SEVEN2 - FUTURE READY

ARTICLE 29 REPORT

ENERGY CLIMATE LAW

June 2023

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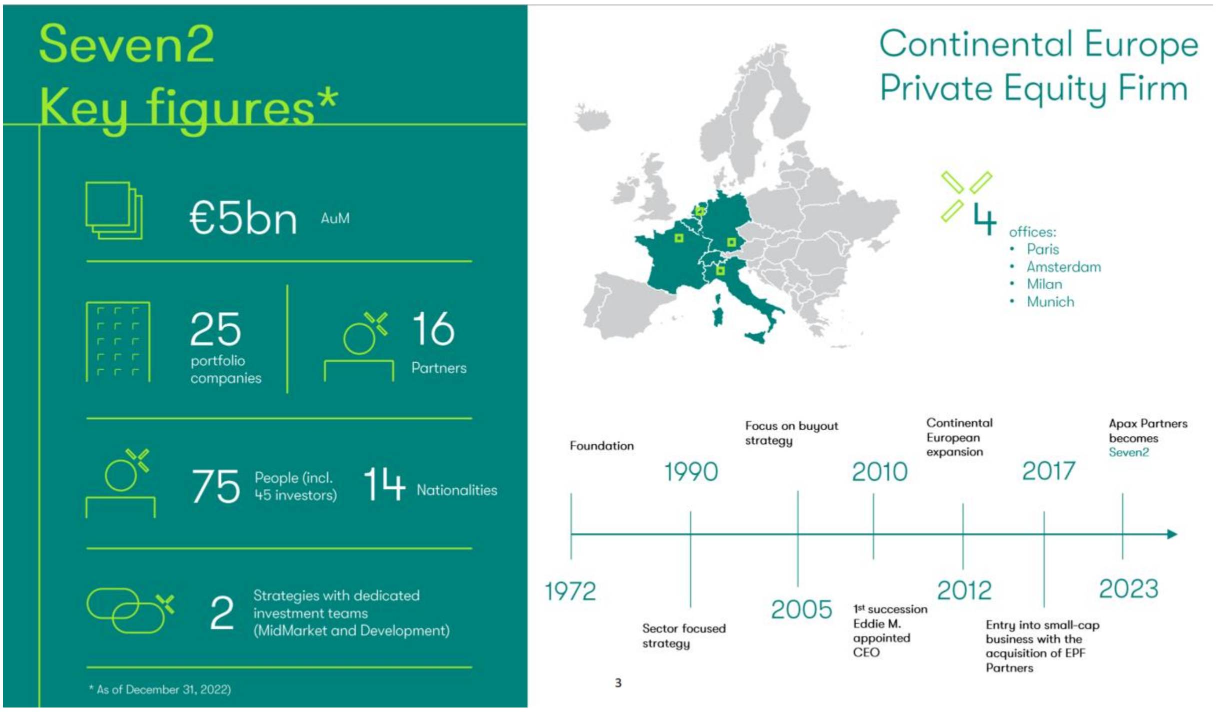
Introduction

1. Scope of the reporting

This report aims to respond to the regulatory requirements of the decree N° 2021-663 of May 27 2021 corresponding to Article D533-16-1 of the financial and monetary code. It covers all Seven2 investments and funds, therefore, all our portfolio companies across their geographical locations. It provides the principles that sit behind the integration of sustainability as a driver of value creation across the entire investment process.

2. Seven2 is a Leading Private Equity Firm in Europe



A. General approach of the entity: Sustainability is in our DNA

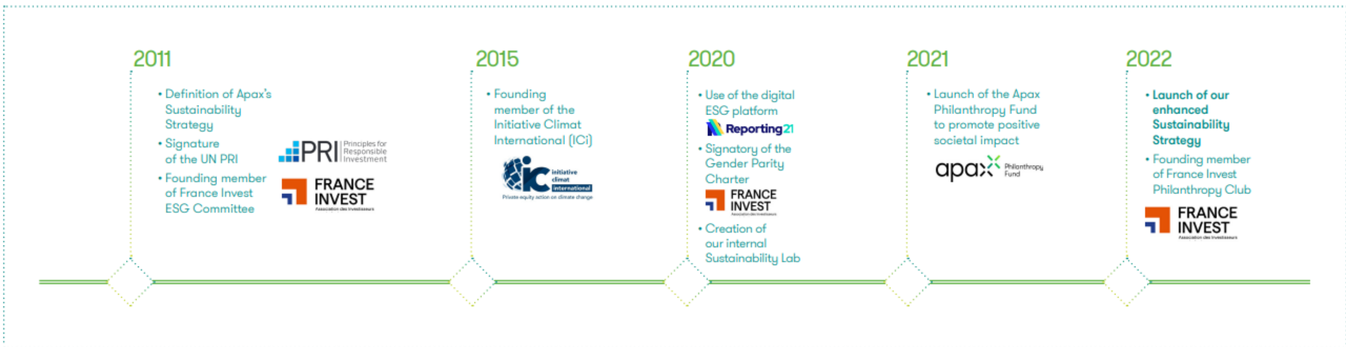
Our mission

Unlock the potential of ambitious entrepreneurs, empowering them to push boundaries and achieve meaningful and long-lasting sustainable growth.

As the world shifts from post-pandemic recovery to increased economic uncertainty, new challenges emerge, from inflation and supply-chain disruptions to geopolitical tensions and rising energy prices. In such a context, environmental, social and governance issues may seem secondary – mere buzzwords that will vanish before bigger concerns. But we strongly believe the opposite is true. To respond to these challenges and the increasing pressure mounting on all sides, our stakeholders – including regulators, employees, clients and investors – want to see sustainability embedded in everything we do.

At Seven2, our 10 years of experience on sustainability have taught us that it is a fundamental tool for leveraging long-term sustainable growth, and a key success factor for small and medium-sized companies. More than ever, sustainability has become vital in the truest sense of the word. From attracting talents in healthcare to reducing data-storage emissions in telecom, responsible action must be a key driver for success and value creation.

Leveraging its 10 years of experience, Apax decided to revisit its sustainability strategy



We believe companies must integrate sustainability into their business strategy if they want to remain competitive in the long term. The world is changing radically and it's up to us to do our part in this positive transformation, working in tandem with our portfolio companies.

Therefore, sustainability is part of our investment thesis for all our investments and funds, and part of our four value creation drivers. We want to help make our portfolio companies future ready, and we are well positioned to do so, as we are typically majority shareholders with representation on the boards with investment horizons between five to seven years.

1. Our new Sustainability Strategy

In 2022, we defined a new Sustainability Strategy to reaffirm our commitments and integrate sustainability as a driver of value creation. So, for 2022-2027, we are moving forward with a newly defined mission: "**To build a purpose-driven, human and resilient future.**" Based on this new corporate mission, we have renewed a dynamic and ambitious strategy that will redirect our priorities over the coming years.

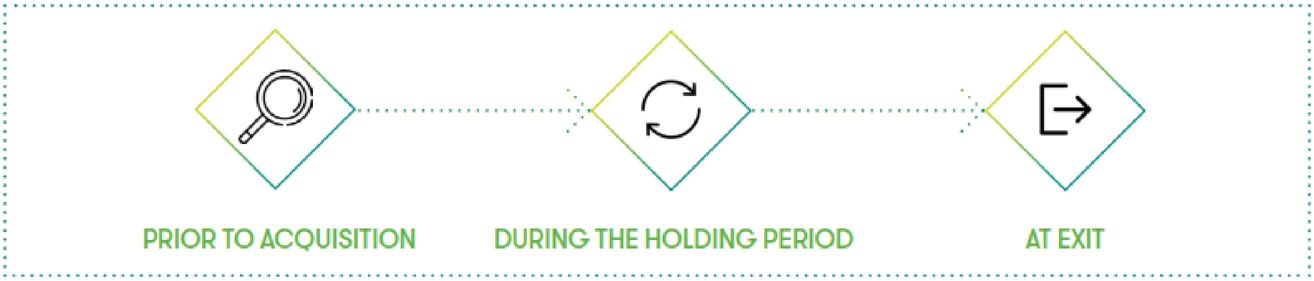
The strategy is underpinned by three robust pillars:

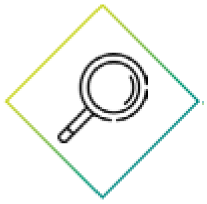
- **I. Building a purpose-driven future,**
- **II. Nurturing people, and**
- **III. Promoting a positive societal impact**

The strategy is supported by 9 commitments & key sustainability quantitative targets:

2. Seven2’s Investment Approach

A CONTRIBUTION AT EVERY STAGE OF THE INVESTMENT PROCESS





PRIOR TO ACQUISITION

- **Seven2 applies an exclusion filter** for all our investments. For further details, our exclusion policy is published on our website and in this appendix. Here are some of the topics covered:
  - Coal mining or coal-fired power generation
  - Production of tobacco
  - Human rights abuses (including forced and child labor)
- For each acquisition, we conduct **internal or external ESG due diligence or red flag reports**, where we work to identify both sustainability risks and opportunities, and, when possible, discuss sustainability issues with the management team
- **Sustainability risks and opportunities are systematically considered by the Investment Committee**
- If we identify that **climate change and/ or biodiversity are a high-impact and material topic** (e.g., physical and/ or transitional risks), **we will do a specific deep dive** to ensure no risk is entailed and identify the opportunities to limit these risks and reduce GHG emissions and impacts on biodiversity (see section 6 & 7). **We take a long-term view on our assets to ensure their durability**
- **A controversy check is also conducted**, integrating any possible risks linked to climate change and biodiversity, as well as any other social and environmental issues
- Finally, **sustainability commitments such as building a sustainability strategy and roadmap can be integrated** most of the time into offers and shareholder agreements.

DURING THE HOLDING PERIOD

- Seven2's Chief Sustainability Officer collaborates closely with portfolio companies to define the most fitting sustainability approach in line with the new Seven2 Strategy
- After acquisition, we carry out an in-depth review to **assess the main sustainability issues, which will help shape a strategy**. At this stage, the goal is not only to limit any negative impacts, but more importantly to create positive value from better addressing sustainability challenges. This process involves the portfolio company's CEO, senior management, and the board of the portfolio company (the 'Board') to secure strong senior buy-in
- An **action plan** is then defined, which will be aligned with our nine strategic commitments, focusing on the most relevant and material actions and supported by KPIs and targets to help monitor progress over time. The approach is presented to and validated by the Board
- An **operational execution plan** will be laid out by each company to support the strategy. Progress is to be shared regularly at the Executive Committee of the portfolio company, with the Board and Seven2's Chief Sustainability Officer. These discussions help steer the companies and provide support when needed to ensure effective implementation of the strategy
- Portfolio companies are expected to nominate **a person in charge of sustainability**, ideally a CSR Manager to implement and oversee the sustainability strategy. Seven2's Chief Sustainability Officer is tasked with supporting and guiding the CSR Manager and portfolio company
- **Training** by consultants and experts to both Seven2 and portfolio companies is encouraged to ensure they have the right knowledge to advance the sustainability strategy (e.g., climate change, sustainability trends, regulatory changes, social issues, etc.)
- The **Chief Sustainability Officer also leads the community of CSR experts** among the portfolio companies, inspiring with external content and sharing best practices, while also creating interactions and connections amongst portfolio companies.

Progress is shared regularly with our investors:

- **All investors are updated biannually** on the sustainability progress of all the companies within the portfolio.
- **A sustainability review** is organized for each portfolio company's Board every year to present progress and outline future actions. The new sustainability strategy was presented at our Annual General Meeting in May 2022.
- Each year, Seven2 will publish **a report on its website** outlining consolidated ESG KPIs as well as the sustainability actions of its portfolio companies.

AT EXIT

- Sustainability is, as far as possible, integrated in the exit process through an **ESG diagnosis or vendor due diligence** to integrate the ESG assessment in the overall valuation of the company
- We also identify **sustainability actions** to the future owner to help encourage continuity

3. Frequency of ESG reporting

Measuring the scope of our actions and those of our portfolio companies is a crucial component of our ambitious sustainability strategy. In 2020, we started using a digital platform called **Reporting 21**, designed to collect, analyze and share ESG data across all portfolio companies. This data collection covers all key ESG aspects, including governance, social data, gender diversity, supply chain, environmental consumption, philanthropic donations and more. In 2023, Seven2 ESG reporting covered 25 companies and 140 ESG indicators. For the second year, we integrated the **Principal Adverse Impacts (PAI) indicators into our reporting.**

We are working very hard with portfolio companies to increase the quality of ESG data and reporting every year. We implement robust data quality checks, working closely with our investment teams. This year, in order to facilitate data access and availability, we designed a Sustainability Performance Card for each portfolio company.

To support our new sustainability strategy, reporting on our nine commitments will be essential: we will work to provide annual comprehensive data on all these elements.

4. Charter, code or initiatives

a. Financial Products

All new Seven2 funds will be classified Article 8 under the Sustainable Finance Disclosure Regulation (SFDR), starting with our new fund Apax Development Fund II, currently being raised. Our latest fund X still falls under Article 6, as it was raised before the SFDR was finalized.

Our product Apeo which provides access to Private Equity through life insurance, is classified Article 8 and was awarded Label Relance[1] certification in December 2020. This fund requires Seven2 to respect ESG criteria in its investment approach and to report twice a year on the progress of its ESG performance.

Furthermore, our Apax Philanthropy Fund is classified Article 8. The fund has a double impact for its investors, as their investment contributes to both a societal impact through the causes and NGOs supported by our portfolio companies, and a good financial return with the Seven2 companies it's co-invested in.

1 The "Relance Label" was launched in October 2020 by the French Government to help direct investments towards French small and mid-size listed or unlisted companies to provide additional financial support after the Covid crisis (source: economie.gouv.fr).

b. Adherence to external initiatives

Our portfolios are not the only area in which we act. Our ambition is to assist our entire industry to progress along a more sustainable path. We are therefore members or have adhered to the following initiatives:

PRI Principles for Responsible Investment

As early as 2011, we made tangible commitments to this goal by signing the **Principles for Responsible Investment** (PRI). These principles encourage investors to integrate environmental, social and governance (ESG) issues into their decision-making processes to better manage risk to generate sustainable and long-term value creation that benefit society.

Seven2's ESG performance is assessed by the PRI on an annual basis and benchmarked against peers in the industry. In 2022, Seven2 obtained the following score:

- **67/100 on the "Direct - Private equity" module (generated in November 2022). 4 stars refer to evaluation between 65% and 90%.**

These ratings are a testimony to our capacity to integrate sustainability issues within our portfolio companies.

FRANCE INVEST
Association des Investisseurs

Since 2011, Seven2 has been a member of the **Sustainability Commission of France Invest** (the professional association of French Private Equity funds), which allows us to actively follow progress on key issues such as climate change, biodiversity and redistribution of shareholder value. **As a member of the steering committee of the Sustainability Commission**, we actively lead a **new working group dedicated to increasing sustainability awareness and training materials** to private equity firms and portfolio companies on topics such as sustainable finance regulation and climate change.

We are also involved in the new **Philanthropy and HR Clubs** that were launched in 2022 to help professionalize philanthropy within the industry. And since 2020, Seven2 is a proud signatory of the **France Invest charter on "Gender Parity".**

iC initiative climat international
Private equity action on climate change

Conscious of our responsibility as a management company acting on behalf of portfolio company shareholders, **in 2015, we founded Initiative Carbone 2020 (IC20)**, which is now called Initiative Climat International (iCi) with four other General Partners (GPs). Its objective is to unite on climate-change issues to contribute to the COP21 objective of keeping global warming below 2°C. The initiative now counts over 187 members and supports GPs and portfolio companies in defining their climate strategies. With the profession, we therefore contribute to building tools and guidelines to help better analyze and understand climate change risks and opportunities, and we work at supporting portfolio companies in putting in place CO2 emission reduction plans.

B. Internal means to contribute the transition

1 sustainability governance

- Sustainable Growth Team (SGT): Sustainability expertise sits within the SGT led by the Operating Partner in charge of digital and sustainability. The Chief Sustainability Officer is responsible for the day-to-day integration of sustainability in Seven2's investment process, as well as across portfolio companies. She also works actively at building a network of external experts (e.g., advisors/ consultants, sector/ industry experts, though leaders, etc.) to help accelerate positive CSR transformation within its portfolio companies. The team will be expanding in July 2023 with the recruitment of an operating associate sustainability, as a full-time dedicated resource.

In 2022, all Seven2 employees were given the opportunity to follow the "Climate Fresk" training by an expert consultancy firm. We had 73% of all employees trained with very positive feedback.

Every year, we plan ESG/ sustainability training sessions for our employees with a larger focus on our investment team.

2 sustainability budget

The annual sustainability budget in 2022 mainly covered consultants used for our systematic ESG due diligences and vendor due diligences, our annual ESG reporting tool and campaign, the carbon footprint of Seven2 and our portfolio companies, support with LP requests, training and other projects. For confidentiality reasons, we do not disclose the amount spent, but the budget increased compared to 2021. We can, however, state that 20% of our total sustainability budget covered our work on ESG data collection and verification with our partner Reporting21.

C. ESG governance within the financial entity

1 sustainability governance

- Board of Directors: composed of fifteen members, all of whom are Partner shareholders. Sustainability is addressed at least once a year.

- Operational Committee: operational management structure of Seven2 made up of senior partners and the CEO. The Committee meets monthly, as well as for ad hoc meetings. It played an active role in the development of the Seven2 Sustainability Strategy and is involved in all key sustainability decisions within the firm.

- Investment Committee (IC): Sustainability is systematically addressed in all its meetings and is a key factor of the investment decision-making process. Sustainability is monitored in the overall value creation of our portfolio companies

- Portfolio Monitoring Committee: follows progress across all portfolio companies on value creation initiatives including sustainability. This meeting is chaired by the Operating Partner in charge of digital and sustainability

2 Remuneration Approach

Seven2 SAS remuneration policies are designed to promote sound and effective risk management and not to encourage risk-taking, including sustainability, which is inconsistent with the risk profiles of the investment funds managed by Seven2 SAS.

Seven2 has recently updated its internal remuneration policy on the **variable component** by adding the importance for all employees to contribute to the positive integration of ESG criteria within our processes, as mentioned in our responsible investment policy.

D. Engagement strategy with issuers or managers

1 Engagement Strategy

Dialogue and engagement with portfolio companies on sustainability are a key aspect of regular interactions to help them implement impactful sustainability strategies and action plans (see section A). Seven2 enters in regular dialogue with 100% of its 25 portfolio companies to discuss a variety of topics, such as:

- Building sustainability strategies through workshops with senior management
- Defining net zero trajectories and coordinating carbon footprint assessments with external providers
- Running the annual ESG data collection and verification campaign supported by an external provider
- Working on the Apax Philanthropy Fund
- Sharing good practices across the community of portfolio companies
- Animating the community in regular calls
- Participating in Board meetings, where strategic sustainability updates take place
- Following-up on progress with regular calls and meetings

We have defined an **Engagement Policy** which covers all portfolio companies and is accessible in the sustainability section of our website. In the **section on voting rights**, we state the following:

Seven2 is systematically convened to the general meetings of the companies in which it has invested in equities through the funds it manages. In 2022, we voted in favor of more than 98% of the resolutions.

The management company ensures that the voting rights of the Funds are exercised at each meeting.

The decision on the direction of the vote is taken by each partner in charge of monitoring the company concerned. Management company representatives vote at Meetings in the best interest of the Funds that they represent. In the event of a non-consensual vote, the partner in charge of the file will be asked to justify this vote.

The exercise of voting rights is done face-to-face or by correspondence in the event of impossibility for the Associate to be present or to be represented.

In accordance with EU Directive 2017/828 of May 17, 2017, the management company reiterates its policy of voting rights in the appendix to the half-yearly and annual management reports of the Funds, sent to unitholders.

Exclusion policy: All our investments have been screened to ensure they comply with our exclusion policy (see appendix). Furthermore, all the companies prior to acquisition have been assessed on ESG criteria to ensure they are aligned with our responsible investment strategy (see section A and our sustainability website).

E. European Taxonomy and fossil fuels

1. EU Taxonomy

Seven2 has screened its 25 portfolio companies in order to assess the companies that are eligible to the EU Taxonomy. 8 companies are eligible with 4 that are above the following thresholds (>500 FTE) and turnover (>40M€). In the coming months, we will be working on the alignment of these businesses to the EU taxonomy to understand the business risks and opportunities this underlies.

2. Fossil fuels

Seven2 investment strategy focuses on 4 sectors of the economy, which are tech & telecom, healthcare, consumer goods and services and hence does not include the fossil fuel industry.

In addition, it has defined an exclusion policy, where is states it we will not invest in portfolio companies that at the time of the investment derive more than 50% of their annual consolidated sales revenues for the recently completed fiscal year, as determined in good faith by the Management Company, from :

- Coal mining, or coal-based power generation
- Fracking in relation to fossil fuels, mining or extraction of oil sands, or oil and gas exploration and primary extraction in the Arctic region

The details of our exclusion policy are available in the appendix of this document., as well as on our website.

We currently have no direct investment in coal nor in oil and gas companies.

F. Paris agreement strategy

Seven2 takes into consideration and integrates climate change issues throughout its investment process, which starts prior to acquisition.

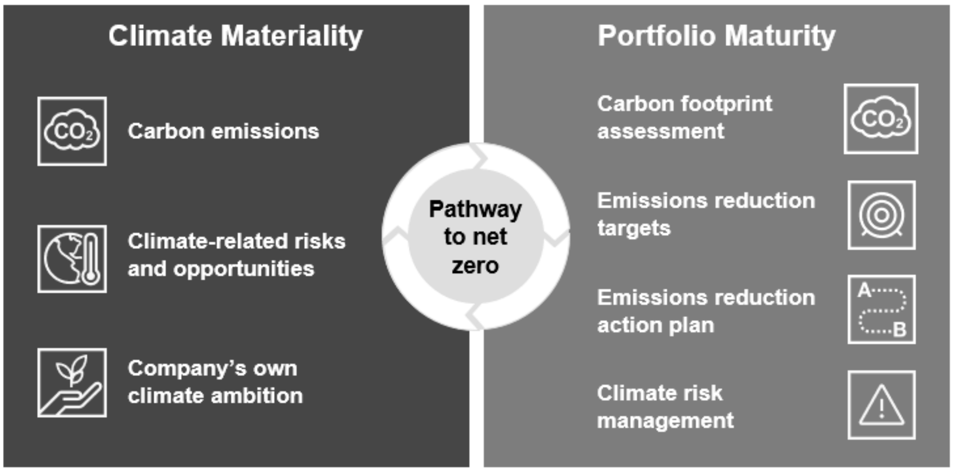
Reducing greenhouse gas (GHG) emissions and aiming toward net-zero targets is a core commitment in Seven2's sustainability strategy.

1. External engagement on Climate Change

In 2015, Seven2 was one of the founding companies of the Carbon 2020 Initiative (IC20) with four other asset managers. Now known as the International Climate Initiative ("iCi") following its approval by the UN PRI, this collective initiative aims at bringing financial sector actors together to move forward on reducing the impacts linked to climate change, and at contributing to the COP21 objective of limiting temperature increases to two degrees Celsius.

2. Our approach for integrating climate change risks within our portfolio

To build its decarbonization approach, Seven2 started by working with PwC to assess its carbon exposure across its 25 portfolio companies. The methodology used was inspired by the Task Force on Climate-related Financial Disclosures (TCFD) and identified both climate materiality issues and portfolio maturity.



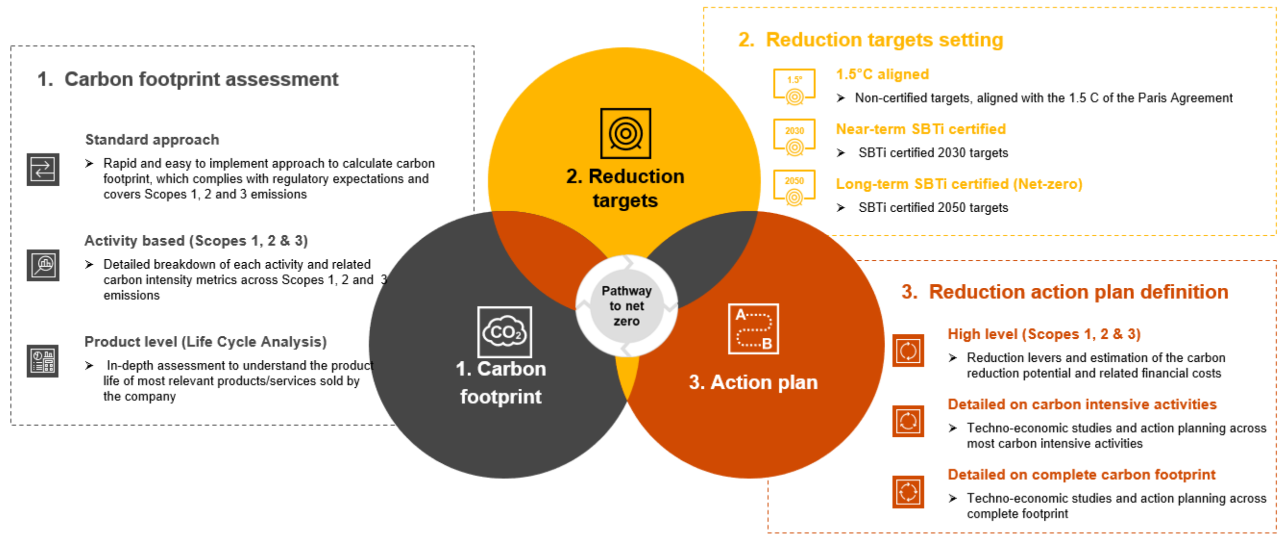
To make this analysis and assess climate exposure, the following data points and information were used:

- Existing CO2 emissions scope 1, 2 and 3 of portfolio companies
- Exposure to physical risk: based on geographical location(s) of the portfolio companies: 1) climate hazards (ex. severity and type of extreme weather events (cyclones, hurricanes, heat or cold waves, floods)) and 2) shifts in climate patterns (e.g., sustained higher temperatures, sea level rise, changing precipitation patterns).
- Exposure to transition risks: based on the sector of activity and geographical location(s) of the portfolio company on the following topics: 1) policy & legal – including EU Taxonomy eligibility, 2) technology, 3) market, 4) reputation
- Opportunities linked to climate change: 1) products & services, 2) energy sources and efficiency, 3) business resilience
- Company information on the way they manage climate change: governance, resources, strategy, etc.

3. **The results of the portfolio analysis**

The portfolio assessment found the highest level of exposure to be in the consumer and services sectors, representing 30% of Seven2 portfolio companies, as they have the highest carbon emissions and are facing increasing regulatory and consumer pressure. Some 50% of the portfolio's tech & telecom companies also face material climate issues due to the use of energy-intensive data centers, and network infrastructure. Meanwhile, 8 companies can be classified under the EU Taxonomy, with 4 of them above the size (>500 FTE) and turnover (>€40M) threshold.

Based on this assessment, an ambitious yet reasonable 'pathway to net zero framework/ program' was defined, providing a specific path for decarbonizing for each portfolio company. This 3-stage process is described below:



The outputs allowed us to assess the following elements for each portfolio company to define their tailored approach to decarbonize:

Climate exposure										Actions required to decarbonise				
Company Name	Sector of Activity	Revenue (M€ 2021)	Carbon Footprint	Absolute Scopes 1 & 2 Emissions	Absolute Scope 3 Emissions	Carbon Intensity (Scopes 1 & 2)	EU Taxonomy	Climate Materiality	Company Maturity	Decarb. Effort Level	Carbon Footprint	Targets	Action Plan	Next Steps
								High	Med	+++	Product level	2050 Long term SBTi	Overall footprint	
								High	Med	+++	Product level	2050 Long term SBTi	Overall footprint	
								High	Med	++	Activity based	2030 Near term SBTi	Intensive activities	

4. Our pathway to decarbonization program

The result of the climate assessment allowed us to establish a **decarbonization program** to help accelerate this transformation. For all portfolio companies, we will follow the 3 step process outlined above to work on: 1) carbon footprint assessment, 2) reduction target setting, and 3) reduction plan definition

In this program, we also defined 2 segments based on their carbon exposure and hence two levels of ambition towards climate certification:

1. **For companies with higher carbon exposure (30% of our portfolio)**, we will stride towards Science Based Targets (SBT) certification

2. **For companies with lower carbon exposure (70% of our portfolio)** we will not require SBT certification

We have set the following milestones in our program, within a framework for concrete action, to help our portfolio companies accelerate their decarbonization efforts:

- In 2023, our target is to have **75% of our portfolio companies conducting a detailed carbon footprint assessment covering scopes 1, 2 and 3, and 50% to have started to define their CO2 emissions reduction plans in line with 1.5°C scenarios.** Of note, in 2022, 92% of Seven2's portfolio companies measured their scope 1 and 2 emissions and 48% carried out a full assessment for scopes 1,2 and 3.

- In 2024, we will work to have **all remaining portfolio companies with a full detailed carbon footprint assessment covering scope 1, 2 and 3** and to have all remaining portfolio companies defining their CO2 emissions reduction plans in line with 1.5°C scenarios. Furthermore, we will verify that all our portfolio companies are **monitoring and reporting their emissions** and assist the 30% most carbon exposed portfolio companies in setting and submitting intermediate (5 to 10 years) and, or long-term (no later than 2050) science-based targets.

- In 2027, we will **ensure that emissions reduction strategies are implemented by our portfolio companies** and that portfolio higher carbon exposed companies are disclosing annual results against their SBTI targets of their emissions reduction strategy

This process of carbon-footprint reduction will continue beyond 2027, with the goal of aligning with the +1.5°C scenarios.

5. Biodiversity alignment strategy

Seven2 takes into consideration and is working to integrate biodiversity issues throughout its investment process, which starts prior to acquisition.

1. Our approach for integrating biodiversity risks within our portfolio

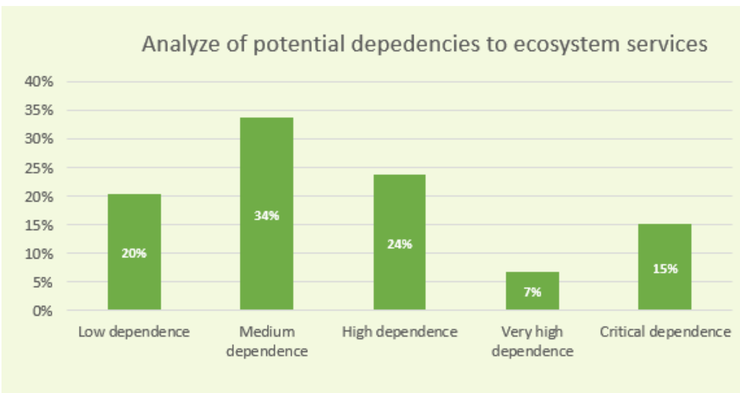
The first step Seven2 has taken to address the integration of biodiversity within its investment is to measure the overall biodiversity exposure of its portfolio companies. The objective is to identify the companies with material biodiversity issues in order to focus our attention on those companies which are more exposed.

We used the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool, developed by the Natural Capital Finance Alliance in collaboration with UNEP-WCMC (UN Environment Program World Conservation Monitoring Centre), to analyze biodiversity dependencies. The tool lists 21 ecosystem services which companies rely on to carry out their activities, and allows us to calculate dependency scores for 23 portfolio companies (currently excluding Almond and Diapason).

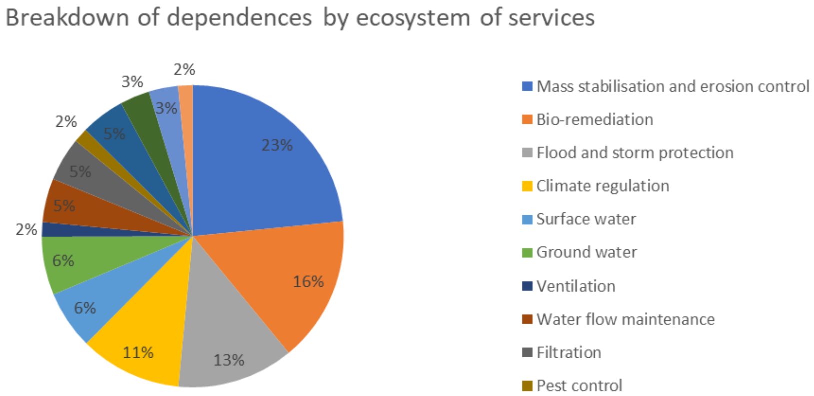
This first qualitative analysis of the dependence on ecosystem services allows us to estimate the exposure of our portfolio in the event of disruption and depletion of ecosystem services and to understand more precisely which companies in our portfolio have activities strongly linked to the supply of one or more ecosystem services.

ECOSYSTEM SERVICES ANALYZED		
Mass stabilization and erosion control	Dilution by atmosphere and eco-systems	Buffering and mitigation of mass flows
Bio-remediation	Fibers et other materials	Disease control
Flood and storm protection	Filtration	Water quality
Ground water	Mediation of sensory impacts	Maintain nursery habitats
Climate regulation	Water flow maintenance	Pollination
Surface water	Pest control	Animal based energy
Ventilation	Soil quality	Generic materials

2. The results of the portfolio analysis in terms of our potential dependencies on ecosystem services



Our assessment indicates that 15% of all dependencies in the portfolio are considered critical. For example, a portfolio company operates in the manufacturing and marketing of syrups and is identified as having a high dependence on ecosystem services. This is because the manufacturing processes are highly dependent on surface water (freshwater resources from rainfall collection and water runoff from natural springs) and groundwater (water stored underground in aquifers made up of permeable rocks, soil, and sand).



Seven2's portfolio companies are primarily dependent on the following ecosystem services:

- Mass stabilization and erosion control (23%)
- Bio-remediation (16%)
- Flood and storm protection (13%)
- Climate regulation (11%)

This analysis will allow us in a second step to deploy the action plans necessary to respond to the identified issues of dependence of companies vis-à-vis biodiversity.

3. The results of the possible impact on biodiversity erosion - MSA

The Corporate Biodiversity Footprint (CBF) methodology and the Mean Species Abundance (MSA) metric to quantify the impact on biodiversity:

Unlike the qualitative approach used to measure the dependence of companies on ecosystem services, we assessed the impact of companies on biodiversity quantitatively aggregated at the portfolio level.

The methodology used by Seven2 is that of the Corporate Biodiversity Footprint (CBF), an approach to the footprint expressed in Km².MSA ("Mean Species Abundance", "the average abundance of species"): it is a measure of biodiversity that expresses the average relative abundance of native species in an ecosystem compared to their abundance in an ecosystem which is undisturbed by human activities and pressures. This corresponds to the negative impact (footprint) on biodiversity, i.e., the difference between an initial state and a final state of biodiversity. Thus, an MSA of -10 Km² would indicate a destruction of 10 Km² of an intact pristine ecosystem (primary forest).

Taking into account the pressures exerted by the activities of companies:

The CBF models the impact of business on biodiversity through four main environmental pressures on species and habitats:

- Land use change: the occupation, transformation, increase, encroachment and fragmentation of soils;
- Climate change due to greenhouse gas (GHG) emissions;
- Air pollution: disruption of ecosystems due to terrestrial eutrophication and acidification (nitrogen and sulfur emissions respectively);
- Water pollution: ecotoxicity of fresh waters with the release of toxic compounds into the environment and the entanglement of plastic materials.

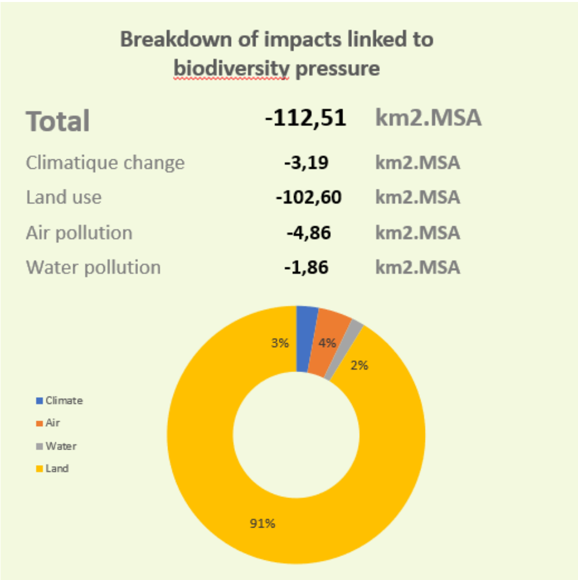
These pressures are calculated throughout the company's value chain, by evaluating its processes, products and supply chains. All pressures are grouped into Scopes 1, 2 and 3 according to the definitions of the GHG Protocol:

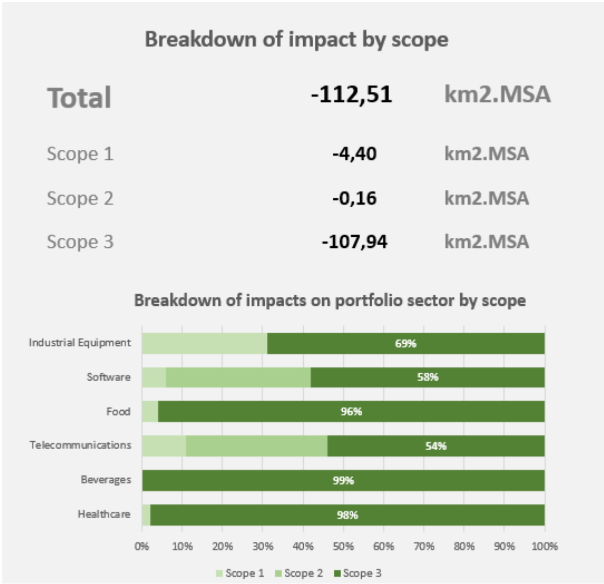
- Scope 1 relates to all impacts of the emissions from the organization's owned or controlled operations;
- Scope 2 concerns all impacts related to energy purchases or acquisitions;
- Scope 3 concerns all indirect impacts from the value chain, upstream (purchases excluding energy) and downstream (use and end of life of products).

The methodology then consists in translating all the pressures by pressure-impact damage functions (based on the GLOBIO model) into the same unit of impact on biodiversity, which is the Km².MSA.

For each of the environmental pressures, the methodology takes into account the direct impact generated during the year of measurement (year N), as well as the impact that will be generated in the following years.

Thanks to this methodology, we have a measure of the annual biodiversity footprint of our portfolio.





The output of the analysis indicates that our biggest impact is on land use representing 91% of the biodiversity pressure and within our scope 3 representing 96%of the impact.

4. Our pathway to reduce negative impacts from biodiversity

Based on the outputs of this analysis, Seven2 will now work on defining (2023/24) its strategy to tackle biodiversity across its portfolio companies focusing on the most exposed companies, however, as mentioned only one appears to be critically exposed. We will take a long-term approach (2030) to fix goals and objectives that are aligned with the biodiversity needs.

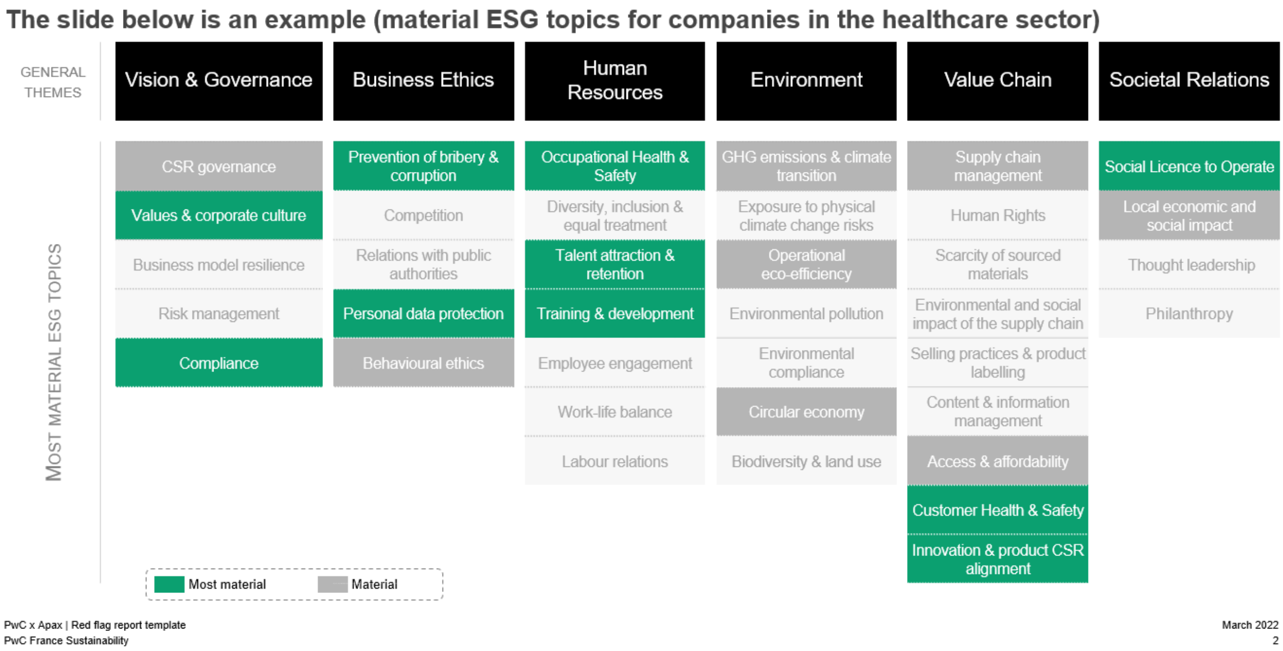
We are continually improving our knowledge, understanding and quality of biodiversity data to establish these long-term goals and objectives.

6. Integration of ESG risks in risk management

1. Our due diligence process (prior to acquisition):

Prior to any acquisition (as listed above in section A), Seven2 undertakes a systematic ESG due diligence in which we integrate all key materials sustainability risks and opportunities including climate change (physical and transitional risks) and when relevant loss of biodiversity.

To map the key sustainability topics, we use the following list of ESG criteria in order to select the most material issues. This analysis is based on our understanding of the business and its ESG potential risks, as well as opportunities (e.g., regulatory, market, technologically innovation, reputational, operational, etc.).



Once, we have identified the most material topics, we will make a deep dive to assess the level of business risk or opportunity the companies faces. For example does the business face a high regulatory/ operational risks, or is there a business/ reputational opportunity. This allows us to identify the level of maturity of the company on these topics.

To assess this level of information, we will leverage different types of information such as company documents, web public information, controversy analysis, interviews with key stakeholders/ experts. We will always try to ask questions to the management of the company to better understand their approach on the key sustainability issues and try to access data to assess performance and progress over-time.

We look at short-term but also longer-term risk exposure, as we need to asset the potential of the company over the entire investment period, which is typically between 5 to 7 years. This means we need to try and assess the potential of transformation a company has on sustainability issues during our investment period and the potential financial impacts.

Finally, we have defined a specific internal format to feedback on this analysis and share our key learnings on which to base on investment decisions with our Investment Committee, where the sustainability topic is systematically addressed.

2. During the holding period

We will work closely with each portfolio company to define a sustainability strategy in line with their key material topics, where they will be asked to put in place targets and KPIs, as well as define an action plan to reduce ESG risks but also focus on the possible business opportunities (see section A). This strategy will be presented to the Board of Directors for validation and should also align with Seven2 9 commitments. Furthermore, each company will need to define the right level of governance to support their strategy and commitments in order to secure operationalization.

Our Chief Sustainability Officer will monitor progress regularly through direct contact with the portfolio companies senior management and/ or CSR manager, as well as through more formal meetings such as the Board of Directors.

3. Double materiality

In order to enrich this approach and better apprehend the double materiality of any asset that enters our portfolio, we are currently working to revise and enhance our due diligence methodology.

We will work at assessing the following issues for any new asset entering our portfolio:

1) Whether the asset contributes positively to a social or environmental objective integrating the Principle for Adverse Impacts (PAI) indicators
2) Whether the investment meets the principle of “Do No Significant Harm (DNSH)” to the environment or society. This of course integrates any possible negative impacts towards climate change (physical or transition risks) and on the erosion of biodiversity
3) Whether the company has implemented good governance practices

In addition, we will also work at identify the key material topics and for that ensure we reach out the right stakeholders to understand their needs.

7. List of financial products mentioned under Article 8 and Article 9 of the Regulation (EU) 2019/2088

All new Seven2 funds will be classified Article 8 under the Sustainable Finance Disclosure Regulation (SFDR), starting with our new fund Apax Development Fund II, currently being raised. Our latest fund X still falls under Article 6, as it was raised before the SFDR was finalized.

We have provided you with the list of our different funds and their classifications:

Assets under management (31/12/2022)	Name of funds	Millions Euros	% funds
Total amount of assets managed with ESG integration	All Seven2 funds	4,779m€	100%
Total amount of assets managed under funds labeled Article 8 (SFDR regulation)	Apeo	311m€	6.5%
Total amount of assets managed under funds labeled Article 6 (SFDR regulation) – all funds excluding Apeo	All funds except Apeo	4,468m€	93.5%

Exclusion Policy (June 2023)

A. Exclusion List

Seven2 recognizes its responsibility to society and takes pride in our distinctive authenticity and pragmatic approach towards investment. To stay true to our values while building a more resilient and purpose-led future, Seven2 pledges to exclude several sectors from future investment.

Seven2 will not invest in portfolio companies that at the time of the investment derive more than 50% of their annual consolidated sales revenues for the recently completed fiscal year, as determined in good faith by the Management Company, from:

- The production of tobacco
- The production of pornographic movies & prostitution
- The production, manufacturing, and trading of offensive weapons & firearms (excluding computer technology, communications equipment, software, medical supplies, vaccines or similar items)
- The operation of casinos, gambling places or lotteries
- Coal mining, or coal-based power generation
- Fracking in relation to fossil fuels, mining or extraction of oil sands, or oil and gas exploration and primary extraction in the Arctic region
- Exploration, development, or operation of mining assets
- The manufacturing of genetically modified products (GMOs), as an end product for use in agriculture
- Human and animal cloning for commercial purposes (excluding for medical and clinical purposes)
- Economic activities which are illegal (e.g., malware-type software designed as a cyber weapon, production of lethal purpose drugs, etc.) in the jurisdiction in which such activities are provided

- Activities which are in the serious or systematic violations of human rights relating to forced labor and illegal child labor.

Seven2's exclusion policy will be reviewed annually and updated based on the evolution of sustainability issues.

In addition to the exclusion list, Seven2 consistently and systematically considers sustainability prior to acquisition. Topics of sustainability are embedded in Seven2's investment and decision-making processes.