

Value Enhancement Partners B.V. | SFDR disclosures

In order to comply with the sustainable finance disclosure regulation (**SFDR**), Value Enhancement Partners B.V. (**VEP**) makes the following disclosures .

Integration of sustainability risks

A 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*".

Before any investment decisions are made on behalf of a fund that the VEP manages, an investment decision process is followed that includes an extensive due diligence analysis, evaluation of the considered investment in investment memos and investment proposals, and multiple discussions in VEP's investment committee.

Part of the investment decisions process is that VEP aims to assess the risks attached to a potential investment opportunity, which includes sustainability risks. Identified sustainability risks are taken into account by VEP when making investment decisions where needed.

In addition, VEP pays staff a combination of fixed remuneration and variable remuneration (including a possible bonus). Variable remuneration for relevant staff also takes into account compliance with all policies and procedures which are in effect within VEP, including those relating to taking into account sustainability risks on the investment decision making process.

Employees are made aware of the applicable policies and procedures when starting their employment with VEP.

Transparency of adverse sustainability impacts at entity

In accordance with article 4 sub 1 (b) of the SFDR, VEP states that it does not consider adverse impacts of investment decisions on sustainability factors as set forth in article 4 sub 1 (a) of the Disclosure Regulation and therefore does not make the disclosures as described in article 4 sub 1 (a) of the SFDR. Given the small size of the organization of VEP, such disclosure as set forth in article 4 sub 1 (a) of the SFDR and the administrative burden in connection therewith would not be proportional.