Principal Adverse Impacts Statement

1. Perimeter, objective and definition of principal adverse impacts

This document concerns the entity Amethis Investment Fund Manager S.A. (hereinafter "Amethis") and is intended to present how Amethis considers the principal adverse impacts of its investment decisions on sustainability factors, in accordance with article 4 of the European Regulation EU 2019/2088 ("SFDR"). Adverse impacts refer to the negative consequences of investments on sustainability factors, which encompass environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

2. Information about policies on the identification and prioritisation of principal adverse impacts

Amethis acknowledges the impacts that its investment activity has on the economic, social, and environmental ecosystem and considers these aspects as being serious issues that must be closely identified and monitored.

Amethis's aims at improving the impact of its investments on ESG factors mainly by:

- protecting the local environmental ecosystem (management of environmental externalities, optimization of resource consumptions, etc.)
- supporting the development of local economies in Africa (funding of Africa's development, provision of decent jobs enabling workers to earn their living without impact on their health and safety, etc.)

This is why Amethis has put in place an appropriate Environmental and Social Management System (ESMS), integrated within its investment management framework, in order to improve the management of the environmental and social implications of its portfolios.

The key policies and procedures used in identifying and prioritizing principal adverse impacts are the following:

- The ESMS Policy Manual, presenting Amethis's general approach concerning ESG aspects (exclusions, ESG integration, engagement and stewardship, etc)
- The Equity Investment Procedure, detailing the actors and their related due diligences from an economic and ESG point of view prior to investing in a target

3. Description of the actions taken by Amethis in relation to principal adverse impacts

Amethis defined its investment/impact strategy by selecting the United Nations Sustainable Development Goals (**UN SDGs**) deemed most relevant for the problematics it encounters in Africa:

- **SDG 1**: Eradicate extreme **poverty** in 2030 and implement local appropriate social protection system
- **SDG 8: Decent work and economic growth**, which aims at protecting labor rights and promote safe and secure working environments
- **SDG 12: Responsible consumption and production** (sound management of natural resources, chemicals and waste; reduction in air, water and soil rejects and reduction of waste generation)

Amethis asks its investee companies to regularly disclose their contribution to these SDGs using the following (adverse impacts) indicators:

- Environmental aspects
  - Key Performance Indicators (KPIs) on operational performance related to natural resources consumption
  - KPIs on operational performance related to rejects
  - Waste production
- Social issues
  - Share of permanent and full-time employment
  - Average daily salary
  - Share of employees granted with medical cover
  - Frequency rate of work-related accidents
  - Number of fatalities

These indicators are closely monitored throughout the investment lifecycle, from the due diligence phase (exclusions, ESG risk-mapping, integration of ESG covenants in shareholder agreements) to the monitoring phase (engagement and stewardship through action plans, KPIs collection, regular calls and on-site visits) and up to the exit phase.

Amethis provides an ESG reporting at least annually to its limited partners, describing in detail the evolution of the principal impacts of its investments. This report is transmitted to investors in the 3 months following every financial year end.

4. Elements on Amethis engagement policies with its investee companies

During the due diligence phase, Amethis's investment team analyses the ESG inherent risk as well as the risk management quality of the target investment, allowing for the definition of the residual ESG risks.

During the Investment Committee, the draft of an ESG action plan is discussed in case of a) high residual risks, b) need to achieve compliance or c) wish to exploit a compelling opportunity. The monitoring plan is drafted, including related time and cost.

The ESG action plan is then monitored throughout the detention period by the Investment Team, with the support of the ESG manager. The means used are external consultancy, regular calls, on-site visits, KPIs collection as well as the enforcement, if necessary, of ESG covenants in shareholder agreements. The frequency of these actions depends on the inherent ESG risks of the target investment.

5. Adherence of Amethis to responsible business conduct codes and internationally recognised standards for due diligence and reporting

Amethis adheres to the following internationally recognized ESG codes and standards:

- Signatory of the UN Principles for Responsible Investments (PRIs) since 2013
- Promotion of the following international standards in its investment decision-making process and reporting:
  - UN Sustainable Development Goals
  - IFC Performance Standards
  - World Bank EHS guidelines
  - ILO conventions