SUSTAINABILITY RISK POLICY STATEMENT

AND

STATEMENT OF NO CONSIDERATION OF ADVERSE SUSTAINABILITY IMPACTS

pursuant to Articles 3 and 4, respectively, of the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ("SFDR")

applicable to

COLUMNA GP I S.À R.L., COLUMNA GP II S.À R.L., COLUMNA GP III S.À R.L., each in their capacity as alternative investment fund manager of the alternative investment fund(s) they respectively manage, and COLUMNA BIANALISI S.À R.L.,

Sustainability Risk Policy Statement

This disclosure statement outlines the way in which each of Columna GP I S.à r.l., Columna GP II S.à r.l., Columna GP III S.à r.l. and Columna Bianalisi S.à r.l. (each, an "**AIFM**") integrates sustainability risks into its investment decision making processes. In making its investment decisions, the AIFM receives investment advice from CPL Guernsey Limited, which in turn receives advice from Columna Capital LLP and Columna Capital Switzerland SAGL (together, the "**Advisors**").

A sustainability risk is an environmental, social or governance ("**ESG**") event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment (sustainability risks are referred to in this document as "**ESG Risks**").

In evaluating the impact of ESG Risks on investments, the AIFM takes advice on potential ESG Risks arising from the Advisors and, accordingly, the below overview of the risk management process reflects the advisory and due diligence practices of the Advisors. For convenience, the AIFM and the Advisors are therefore referred to in this document as "**Columna**".

ESG Risks applicable to portfolio companies are considered throughout Columna's investment process, both prior to and post-investment, as outlined below.

Pre-Investment

<u>ESG Deal Screening Tool (the "**ESG Tool**")</u>

Columna, in consultation with a specialist ESG consultant, has developed the ESG Tool to inform the investment decision making process in relation to ESG Risks. The ESG Tool is used to formally assess the ESG risk profile of potential and existing investments in a replicable manner based on a comprehensive set of ESG criteria. The application of the ESG Tool is mandatory for all prospective investments.

Analysis using the ESG Tool is undertaken at least twice with respect to each investment (at the outset in order to guide further due diligence and following completion of the due diligence process). Once this is complete, the results are provided to the Investment Committee to consider prior to making a decision on a prospective investment. In some instances the results of the ESG Tool analysis may result in Columna requiring risk mitigation elements as part of the deal completion.

The ESG Tool considers materiality when assessing relevant ESG factors. To the extent that an early version of the ESG Tool analysis identified key ESG Risks, Columna would seek to acquire appropriate due diligence in order to address any matters of concern. Columna may, for example, commission specialist advisors to conduct environmental due diligence where Columna perceives that the target company could be susceptible to specific environmental risks.

Columna's pre-investment due diligence covers the following as a matter of course: key marketplace and supply chain matters, the company's code of ethics, anti-bribery and corruption policies, health & safety policy and accident reports, employment matters (including staff turnover), quality of monthly reporting, budgeting process and management incentives. In addition, the ESG Tool utilises a score-based system which allows Columna to assess ESG matters arising from the potential portfolio company's business model, industry, geographical region and internal governance.

Excluded Investments

In addition to considering the impact of risks arising through the ESG Tool, Columna has determined that it will not make investments related to the following sectors: adult entertainment, gambling, tobacco, alcohol, arms manufacturing, testing on live beings, unsustainable wildlife exploitation and subprime lending.

Post-Investment

Columna monitors ESG Risks post-investment in a number of ways, primarily through participation on the board of portfolio companies and the use of Columna's ESG questionnaire, which is used to assist in the development of portfolio companies' individual ESG action plans.

Columna professionals hold seats on each portfolio company board and actively engage with company management to improve and monitor ESG matters, such as governance and reporting.

As part of Columna's ongoing portfolio monitoring process, Columna's ESG questionnaire (which can be tailored to address specific ESG Risks highlighted in previous diligence) is distributed annually to all portfolio companies for completion. The ESG questionnaire requires input and involvement from both Columna and the management of the relevant portfolio company. The questionnaire enables the parties to identify any key ESG deficiencies to be addressed and these are then incorporated into ESG action plans for each investment (each an "**Action Plan**").

Columna requires that each Action Plan is approved by the relevant portfolio company board and progress against the plan is presented and discussed at quarterly board meetings. It is also monitored by Columna on a regular basis.

Columna works with each portfolio company to ensure it has, or develops within a reasonable timeframe, an ESG policy and produces an annual ESG report. The Action Plans also include a commitment to more formal and thorough discussion of ESG matters at quarterly board meetings (which are attended by Columna individuals).

Other

Columna is a Principles for Responsible Investment signatory.

No Consideration of Adverse Sustainability Impacts

While Columna takes into account ESG Risks and Sustainability Factors in its investment management activity, Columna does not currently consistently evaluate the adverse impacts of investment decisions made on a uniform set of Sustainability Factors.

Columna has, in light of the size of its operations, the resources required to put in place the necessary processes, and the absence of clear regulatory guidance or industry consensus on the matter, determined **not** to comply with the requirement under Article 4(1)(a) of the SFDR.

"**Sustainability Factors**", means environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters.