

## SUSTAINABILITY-RELATED DISCLOSURES

SGT Capital Co-Invest I SCSp (the “Fund”) is managed by Sanne LIS S.A., with SGT Capital Pte. Ltd. acting as the portfolio manager of the Fund. The Fund is classified as an “Article 8 Fund” under the Sustainable Finance Disclosure Regulation (“SFDR”).

The Fund is a closed-ended single investment fund. The Fund is fully invested and holds an indirect interest, alongside other funds advised or managed by SGT Capital Pte. Ltd., in a leading provider of high-security technologies for cybersecurity and compliance solutions, based in Germany and California. The Fund’s performance objective is to maximize returns over the holding period, targeting a net IRR of 25%.

The Fund will not be making any other investments and will instead focus on value creation and monetisation of its current portfolio company.

### **SUMMARY**

*The Fund holds an indirect investment in a cyber security portfolio company and is currently focused on value creation.*

*The Fund promotes social characteristics, but does not have as its objective sustainable investment. It considers principle adverse impacts and expressly promotes the following characteristics: social and employee, respect for human rights, anti-corruption and anti-bribery matters, and ensures that its portfolio company promotes these characteristics and follow good governance practices. The Fund uses due diligence to assess whether the potential target meets its promoted social characteristics, and embeds its ESG commitments into the portfolio company and value creation plan, post acquisition. 100% of the Fund’s investments (direct or indirect) promote the Fund’s social characteristics.*

*Throughout the investment cycle, the Fund evaluates indicators in respect of its core social characteristics on an on-going basis, and works with the management to make improvements where required. The Fund has in place policies and procedures to ensure that the portfolio company meets its social characteristics objectives.*

*The Fund uses data provided by the portfolio company and through regular meetings with the portfolio company management, and site visits by the investment team of the Fund, it gathers financial and non-financial data on ESG matters and core social characteristics. The methodologies and data sources referred to in the sections above are subject to various limitations, however, these limitations do not affect how the social characteristics promoted by the Fund are met. ESG and sustainability matters and considerations are embedded throughout the Fund’s investment process and the social characteristics promoted by the Fund are a key part of the portfolio company governance post-acquisition. The Fund ensures that its portfolio company has robust anti-corruption and bribery, whistle-blower protection policies in place adheres to prevention of human trafficking, modern slavery and child labour.*

### **ZUSAMMENFASSUNG**

*Der Fonds hält ein indirektes Investment in einem Cybersecurity-Portfoliounternehmen und konzentriert sich derzeit auf dessen Wertschöpfung.*

*Der Fonds fördert soziale Merkmale, hat aber keine nachhaltigen Investitionen zum Ziel. Er berücksichtigt grundsätzlich negative Auswirkungen und fördert ausdrücklich die folgenden Merkmale: Soziales und Arbeitnehmer, Achtung der Menschenrechte, Korruptions- und Bestechungsbekämpfung, und stellt sicher, dass seine Portfoliounternehmen diese Merkmale fördern und eine gute Unternehmensführung praktizieren. Der Fonds prüft anhand einer Due-Diligence-Prüfung, ob das potenzielle Zielunternehmen die geförderten sozialen Merkmale erfüllt, und integriert seine ESG-Zusagen nach der Übernahme in das Portfoliounternehmen und seinen Wertschöpfungsplan. 100% der Investitionen des Fonds fördern (direkt oder indirekt) die sozialen Merkmale des Fonds.*

*Während des gesamten Investitionszyklus bewertet der Fonds laufend die Indikatoren in Bezug auf seine wichtigsten sozialen Merkmale und arbeitet mit dem Management zusammen, um gegebenenfalls Verbesserungen vorzunehmen. Der Fonds verfügt über Strategien und Verfahren, die sicherstellen, dass sein Portfoliounternehmen seine sozialen Ziele erfüllt.*

*Der Fonds verwendet Daten, die von den Portfoliounternehmen zur Verfügung gestellt werden, und sammelt durch regelmäßige Treffen mit dem Management der Portfoliounternehmen und durch vor Ort-Besuche des Investmentteams des Fonds finanzielle und nicht-finanzielle Daten zu ESG-Angelegenheiten und sozialen Kernmerkmalen. Die in den obigen Abschnitten erwähnten Methoden und Datenquellen unterliegen verschiedenen Einschränkungen, die jedoch keinen Einfluss darauf haben, wie die vom Fonds geförderten sozialen Merkmale erfüllt werden. ESG- und Nachhaltigkeitsaspekte und -überlegungen sind in den gesamten Investitionsprozess des Fonds eingebettet, und die vom Fonds geförderten sozialen Merkmale sind ein wesentlicher Bestandteil der Unternehmensführung der Portfoliounternehmen nach Erwerb. Der Fonds stellt sicher, dass seine Portfoliounternehmen über strenge Richtlinien zur Bekämpfung von Korruption und Bestechung sowie zum Schutz von Whistleblowern verfügen und sich zur Verhinderung von Menschenhandel, moderner Sklaverei und Kinderarbeit verpflichten.*

## **NO SUSTAINABLE INVESTMENT OBJECTIVE**

The Fund promotes social characteristics, but does not have as its objective sustainable investment.

## **ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT**

The Fund considers principle adverse impacts and expressly promotes the following characteristics: social and employee, respect for human rights, anti-corruption and anti-bribery matters, and ensures that its portfolio company promotes these characteristics and follow good governance practices.

Post investment, the social characteristics promoted by the Fund are embedded into the portfolio company's strategy and value creation plans. The investment team regularly engages with the portfolio company, including through ESG reviews and site visits, and gathers financial and non-financial data to identify opportunities for improvement of the social characteristics promoted by the Fund.

## **INVESTMENT STRATEGY**

Prior to selection of the investment target the Fund used the methodology and due diligence set out below to assess whether the potential target meets the core environmental or social characteristics promoted by the Fund.

Upon acquisition, the Fund's ESG commitments are embedded into portfolio company strategy and value creation plans. The investment team engages with the portfolio company, and continuously monitors financial and non-financial data to assess management structures, employee relations, remuneration of staff and tax compliance.

### **PROPORTION OF INVESTMENTS**

100% of the Fund's investments (direct or indirect) promote the Fund's social characteristics set out herein. The Fund holds an indirect investment in a single portfolio company.

### **MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS**

The Fund ensures that the portfolio company at all times maintains robust anti-discrimination and whistle-blower protection protocols, adhere to safe working practices, and ethical business principles, including prevention of modern-day slavery, human trafficking and child labour. The Fund also ensures that the portfolio company at all times maintains robust anti-corruption and anti-bribery protocols across its operations and supply. The Fund promotes strong business ethics and active and engaged governance, holding itself and the portfolio company management accountable for driving value with high integrity.

Throughout the investment cycle, the Fund, in partnership with the management of the portfolio company, evaluates, on an ongoing basis, factors such as: human resource policies, practices, staffing and organizational culture, employment practices, worker safety and accident prevention, pay practices and human rights, and works with the management to make improvements where required. The ongoing monitoring takes stock of these factors at acquisition, and then tracking those metrics over time, holding the Fund's investment team and the portfolio company management accountable for ongoing improvement.

The Fund is committed to driving real change by adding diverse board members at portfolio company level, and ensuring that C-level searches include diverse candidates. The Fund continues to work with the management to actively encourage diversity throughout the career development of portfolio company staff.

### **METHODOLOGIES**

The Fund has in place policies and procedures to ensure that its portfolio company meets its social characteristics objectives. At the asset selection and origination stage, the investment team of the Fund conducted ESG screening and analysis of portfolio investments and teams. The investment team reviewed material ESG risks and upsides and excluded companies with broad-based ESG risks.

Throughout the investment cycle of the Fund, the investment team regularly engages with the portfolio company, conducts site visits and gathers financial and non-financial data to identify opportunities for improvement in the implementation of the promoted social characteristics, where relevant.

### **DATA SOURCES AND PROCESSING**

In the selection process, the Fund used the data provided by the target company as well as external advisers as required. The portfolio company undergoes an internal ESG assessment every year and

supplies the collected data to the Fund for assessment and monitoring. In addition, throughout the investment cycle of the Fund, the investment team holds regular meetings with the portfolio company management, conducts site visits and gathers financial and non-financial data on ESG matters and core social characteristics.

#### **LIMITATION TO METHODOLOGIES AND DATA**

The methodologies and data sources referred to in the sections above are subject to various limitations. Limitations for methodologies may include the dependency on understanding future best-standard adoptions of indicators and changes in the geopolitical climate. Limitations for data sources may include data availability and reliability of data provided by the portfolio company.

However, these limitations do not affect how the social characteristics promoted by the Fund are met. The social characteristics promoted by the Fund are unlikely to be affected by future uncertainty and geopolitical changes. The Fund maintains regular engagement with the management of the portfolio company and the investment team conducts regular reviews of financial and non-financial data, allowing for early detection of variance or other indicators if data unreliability.

#### **DUE DILIGENCE**

ESG and sustainability matters and considerations are embedded throughout the Fund's investment process and the social characteristics promoted by the Fund are a key part of the portfolio company governance.

In the pre-screening stage, the Fund's investment team reviews any "gating issues" to determine whether there are any critical ESG or reputational concerns in relation to target companies, operators, issuers, and, where relevant, sponsors. Companies with broad-based ESG risks are excluded from the process.

During the commercial and legal/compliance due diligence process, the investment team evaluates material ESG risks and opportunities applicable to the relevant industry, with regards to the issuer or target company, including environmental and climate change risks and other portfolio-wide considerations and opportunities where relevant. The key risks and opportunities are included in the Investment Committee discussions and memorandums as they relate to the issuer or target company. The relevant findings by the Investment Committee is documented and tracked, even when no additional actions are needed. ESG forms part of due diligence carried out by investment team, including compliance, liabilities, reputational issues, risk and opportunities. The Fund's due diligence goals include the assessment of:

- (i) business ethics, responsible conduct and compliance with applicable laws or regulations in each region of operation;
- (ii) the strength of governance structures and routines, board oversight and track record;
- (iii) management and leadership team's diversity, equity and inclusion, including board and management team composition and diversity;
- (iv) labor relations and treatment, human rights practices, employee health, wellness and safety;
- (v) employee engagement and pay practices;
- (vi) human resource policies, practices, staffing and organizational culture;

(vii) where relevant, community relations and impact on immediate and extended communities; and

(viii) where relevant, matters relating to sustainable growth and reducing climate impact.

Post investment, the Fund continues to drive meaningful progress across its core ESG commitments and to improve performance on material ESG factors and social characteristics specific to the business of the portfolio company. ESG risks and opportunities are be monitored and managed. Key ESG risks (if any) and opportunities are included in the portfolio company's management team discussions. The management and monitoring team incorporates ESG consideration in the value creation plan. Efforts on relevant ESG issues or incidents are documented for ongoing tracking as relevant.

#### **ENGAGEMENT POLICIES**

The Fund maintains robust anti-corruption and bribery and whistle-blower protection policies in place, and ensures that such policies are also maintained and adhered to at the portfolio company level. The Fund adheres to best-standard business ethics and excludes target investments that do not adhere to prevention of human trafficking, modern slavery and child labour. The portfolio company also adheres to such prevention throughout its operations.