

NO CONSIDERATION OF PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS AT ENTITY LEVEL

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The following statement applies to the management company Sparring Capital, in accordance with Article 4 of EU Regulation 2019/2088, known as the "SFDR."

Article 4 of the SFDR regulation concerning transparency of adverse sustainability impacts at entity level requires financial market participants to publish and maintain on their website a statement regarding the consideration of principal adverse impacts ("PAI") of investment decisions on sustainability factors.

This statement fulfills this objective and will be subject to regular review and update to account for the evolution of our responsible investment journey and the changes in French and European regulatory frameworks.

Sparring Capital is an independent asset management company specialized in private equity. The management company currently oversees two financial products:

- The SCF1 fund, launched in 2015, is currently in the divestment phase and classified as Article 6 in accordance with SFDR regulations ;
- The SCF2 fund, launched in 2019, is currently in the investment phase and classified as Article 6 in accordance with SFDR regulations ;
- The SCF2B fund, launched in 2019, is currently in the investment phase and classified as Article 6 in accordance with SFDR regulations.

As Sparring Capital is an asset management company with fewer than five hundred employees, the PAI at entity level is done on a voluntary basis. The management company is not obliged to publish a statement on its due diligence policy with respect to the PAI of investment decisions on sustainability factors.

However, it should be noted, that Sparring Capital incorporates and monitors ESG criteria in its investment process in accordance with its ESG investment procedure. This includes, among other things, conducting ESG due diligence before any investment to identify key ESG risks and opportunities, as well as conducting a thorough ESG review after the transaction by a third-party firm to establish a dedicated ESG action plan for each investment.

ESG data, including PAI indicators, is collected annually for all companies in Sparring Capital's portfolios. However, due to the varying maturity levels of portfolio companies, the consolidation of this data at the entity level is not currently undertaken.