



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 do not have as its objective sustainable investment. The Fund promote 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)
- Good Governance (relates to SDG 16, Peace, justice and strong institutions)

The Fund's investment strategy, used to meet the environmental and social characteristics promoted by the Fund, includes for example 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 and / or are active in sectors with particularly high ESG risks. Additionally, the Fund is a signatory to the United Nations Principles for Responsible Investments (UN PRI).

The policy of eevolve General Partner S.a r.l. ("eevolve") to assess good governance practice requires the portfolio companies 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 shall be attained by, *inter alia*, compliance with the standards listed in the Sustainable Investment Policy which applies both to eevolve and the portfolio companies which the Fund invests in. The environmental and social characteristics promoted by the Fund will be monitored via eevolve's annual ESG monitoring process. The monitoring process will entail that sustainability Key Performance Indicators ("KPIs") are collected from the portfolio companies of the Fund and thereafter analyzed versus certain factors. The aforementioned ESG monitoring will be internally reviewed regularly, at least on an annual basis, in order to ensure its continued usefulness and efficiency.

eevolve's ESG monitoring process will be used also as the methodology to measure how the social and environmental characteristics promoted by the Fund are met.

eevolve uses sustainability KPIs reported from portfolio companies as the data source to attain the environmental and social characteristics promoted by the Fund. If and where 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. Sustainability is considered already in early sourcing discussions. In the due diligence process, it is mandatory to present and consider the sustainability risk profile of a potential investments. 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. Im Rahmen dieses Monitorings werden die wichtigsten Leistungsindikatoren (Key Performance Indicators - 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 Zielunternehmen 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 sustainable investment.

## 2 Environmental or social characteristics of the financial product

A fundamental requirement for the Fund's investments is that each portfolio company must actively advance the world towards at least one of the SDGs by means of an effective sustainability management. The Fund promote 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)
- Good Governance (relates to SDG 16, Peace, justice and strong institutions)

## 3 Investment strategy

As a mid-market private equity fund, the Fund aims at delivering attractive returns by investing in companies positioned to benefit from global megatrends, while actively measuring, managing, and improving sustainability in each investment. The Fund will seek 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, predominantly in connection with growth buy-out and buy-in investments. The transactions are principally located in Switzerland, Germany and Austria. The Fund's investment strategy meets the environmental and social characteristics promoted by the Fund including for example:

- Applying an exclusion list meaning that the Fund will not directly invest in companies relating to certain sectors and themes which are not aligned with the Fund's ethical values and / or are active in sectors with particularly high ESG risks
- Investing with the ambition to increase the sustainability performance as per eevolve's Sustainability Investment Policy and the ESG Guideline
- 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 three SDGs as described above.

The abovementioned exclusion list can be found in the Sustainable Investment Policy.

The policy of eevolve General Partner S.a r.l. ("eevolve") to assess good governance practice requires the portfolio companies 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 does not intend to make sustainable investments based on a committed minimum proportion. However, any sustainable investments that the Fund may make, even though this is not the objective, will be reported

on in the Fund's annual reports, for the relevant reference period. The Fund commits to promote environmental or social characteristics in all of its investments.

## 5 Monitoring of environmental or social characteristics

The abovementioned environmental and social characteristics that the Fund promotes shall be attained by, *inter alia*, compliance with the standards listed in the Sustainable Investment Policy which applies both to eevolve and the portfolio companies which the Fund invests in.

An initial status of the ESG performance and related KPIs is assessed during the due diligence process. If any significant ESG risks are identified, this can lead to a negative decision. Recommendations for improvement are already defined during the due diligence phase and progress towards achieving improvement targets will be monitored during the holding period.

The environmental and social characteristics promoted by the Fund will be monitored via eevolve's regular ESG monitoring process, integrating the methodology of eevolve 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

The aforementioned ESG monitoring will be internally reviewed regularly, at least on an annual basis, in order to ensure its continued usefulness 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").

## 6 Methodologies

eevolve's ESG monitoring process will be used also as the methodology to measure how the social and environmental characteristics promoted by the Fund are met. What monitoring process will entail, please refer to the section "Monitoring of environmental or social characteristics" above.

The aforementioned ESG scorecard bases upon the standards of SASB (Sustainability Accounting Standards Board) 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 portfolio company.

## 7 Data sources and processing

eevolve uses sustainability KPIs reported from portfolio companies as the data source to attain the environmental and social characteristics promoted by the Fund. If and where needed, eevolve will engage third-party consultants to assure proper data quality.

The data will be internally processed at eevolve, applying its proprietary ESG scorecard. eevolve's current view is that it will not rely on any third-party estimated data.

## 8 Limitations to methodologies and data

The key limitation with using the abovementioned ESG 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. 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, in order 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 might selectively be supported by external consultants. Sustainability is considered already in early sourcing discussions. In the due diligence process, it is mandatory to present and consider the sustainability risk profile of a potential investments. 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 looks proactively for ESG related risks and opportunities. eevolve aims to not only reduce risk by working with ESG, but most importantly use ESG to identify business opportunities to improve organizations, strengthen governance, drive stronger growth, and improve 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 unfavorable ESG credentials.

Strictly adhering to the Sustainable Investment Policy, conducting the initial ESG screening and (for targets with an impact potential) an additional initial impact screening, the deal teams will only recommend potential investment opportunities to the Fund where the target company is committed to actively advance the world towards a more sustainable future by contributing to the SDGs. All findings will be summarized in eevolve's proprietary ESG scorecard.

### 9.2 Due diligence

eevolve always incorporate ESG into the due diligence process for a target company. The due diligence identifies both risks and opportunities related to ESG topics 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 integrate the respective recommendations to the Investment Committee.

Identified ESG related risks and opportunities and ESG/impact findings during due diligence form the basis for actions and goals integrated in value creation plans for the target company.

## 10 Engagement policies

Sustainability shall be part of each portfolio company's value creation plan, and following any Fund's investment in a new portfolio company, assessments shall be made to integrate sustainability in the management plan that

eevolve drafts in collaboration with management and board of directors for each portfolio company. Furthermore, sustainability 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 the defined sustainability KPIs.

In case of any significant sustainability-related controversies, the management of each portfolio company is expected to report such incidents to the Fund on an ad hoc basis. The Fund will support the portfolio company in defining relevant remediation measures and, depending on the severity of the case, will inform its investors accordingly.

## 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.