

SUSTAINABILITY POLICY

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1. DEFINITIONS

ESG means Environmental, Social and Governance, and often refers to the three main factors when measuring the Sustainability Risk of an investment:

- **Environmental Risks** ("E"): environmental events that can generate physical risks. Those events could be, amongst others, waste, pollution of water, air and land, also extreme weather event such as storms, floods, droughts, fires or heatwaves, resulting from climate change and other chronic risks arising from gradual changes in the climate, such as changing rainfall patterns, rising sea levels, ocean acidification, and biodiversity loss.
- **Social Risks** ("S"): refer to risks related to, amongst others, social cohesion, social integration, human and labour relations, gender equality, employee relations, health and safety. This social dimension also includes the risks associated with working conditions.
- **Governance Risks** ("G"): refer to, amongst others, governance structures (such as board independence), respect of minority shareholders, transparency, balance of power, remuneration of manager/senior staff and tax compliance.

Fund means investment fund managed or advised by Symbiotics SA.

"Low and Middle Income Households" or "LMIHs" mean households with net disposal income that is average or below average in their country.

"Micro-, Small and Medium Enterprises" or "MSMEs" mean micro-enterprises (usually up to 5 employees), small enterprises (usually from 5 to 50 employees), and medium enterprises (usually from 50 to 250 employees).

SDG mean Sustainable Development Goals.

SFDR means "Sustainable Finance Disclosure Regulation" (SFDR), Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

Sustainability Factors mean environmental, social, and governance matters, as well as matters relating to human rights, anti-corruption, and anti-bribery.

Sustainability Risk means 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 the investment.

Target Investee means any organizations, financial institutions and banks targeting the MSMEs/LMIHs market segments.

2. PURPOSE

The purpose of this policy is to describe how the Funds target sustainable investments within the meaning of article 9 of Sustainable Finance Disclosure Regulation ("**SFDR**"), with a view to fostering inclusive development impact and long term value creation through sustainable principles (environment, social, governance) for its investors.

This policy should be deemed as part of Symbiotics SA objectives as per the Articles of Association whereby it is stated that *“The Company has the aim to provide services in the field of social investment, emerging or durable, including in particular the management of Swiss and foreign collective capital investments but also research, advisory, structuring and brokerage of investments as well as distribution of investment products. The Company shall have a material positive impact on society and the environment, taken as a whole, through its business and operations.”*

3. SCOPE

This policy applies to Symbiotics France SA, affiliate of Symbiotics SA.

In accordance with the article 318-62 of the Règlement Général of the AMF (the “RG AMF”), Symbiotics France SA has delegated the portfolio management activity of the alternative investment funds (“AIF”) to Symbiotics SA, the headquarter, which is an investment manager Swiss collectives within the meaning of the article 13 of the CISA, approved and supervised by FINMA.

As part of the delegation, Symbiotics SA assesses the Sustainable Risk and Symbiotics France SA performs regular oversight controls to ensure the appropriateness of the methodology applied to assess this risk.

This policy discloses the approach adopted to integrate the Sustainability Risk in the decision-making process.

4. STATUTORY COMPLIANCE

Symbiotics France SA is bound by SFDR, on sustainability-related disclosures in the financial services sector. SFDR requires, among other things, to include the Sustainability Risks, as defined below, in the risk management system.

5. GENERAL PRINCIPLE - INVESTMENT STRATEGY

The Symbiotics Group’s taglines are *reaching out through investments*, and *pushing money to where it normally doesn’t flow*, both anchored into development finance narratives of *building inclusive financial systems*, through effective outreach at the Bottom Of the Pyramid (“BOP”): going as far as possible into emerging and frontier economies and as deeply as possible into their undeserved markets.

Symbiotics SA applies this approach to all the investment strategies of the Funds. It aims to provide an acceptable risk/return profile to investors but also seeks to pursue an investment objective geared towards sustainable, inclusive and impact finance as per article 9 of SFDR by integrating ESG criteria in the decision-making process:

- Sustainable in the sense of ESG principles notably by targeting financial inclusion, sustainable agriculture, community development, renewable energy, healthcare and education.
- Inclusive in the sense of following an investment strategy that serves the base of the pyramid, investing with a view to create inclusive growth to the benefit of LMIHs and MSMEs.
- Impactful in the sense of positively addressing a range of global challenges, which may be illustrated currently by the SDGs 2030.

6. SUSTAINABLE APPROACH

Symbiotics SA's sustainable approach is to have a material positive impact on society and the environment through its business and operations.

Symbiotics SA verifies this approach using the IFC operating principles for impact management as a reporting and verification framework.

Symbiotics SA's sustainable approach has three different steps:

- Step 1: Sustainable finance principles: ESG ratings
 - Symbiotics SA uses its proprietary rating tool, filtering potential investments ensuring that they comply with ESG principles and identifying which investments have the highest potential impact.
- Step 2: Impact investing principles: SDG intent
 - Symbiotics SA includes Use of Funds in each transaction to ensure that investees address themes that contribute to SDGs.
 - In addition, to avoid financing harmful activities, the Funds consider a range of exclusion criteria, included in the written agreements of the Target Investees. The Funds will not finance potential Target Investees involved in the following activities or projects:
 - Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB's (Polychlorinated Biphenyls), wildlife or products regulated under CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora);
 - Production or trade in weapons and munitions;
 - Production or trade in alcoholic beverages (excluding beer and wine);
 - Production or trade in tobacco;
 - Gambling, casinos and equivalent enterprises;
 - Production or trade in radioactive materials; this does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where the Lender considers the radioactive source to be trivial and/or adequately shielded;
 - Production or trade in unbonded asbestos fibres. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
 - Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
 - Production or activities involving harmful or exploitative forms of forced labor/harmful child labor or any form of human trafficking;
 - Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products;
 - Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous peoples, without full documented consent of such peoples;

- Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations;
 - Destruction of high conservation value areas;
 - Pornography and/or prostitution;
 - Racist and/or anti-democratic media.
- Step 3: Inclusive finance principles: BOP outreach
 - Symbiotics SA measures the outreach of each investment to assess the extent to which they serve underserved markets and economies and the BOP that they constitute.

7. ESG RATING

Symbiotics SA developed internal methodologies to evaluate, amongst others, the Sustainability Risk and rank the Target Investees according to their commitment to the ESG criteria.

The rating tool ranks Target Investees according to their commitment to social and environmental goals and distinguishes the most socially oriented institutions from those which adhere to less ethical business models. The tool contains one hundred indicators, quantitative and qualitative, categorized into seven different dimensions relative to the ESG criteria:

1. Social governance;
2. Labor climate;
3. Financial inclusion;
4. Client protection;
5. Product quality;
6. Community engagement; and
7. Environmental policy.

The main purpose of the tool is to assess a Target Investee's commitment and capacity for sustainable development, the effectiveness of the institution's systems and services in this area as well as its results.

Each indicator is graded from 0 to 3 (0 = non existence or very poor, 3 = high quality or very good). A weighting system is then applied in order to obtain one of the following six grades:

- 5-stars rating: Extremely strong likelihood of contributing to sustainable development / Extremely low risk of having negative social impact.
- 4-stars rating: Very strong likelihood of contributing to sustainable development/ Very low risk of having negative social impact.
- 3-stars rating: Strong likelihood of contributing to sustainable development/ Low risk of having negative social impact.
- 2-stars rating: Moderate likelihood of contributing to sustainable development/ Moderate risk of having negative social impact.
- 1-star rating: Low likelihood of contributing to sustainable development/ High risk of having negative social impact.
- 0-star rating: Very low likelihood of contributing to sustainable development/ Very high risk of having negative social impact.

The ratings are conducted for each potential investee and presented to the Investment Committees of the Funds. Preference is given to investments that are expected to produce greater global ESG benefits and outcomes. Target Investee with an ESG ranking below 2.5 stars are only proposed to the Funds' Investment Committees in case of a specific interest and request.

The assessment of Target Investees' approach to the Sustainability Risks allows Symbiotics SA to maximize the probability that the Funds' investments have a positive impact.

The data and information collected through the rating process is aggregated at the Funds' level, allowing the Funds to gauge compliance with regard to their investment policies and with their sustainability objectives and to report progress to investors (refer to section 8.3).

8. PROCESS

8.1. TARGET INVESTEES' ASSESSMENT

The Investment Analysts from the Markets Division of Symbiotics SA are in charge of the prospection of Target Investees which are primarily active in financial inclusion.

Target Investees' screening is done by the Investment Analysts through the Due Diligence process. The Investment analysts have sufficient knowledge of global, regional and local financial markets as well as local laws to properly perform those reviews.

The Target Investees need to comply with the following criteria to be eligible for an investment:

- Proper management of ESG risk and positive social and environmental impact;
- Commercially sustainable financials and business plan;
- Externally audited accounts; and
- Minimum track record of three years.

Prior to the detailed analysis of potential investments, the Target Investees will be filtered according to the exclusion criteria detailed above.

The Investment Analysts collect all the necessary information during the Due Diligence of the Target Investee including environmental and social risk and impact, institutional profile and market positioning. The analysis is based on records, systems, policies and business practices.

The on-site due diligence is an important part of the investment analysis. The Markets team of Symbiotics SA has a local presence in each of the following locations: Singapore (covering the Asian region), Mexico (covering Latin America), Cape Town (covering Africa) and Geneva (covering Eastern Europe, the Middle East and North Africa and the Caucasus); making the on-site screening easier to organize. The Investment Analysts perform the assessments on-site (when possible) and have the opportunity to meet and interview key persons of the Target Investees. On-site visits normally take place every 18 months, and all documents as well as the scoring are updated accordingly. Target Investees are indeed monitored throughout the investment lifecycle.

The analysis of ESG-related information is an integral part of the due diligence conducted on potential Target Investees, both from an impact and risk management perspective.

The Market Credit Risk ("MCR") unit of Symbiotics SA performs an independent review of each potential Investee. It is also tasked with ensuring that the methodologies for the Target Investees assessment are properly applied and ensure consistency in the assessments cross regions.

8.2. PORTFOLIO'S SUSTAINABILITY RISK ASSESSMENT AND INVESTMENT DECISION

The construction of the portfolio is based on the strategy defined in the Fund's documentation and responds to investors' risk appetite. Different criteria are used to build the different portfolios, including the Sustainability Risk via the ESG rating. Information on ESG criteria is reflected in the investment proposal provided to the Fund's investment committee of Symbiotics SA.

Once the investments are made, the Sustainability Risk is regularly assessed by Symbiotics SA in order to calculate different indicators at each portfolio level in order to measure the average weighted sustainability scoring in the portfolio and the average weighted sustainability scoring for the future disbursements.

ESG aspects are considered alongside other financial and business indicators. To the extent relevant, reasonable and practicable, preference shall be given to investments that bear less environmental and social risks and are expected to produce greater global environmental benefits and social outcomes.

8.3. MONITORING

- As mentioned in the section *8.1 Target Investees' Assessment*, an on-going monitoring is performed by Symbiotics SA and Target Investees' changes are properly assessed in order to measure the evolution of their environmental, social and governance risks. These metrics and factors will be included as reporting requirements in the legal documentation signed with the respective Target Investee. The reporting requirements will include sharing of relevant internal reports or third party reports from auditors notably, where possible. The Target Investee will report to the Fund on a regular basis. To the extent possible, such reporting will be verified and complemented by the Investment Analyst, during any on-site visit to the Target Investee.

In case of material change in the risk profile, the information is relayed to the relevant teams at Symbiotics SA and actions plan is deployed on a case by case basis to address the potential mismatches.

9. PRINCIPAL ADVERSE IMPACTS ("PAI")

The PAI represent the potential material negative impact caused by the Sustainability risks, on the value of the portfolios. As per SFDR article 4, the Company must make statements explaining how the PAI are taken into account in the investment decisions. The detailed information on the PAI is published on the Company's website "SFDR disclosures".

10. OVERSIGHT CONTROLS

Symbiotics France SA performs regular Due Diligence reviews and ad-hoc reviews on Symbiotics SA to ensure that the processes in place allow to properly assess the Sustainability Risk and also ensure the compliance with the applicable regulations.

11. APPROVAL

This document was approved by the General Management on 27 July 2021.