

## SFDR Disclosures

The wording below constitutes AlpInvest Partners BV (**AlpInvest**)'s disclosures in accordance with the EU Sustainable Finance Disclosure Regulation (2019/2088) ("**SFDR**") when acting as manager under the AIFMD.

### **Sustainability risks**

**This section constitutes AlpInvest's disclosure in accordance with Article 3 (1) of the SFDR**

Responsible investing ("**RI**") is an integral part of the AlpInvest culture. We believe that taking a proactive approach to RI gives us the power to deliver more value for our investors. As RI and Environmental, Social and Governance ("**ESG**") matters can impact the performance of our investment portfolios and therefore should be given appropriate consideration in investment-decision making and portfolio management processes.

AlpInvest developed its own RI standards and appointed a dedicated RI officer in 2008. Since then AlpInvest has installed formal processes to integrate RI issues into its investment processes and to promote RI as an investment consideration both within its portfolios and more broadly among sponsors.

Responsible Investment falls under the responsibilities of the Board and the development and implementation of AlpInvest's RI strategy and policy are overseen by the Firm's Operating Committee.

The RI Officer at AlpInvest, has been responsible for the development and implementation of the Firm's RI policy since 2008. The investment team members lead RI due diligence for new investment opportunities, scan the portfolio for potential ESG issues and, together with the RI officer, engage with Private Equity funds on ESG.

ESG considerations are included in all phases of the pre-investment and investment decision making process. For each of our private equity strategies, we have developed specific RI due diligence processes tools that assist the investment teams in assessing ESG factors of an investment under consideration and uses the UN Global Compact as reference framework. The results and conclusions of the RI due diligence are typically included in a dedicated section in the investment proposal that is presented to the Investment Committee.

When AlpInvest identifies material ESG risks in a potential investment opportunity, it will further investigate the situation and determine how to proceed. In the cases where AlpInvest concludes that

RI risks are too high (which have been limited to date), it will not invest in the opportunity. In those instances where AlInvest concludes that the RI risks are manageable, they can be considered in the investment thesis as appropriate and/or AlInvest can decide to enhance ESG monitoring of the investment and/or address the situation with the GP directly.

### **Adverse sustainability impact**

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

AlInvest does not consider the principal adverse impacts of its investment decisions on sustainability factors ("**PAIs**") for the moment.

As a global investment firm, AlInvest believes that RI and Environmental, Social and Governance ("**ESG**") matters can impact the performance of our investment portfolios and therefore should be given appropriate consideration in investment-decision making and portfolio management processes. We have formal processes in place to integrate RI issues into our investment processes and to promote RI as an investment consideration both within our portfolios and more broadly among sponsors.

Despite this commitment, AlInvest considers that it will not be able to collect sufficient data of satisfactory quality to allow AlInvest to provide a meaningful insight into the potential adverse impact of its investment decisions on sustainability factors. AlInvest considers that, where such adverse impact information is published, the specific aggregated firm-wide or fund-level disclosures mandated by article 4 of the SFDR may fail to provide a meaningful insight into sustainability factors at a fund or investment level. Moreover, AlInvest could not gather and/or measure all of the data on PAIs, or could not do so systematically, consistently, and at a reasonable cost to investors. This is in part because underlying issuers (which are global, and many not public interest entities) are not widely obliged to, and overwhelmingly do not currently, report by reference to the same data. The stance of AlInvest on this matter will be reviewed at least annually by reference to regulatory and market developments.

Despite the above, AlInvest continues to advocate solid ESG reporting and aims to further strengthen the data input from the underlying issuers. We seek an active dialogue with PE sponsors (GPs) and portfolio companies to encourage them to improve their own ESG approach, including on reporting, and to consider adopting generally accepted standards including the Principles for Responsible Investment (**PRI**), UN Global Compact, and Institutional Limited Partners Association (**ILPA**) guidelines.

In addition, AlInvest actively engages with GPs and portfolio companies to respect the UN Global Compact principles in the fields of human rights, labor rights, the environment and anti-corruption. Should AlInvest become aware of any violations of the Global Compact or other RI incidents, it engages with the GP or portfolio company in question with the goal of trying to resolve the issue in a satisfactory manner.

### **Integration of sustainability risks in remuneration policy**

**This section constitutes AlInvest's disclosure in accordance with Article 5 (1) of the SFDR.**

AlInvest's compensation program is designed to align the interests of its staff and its investors and aims to remunerate professional and support staff fairly, appropriately, and objectively. The compensation program is based on sustained, long-term performance and encourages retention.

AlInvest has since its incorporation linked its fixed and flexible remuneration to an explicit proof of compliance with the existing policies, of which the ESG Policy is one of them. As part of its further commitment to integrating sustainability risks in its remuneration policy, AlInvest has recently updated its remuneration policy. The updates make additional explicit references to compliance with the ESG Policy and sustainability risks as part of its assessment criteria when reviewing the performance of its staff.