

## 16. Responsible Investment Policy

### 16.1. Vision

At Rivean Capital, responsibility means investing in companies that share our values and commitments to the highest sustainability standards. As Board members and investors, we strive to continuously improve both financial and non-financial performance throughout our portfolio on behalf of their customers, their industries, and all our stakeholders.

We see sustainability as a value driver and therefore made it an integral part of our operations and organization. We believe that commitment to the highest standards is a fundamental principle to create sustainable value for our investors and stakeholders. Environmental, social and governance factors are three central factors in measuring sustainability and the ethical impact of a company's operations.

We acknowledge both the intrinsic value and financial impact of sustainable practices: our driving force lies at the intersection of investment perspectives and long-term value creation through our Performance Enhancement Program (PEP), a program that aims to improve performance of companies through prioritization and setting quantitative goals integrating commercial, financial, operational, sustainability, and organisational value creation initiatives, along with a proven implementation methodology. We aim to continuously improve both financial and non-financial performance throughout our portfolio and we recognize that our operations deal with double materiality: environmental and societal factors can influence the value of our investments, and our investment choices can affect the environment and our society. By incorporating Environmental, Social, and Governance (ESG) - or in a broader scope, sustainability - considerations into our portfolio management, we future-proof our companies. With this approach we aim to positively contribute to society, human well-being, while minimizing the impact on the environment. Our active and pragmatic approach to ESG enables our companies to become more sustainable, more resilient, and more ethical operators.

At firm level, Rivean aims to "walk the talk" focusing its internal sustainability approach on reducing carbon footprint, improving talent management as well as further integration of sustainability considerations in our processes and operations.

### 16.2. Scope

This Responsible Investment policy applies to Rivean Capital, its affiliated companies and to the funds managed by Rivean Capital (the "**Responsible Investment Policy**"). Where a fund managed by Rivean Capital has majority control of portfolio companies, Rivean Capital will apply this Responsible Investment Policy and work with the portfolio company to set and monitor sustainability targets and work towards best-in-class sustainability performance. In cases where Rivean Capital has limited ability to implement this Responsible Investment Policy, e.g. in the case of minority control or portfolio companies prepared for exit, Rivean Capital will make reasonable efforts to encourage portfolio companies to set and monitor sustainability targets and work towards best-in-class sustainability performance.

### 16.3. Objectives

At Rivean Capital, sustainability considerations have been an integral part of our business model and engagement with our portfolio companies for over a decade. The overall objective of this Responsible Investment Policy is to formalize Rivean Capital's approach to sustainability and responsible investment and support embedding sustainability considerations throughout the investment lifecycle. The specific objectives of this Responsible Investment Policy are to:

- a) Attract and maintain lasting relations with investors that have high sustainability standards.

- b) Promote responsible behavior at Rivean Capital through embedding sustainability-related considerations throughout our business.
- c) Encourage our portfolio companies through engagement to address material sustainability-related risks and to unlock related opportunities.
- d) Address how we create long-term value for internal and external stakeholders, including portfolio company stakeholders, such as employees, customers, suppliers, shareholders and wider society.
- e) Comply with the laws and regulations of the European Union, such as the Sustainable Finance Disclosure Regulation (“SFDR”) that provides a disclosure and transparency regime for funds that make sustainability-related claims.

All funds, up to Fund VI, were raised prior to 10 March 2021, being the date on which the SFDR became effective. As a consequence, all funds prior to 10 March 2021 are originally not SFDR-classified. Rivean Capital’s current strategy is to classify its future funds as at least Article 8 SFDR in line with the objectives of Rivean Capital to promote responsible behavior within Rivean Capital, to offer funds that promote environmental and/or social characteristics and to ensure that the portfolio companies in which Rivean Capital invests have good governance practices in place.

The public disclosures in accordance with Articles 3(1), 4(1)(b) and 5(1) of the SFDR are attached as Annex 2 to this policy and are also available on our website.

#### **16.4. Responsible Investment Principles**

Rivean Capital considers the following Responsible Investment principles when investing in portfolio companies (the **“Responsible Investment Principles”**):

- a) Compliance with local and national laws and regulations in the regions where funds managed by Rivean Capital invest;
- b) Refrain from investing in companies that do not respect Rivean Capital’s Responsible Investment Principles or do not maintain ethical standards similar to those set out in this Responsible Investment Policy;
- c) Identification of sustainability opportunities and risks throughout the investment lifecycle;
- d) Respect the following guidelines:
  - The Ten Principles of the UN Global Compact relating to Human Rights, Labour, Environment and Anti-Corruption;
  - UN Principles for Responsible Investment;
  - Collect Principal adverse impact (“**PAI**”) indicators as set out in SFDR Sustainability Related Disclosure;
  - Task Force on Climate-Related Financial Disclosures (“**TCFD**”) requirements;
  - animal rights; and
  - the interests of stakeholders in our portfolio companies, e.g. employees, customers, suppliers, shareholders and wider society
- e) Promote adequate corporate governance including policies to avoid bribery and corruption in line with national laws and international conventions such as the OECD Anti-Bribery Convention, as well as in relation to good governance, covering sound management structures, employee relations, remuneration of staff and tax;

- f) Ask and encourage the management teams of portfolio companies to operate in accordance with Rivean Capital's Responsible Investment Policy and advance our Responsible Investment Principles throughout their value chain. Management is required to comply by agreement as required by the standard blocks that should be included in the shareholders' agreement. (Management is always party to this agreement;
- g) Require co-investors to agree to the Responsible Investment-related provisions that are included in the shareholders' agreements of portfolio companies by making them part of the shareholders' agreements;
- h) Transparent reporting on sustainability.

#### **16.5. Implementation of the Responsible Investment policy**

Rivean Capital integrates sustainability across its investment lifecycle by using our ESG framework. Material sustainability risks and opportunities are considered as part of the investment analysis and appropriate governance procedures are adapted to manage and monitor sustainability considerations throughout the ownership period.

A fundamental tenet of Rivean Capital's stewardship with our portfolio companies is our Portfolio Enhancement Program. Through this program, we support our portfolio companies' management teams, with the help of our industry and functional experts, to unlock maximum value and scale businesses into industry champions. During continued dialogue with the management team throughout the investment lifecycle, we work together to set priorities, identify key actions and track progress against these plans. Sustainability related initiatives represent, as any other, a critical element in a holistic approach to value creation.

#### **16.6. Target screening**

Rivean Capital refrains from investing in companies that derive a significant portion of income from:

- production and/or distribution of weapons;
- production of tobacco and tobacco products;
- pornography; or
- any other industry that does not operate in accordance with our Responsible Investment Policy or when indicated in fund constitutional documents.

#### **16.7. Target due diligence**

- a) As a result of sustainability considerations being fully integrated into Rivean Capital's standard investment process sustainability risks and opportunities are assessed by the investment team and signed off by the Investment Committee as part of our standard investment approval process. Our due diligence is carried out through a variety of processes, including information requests to the target and industry research. The Responsible Investment -assessment during the investment process consists of four key steps:
  - 1) Industry Risk: the relevance of sustainability in the industry is assessed while at the same time defining the potential for sustainable growth ('license to grow');
  - 2) Environmental Social and Governance (ESG) Materiality: the key ESG-related material themes that are likely to impact the financial or operating performance of a company are identified and the severity of the identified key material themes are determined, including any red flags;

Based on steps 1) and 2) the fact sheet contains a section on Responsible Investment with the industry risk assessment score and list of key ESG-related material themes identified.

For the Project Proposal steps 1) and 2) are further detailed and a first assessment of risks and opportunities is performed based on an initial view of steps 3) and 4).

3) Company Performance: To further clarify our due diligence, supported by an external sustainability-related due diligence advisor when relevant, deeper evaluation of the targeted company's performance on key Responsible Investment-related material themes and its overall sustainability-management is carried out, including company interview and feedback where required. This provides us with a refined view of the ESG-related risks and opportunities;

4) Priority Issues & Opportunities: Set the priority of sustainability risk and value creation opportunities to inform the Investment Proposal and include these projects in the Portfolio Enhancement Program (PEP) roadmap.

In the table below, the different steps in the investment process, along with the relevant Responsible Investment activities and deliverables are detailed:

Investment stage	Activities	Deliverables
Fact Sheet	<ul style="list-style-type: none"> <li>Evaluation of industry risk</li> <li>Identification of material themes</li> <li>Identification of potential red flags</li> </ul>	<ul style="list-style-type: none"> <li>sustainability section including industry risk assessment score and list of key material themes identified</li> </ul>
Project Proposal	<ul style="list-style-type: none"> <li>Deepen industry risk and material themes based on desk research and available information</li> </ul>	<ul style="list-style-type: none"> <li>Refined view of ESG topics</li> <li>Clarification of DD scope</li> <li>Selection of potential Responsible Investment DD advisor</li> </ul>
Investment Proposal	<ul style="list-style-type: none"> <li>sustainability DD along defined scope in PP phase addressing the four step sustainability approach</li> </ul>	<ul style="list-style-type: none"> <li>ESG section with description of findings across ESG topics</li> <li>Prioritizing of identified sustainability value creation projects in PEP roadmap</li> </ul>

- b) Rivean Capital will incorporate standard clauses in the relevant shareholders agreement regarding:
- Complying with and respecting our Responsible Investment Principles and ethical standards; and
  - Ensuring that no investments are made in those industries which are excluded (as referred to in paragraph 16.5 above).

#### **16.8. Ownership period – ongoing monitoring, reporting and action**

During the ownership phase, Rivean Capital commits to carry out the following:

- a) At portfolio company level, defining ESG responsibility at the management level.

- b) Continuous monitoring of progress on identified sustainability risks and opportunities through the incorporation of prioritized ESG-projects in Rivean Capitals' Portfolio Enhancement Program. As part of this, sustainability value creation projects progress is discussed on a monthly basis between the portfolio company's management and the Rivean Capital investment team. Internally the developments in the Portfolio Enhancement Programs across the portfolio are discussed in a bi-monthly strategic portfolio meeting by the members of the investment committee. ESG value creation projects may be bespoke to the portfolio company, or in alignment with industry or international standard such as TCFD. In addition, Rivean Capital will collect from portfolio companies all PAI indicators on best effort basis and encourages its portfolio companies to report on sustainable indicators and to comply with its Responsible Investment Policy.
- c) Annual review of portfolio companies on sustainability is carried out with the assistance of an external advisor. The review consists of an independent review of the relevance of sustainability themes which can be updated when deemed outdated. A performance review of the portfolio company on the material themes including an assessment of the progress made since the review and/or initial performance assessment is carried out as part of this. Secondly, a part of the review is the KPI data collection in which data for portfolio-wide selected KPIs is being collected and year-on-year development is assessed;
- d) Engage through its Board seats with portfolio company management teams to improve a company's sustainability performance; and
- e) Encourage portfolio companies to report externally and internally on sustainability topics to relevant stakeholders.

#### **16.9. Exit**

- a) When the value creation related to the applied sustainability approach becomes material, an external advisor may prepare a vendor ESG Due-Diligence report. The goal of such a report is to describe the company's behavior in the ESG area; identify how the implementation of the sustainability prioritized projects has created value; show the evolution of ESG KPI's collected in annual reporting during the investment period; demonstrate the impact of the ESG prioritized projects on the evolution of the set KPI's (e.g. reduction of waste, energy consumption, employee turnover;
- b) In some cases an exit report related to sustainability will be prepared for portfolio companies after closing of exit.

#### **16.10. Transparency and Reporting**

Rivean Capital gives periodic updates on the implementation of this Responsible Investment Policy:

- a) During fund-raising, Rivean Capital discloses to potential investors its policies with regard to sustainability and also makes appropriate disclosures in the marketing documentation. The documentation of funds managed by Rivean Capital also includes all relevant information with regard to ESG management;
- b) During the life of a fund managed by Rivean Capital, all relevant information will be disclosed to its investors, including changes to the Responsible Investment Policy and material sustainability developments and associated incidents in portfolio companies. Transparency to investors and other stakeholders is formalized through annual Responsible Investment reporting to investors, advisory committee meetings, an annual general meeting and as part of the investor relations team's function;

- c) In case of a material sustainability incident, which is defined as a significant event related to ESG at a portfolio company or at Rivean Capital that may materially impact a portfolio company, a fund managed by Rivean Capital, Rivean Capital or its stakeholders, Rivean Capital will inform stakeholders as soon as reasonably possible and will in due course address such incident;
- d) Investors have the right to request reasonable information related to Responsible Investment, which will be provided to the extent this information is available.

#### **16.11. Fund manager level**

To live up to its commitment to the Responsible Investment Principles, Rivean Capital has formalized an internal sustainability approach at the fund manager level, which is based on three pillars. We believe these three pillars are key ESG themes for fund managers to generate investment value while also contributing to the environment and/or society. The three pillars and our goals are as follows:

**Carbon Footprint** – Our goal is to minimize our carbon footprint to the extent possible. This is in order to contribute our share to the climate goals as set in the Paris Agreement.

**Talent management** – Our homegrown team has been one of the fundamentals in our success as a firm today. Putting talent together with a diversified team is a vital condition to generating sustainable financial returns now and in the future. Diversity enhances decision-making by incorporating a broader range of perspectives, enabling more innovative and well-rounded solutions to complex challenges. For us, diversity means having a balanced team based on diverse cultures, genders, and educational and professional backgrounds.

**Responsible investing** – By having fully integrated sustainability program as part of our core investment processes and procedures, Rivean Capital has developed a unique approach to future-proof its portfolio companies and to capture the value creation potential that Responsible Investment offers (as further outlined above)

#### **16.12. Roles and Responsibilities**

- a) Rivean Capital established a Responsible Investment Committee, consisting of a few of Rivean Capital's Investor Relations Team members and Rivean Capital's investment professionals, headed by the Head of Sustainability;
- b) The Head of Sustainability reports on a quarterly basis to the Executive Committee, or more frequently when required.
- c) The Responsible Investment Committee provides knowledge about sustainability and advises jointly with Rivean Capital's Compliance Director on sustainability matters and ensures compliance with sustainability-related laws and regulations, as applicable, on the funds managed by Rivean Capital (dependent on their categorization as described in the SFDR).
- c) Responsible Investing is the prime responsibility of Rivean Capital's investment professionals with the Head of Sustainability acting as expert team member. Rivean Capital expects its Senior Partners acting as Board members and portfolio company management members to actively monitor the sustainability performance of the portfolio companies. Sustainability is specifically on the agenda for the Portfolio Enhancement Program team members who, together with the Head of Sustainability, ensure progress on the ESG prioritised projects as a core component in the PEP roadmap. In case a particular subject matter expertise is needed, the investment professionals may use external resources where appropriate; and



- e) The Executive Committee of Rivean Capital has reviewed and approved of this Responsible Investment Policy and ensures its continuous improvement through periodic updates.

**16.12. Memberships and commitments to International Standards**

As a responsible investor, Rivean Capital has committed to international standards to foster international collaboration and make a positive contribution to international sustainability goals and wider society.

Rivean Capital has:

- become a signatory to the United Nations supported Principles for Responsible Investment (UN PRI) in 2019;
- integrated the United Nations Sustainable Development Goals (UN SDG) in its investment process; and
- integrated the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) in its investment process.

Rivean Capital is a member of:

- ESG Data Convergence Initiative (EDCI)
- Level20
- ICI (Initiatif Climate International)

This policy has been reviewed in July 2025.

## Annex 1

The Sustainable Finance Disclosure Regulation ("SFDR") provides for the classification of funds in three categories:

- i. Article 6 covers funds which do not integrate any kind of sustainability consideration into the investment process (i.e. they do not have ESG as an investment objective nor are they considered to "promote" ESG). While these will be allowed to continue to be sold in the EU, provided they are clearly labelled as non-sustainable, they may face considerable marketing difficulties when matched against more sustainable funds.
- ii. Article 8 funds are those that are deemed to "promote" ESG as referred to in the "SFDR", where a financial product promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.
- iii. Article 9, also known as "products targeting sustainable investments", covers products targeting bespoke sustainable investments and applies, where a financial product has sustainable investment as its objective and an index has been designated as a reference benchmark." This will typically encapsulate impact funds with ESG as an investment objective.



## Annex 2

### Disclosure to be published on website

### Sustainability-related Disclosures

This document addresses the public disclosure requirements in accordance with 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 (the Sustainable Finance Disclosure Regulation, in short “SFDR”).

The SFDR entered into force on 10 March 2021 and required alternative investment fund managers (AIFM), including Rivean Capital B.V. (which is an AIFM authorised by the Netherlands Authority for the Financial Markets (AFM)), to publish information about their policies on the integration of sustainability risks in their investment decision-making processes (Article 3), disclose if and how principal adverse impacts of investment decisions on sustainability factors are considered in their investment processes (Article 4) and disclose how their remuneration policy is consistent with the integration of sustainability risks (Article 5). The SFDR contains the following two definitions in relation to sustainability.

‘Sustainability risk’ means an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of the investment.

‘Sustainability factors’ mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

#### Integration of sustainability risks

Article 3 of the SFDR requires: *“Financial market participants shall publish on their websites information about their policies on the integration of sustainability risks in their investment decision-making process.”*

Rivean Capital is a fund manager with a single product offering. As a result, Rivean Capital has one overall investment process which applies to all its active funds.

Rivean Capital uses a four-step Environmental, Social and Governance (ESG) methodology to flag potential material ESG themes and related events, or sustainability risks as defined under the SFDR, in the early stages of the investment process. A detailed description of Rivean Capital’s ESG approach is included in Rivean Capital’s ESG policy ([www.riveancapital.com/esg](http://www.riveancapital.com/esg)). The four steps of its approach are referenced below:

- 1) Industry Context – Assess the potential of the industry for sustainable growth (‘License to grow’);
- 2) ESG Materiality – Identify the key material ESG themes that are likely to impact the financial or operating performance of a company in the respective industry;
- 3) Company performance – Evaluate performance on key themes and overall ESG management;
- 4) Prioritize issues & opportunities – Define opportunities and risks where ESG and value creation coincide.

The final step illustrates Rivean Capital’s belief that ESG should be considered a value-creation lever for investment managers. For that reason, ESG has been fully integrated into Rivean Capital’s investment processes and procedures.

Complementary to Rivean Capital’s core ESG investment process, climate risks also are assessed during the due diligence phase by applying the framework of the Task Force on Climate-Related Financial Disclosures (TCFD).

### **Principal Adverse Impact Statement**

Article 4 of the SFDR requires: *"Financial market participants which consider the principal adverse impacts (PAI) of investment decisions on sustainability factors should disclose in the pre-contractual information for each financial product, concisely in qualitative or quantitative terms, how such impacts are considered as well as a statement that information on the principal adverse impacts on sustainability factors is available in the ongoing reporting. Principal adverse impacts should be understood as those impacts of investment decisions and advice that result in negative effects on sustainability factors."*

### **No consideration of adverse impacts of investment decisions on sustainability factors**

This section constitutes Rivean's disclosure in accordance with Article 4 (1) (b) of the SFDR.

Rivean Capital B.V. (Rivean) does not consider adverse impacts of its investment decisions on sustainability factors (including environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters, within the meaning of article 4 sub 1 b of the SFDR. The reasons why Rivean does not consider adverse impacts of its investment decisions on such sustainability factors and therefore does not publish on its website a principle adverse impact statement (PAI statement) are based on proportionality and confidentiality:

- (i) Rivean is not required to publish a PAI statement because it has less than 500 employees;
- (ii) taking into account sustainability factors in accordance with the SFDR requires data from all portfolio companies on a substantial number of indicators as set forth in Annex I to the SFDR Delegated Regulation. Portfolio companies may not always have such data available. However, Rivean will collect from portfolio companies all PAI indicators on best effort basis and encourages its portfolio companies to report on sustainable indicators and to comply with its ESG-Policy;
- (iii) Rivean conducts a private equity strategy, and does not and is not allowed offer AIFs to the wider public. Making public disclosures regarding portfolio companies is not in line with private character of the AIFs.

Rivean will revisit on an annual basis whether it intends to consider publishing a PAI statement but has not intention to do so in the near future.

### **Engagement - Stewardship**

A fundamental tenet of Rivean Capital's stewardship with our portfolio companies is its Portfolio Enhancement Program. Through this program, Rivean Capital supports portfolio companies' management teams, with the help of industry and functional experts, to unlock maximum value and scale businesses into industry champions. During continued dialogue with the management team throughout the investment lifecycle, Rivean Capital works together to set priorities, identify key actions and track progress against these plans.

ESG related initiatives represent, as any other, a critical element in a wholistic approach to value creation.

### **Commitment to international ESG initiatives**

As evidence of its commitment to responsibility, Rivean Capital is a signatory to the United Nations-supported Principles for Responsible Investment (UNPRI). In addition, Rivean Capital adheres to the Task Force on Climate-related Financial Disclosure (TCFD) and has integrated the TCFD analysis in its ESG assessment as part of its standard investment processes and procedures.

Rivean Capital has further committed to the ESG Data Convergence project to contribute to the streamlining of the historically fragmented approach to collecting and reporting ESG data, enabling greater transparency and more comparable portfolio information for our limited partners.

### **Remuneration**

Article 5 of the SFDR requires: *"Financial market participants shall include in their remuneration policies information on how those policies are consistent with the integration of sustainability risks and shall publish that information on their websites."*

ESG is considered to be the prime responsibility of the relevant Rivean Capital investment professional. By embedding ESG in the full investment cycle, accountability of ESG performance is part of the overall performance of Rivean Capital Funds as well as individual performance of employees. Rivean Capital has a remuneration policy that ensures sound and appropriate remuneration, in line with the market standards and European Securities and Markets Authority (ESMA) and AFM principles required for all alternative investment fund managers and in line with Rivean Capital's objectives, performance, and policies. The key purpose of Rivean Capital's remuneration policy is to align the interests of its employees with the interests of the investors in the Rivean Capital funds and to avoid incentives (also with respect to sustainability risk) that could result in excessive risk-taking.