Transparency of Sustainability Risk Policies according to Article 3 of the Regulation (EU) 2019/2088 ("SFDR")

1. Background

The SFDR requires financial market participants to publish information about their policies on the integration of sustainability risks in their investment decision-making process.

Sustainability risks are defined as environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investment.

Sustainability risks may be caused by environmental, social and governance factors ("ESG Factors"). Environmental risks may arise from climate change, resource scarcity, pollution, or regulatory changes related to environmental protection. Social risks can include labour practices, human rights issues, community relations, and product safety concerns. Governance risks can involve issues related to board composition, executive compensation, conflicts of interest, and compliance with legal and ethical standards.

Sustainability risks may affect all known risk types (i.e. market risk, liquidity risk, operational risk, legal and regulatory risk and reputational risk) and contribute as a factor to the materiality of these risk types. Failure to adequately address sustainability risks can lead to reputational damage, legal and regulatory penalties, increased operational costs, and potential loss of investor confidence.

2. Integration of Sustainability Risk in the Investment Process

Tach2yone GmbH ("T2Y") recognizes that ESG Factors play a pivotal role in preserving the economic, environmental, and social value of its investments, the communities in which they operate, and its stakeholders. Therefore, T2Y has incorporated ESG factors into its investment processes through identifying, assessing, mitigating, and monitoring potential risks and opportunities associated with ESG factors. Sustainability risks that may arise from ESG Factors are included with all relevant financial risks in T2Y's investment process and are considered in its investment decisions as well as evaluated and monitored on an ongoing basis. This allows T2Y to make more informed investment decisions, enhancing its long-term performance and reputation while also aligning with evolving stakeholder expectations.

Pre-investment, sustainability risks and opportunities of potential investments are evaluated based on a range of factors surrounding the environmental implications of the target company's products and operations, its social practices, and governance structure. As part of this evaluation, T2Y assesses whether the target company has taken precautions against potential environmental disasters that could disrupt business operations, such as having disaster recovery plans in place. This includes negative as well as positive screening criteria, which are assessed during the initial screening of a target company through desk research and proprietary questionnaires. The screening criteria are used to filter out companies that are active in controversial sectors or that engage in controversial business practices and therefore are associated with high sustainability risks. At the same time, they are used to identify companies that provide technological solutions for the mitigation of and adaption to climate change and therefore tend to be associated with low sustainability risks, especially climate risk, while also having solid management structures and following good governance practices, which allow them to effectively manage any potential sustainability risks.

The results of the screening on ESG Factors are presented to the investment committee and are considered in the investment decision.

Furthermore, T2Y regularly monitors the ESG performance of its investments amongst other through a proprietary questionnaire to identify emerging sustainability risks such as portfolio companies' involvement in controversies related to environmental, social or governance matters during the management period of investments. Potential sustainability risks are addressed by engaging with the portfolio companies on ESG issues and encouraging them to improve their sustainability practices.

Every member of the T2Y team is required to act in accordance with the policies and strategies.

Moreover, T2Y is a signatory of the Principles of Responsible Investment ("PRI"), a voluntary framework designed to foster and incentivize the inclusion of ESG issues within the decision-making and ownership practices of asset managers. By aligning with PRI, T2Y reaffirms its commitment to responsible investment practices and its dedication to considering ESG Factors throughout all aspects of its operations.

Annex: Publication history

Version	Publication Date	Description of the changes
1.0	18 December 2024	Initial Publication
1.1.	24 October 2025	Update due to new sustainable investment concept

Transparency of Adverse Sustainability Impacts according to Article 4 of the Regulation (EU) 2019/2088 (“SFDR”)

Tach2yone GmbH (“T2Y”) does not currently consider the principal adverse impacts (“PAIs”) of investment decisions on sustainability factors at the entity level within the meaning of Article 4 SFDR. Instead, the consideration of PAIs is carried out at the product level, depending on the classification and investment strategy of each fund. Where applicable, funds will disclose PAIs in accordance with the SFDR requirements through their periodic reports.

This reflectsT2Y’s current position, which will be reviewed on a regular basis in line with regulatory developments and market practice.

Version	Publication Date	Description of the changes
1.0	18 December 2024	Initial Publication
1.1.	24 October 2025	Update due to new sustainable investment concept

Transparency of Remuneration Policies in relation to the Integration of Sustainability Risks according to Article 5 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR")

1. Background

According to SFDR financial market participants are required to include a statement in their remuneration policy in accordance with sectoral legislation, in particular Directives 2009/65/EC, 2009/138/EC, 2011/61/EU, 2013/36/EU, 2014/65/EU, (EU) 2016/97 and (EU) 2016/2341 on how those policies are consistent with the integration of sustainability risks and publish that information on their websites.

The SFDR defines sustainability risks as environmental, social or governance events or conditions that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

2. Remuneration Policies and Integration of Sustainability Risks

Tach2yone GmbH ("T2Y") is a registered alternative investment fund manager within the meaning of Article 3 (2) of AIFMD (Directive 2011/61/EU) and § 2 (4) of the KAGB (German Investment Code), respectively. According to this sectoral legislation, T2Y is not required to, and therefore does not, establish and maintain a remuneration policy.

While sustainability risks are considered within T2Y's investment processes, the remuneration of T2Y's Board of directors, senior advisors or team members is not explicitly tied to the adequate management of sustainability risks or the achievement of sustainability targets. However, a portion of T2Y's carried interest will be linked to the attainment of certain ESG performance indicators.

T2Y aims to cultivate a culture where every team member is fully committed to integrating ESG considerations into T2Y's investment activities and fostering sustainable practices.

Annex: Publication history

Version	Publication Date	Description of the changes
1.0	18 December 2024	Initial Publication
1.1.	24 October 2025	Update due to new sustainable investment concept

Sustainability-related Product Disclosure according to Article 10 of the Regulation (EU) 2019/2088 ("SFDR") for Financial Products that have sustainable Investments as their Objective

1. Summary

English

(a) Summary

Tach2yone Growth Equity Fund I GmbH & Co. KG (the "Fund") is managed by Tach2yone GmbH ("T2Y"), a registered alternative investment fund manager. The Fund qualifies as an Article 9 financial product under the Sustainable Finance Disclosure Regulation (SFDR), with sustainable investments as its objective.

The Fund targets growth- and mature companies that enable the decarbonisation of the economy. 100% of its investments (excluding temporary cash holdings) qualify as sustainable investments under Article 2(17) SFDR.

(b) No significant harm to the sustainable investment objective

The Fund evaluates the negative impacts of investee companies' business activities on the environment and society during the pre-investment phase and monitors them on an ongoing basis. The Fund tracks and reports all 14 mandatory SFDR PAI indicators, plus two additional indicators (Table 3 (Social and Governance): Investments in companies lacking anti-corruption and anti-bribery policies).

Within one year of investment, each company undergoes a Life-Cycle Assessment (LCA) that forms the basis of the definition of tailored impact KPIs. This process ensures that sustainable investments do not significantly harm other environmental or social objectives and contribute to the objective of the Fund.

(c) Sustainable investment objective of the financial product

The Fund's sustainable investment objective is to reduce the financing gap for the energy transition by investing in companies that deliver measurable contributions to climate change mitigation. Investments focus on technologies and solutions that avoid greenhouse gas emissions, increase renewable energy deployment, and improve energy efficiency. Through its investments, the Fund also contributes to global sustainability efforts, including the United Nations Sustainable Development Goals (SDGs) such as SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation and Infrastructure), and SDG 13 (Climate Action).

The Fund's investments are not aligned to specifically contribute to the environmental objectives set out in the EU Taxonomy.

(d) Investment strategy

The Fund makes equity and quasi-equity investments in companies active in the sector of energy transition, which can be linked to energy infrastructure, environmental services and energy technology and innovation..

Exclusion criteria apply to controversial sectors (e.g. tobacco, gambling, controversial weapons, adult entertainment, alcohol, recreational cannabis) and to companies with practices involving forced or child labour, severe human rights violations, or non-compliance with UN Global Compact principles.

All potential investee companies must complete a sustainability questionnaire. This questionnaire covers environmental, social, and governance topics. Where relevant, additional due diligence may be conducted. Investments are only made if companies demonstrate sound governance, responsible business conduct, and alignment with the Fund's sustainable investment thesis.

Within one year of the investment, all companies undergo a LCA which forms the basis of the selection of 1 to 3 Impact KPIs that are tracked on an annual basis.

Finally, the Fund tracks and reports the Principal Adverse Impact indicators mentioned above every year.

(e) Proportion of investments

100% of the Fund's investments (excluding ancillary cash/liquidity instruments) qualify as sustainable investments. Cash holdings are not considered part of the investment strategy but must still comply with minimum safeguards, including the "do no significant harm" principle.

(f) Monitoring of sustainable investment objective

Pre-investment, companies are assessed against the Fund's exclusion criteria, good governance standards, and sustainability questionnaire.

Post-investment, compliance is monitored through:

- Annual assessment of all mandatory PAI indicators (plus selected additional indicators).
- LCAs within one year of investment and the definition and monitoring of 1 to 3 company-specific impact KPIs.

If a company falls short of criteria post-investment, T2Y engages directly to address gaps.

(g) Methodologies

The Fund applies structured methodologies across the investment cycle:

- Pre-investment: exclusion list, sustainability questionnaire, and governance assessment.
- Post-investment: LCA, annual monitoring of impact KPIs, and tracking of PAI indicators.

(h) Data sources and processing

Data is sourced primarily from companies through the sustainability questionnaire and ongoing reporting. Where gaps exist, external service providers or experts may assist with data collection and provide estimates based on benchmarks, public data, or reasonable assumptions.

(i) Limitations to methodologies and data

The main limitations are missing or inaccurate Environmental, Social or Governance (ESG) data, which may affect assessments of PAI indicators or governance practices. T2Y mitigates this through minimum data coverage thresholds, controversy checks, and complementary estimates.

(j) Due diligence

All companies should complete a sustainability questionnaire pre-investment. Depending on the case, more detailed ESG due diligence may be conducted internally or with external providers. Findings are presented to the investment committee and incorporated into investment decisions.

(k) Engagement policies

T2Y seeks supervisory board seats in portfolio companies to exercise oversight and engage on sustainability issues. Engagement covers monitoring progress on impact KPIs and PAIs, addressing controversies, and supporting remediation plans. If a company fails to address issues, divestment may be considered as a last resort.

(l) Attainment of the sustainable investment objective

The Fund does not use a reference benchmark. Progress is assessed through:

- Exclusion criteria and sustainability questionnaires (pre-investment and partly annualy post investment).
- LCAs defining 1 to 3 company-specific impact KPIs (post-investment).
- Annual monitoring of PAI indicators.
- Ongoing engagement, including board-level oversight.

Together, these measures demonstrate the contribution of portfolio companies to the energy transition and the attainment of the Fund's sustainable investment objective.

Deutsch

(a) Zusammenfassung

Der Tach2yone Growth Equity Fund I GmbH & Co. KG (der „Fonds") wird von der Tach2yone GmbH („T2Y"), einem registrierten alternativen Investmentfondsmanager, verwaltet. Der Fonds qualifiziert sich als Finanzprodukt gemäß Artikel 9 der Sustainable Finance Disclosure Regulation (SFDR) mit nachhaltigen Investitionen als Anlageziel.

Der Fonds richtet sich an Unternehmen in der Wachstums- und Buyout-Phase, die die Dekarbonisierung der Wirtschaft ermöglichen. 100 % seiner Investitionen (ohne vorübergehende Barmittelbestände) qualifizieren sich als nachhaltige Investitionen gemäß Artikel 2(17) SFDR.

(b) Keine wesentliche Beeinträchtigung des nachhaltigen Anlageziels

Der Fonds bewertet die negativen Auswirkungen der Geschäftstätigkeit der Portfoliounternehmen auf Umwelt und Gesellschaft in der Pre-Investment-Phase und überwacht diese fortlaufend. Der Fonds erfasst und berichtet alle 14 verpflichtenden SFDR-PAI-Indikatoren sowie zwei zusätzliche Indikatoren (Pestizid-/Chemikalienproduktion; Fehlen von Richtlinien zu Antikorruption/Antibestechung).

Innerhalb eines Jahres nach der Investition durchläuft jedes Unternehmen eine Lebenszyklusanalyse (LCA), die die Definition maßgeschneiderter Impact-KPIs unterstützt. Dieser Prozess stellt sicher, dass nachhaltige Investitionen keine wesentliche Beeinträchtigung anderer Umwelt- oder Sozialziele verursachen und zum Ziel des Fonds beitragen.

(c) Nachhaltiges Anlageziel des Finanzprodukts

Das nachhaltige Anlageziel des Fonds besteht darin, die Finanzierungslücke für die Energiewende zu verringern, indem in Unternehmen investiert wird, die messbare Beiträge zur Abschwächung des Klimawandels leisten. Die Investitionen konzentrieren sich auf Technologien und Lösungen wie die Vermeidung von Treibhausgasemissionen, den verstärkten Einsatz erneuerbarer Energien und die Verbesserung der Energieeffizienz. Durch seine Investitionen trägt der Fonds auch zu globalen Nachhaltigkeitsbemühungen bei, einschließlich der Ziele für nachhaltige Entwicklung der Vereinten Nationen (SDGs) wie SDG 7 (Bezahlbare und saubere Energie), SDG 9 (Industrie, Innovation und Infrastruktur) und SDG 13 (Maßnahmen zum Klimaschutz).

Die Investitionen des Fonds sind nicht darauf ausgerichtet, spezifisch zu den in der EU-Taxonomie festgelegten Umweltzielen beizutragen.

(d) Anlagestrategie

Der Fonds tätigt Eigenkapital- und Quasi-Eigenkapitalinvestitionen in Unternehmen, die im Bereich der Energiewende tätig sind, einschließlich Energieinfrastruktur, Umweltdienstleistungen und Energietechnologie.

Ausschlusskriterien gelten für kontroverse Sektoren (z. B. Tabak, Glücksspiel, kontroverse Waffen, Erwachsenenunterhaltung, Alkohol, Freizeit-Cannabis) sowie für Unternehmen mit Praktiken, die Zwangs- oder Kinderarbeit, schwerwiegende Menschenrechtsverletzungen oder die Nichteinhaltung der Prinzipien des UN Global Compact beinhalten.

Alle potenziellen Portfoliounternehmen müssen einen Nachhaltigkeitsfragebogen ausfüllen. Dieser Fragebogen umfasst Umwelt-, Sozial- und Unternehmensführungsthemen. Wo relevant, kann eine zusätzliche Due Diligence durchgeführt werden. Investitionen werden nur getätigt, wenn die Unternehmen solide Unternehmensführung, verantwortungsvolles Geschäftsgebaren und Übereinstimmung mit der nachhaltigen Anlagethese des Fonds nachweisen.

Innerhalb eines Jahres nach der Investition durchlaufen alle Unternehmen eine Lebenszyklusanalyse (LCA), die die Auswahl von 1–3 Impact-KPIs unterstützt, die jährlich nachverfolgt und berichtet werden.

Schließlich erfasst und berichtet der Fonds jedes Jahr die oben genannten Indikatoren zu den wichtigsten nachteiligen Auswirkungen (Principal Adverse Impact Indicators, PAI-Indikatoren).

(e) Anteil der Investitionen

100 % der Investitionen des Fonds (ohne ergänzende Barmittel-/Liquiditätsinstrumente) qualifizieren sich als nachhaltige Investitionen. Barmittelbestände werden nicht als Teil der Anlagestrategie betrachtet, müssen jedoch dennoch den Mindestsicherungsanforderungen entsprechen, einschließlich des Prinzips „keine wesentliche Beeinträchtigung“.

(f) Überwachung des nachhaltigen Anlageziels

Vor der Investition werden die Unternehmen anhand der Ausschlusskriterien des Fonds, der Standards für gute Unternehmensführung sowie des Nachhaltigkeitsfragebogens bewertet.

Nach der Investition erfolgt die Überwachung der Einhaltung durch:

- Jährliche Bewertung aller verpflichtenden PAI-Indikatoren (sowie ausgewählter zusätzlicher Indikatoren).
- Lebenszyklusanalysen (LCAs) innerhalb eines Jahres nach der Investition sowie die Definition und Überwachung von 1 bis 3 unternehmensspezifischen Impact-KPIs.

Wenn ein Unternehmen nach der Investition die Kriterien nicht erfüllt, nimmt T2Y aktiv Einfluss, um bestehende Lücken zu schließen.

(g) Methodologien

Der Fonds wendet über den gesamten Investitionszyklus strukturierte Methodologien an:

- Vor der Investition: Ausschlussliste, Nachhaltigkeitsfragebogen und Unternehmensführungsbewertung.
- Nach der Investition: Lebenszyklusanalysen (LCA), jährliches Monitoring der Impact-KPIs sowie Nachverfolgung der PAI-Indikatoren.

(h) Datenquellen und -verarbeitung

Die Daten stammen in erster Linie von den Unternehmen selbst über den Nachhaltigkeitsfragebogen und die laufende Berichterstattung. Wo Lücken bestehen, können externe Dienstleister oder Experten bei der Datenerhebung unterstützen und Schätzungen auf Basis von Benchmarks, öffentlichen Daten oder plausiblen Annahmen bereitstellen.

(i) Einschränkungen der Methodologien und Daten

Die wichtigsten Einschränkungen bestehen in fehlenden oder ungenauen ESG-Daten, die die Bewertung von PAI-Indikatoren oder Unternehmensführungspraktiken beeinträchtigen können. T2Y begegnet dem durch Mindestabdeckungsquoten für Daten, Kontroversenprüfungen und ergänzende Schätzungen.

(j) Sorgfaltsprüfung

Alle Unternehmen sollen vor der Investition einen Nachhaltigkeitsfragebogen ausfüllen. Abhängig vom Einzelfall kann eine detailliertere ESG-Sorgfaltsprüfung intern oder mit externen Dienstleistern durchgeführt werden. Die Ergebnisse werden dem Investitionsausschuss vorgelegt und in die Investitionsentscheidungen einbezogen.

(k) Engagement-Politiken

T2Y strebt Aufsichtsratssitze in Portfoliounternehmen an, um Aufsicht auszuüben und sich in Nachhaltigkeitsthemen einzubringen. Das Engagement umfasst die Überwachung des Fortschritts bei Impact-KPIs und PAI-Indikatoren, die Behandlung von Kontroversen sowie die Unterstützung bei Sanierungsplänen. Falls ein Unternehmen Probleme nicht behebt, kann als letztes Mittel eine Desinvestition in Betracht gezogen werden.

(l) Erreichung des nachhaltigen Anlageziels

Der Fonds verwendet keinen Referenz-Benchmark. Der Fortschritt wird bewertet durch:

- Ausschlusskriterien und Nachhaltigkeitsfragebogen (vor der Investition).
- Lebenszyklusanalysen (LCAs), die 1 bis 3 unternehmensspezifische Impact-KPIs definieren (nach der Investition).
- Jährliche Überwachung der PAI-Indikatoren.

- Laufendes Engagement, einschließlich Aufsicht auf Vorstandsebene.

Zusammen zeigen diese Maßnahmen den Beitrag der Portfoliounternehmen zur Energiewende sowie die Erreichung des nachhaltigen Anlageziels des Fonds.

2. No Significant Harm to the Sustainable Investment Objective

The Fund has sustainable investments as its objective in accordance with Article 9 of Regulation (EU) 2019/2088 ("SFDR").

Sustainable investments as stated in Article 2(17) SFDR, are investments in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

To ensure that the Fund's sustainable investments do not cause significant harm to any environmental or social investment objectives, the negative impacts of a company's business activities on the environment and the society as well as their governance is evaluated and ongoingly monitored post-investment.

Additionally, the Fund's sustainable investments only provide capital to companies that T2Y has evaluated as following good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance and in alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights define guidelines for responsible business conduct, covering areas such as human rights, labor rights, environment, bribery, consumer interests, information disclosure, science and technology, competition, and taxation.

Companies' governance practices are assessed during the investment process based on information provided by the companies on their governance structures, processes, and guidelines. This includes for example the companies' involvement in illegal practices, their measures against corruption including extortion and bribery, their respect of human rights, labor rights and diversity of their workforce, their remuneration practices, and their tax transparency. The information is evaluated and validated by T2Y in the pre-investment process using a sustainability questionnaire that each company must complete.

Post-investment, a company's negative impacts on the environment and society are assessed based on the indicators for principal adverse impacts on sustainability factors ("PAI indicators") set forth in Annex I of SFDR Delegated Regulation. The Fund considers all 14 mandatory PAI indicators and two additional ones. These are:

- Table 2 (Environmental): Exposure to companies involved in the production of chemicals, specifically pesticides and other agrochemical products as defined under Division 20.2 of Regulation (EC) No 1893/2006

- Table 3 (Social and Governance): Investments in companies lacking anti-corruption and anti-bribery policies

Finally, within one year of the investment, a LCA is conducted for each company to define 1 to 3 tailored impact KPIs, which are then monitored on an annual basis.

3. Sustainable Investment Objective of the Financial Product

The Fund's sustainable investment objective is to reduce the financing gap for the energy transition by investing in companies that enable the decarbonization of key sectors of the economy. The Fund targets growth and mature-stage companies developing, producing, or enabling transformational technologies that contribute to climate mitigation.

These investments are expected to deliver measurable positive environmental solutions, such as avoided greenhouse gas emissions, increased clean energy share, and improved energy efficiency. By supporting such solutions, the Fund's strategy contributes to broader global sustainability objectives, including United Nations Sustainable Development Goals (e.g. SDG 7, 9, and 13).

All investments are subject to sustainability screening and assessment pre-investment, and following investment, each portfolio company is subject to a LCA witihin one year the investment is made. The findings of the LCA are then used to define 1 to 3 tailored impact KPIs per company, which are tracked throughout the holding period.

The Fund's investments are not aligned to specifically contribute to the environmental objectives set out in Regulation (EU) 2020/852 ("EU Taxonomy").

4. Investment Strategy

The Fund's investment strategy is to provide long-term investment returns by making equity and quasi-equity investments (including, but not limited to shareholder loans, convertible loans, bridge loans and other securities providing access to share capital) in a portfolio of growth and mature companies being predominantly active in the sector of energy transition, which can be linked to energy infrastructure, environmental services and energy technology and innovation. Please refer to the Fund's Limited Partnership Agreement for details on the general investment strategy.

To attain the sustainable investment objective, the Fund follows a sustainable investment strategy where the Fund's investments ("investments", includes capital invested, cash and cash equivalents) intends to qualify as sustainable investments according to Art. 2(17) SFDR.

In a first step, the Fund's investment strategy applies sector-based exclusion criteria, which generally excludes investments in companies that generate revenues with business activities in controversial sectors as well as exclusions regarding controversial business practices.

The Fund applies the following sector-based exclusions: It does not invest in companies that generate revenue from

- Manufacturing tobacco products,
- Gambling and betting activities,
- Manufacturing of controversial weapons (i.e. cluster ammunition, biological weapons, chemical weapons) (excluding suppliers of components of controversial weapons),
- Adult entertainment,
- Alcohol production,
- Recreational cannabis.

The Fund applies the following exclusions based on controversial business practices: It does not invest in companies where:

- Severe human rights violations according to the principles of the UN Global Compact are identified.
- The use of forced labor or child labor according to the principles by the International Labour Organization (ILO) laid out in the ILO Declaration on Fundamental Principles and Rights at Work is identified.

The fund equally assesses a company during the due diligence phase using a structured sustainability questionnaire that evaluates the company's activities and alignment with the Fund's investment thesis. If deemed relevant, a more extensive due diligence may equally be carried out.

The sustainability questionnaire also assesses a company's governance practices based on information provided by the company.

T2Y understands good governance as acting and managing a company responsibly with regards to employees, clients, business partners / suppliers, shareholders, affected communities and the society as a whole.

Good governance practices include sound management structures (including risk management / audit, anti-corruption and anti-bribery practices, transparency, anti-money-laundering practices), the respect of employees' human and labor rights, the respect for diversity of the workforce, the provision of decent working conditions, the fair remuneration of staff and tax compliance.

Companies are only considered for investment, if T2Y evaluated that these companies apply good governance practices based on T2Y's evaluation of information provided by the company on its governance structures, processes and guidelines and if necessary a validation of the information through a proprietary good governance due diligence.

5. Proportion of Investments

100% of the Fund's Investments are used to meet the sustainable investment objective in accordance with the binding elements of the investment strategy and therefore qualify as sustainable investments ("#1 Sustainable"). The minimum share of sustainable investments is comprised exclusively of sustainable investments with an environmental objective ("Environmental"), that are not aligned with the EU Taxonomy ("Other").

The Fund may invest, on an ancillary basis, monies in cash deposits or other short-term negotiable instruments pending re-investment, the completion of an investment or the payment of distributions. Due to their technical nature as cash management tool used for liqudity purposes, these assets are not considered long-term investments and do not form part of the Fund's investment strategy. However, these have to comply with minimum environmental and/ or social safeguards, in particular with regard to the "no signifacant harm" principle, which will be assessed by SFDR information provided by the relevant company.

6. Monitoring of Sustainable Investment Objective

A company's compliance with the sustainable investment strategy is assessed and documented pre-deal during the investment process. This is done through the completion of a sustainability questionnaire that covers relevant environmental, social, and governance topics aligned with the Fund's sustainable investment objective.The Fund can only make an investment decision that comply with the sustainable investment strategy and its binding elements.

The ongoing compliance of the portfolio companies with the binding elements of the Fund's investment strategy is continuously monitored and documented during the management phase through annual assessments of the portfolio companies. These annual assessments are supported by a LCA conducted within one year of investment, which defines the company-specific KPIs to be tracked.

In addition, the Fund tracks and reports on the PAI indicators on an annual basis.

Should a company not comply with the defined criteria anymore, T2Y engages with the portfolio companies to find solutions to remedy the discrepancies.

7. Methodologies

The Fund applies a structured methodology to ensure that investments contribute to the sustainable investment objective. Key components include:

Pre-Investment:

- **Exclusion Criteria:** The Fund excludes investments in companies operating in certain controversial sectors or engaged in harmful business practices. These exclusions are defined in a binding exclusion list applied during the screening process.
- **Sustainability Questionnaire:** All target companies are required to complete a sustainability questionnaire, which covers the business model's alignment with the Fund's sustainability objectives, social practices, and good governance aspects. This process ensures that only companies with a credible sustainability profile are considered.
- **Good Governance Assessment**: Good governance practices are assessed through the sustainability questionnaire mentioned above.

Post-Investment:

- **LCA:** For each portfolio company, 1 to 3 tailored Impact KPIs are defined post-investment. This assessment is based on a LCA, to be completed within one year of the investment. These Impact KPIs are monitored on an annual basis for each company.
- **Annual monitoring of PAI indicators:** The Fund tracks the 14 mandatory PAI indicators (Table 1 of Annex I of the SFDR Delegated Regulation) as well as selected indicators from Table 2 and 3. This data is used to assess ongoing performance and identify areas for improvement.

This methodology is embedded throughout the investment cycle - from sourcing and screening through post-investment monitoring.

8. Data Sources and Processing

The data used to measure the companies' positive contribution to the Fund's sustainable investment objective as well as to evaluate their potentially negative effects on the environment and society based an ESG assessment or due diligence, their good governance practices and the exclusion criteria applied within the investment process is sourced directly from the companies through a questionnaire.

Pre-investment, the questionnaire is sent to target companies during the due diligence phase.

For the data collection process, the company is responsible. If necessary, T2Y may assist by connecting with an external provider, who is specialized in supporting companies in collecting PAI data. T2Y obtains the data from the service provider and processes the data internally for the use within the investment decision process, the post-investment monitoring process as well as for reporting purposes.

To receive as complete ESG data as possible by the companies, T2Y or the service provider may support the companies in questions regarding the methodologies to measure the requested data points. In the case a company cannot provide the relevant data, the external service provider, other external experts or T2Y may complement the data with estimates based on additional research from publicly available information or other information provided by the company and by making reasonable assumptions, e.g. under consideration of the size and industry of the company.

9. Limitations to Methodologies and Data

Limitations may mainly arise from missing or inaccurate ESG data.

Missing ESG data may impact the possibility to identify a company's positive contribution to the sustainable investment objective, its principal adverse impacts or its compliance with good governance principles. This may affect the ability to assess a company's compliance with the Fund's sustainable investment strategy. To address this limitation, T2Y uses best efforts to obtain as complete PAI data as possible by supporting the companies with the methodologies to source the data as well as by complementing the data with proprietary estimates or estimates by the external service provider used or any other ESG experts.

Additionally, inaccurate ESG data may impact the assessment of target companies and the investment decision taken. However, the probability of incorrect data is seen as relatively low since PAI data directly reported by the companies is used preferably and estimates may only be used in limited cases where no PAI data from the company is available and can also not be sourced in collaboration with the company.

Through T2Y's best efforts to source as complete ESG data as possible, the direct sourcing of data from the portfolio companies as well as the measures implemented in the case of missing data, the sustainable investment objective is not affected by the described limitations.

10. Due Diligence

Pre-investment, all target companies should complete a sustainability questionnaire. This questionnaire covers environmental, social, and governance topics, including negative screening criteria, SDG alignment, climate and environmental performance, labor and human rights, and governance practices. The results of this assessment provide the foundation for evaluating the company's sustainability profile and identifying potential risks and opportunities.

In some cases, the Fund may also carry out a more in-depth ESG due diligence, either internally or supported by external service providers, depending on the nature and complexity of the investment.

The due diligence is conducted by T2Y and may be complemented by assessments from external service providers. Any investment decision is presented to the investment committee. The investment committee makes recommendations regarding an investment decision. Any rejection of an investment proposal by the investment committee will be binding for the managing directors of T2Y.

11. Engagement Policies

Engagement is a key component of the Fund’s strategy for monitoring portfolio companies and ensuring alignment with its sustainable investment objectives.

To facilitate effective engagement, T2Y aims to secure a supervisory board seat in each portfolio company. This ensures that T2Y can maintain strategic influence and oversight, even in minority positions. Through board participation, T2Y is able to support the implementation of sound governance structures, monitor progress on sustainability targets, and engage directly on key impact and ESG issues.

Should T2Y detect substantial negative developments in a company’s principal adverse impacts, including deviation from criteria assessed at the time of investment, or should credible concerns arise regarding environmental, social, or governance controversies, T2Y initiates a structured engagement process. This includes direct dialogue with company leadership to define remediation plans, establish corrective measures, and agree on time-bound targets.

If a portfolio company is repeatedly unresponsive or fails to make satisfactory progress, T2Y may consider disinvestment on behalf of the Fund as a final step of escalation. The intensity and scope of engagement are tailored to the size of the investment and the Fund’s ability to influence the strategy of the company.

T2Y’s engagement efforts are underpinned by the Fund’s broader stewardship framework, which links active ownership, regular monitoring (including through the LCA), and board-level engagement to the long-term achievement of the Fund’s sustainable investment objectives.

12. Attainment of the Sustainable Investment Objective

The Fund does not use a reference benchmark and does not have a primary objective to reduce carbon emissions.

Annex: Publication history

Version	Publication Date	Description of the changes
1.0	18 December 2024	Initial Publication
1.1	24 October 2025	Update due to new sustainable investment concept