ENTITY LEVEL DISCLOSURES

As a registered alternative investment fund manager, Veris Investments B.V. (Veris) is required to make certain sustainability-related disclosures pursuant to the EU Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (SFDR). Veris makes the following disclosures in accordance with Articles 3(1), 4(1)(b) and 5(1) of the SFDR.

Integration of sustainability risks into the investment decision making process

Sustainability Risk

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".

Possible sustainability risks identified by Veris in relation to its investment strategy include (but are not limited to) the following:

Environmental risks

- Climate change impacting operations and the supply chain (e.g. natural disasters damaging factories, failed harvests, scarcity of natural resources)
- Non-compliance with environmental-related rules and regulations
- Poor (enforcement of) environmental regulations in countries in which investments are made resulting in widespread pollution of air, ground and water resources

Social risks

- Use of child labor or forced labor in the supply chain
- Insufficient health and safety regulations
- Incidents of corruption
- Strikes and labour disputes
- Incidents of discrimination within the workplace

Governance Risks

- Inadequate investee management in overseeing sustainability risks
- Lack of adequate policies in place at investee companies
- Lack of clear management structure in investee companies

Integration of sustainability risks in investment process

Veris believes that, taking into account the investment policy of Veris, the integration of sustainability risk considerations in the investment decision-making process is an important part of the overall risk management. Veris aims to integrate sustainability risk assessments in its investment decision-making processes, as further described below.

Initial screening

In the initial screening phase, Veris first screens potential investments against compliance with its investment criteria and its exclusion list (in line with the IFC exclusion list). Subsequently, Veris assesses and rates identified ESG-risks related to the potential investee and determines the initial scope of due diligence that will be performed.

Due diligence

Veris conducts due diligence for each potential investment pursuant to which a risk analysis is made, including for sustainability risks. Through this process Veris identifies key sustainability risks (and opportunities) and defines appropriate mitigating measures. Where appropriate, external specialists will be instructed to perform ESG due diligence on the potential investee to identify sustainability risks. The outcome of the ESG assessment is documented in due diligence reports and will be included in the investment proposals for consideration by the investment committee and supervisory board prior to the investment decision being approved.

Contracting

When making an investment in an investee company, Veris aims to include provisions in the relevant legal documentation through which the investee commits to implement and comply with ESG-standards, with the goal to prevent potential sustainability risks from materializing.

Business Operations

Engagement with companies is part of Veris fundamental approach as an active and engaged investor. Throughout the ownership phase, Veris challenges and supports portfolio companies to enhance and further develop their ESG related achievements. Where required, action plans are prepared, performance and progress are monitored, and potential new risks are identified.

No consideration of sustainability adverse impacts

In accordance with Article 4(1)(b) SFDR declares that, at this stage, it does not consider adverse impacts of investment decisions on sustainability factors as specifically contemplated by the SFDR and therefore does not make the disclosures as described in such article. Given the small size of the organization of Veris, such disclosure and the administrative burden in connection therewith would not be proportional. Therefore, Veris does not issue a so called Principal Adverse Impact Statement (PAI Statement). Veris periodically re-assesses this position and may in the future, whether or not following clarifications in rules and regulations, based on specific requests from investors or at its own initiative, decide to issue a PAI Statement.

Remuneration policy in relation to the integration of sustainability risks

Veris holds annual performance reviews with its employees. Compliance with Veris' policies and procedures, including those relating to ESG, are taken into account in the assessment of the performance and the development of the remuneration of the relevant employee.

Date: 15 February 2021