international standards and frameworks referenced on page 1 as well as the October 2022 Platform on Sustainable Finance Final Report on MS, which advises on the application of MS in relation to the Taxonomy Regulation (TR1) Articles 3 and 18.

² https://www.eiopa.europa.eu/publications/principal-adverse-impact-and-product-templates-sustainable-finance-disclosure-regulation_en

TOPIC	INDICATOR	EXAMPLE METRICS
Remuneration of Staff	Remuneration	Compliance with applicable minimum wage requirements
		Average unadjusted gender pay gap
Employee Relations	Approach to health and safety and employee engagement	Health and safety policy
		Work-related accidents/injuries rate
		Number of workdays lost to injuries, accidents, fatalities
	Human Rights	Presence of grievance/complaints handling mechanism related to employee matters
		Violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
Policies to safeguard human rights		
Tax Compliance	Tax risk management	Instances where companies have been found guilty of tax evasion
		Compliance with relevant tax law
		Tax residency in jurisdictions on the EU list of non-cooperative jurisdictions for tax purposes

ESG IN THE INVESTMENT LIFECYCLE

ESG factors are embedded across the entire investment lifecycle - from deal screening and due diligence to holding and exit.



SOURCING

Early in the process of identifying potential investments, Equistone screens targets against its exclusionary criteria. The exclusionary criteria include both compliance with international standards and good practices, as well as involvement in specific sectors. In making investment decisions, Equistone:

1. Will avoid investing the Fund's capital in companies that:
 - a. are registered or operate in a country subject to embargoes imposed by the UN³ or the European Union⁴;
 - b. are headquartered or operate in non-cooperative jurisdictions for tax purposes (as set out in

³ <https://www.un.org/securitycouncil/content/un-sc-consolidated-list>

⁴ https://www.eeas.europa.eu/eeas/european-union-sanctions_en

- the EU list of non-cooperative jurisdictions for tax purposes);
 - c. have materially and knowingly breached current legislation or have not remediated infractions of non-compliance;
 - d. are involved in manufacturing, distributing, developing or trading of any controversial weapons (chemical and biological weapons, anti-personnel land mines, cluster munitions, depleted uranium, white phosphorus and nuclear weapons).
2. Consistent with an ordinary business purpose, ensure that the Fund does not invest in companies that derive more than 25% of revenues from:
- a. the generation of coal-fired electricity and operation/upgrade of coal-fired power plants;
 - b. the exploration, development and production of oil and gas (this exclusion applies only to non-US companies);
 - c. the production, distribution and/or trade of arms or ammunition;
 - d. the production, trade, and distribution of tobacco products;
 - e. any activity of prostitution or procuring of prostitutes;
 - f. the production and distribution of pornographic content;
 - g. gambling activities.

Exclusionary criteria continue to be investigated in the due diligence phase as more information becomes available.

Moreover, Equistone will apply more stringent requirements when considering investments in sensitive sectors, that are associated with important sustainability risks. For example, Equistone's Investment Committee and the relevant boards of Equistone will consider the risk that an investment could result in serious adverse impacts on the environment or exploiting vulnerable groups in society. In the event a potential investment is determined to have significant sustainability risks where appropriate safeguards are not able to be put in place prior to or immediately following investment, Equistone will not proceed with the investment.

Finally, investment teams carry out controversy research so that major material ESG and reputational risks are ruled out early in the process.

DUE DILIGENCE

All potential investments are reviewed for material ESG risks and opportunities in the due diligence phase, including but not limited to the environmental and social factors listed earlier in this policy as well as relevant governance metrics. Identification of material issues and opportunities is the shared responsibility of Equistone's investment professionals, including the ESG Managers. Guidance on the typical material risks and opportunities associated with Equistone's primary sectors is made available to deal teams to guide due diligence, although materiality is assessed at the portfolio company level as each case is unique.

As further information becomes available, additional due diligence tools are introduced. An ESG toolkit is completed prior to acquisition that provides a broad review of ESG risks that a given target is exposed to, based on that company's industry, location, and the location of its suppliers. The toolkit covers five dimensions: Governance, Workplace, Marketplace, Environment and Community.

Appropriate questions regarding the commitment, practices, and strategy of the potential investment company are posed to management to assess capabilities and commitment to delivering improved sustainability outcomes. Where necessary, external advisors and specialists are brought in to support with more detailed ESG due diligence.

Material risks and opportunities are included in investment committee papers and are refined as the conversation and process progress. At a minimum, investment committee papers include a broad overview of material ESG risks and opportunities, including specific sections on climate risk and opportunity and an overview of good governance findings.

The European Investment Committee develops its recommendations, and the board of Equistone Partners Europe Limited and the board of Equistone Partners SAS make their investment and divestment decisions, by reviewing and discussing ESG due diligence findings and considerations in detail.

Equistone seeks answers to due diligence questions regarding the governance arrangements of prospective investee companies with the support of its dedicated ESG Managers and third parties where appropriate. The relevant investment team will present its good governance findings in the ESG section of the Investment Paper, where the European Investment Committee and the relevant boards of Equistone Partners Europe Limited and / or Equistone Partners SAS can challenge findings. This process should identify any shortfalls in governance which might require changes to implement during our investment period.

If Equistone determines that improvements can be made to a prospective investee company's governance practices, it will seek to address these post-acquisition. Equistone will also respond to relevant developments that are identified during ongoing monitoring post-acquisition.

HOLDING AND STEWARDSHIP

Equistone is committed to using stewardship as a critical tool for addressing sustainability risks and opportunities in our portfolio companies and in maximizing overall long-term value. Our approach to managing ESG across the businesses we invest in during the holding period is centered on collaboration, ongoing dialogue, advice, engagement, and support. A strong feature of our stewardship model is the focus on local context and culture as being key to the best way to facilitating sustainability outcomes.

Throughout the life of an investment, Equistone advises portfolio company management teams to address both our priority ESG factors as well as risks and opportunities identified as material for each investment in the due diligence phase. The table below provides an overview of how we practice stewardship during the holding period, although engagement is determined on a case-by-case basis and components may vary based on jurisdiction.

Our overall stewardship objectives are to help our companies:

- › Develop strong practices, policies and approaches to management of ESG risks and opportunities, including ensuring board accountability
- › Accomplishing progress on material ESG issues

COMPONENT	DESCRIPTION
Baselining ESG Performance and KPIs	<ul style="list-style-type: none"> › On acquisition, portfolio companies are required to complete a baseline assessment of their performance across ESG metrics and indicators, to support development of an action plan.
Post-acquisition Plans	<ul style="list-style-type: none"> › The baselining exercise, along with wider findings from the due diligence phase, is used to inform development of an ESG plan. › Expectations on ESG performance (or policies and processes) are incorporated into post-acquisition plans. For example, Equistone requires new investments to: <ul style="list-style-type: none"> – Add “ESG” as a standing agenda item to board meetings; – Develop a plan for baselining Scope 1, 2 and 3 emissions within an acceptable timeframe.
ESG in Portfolio Company Governance	<ul style="list-style-type: none"> › During the life of the investment, ESG action plans are reviewed and approved by the management teams of the portfolio companies. › The ESG standing agenda item is used to review and monitor ongoing progress over the entirety of the holding period, including agreed KPIs post-100-day plan completion. › Equistone asks all new investments to identify a management-level sponsor to oversee ESG reporting at the board.

COMPONENT	DESCRIPTION
	<ul style="list-style-type: none"> › ESG targets and/or KPIs are built into Management Incentive Plans to align performance incentives with achieving sustainability outcomes, where appropriate.
Ongoing Engagement	<ul style="list-style-type: none"> › ESG Managers review progress on sustainability or ESG projects and initiatives, connection to appropriate external advisors and provision of ad hoc support and advice where needed. Given that Equistone’s approach to stewardship is tailored to each company, support and advice may vary. › ESG Managers support investment teams with overseeing ongoing monitoring of material ESG risks and opportunities as well as ESG incidents. In the event of an ESG incident, ESG Managers will support the relevant Equistone investment professionals with reviewing and agreeing necessary actions to remediate the situation at hand.
Annual Review of Progress	<ul style="list-style-type: none"> › Equistone releases an ESG questionnaire annually to collect updated data on the metrics used for baselining. Investee companies are required to complete the questionnaire and to provide an overall update on ESG action plans. › Once the data collection cycle has closed, Equistone submits data to the ESG Data Convergence Initiative (EDCI), which enables industry benchmarking. By using this and the data available at country level, Equistone provides investee companies with annual performance benchmarks. › Equistone is committed to making data collection exercises mutually beneficial for all investee companies. Debrief sessions are used following data collection and benchmark release to update ESG action plans and review insights and takeaways.
Learning Community Access	<ul style="list-style-type: none"> › Portfolio companies are connected to one another to enable knowledge and skills transfer around relevant sustainability / ESG topics. Where possible, Equistone convenes learning community events.

Given that Equistone primarily acquires majority stakes in its portfolio companies, it will typically receive certain governance rights, which may vary according to jurisdictions (e.g., board seats) to ensure that sufficient focus and engagement is given to managing ESG risks and opportunities within our companies. In the case of minority investments in our flagship fund or with respect to our reinvestment fund strategy, we strive to collaborate with the majority investor to achieve agreement on material ESG issues and action plans.

Stewardship efforts and results are monitored and tracked by Equistone’s two ESG Managers with support from the wider investment team. Regular updates are disseminated across the organization to ensure continuous learning and feedback into our investment process. An overview of our Stewardship activities is presented in our annual ESG review.

EXIT

Prior to exit, Equistone will support our portfolio companies to demonstrate the key ESG milestones reached as well as measure and articulate value created, or risks mitigated. The data collected throughout the life of investments enables demonstration of progress on key ESG issues. Documentation will vary across portfolio companies but can include:

- › Integration of an ESG narrative across the Investment Memorandum;
- › A standalone ESG vendor due diligence report;
- › A standalone sustainability or ESG report;
- › Case studies and disclosure of key performance indicators.

GOVERNANCE AND OVERSIGHT

Equistone’s Management Board have formal oversight over and accountability for responsible investment. Recommendations regarding these decisions are provided through two pathways: deal teams and the investment

committee as well as Equistone’s ESG Managers. Equistone’s ESG Managers oversee the implementation of the Firm’s responsible investment programme on a day-to-day basis.

They are the main internal resources responsible for the day-to-day responsible investment and stewardship activities, although the responsibility for implementing the responsible investment programme is the shared responsibility of Equistone. This applies to the screening of potential investments as well as during the holding period (see section on ESG integration across lifecycle for further detail). Based on governance arrangements with portfolio companies, Equistone works in partnership with management teams to ensure that ESG initiatives are implemented and followed. Each ESG Manager oversees stewardship efforts within their respective portfolios, identifies and partakes in collaborative, industry-wide initiatives, and provides specialist guidance.

REPORTING

Progress on ESG matters and performance is communicated to our Limited Partners and other stakeholders through multiple channels, some of which are detailed below. Equistone regularly engages Limited Partners through dialogue and completion of ESG questionnaires.

METHOD	DESCRIPTION
Annual ESG Review	Beginning with our 2021 inaugural report, Equistone issues an annual ESG report to investors as well as broader stakeholders. The report provides an overview of Equistone’s responsible investment practices, our ESG journey as a firm, and our approach to sustainable value creation in our portfolio. Equistone’s annual ESG report is available on its website.
Principles for Responsible Investment Annual Transparency Report	Equistone has been a signatory to the PRI since 2019. Signatories are required to report on their responsible investment activities annually. Equistone’s Annual PRI Transparency report provides a broad overview of our responsible investment activities. The PRI transparency reports are available on the PRI website.
Annual Investors Meeting	ESG has been a formal agenda point at our annual investor meetings since 2019. The meeting provides us with an invaluable opportunity to discuss ESG with our investors face-to-face.

TRAINING

Equistone recognises that the ability of the firm to achieve its responsible investment objectives and robustly enact its ESG program depends on the buy-in and commitment of all professionals across the organisation. As such, Equistone strives to measure the firm’s understanding, knowledge, and level of comfort with sustainability and ESG topics and issues and gather open-ended feedback on the best way to enhance these. Equistone assesses the responsible investment capabilities and training needs of its investment professionals on an ongoing basis through dialogue with ESG managers, surveys, and broader performance management.

At least once a year, the firm is committed to providing training to all Equistone professionals, with the purpose of keeping the organisation up to date on priority topics, developments within the industry, and sustainability regulation.

INDUSTRY INITIATIVES

In accordance with PRI signatories’ commitment to promote acceptance and implementation of the Principles within the investment industry (Principle 4) and to work together to enhance effectiveness in implementing the Principles (Principle 5), Equistone takes part in relevant responsible investment or specific ESG topic organisations and collaborative initiatives. These bring valuable insight to the continuous refinement of our approach and enable us to contribute to the dialogue around best practice in Responsible Investment.

Equistone is a signatory, member, or sponsor of the following initiatives:

INITIATIVE	DESCRIPTION
Principles for Responsible Investment (PRI)	The world's leading proponent of responsible investment through an international network of financial institutions. Equistone has been a signatory since 2019.
Initiative Climat International (iC International)	The first initiative in the private equity industry to support the reduction and management of greenhouse gas emissions by portfolio companies.
ESG Data Convergence Initiative (EDCI)	An initiative that aims to streamline the industry's approach to collecting ESG data and to create meaningful, performance-based, comparable data.
France Invest	An association bringing together private equity firms active in France. Equistone has been a participant in the association's ESG Commission since 2019.

POLICY REVIEW

Equistone's Management Board has responsibility for on-going review and approval of the Responsible Investment policy. As such, this policy is subject to at least an annual review and will be updated as required to address developments in the firm's approach as well as to ensure ongoing alignment with international best practice and continue meeting the ESG information needs of our stakeholders. This policy was last updated in February 2026.