



Sustainability-related  
disclosure according to  
SFDR and Delegated  
Regulation

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## Summary

eevolve Partnership SCSp (hereafter referred to as the "Fund") promotes environmental or social characteristics but does not have as its objective sustainable investment, as defined by Article 9(1) of Regulation (EU) 2019/2088 (SFDR). The Fund promotes in particular the following characteristics which relate to selected United Nations Sustainable Development Goals ("SDGs"):

- Decarbonization (relates to SDG 13, Climate Action)
- Diversity, Equity and Inclusion (relates to SDG 5, Gender Equality)

The Fund's investment strategy promotes these environmental and social characteristics, including for example, by applying an exclusion list. This exclusion list regulates that the Fund will not directly invest in certain companies which are not aligned with the Fund's ethical values. Additionally, the Fund is a signatory to the United Nations Principles for Responsible Investments (UN PRI).

eevolve General Partner S.a r.l. ("eevolve") has a policy of evaluating good governance practice and encourages the portfolio companies in which it invests to follow eevolve's ESG standards, including regarding governance, as listed in eevolve's Sustainable Investment Policy and ESG Guideline.

The abovementioned environmental and social characteristics that the Fund promotes are promoted by, *inter alia*, compliance with the standards listed in the Sustainable Investment Policy which applies both to eevolve and the portfolio companies in which the Fund invests. These environmental and social characteristics are monitored via eevolve's annual ESG monitoring process. Clear objectives are set together with the portfolio companies' management, concrete measures are defined to achieve sustainability goals and measurable sustainability Key Performance Indicators ("KPIs") are tracked. The monitoring process will entail that KPIs are collected from the portfolio companies of the Fund and thereafter analyzed versus certain factors. The aforementioned ESG monitoring will be internally and regularly reviewed, at least on an annual basis, in order to ensure its continued progress and efficiency.

eevolve's ESG monitoring process will be used as the methodology to measure whether the social and environmental characteristics promoted by the Fund are addressed by the portfolio companies.

eevolve uses sustainability KPIs reported from portfolio companies as the data source in its monitoring process. If needed, eevolve will engage third-party consultants to assure proper data quality.

The due diligence of potential investments of the Fund is conducted inhouse and, selectively, by external consultants. The promoted environmental and social characteristics are considered in early sourcing discussions. The profile of a potential investment as it relates to these characteristics is presented and considered as part of the due diligence process. All findings are summarized in eevolve's proprietary ESG scorecard. This scorecard is reviewed and approved by eevolve's Investment Committee before eevolve's board of directors may decide whether to take the potential investment opportunity forward.

There is no applicable reference benchmark index currently available for equity and equity-related investments when setting up the performance measurement framework for the Fund.

## Zusammenfassung

eevolve Partnership SCSp (nachstehend der "Fonds") fördert ökologische oder soziale Merkmale, hat aber keine rein nachhaltigen Investitionen zum Ziel. Der Fonds fördert insbesondere die folgenden Bereiche, die sich auf ausgewählte Ziele für nachhaltige Entwicklung der Vereinten Nationen ("SDGs") beziehen:

- Dekarbonisierung (bezieht sich auf SDG 13, Klimapolitik)
- Vielfalt, Gleichberechtigung und Integration (bezieht sich auf SDG 5, Gleichstellung der Geschlechter)
- Gute Unternehmensführung (im Zusammenhang mit SDG 16, Frieden, Gerechtigkeit und starke Institutionen)

Die Investitionsstrategie des Fonds, die dazu dient, die vom Fonds geförderten ökologischen und sozialen Merkmale zu erfüllen, umfasst beispielsweise die Anwendung einer Ausschlussliste. Diese Ausschlussliste regelt, dass der Fonds nicht direkt in bestimmte Unternehmen investiert, die nicht mit den ethischen Werten des Fonds übereinstimmen und/oder in Sektoren mit besonders hohen ESG-Risiken tätig sind. Darüber hinaus ist der Fonds Unterzeichner der Principles for Responsible Investments der Vereinten Nationen (UN PRI).

Der Grundsatz von eevolve General Partner S.a.r.l. ("eevolve") zur Bewertung der Prinzipien guter Unternehmensführung setzt voraus, dass die Portfoliounternehmen die ESG-Standards von eevolve einhalten, auch in Bezug auf die Unternehmensführung, wie sie in der Sustainable Investment Policy und den ESG Guidelines von eevolve aufgeführt sind.

Die oben genannten ökologischen und sozialen Merkmale, die der Fonds fördert, werden unter anderem durch die Einhaltung der in der Sustainable Investment Policy aufgeführten Standards erreicht, die sowohl für eevolve als auch für die Portfoliounternehmen, in die der Fonds investiert, gilt. Die vom Fonds geförderten ökologischen und sozialen Merkmale werden im Rahmen des jährlichen ESG Monitoring-Prozesses von eevolve überwacht. Gemeinsam mit dem Management der Portfoliounternehmen werden klare Ziele festgelegt, konkrete Massnahmen zur Erreichung der Ziele definiert und messbare Leistungsindikatoren (Key Performance Indicators - KPIs) verfolgt. Im Rahmen dieses Monitorings werden die wichtigsten Leistungsindikatoren KPIs der Portfoliounternehmen des Fonds erhoben und anschliessend anhand bestimmter Faktoren analysiert. Das vorgenannte ESG Monitoring wird regelmässig, mindestens jedoch einmal jährlich, intern überprüft, um seine weitere Zweckmässigkeit und Effizienz sicherzustellen.

Das ESG Monitoring-Verfahren von eevolve wird auch als Methode verwendet, um zu messen, wie die vom Fonds geförderten sozialen und ökologischen Merkmale erfüllt werden.

eevolve verwendet die von den Portfoliounternehmen gemeldeten Nachhaltigkeits-KPIs als Datenquelle, um die vom Fonds geförderten ökologischen und sozialen Zielsetzungen zu erreichen. Falls erforderlich, zieht eevolve externe Berater hinzu, um eine angemessene Datenqualität zu gewährleisten.

Die Due-Diligence-Prüfung potenzieller Investitionen des Fonds wird intern und selektiv auch von externen Beratern durchgeführt. Die Nachhaltigkeit wird bereits in den ersten Gesprächen bei der Evaluation möglicher Zielfirmen berücksichtigt. Im Rahmen der Due-Diligence-Prüfung ist es zwingend vorgesehen, das Nachhaltigkeitsrisikoprofil einer potenziellen Investition darzustellen und zu berücksichtigen. Alle Ergebnisse werden in der proprietären ESG-Scorecard von eevolve zusammengefasst. Diese Scorecard wird vom Investitionsausschuss geprüft und genehmigt, bevor der Verwaltungsrat von eevolve entscheiden kann, ob die potenzielle Investitionsmöglichkeit weiter verfolgt werden soll.

Bei der Erstellung des Rahmens für die Performancemessung für den Fonds gibt es derzeit keinen anwendbaren Referenzindex für Aktienkapital und aktienbezogene Anlagen.

# 1 No sustainable investment objective

The Fund promotes environmental or social characteristics but does not have as its objective to exclusively conduct sustainable investments.

# 2 Environmental or social characteristics of the financial product

The Fund promotes the following environmental and social characteristics which relate to selected United Nations Sustainable Development Goals ("SDGs"):

- Decarbonization (relates to SDG 13, Climate Action)
- Diversity, Equity and Inclusion (relates to SDG 5, Gender Equality)

# 3 Investment strategy

(a) the investment strategy meets the environmental or social characteristics promoted by the financial product:

As a mid-market private equity fund, the Fund aims at delivering attractive returns by investing in companies positioned to benefit from global megatrends. Whilst the focus on financial return potential is paramount, the Fund also intends to actively measure, manage, and promote the above-mentioned environmental and social characteristics. The Fund seeks to invest in a diversified portfolio of equity and equity related investments, principally in businesses operating in or deriving a significant portion of their revenues from services and software, healthcare, and smart industrial investments and predominantly in connection with growth buy-out and buy-in investments. The underlying portfolio companies are primarily located in Switzerland, Germany and Austria. The Fund's investment strategy considers the environmental and social characteristics promoted by the Fund, for example:

- Applying an exclusion list meaning that the Fund will not directly invest in companies related to certain sectors and themes which are not aligned with the Fund's ethical values. In support of Decarbonization, eevolve's investment policy limits investments by the Fund in companies causing an unacceptably high greenhouse gas footprint without implementing measures to reduce these emissions, including high emission industries like coal and mining, oil and gas. In support of the Diversity, Equity and Inclusion characteristic, eevolve's investment policy prohibits investments in companies exhibiting racism, bigotry or any other sort of discrimination or with serious violations of human rights and noncompliance with internationally recognized human rights principles (e.g., UN Global Compact)
- Integrating ESG during the different stages of the investment process, i.e. sourcing, due diligence, investment decision, ownership and divestment
- Being a signatory to the United Nations Principles for Responsible Investments (UN PRI) and placing emphasis on the two SDGs as described above in particular as we incorporate ESG issues into our investment analysis and our ownership policies and practices.

Further detail of the abovementioned exclusion list can be found in the Sustainable Investment Policy.

(b) the policy to assess good governance practices of the investee companies, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance: eevolve has a policy of evaluating good governance practice at the investee companies, focusing on specific governance issues such as business model resilience, sustainability capacity and transparency, business ethics, board and management composition, competitive behavior, management of the legal and regulatory environment, critical incident risk management and systemic risk management. Specific KPIs and/or outcomes are identified for each area of governance focus for the investee companies, and progress against such KPIs or

outcomes is assessed. In addition, eevolve encourages the portfolio companies in which it invests to follow eevolve's ESG standards, including regarding governance, as listed in eevolve's Sustainable Investment Policy and ESG Guideline.

## 4 Proportion of investments

The Fund commits to promote environmental or social characteristics in its investments. A fundamental requirement for eevolve's investments is that each portfolio company must actively advance the world towards at least one of the SDGs. In particular, the Fund commits to invest up to 100% of the Fund's portfolio companies in investments which promote the Environmental and Social aligned characteristics identified above. The remaining portion of the Fund's assets will be in #2 Other investments, that do not attain the promoted characteristics.

## 5 Monitoring of environmental or social characteristics

The environmental and social characteristics promoted by the Fund will be monitored via eevolve's regular ESG monitoring process based on eevolve's proprietary ESG scorecard. The monitoring process will entail that sustainability KPIs are collected from the portfolio companies of the Fund and thereafter analyzed versus certain factors:

- eevolve's ESG standards as per the Sustainable Investment Policy
- Prior year performance
- Industry standard performance / benchmark

In applying industry standard performance and benchmarks, eevolve may, for example, consider appropriate references for CO2 equivalent, emission intensity in relation to greenhouse gas emissions, or emission of NOx and Sox in relation to air quality, as part of its focus on Decarbonisation. In its focus on Diversity, Equity and Inclusion, eevolve may look at relevant gender pay industry standards for the average unadjusted gender pay gap, or applicable benchmarks for gender diversity (total, management, board).

The aforementioned ESG monitoring will be internally and regularly reviewed, at least on an annual basis, in order to ensure its continued progress and efficiency. Cross-checks will be made in relation to the analysis of the sustainability KPIs provided by the portfolio companies and any unclear reports from a portfolio company will be followed-up upon without delay.

The KPIs will be broadly in line with the Principal Adverse Impact Indicators ("PAIs"), in particular, PAIs in respect of greenhouse gas emission, violations of UNGC principles and OECD Guidelines for multinational enterprises and lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for multinational enterprises in relation to its focus on Decarbonisation, and the unadjusted gender pay gap and board gender diversity in its focus on Diversity, Equity and Inclusion.

## 6 Methodologies

eevolve's ESG monitoring process described above will be used also as the methodology to measure whether the social and environmental characteristics promoted by the Fund are advanced by its portfolio companies.

The aforementioned ESG scorecard is based upon the standards of the Sustainability Accounting Standards Board (SASB) and contains specific modules for each stage of the investment process, e.g. an initial ESG screening for the sourcing, an initial ESG check and a detailed ESG due diligence for the due diligence phase, or a ESG roadmap containing ESG priorities, targets and key performance indicators for each relevant portfolio company.

While following a comprehensive approach to ESG, the team puts a particular focus on Decarbonization and Diversity, Equity, Inclusion (DEI) (with the respective SDGs 13 and 5) to which we can contribute most with our investments. The following overview shall offer a framework for eevolve's portfolio companies in their consideration of the relevant goals we will pursue together during the investment period, which will be incorporated into the ESG scorecard, as applicable.

## 6.1 Environmental matters

### SDGs in focus

SDG 13 – Climate action: take urgent action to combat climate change and its impacts

### Overview of specific examples

Environmental focus / issues	Illustrative KPIs / Outcomes
GHG (green house gas) emissions	CO2 equivalent, emission intensity
Air quality	Emission of NOx, Sox
Product design and life cycle management	Sustainability as core business strategy, new products
Physical impacts of climate change	Qualitative

## 6.2 Social matters

### SDGs in focus

SDG 5 – Gender equality: achieve gender equality and empower all women and girls

### Overview of specific examples

Social focus / issues	Illustrative KPIs / Outcomes
Gender pay	Average unadjusted gender pay gap
Diversity and inclusion	Gender diversity (total, management, board)

## 7 Data sources and processing

- (a) the data sources used to attain each of the environmental or social characteristics promoted by the financial product: eevolve uses sustainability KPIs reported from portfolio companies as the data source to assess the environmental and social characteristics promoted by the Fund.
- (b) the measures taken to ensure data quality: If and where needed, eevolve will engage third-party consultants to assure proper data quality.
- (c) how data are processed: The data will be internally processed at eevolve, applying its proprietary ESG scorecard.
- (d) the proportion of data that are estimated: eevolve's current view is that it will not rely on any third-party estimated data.

## 8 Limitations to methodologies and data

- (a) any limitations to the methodologies referred to in Article 24, point (g), and to the data sources referred to in Article 24, point (h): The key limitation with using the abovementioned monitoring process and using

reports from the Fund's portfolio companies is if portfolio companies do not report on the requested data and/or report data with low quality and/or coverage for their respective operations.

- (b) how such limitations do not affect how the environmental or social characteristics promoted by the financial product are met: eevolve will work closely with the portfolio companies to ensure that the companies understand the importance of reporting as well as how they should report, to minimize such limitations. Furthermore, eevolve deems the risk of portfolio companies not reporting and/or providing insufficient reports as low.

## 9 Due diligence

The due diligence of potential investments of the Fund is conducted inhouse and selectively supported by external consultants. The promoted environmental and social characteristics are considered in early sourcing discussions. The profile of a potential investment as it relates specifically to these characteristics is presented and considered in the due diligence process. All findings are summarized in eevolve's proprietary ESG Scorecard. This Scorecard is reviewed and approved by the Investment Committee before eevolve's board of directors may decide whether to take the potential investment opportunity forward.

### 9.1 Sourcing

The investment team proactively considers the promoted environmental and social characteristics and opportunities related thereto in its investment sourcing. eevolve looks at ESG criteria as part of its assessment of whether potential portfolio companies have opportunities to not only reduce risk in this regard, but also to improve organizations, strengthen governance, drive stronger growth, and improve the bottom line.

Preliminary screening by the investment team ensures that eevolve avoids investing in companies with activities listed in the exclusion list of the Sustainable Investment Policy or have significantly unfavorable ESG credentials which outweigh applicable investment benefits and hence create investment risk.

Strictly adhering to the Sustainable Investment Policy, conducting the initial ESG screening in respect of the promoted environmental and social characteristics and, for targets with an impact potential an additional initial impact screening, the deal teams will assess whether the target company is committed to actively advance a more sustainable future by contributing to the SDGs generally and the promoted environmental and social characteristics in particular. All findings will be summarized in eevolve's proprietary ESG scorecard.

### 9.2 Due diligence

eevolve always incorporates ESG into the due diligence process for a target company. The due diligence identifies both risks and opportunities related to the promoted environmental and social characteristics for the respective company and the relevant industry. In conducting the initial ESG check and ESG due diligence (and, where applicable, initial impact check and impact due diligence) and materiality assessment, eevolve summarizes the due diligence findings systematically and in detail in the ESG scorecard and integrates the results as part of its respective recommendation to the Investment Committee.

## 10 Engagement policies

Where appropriate, the promoted environmental and social characteristics of Decarbonization and Diversity, Equity and Inclusion may be incorporated as part of a portfolio company's value creation plan. Following any Fund's investment in a new portfolio company, assessments shall be made of the feasibility of integrating these promoted characteristics in the management plan that eevolve drafts in collaboration with management and board of directors for each portfolio company. Furthermore, any relevant performance and risk matters shall be discussed

at least once a year by each portfolio company's board of directors, and all portfolio companies shall at least annually report progress across any defined KPIs relating to the promoted characteristics.

In case of any significant sustainability-related controversies, including in particular any relating to the promoted environmental and social characteristics of Decarbonization and DEI, the management of each portfolio company is expected to report such incidents to the Fund on an ad hoc basis and describe relevant remediation measures taken by such portfolio company.

## 11 Designated reference benchmark

There is no applicable reference benchmark index currently available for equity and equity-related investments when setting up the performance measurement framework for the Fund.