

## Integration of sustainability risk in investment decisions

HitecVision integrates sustainability risk in its investment decision-making process. Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment.

Information on how HitecVision integrates sustainability risks at entity level is described in this disclosure, while information on how sustainability risks are integrated at product level will be provided to potential investors prior to investment. Website disclosures for funds managed by HitecVision are available at <https://hitecvision.com/sustainability/sustainability-related-disclosures/>

Identification and assessment of sustainability risk are integrated in our internal policies and procedures, including HitecVision Responsible Investment Policy (available here). The principles set out in the Responsible Investment Policy and in this statement are further detailed and operationalised in HitecVision's internal policies and guidelines and internal and external control mechanisms.

HitecVision seeks to identify sustainability risks in its pre-investment evaluation and due diligence process, using a dedicated pre-investment ESG assessment tool for new investments, supported by an ESG due diligence questionnaire which must be signed off by management and/or sellers of the target company. The process covers risks related to the environment, climate, working conditions, labour rights, human rights, corruption, money laundering, and more.

Detailed ESG due diligence is conducted, if necessary, based on the initial risk assessment and responses to the ESG due diligence questionnaire. Nevertheless, relevant topics are also included in the scopes of commercial, technical and legal due diligence conducted by third-party advisors. All identified sustainability risks must be assessed as part of the investment decision. For each material risk, relevant mitigation actions must be identified and incorporated into the financial assessment of the investment. To proceed with an investment, the overall risk profile must be considered tolerable and fall within the mandate of the respective fund.

All new platform investments and significant add-ons are subject to a compliance review prior to a final investment decision. The compliance review includes the investment team using a compliance checklist, followed by an approval process conducted by the internal compliance function and the Compliance Committee. Through the compliance review, the Compliance Committee reviews that sustainability risks have been identified, assessed and documented.

Sustainability risks identified in the pre-investment evaluation and due diligence process form the basis of our subsequent engagement with each portfolio company aimed at managing their financial risks, thereby reducing the sustainability risks in HitecVision's investments.

We require all portfolio companies to have an ESG responsible. We also offer regular training and knowledge sharing on relevant topics. All companies are required to conduct a double materiality assessment, which includes identifying material sustainability risks. Once the most important issues have been identified, the company shall set targets for each of these ESG KPIs and develop action plans to reach them, as well as a process for reporting against these KPIs.

We conduct biannual ESG meetings with each portfolio company's management, focusing on progress, challenges and opportunities. We require quarterly reporting from our portfolio companies on a number of ESG metrics and engage with the companies to ensure we understand the developments. A selection of these metrics is provided to our investors in the quarterly investor reports. Additionally, annual ESG performance is presented in our annual Sustainability Report, which is published on our website.

Date of publication	Version	Amendment
19.12.2022	1	Publication of disclosure
10.12.2025	2	Removal of sustainability impacts and additional details of our internal processes and reporting