



ICELAKE

ESG Policy

Version: February 2025

Strictly Private and Confidential

ICELAKE

1. INTRODUCTION

Scope

In this ESG policy, we formalise our motivations to integrate Environmental, Social and Governance (ESG) considerations and principles of responsible investment into our investment process. This policy applies to IceLake Capital's Fund II and subsequent funds, and to all affiliated companies where a fund managed by IceLake Capital has a majority stake, as well as to IceLake Capital's own operations. Where minority stakes are held, we commit ourselves to promoting ESG considerations within the reasonable limits of our span of control.

Guiding principles

As a signatory of the UN Principles of Responsible Investment (UNPRI), IceLake has an ongoing commitment to being a responsible investor. We continuously assess and align our responsible investment and ownership approach with international standards, principles, and guidelines. These include, but are not limited to, the six UNPRI principles and the ten principles of UN Global Compact.

2. OUR BELIEFS

At IceLake Capital, we believe that adherence to ESG principles is crucial to doing good business. Our main objective is to generate an attractive return for our investors, while also creating value for the businesses in which we invest and society at large. We believe that integrating ESG principles into our operations is vital to the stability of our own business, a resilient financial system and long-term value creation.

We use ESG as a framework to expand organisational objectives with ESG-related risks and opportunities while considering the interests of all stakeholders included in and affected by an economic activity. We adhere to the UN Brundlandt Commission's definition of sustainability, defining it as 'meeting the needs of the present without compromising the ability of future generations to meet their own needs'.

3. MISSION AND AMBITION

We actively support entrepreneurs and managers with improving, building, and growing their businesses into great companies. Our approach is collaborative, pragmatic, and focused on the long term. Sustainability is part of that.

IceLake has formulated objectives to guide ESG efforts in our investment portfolio. These objectives are content- as well as process-related. The content-related objectives are the following:

- Environmental:** We strive to reduce carbon emissions and work towards carbon reduction pathways aligned with the Paris agreement with our portfolio companies. Therefore, we support our portfolio companies in establishing roadmaps for carbon reduction and, where possible, -neutrality.
- Social:** We ensure the health, safety and well-being of all employees throughout our portfolio. We furthermore strive for diverse and inclusive workforces at all our companies and are committed to equal opportunities. Therefore, we support companies in implementing policies and practices to foster diverse and inclusive cultures in all levels of the organisation.
- Governance:** We strive to foster a culture of integrity, transparency, and accountability at all companies in our portfolio. We help our managers to establish good governance

processes and practices in their businesses.

IceLake promotes the following process-related ESG characteristics across the investment process:

- a) At IceLake Capital, environmental, social and governance interests are integrally factored into our decision making
- b) IceLake Capital integrates the identification and monitoring of topics for improvement related to ESG into the investment cycle
- c) IceLake Capital upholds a defined set of criteria that will lead to deselection of investments (see section 'Selection')
- d) IceLake Capital ensures the highest level of compliance to all ESG related regulations and plans to list its funds raised after 10 March 2021, the date on which the SFDR came into effect, as at least article 8 classification level
- e) IceLake Capital performs an ESG Due Diligence for every potential transaction
- f) IceLake Capital will implement an ESG Policy at its companies post-acquisition
- g) IceLake Capital will establish key performance indicators, and monitor these throughout the period that a company is in our portfolio

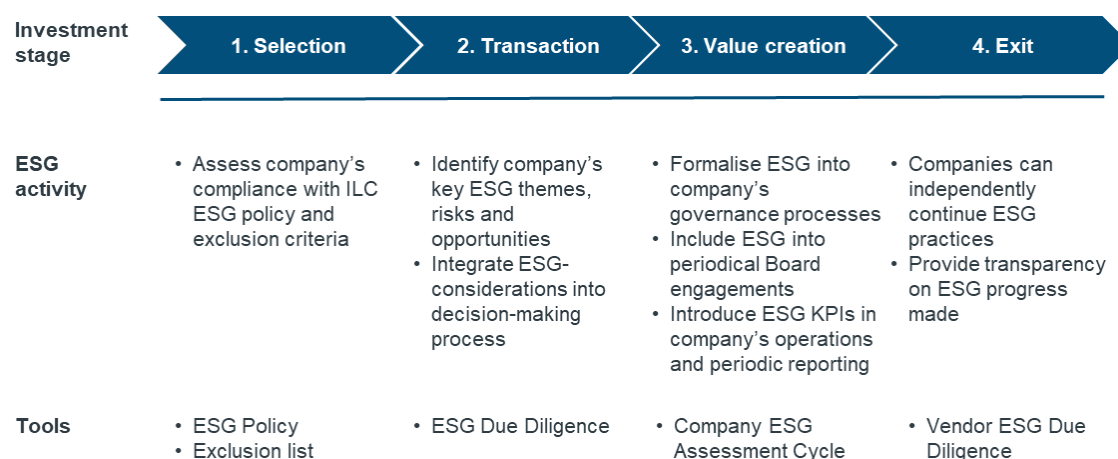
Besides our commitment to the integration of ESG principles in our own operations, we want to promote these principles within the broader private equity sector. Therefore, we embrace and integrate several industry initiatives. We adhere to the industry standards of Invest Europe and we are a signatory to the UNPRI and therefore embed their six principles into our operations. These ensure i.a. incorporation of ESG issues into investment, active ownership and appropriate disclosures.

To underline our ambition on ESG, we aim to provide maximal transparency on ESG topics to our stakeholders. Adhering to SFDR guidelines, we publish the appropriate disclosures on our website, namely IceLake's entity-level considerations on sustainability-related risks, consistency of our remuneration policy with sustainability-related risks, and entity-level considerations on principle adverse impacts (PAIs). Additionally, we annually share ESG progress reports on fund- and company-level progress on ESG themes through our investor committee meetings. We work with external ESG specialists to assist with our ESG analyses and inform our decision-making such that we apply the latest knowledge and developments.

4. INTEGRATION AND ORGANISATION

The structural implementation of ESG-related considerations into the investment strategy is ensured through its integration in all four stages of the investment process (see fig. 1).

Figure 1: The IceLake Capital investment process with integrated ESG activities



1. SELECTION

When selecting our investments, we always take ESG interests into account, and exclude investments based on a list of exclusion criteria covering precluded behaviour, products, and country affiliations (see annex). When selecting investments, IceLake Capital furthermore aims to flag any other potential ESG-related concern outside of the listed criteria.

2. TRANSACTION

ESG considerations are an integral part of our decision-making process on potential acquisitions. IceLake Capital systematically performs ESG-related due diligence on all potential acquisitions, supported by an external ESG specialist advisor. Herein, we identify ESG-related risks and opportunities. Findings of the due diligence are discussed in the investment committee and serve as a starting point for risk mitigation and value-creation post-acquisition.

3. VALUE CREATION

After investing in a company, IceLake Capital works together with company management to create strategic and operational plans and provides the support necessary to realise these plans. During our active partnership with companies, we conduct periodic ESG assessments. The ESG-related risks and opportunities become an integral part of our deliberations with company management, and we actively track progress and offer support to enhance performance.

To capture all relevant ESG-related issues, we employ a four-step framework (fig. 2). This framework aligns with several internationally recognised reporting frameworks and standards, including the Greenhouse Gas Protocol, SASB and the UN PRI.

Figure 2: Four-step framework to assess ESG-related issues

1. Industry exposure	2. Materiality assessment	3. Performance	4. Roadmap
Identify how the company's industry aligns with sustainable future.	Derive key material themes for the company, thereby taking full value chain into account.	Assess current performance on identified material themes.	Arrive at an action plan to capture ESG-related opportunities and mitigate -risks.

4. EXIT

IceLake Capital's goal is to establish ESG practices to such an extent that portfolio companies can continue these independently after we exit. If considered relevant, we provide ESG vendor due diligence to potential new shareholders. This gives us the opportunity to provide transparency on the improvements on ESG-related themes that the company has made while in our portfolio.

5. ROLES AND RESPONSIBILITIES

Our dedicated ESG Lead is responsible for carrying out the activities and applying the principles described in this Policy. The ESG Lead is supported by the investment team where needed, especially when working together with portfolio companies. Our Head of Finance is end-responsible for all matters of ESG.

At our portfolio companies, responsibilities for the integration of ESG-principles are woven into existing responsibility structures. The company management is ultimately responsible for the daily implementation of the ESG strategy, policy and for compliance with ESG reporting regulations. We actively support them in this.

6. OWN OPERATIONS

The ambition that we have in terms of ESG for our portfolio companies, also extends to our own organisation. We therefore include IceLake Capital as an entity in our annual ESG cycle. We map and monitor our own ESG priorities, and work towards mitigating ESG-related risks and seizing ESG-related opportunities.

ANNEX: EXCLUSION CRITERIA

IceLake Capital will refrain from investing in companies engaged in any of the following:

Controversial behaviour, including:

- Breach of human rights and labour standards per UN Global Compact Principles and OECD Guidelines for Multinational Enterprises
- Bribery and corruption as defined by local laws and the OECD Anti-Bribery Convention
- Other forms of unethical or illegal behaviour by company management

Controversial products, including:

- The production of tobacco
- The production, trade and/or distribution of cluster bombs
- Running or marketing of gambling activities
- Any activities and services affiliated with prostitution and pornography

Controversial country affiliation:

- Businesses related to any countries on the UN, EU and US sanctions lists, depending on the nature of sanctions in place during the investment period