ASTANOR

Where tech meets nature

SUSTAINABILITY RELATED DISCLOSURE

ABOUT ASTANOR

Astanor brings together capital, deep sector knowledge and disruptive technologies to give rise to a future of food that is nourishing, regenerative, trusted and ultra-fresh. Astanor's first multi-stage agrifood tech venture fund was established in 2017 and is seeding a revolution from Europe that will change the world. This disclosure relates to **GHVI-S SCSp** (the **Partnership**). Any reference to Astanor (**Astanor**) should be understood as a reference to the Astanor Team, as defined in the limited partnership agreement of the Partnership (the **Limited Partnership Agreement**).

ABOUT THE FUND MANAGER

GHVM-S S.à r.l. (the **Managing General Partner**), is a *de minimis* alternative investment fund manager as defined in the Article 3(2)b of the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as amended from time to time (the **AIFMD**). The Managing General Partner's objective is to manage an alternative investment fund (as defined in the AIFMD).

ABOUT SFDR

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (**SFDR**) is a European regulation which aims at providing clarity in sustainable investments and sustainability risks disclosures to investors. It lays down sustainability disclosure obligations for fund managers toward end-investors in relation to the integration of sustainability risks in all parts of the investment process. SFDR has been complemented by Commission Delegated Regulation (EU) 2022/1288 in force since 2023, as amended (**SFDR RTS**). Further information is available on the European commission website.

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SUMMARY

The Partnership is a dedicated investment vehicle which primarily invests in companies active in agrifood-tech. It aligns with Astanor's ambition to be a driving force in the evolution towards positive impact investing in the agrifood sector, thereby scaling a regenerative, connected agrifood system, built to enable health enduringly and to contribute to net zero (the **Sustainable Investment Objective**). The Partnership will make only Investments (as defined in the Limited Partnership Agreement) in sustainable investments as defined in article 2(17) of SFDR by:

- Investing in companies that enable or contribute to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy. This is measured by Astanor's three planet key performance indicators (**Planet KPIs**), which are stated in the pre-contractual disclosure: GHG emissions, biodiversity and water use.

- Investing in companies that enable or contribute to a social objective, by, for example, contributing to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities. This is measured by Astanor's two people key performance indicators (**People KPIs**), which are stated in the pre-contractual disclosure: health and social.

The Partnership will make at least 60% of Investments with an environmental objective and 20% of Investments with a social objective. The Partnership's sustainable investments are not aligned with the Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities, as amended (the **Taxonomy Regulation**).

To achieve its sustainable objective, Astanor has articulated its investment process around six steps as further detailed below:

1. initial screening;
2. due diligence;
3. investment documentation;
4. impact deep dive;
5. investment monitoring; and
6. exit.

Astanor has in place engagement policies with the various stakeholders in order to support the achievement of the sustainable investment objective.

No significant harm to the sustainable investment objective

Together with the Astanor Team, the Managing General Partner is focused on assessing and measuring the positive impact, as well as potential negative externalities, of the Investments. Each Portfolio Company will use its reasonable efforts to engage in not significantly harming any of the Partnership's sustainable objectives. To this end, the Partnership considers the principal adverse impacts of its investment decisions on sustainability factors throughout all major steps of the investment and portfolio management process.

Astanor ensures that the principal adverse impact on sustainability factors are considered along the life of the Partnership, including by each Portfolio Company:

(i) Astanor has prepared an impact and ESG clause – which it will use its best efforts to implement into the investment documentation when investing into a Portfolio Company and by which such Portfolio Company confirms not to cause significant harm; this clause helps to contractually ensure that the Partnership's Sustainable Investment Objectives cannot be harmed but also allow for a better escalation channel in the event of an ESG issue. Each Investor can consult the ESG clause in a publication from Astanor impact team.

(ii) Post-investment, Astanor performs an ESG roadmap that defines milestones and outlines a clear path for implementation thereof, which is reviewed and updated at least twice per year with each of its Portfolio Companies; in the context of an annual ESG due diligence, Astanor monitors that each Portfolio Company does not engage in significantly harming the Partnership's Sustainable Investment Objective. The ESG due diligence includes the consideration, and reporting on, the principal adverse impact indicators, which can be found in Annex I of this document.

The Managing General Partner will take the necessary preparations to gather, monitor and report the mandatory principal adverse impacts on sustainability factors defined in the SFDR RTS. Furthermore, Astanor will report on a selection of additional indicators related as mentioned above, and the following additional principal adverse impacts set out in Table 2 and 3 of Annex I of the SFDR RTS: "Lack of supplier code of conduct" and "Investment in companies producing chemicals".

Astanor will also use its reasonable efforts to assess whether the target companies are complying with the following minimum safeguards (the **Minimum Social Safeguards**):

- The OECD Guidelines for Multinational Enterprises;
- The UN Guiding Principles on Business and Human Rights;
- The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work; and
- The International Bill of Human Rights.

Sustainable investment objective of the financial product

The Partnership's Sustainable Investment Objective, as indicated above, is to be a driving force in the evolution towards positive impact investing in the agrifood sector, thereby scaling a regenerative, connected agrifood system, built to enable health enduringly and to contribute to net zero. Ultimately, as an impact fund, the Partnership aims at generating net positive impact at its term, by:

– Investing in companies that enable or contribute to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy. This is measured by Astanor's three planet key performance indicators (the Planet KPIs), which are stated in the pre-contractual disclosure: GHG emissions, biodiversity and water use.

– Investing in companies that enable or contribute to a social objective, by, for example, contributing to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities. This is measured by Astanor's two people key performance indicators (the People KPIs), which are stated in the pre-contractual disclosure: health and social.

Investment strategy

As a result of the Partnership's investment guidelines as referred to in its Limited Partnership Agreement and to meet the Sustainable Investment Objective, the Partnership will primarily invest in Portfolio Companies that are active in the areas of agrifood-tech.

The Partnership will respect its engagement towards sustainability as further described in Astanor's responsible investment policy available at Astanor's website https://astanor.com/legal-compliance/ (the **Responsible Investment Policy**). The governance practices of potential investment targets are evaluated in connection with due diligence processes. Astanor assesses the potential ESG risks of each potential Portfolio Company prior to investment by ensuring the potential Portfolio Company does not operate in high-risk countries in terms of money laundering, financing terrorism or corruption as well as ensuring proportionate good corporate governance.

Data collected from the Portfolio Companies through an ESG Questionnaire will be monitored on a yearly basis to ensure Astanor's engagements towards responsible investment, stewardship and accountability are respected, and, in particular, but without limitation, that the Portfolio Companies comply with the Minimum Social Safeguards. Results will be non-exhaustively published in Astanor yearly impact report.

Proportion of investments

The Partnership only invests in Investments (as defined in the Limited Partnership Agreement) that are sustainable investments as defined in article 2(17) of SFDR. The Partnership will make at least 60% of Investments with an environmental objective and at least 20% of Investments with a social objective. Further description of the repartition between environmental and social objectives can be found in the periodic report, as published from time to time. The Partnership's sustainable investments are not aligned with the Taxonomy Regulation.

Monitoring of sustainable investment objective

Astanor will help its Portfolio Companies on their sustainability journey. This is the core of Astanor's value proposition as an impact investor. To attain the Sustainable Investment Objective, we accompany our Portfolio Companies in building and improving their ESG and impact measurement capabilities, allowing us to monitor and stress out any specific development need of further impact-driven improvements in their respective strategies, notably through advanced impact measurement capabilities (*e.g.*, conducting a Life Cycle Assessment to compare the environmental performance of the product Astanor finances against what it replaces in the market).

Methodologies

At dealflow level, Astanor positively screens opportunities which match the firm sustainability and impact purposes, notably by ensuring that a foreseen investment set positive examples of environmentally and socially responsible business practices (see the Responsible Investment Policy – IV.4.A(ii)). It is important to note that, since Astanor will be screening for relatively young mission-driven companies that have identified a problem in the agrifood value chain and found a solution to participate in solving the problem, it is often the case that due to their size, the principal adverse impact of their activity on sustainability factors will often be inexistant: the core of Astanor investment thesis is to help build responsible ventures, on governance, environment and social aspects, as they grow. In addition, Astanor negatively screens for activities which have principal adverse impacts of investment decisions on sustainability factors and follows its exclusion list which is set out in annex of the Responsible Investment Policy.

During the due diligence process, three main criteria are considered: (i) environmental criteria, (ii) social criteria, and (iii) governance criteria. After the due diligence, the investment proposition confirms whether the prospective investment does no significant harm to the six objectives of the Taxonomy Regulation – in the case it would, this investment would not go through as it would be contradictory to the Sustainable Investment Objective and the overall impact thesis of Astanor. To strengthen its engagement, Astanor has prepared an impact and ESG clause – which it will use its best efforts to substantially implement into the investment documentation when investing into a Portfolio Company and by which such Portfolio Company confirms not to cause significant harm; this clause helps to contractually ensure that sustainable investment objectives cannot be harmed but also allow for a better escalation channel in the event of an ESG issue. Each Investor can consult the ESG clause in a publication from Astanor's impact team.

Post-investment, Astanor performs an ESG roadmap that defines milestones and outlines a clear path for implementation thereof, which is reviewed and updated at least twice per year with each of its Portfolio Companies; in the context of an annual ESG due diligence, Astanor monitors that each Portfolio Company does not engage in significantly harming the Partnership's Sustainable Investment Objective. The ESG due diligence includes the consideration of and reporting on, the principal adverse impact indicators, which can be found in annex of this document. In addition, during the first years since the initial investment, the Portfolio Companies go through the impact onboarding period with Astanor (the **Impact Onboarding Phase**, as further developed under section IV.D of the Responsible Investment Policy). During the Impact Onboarding Phase, companies have generally not reached early impact and will not report metrics against measurement indicators.

The progress towards achievement of the Partnership's Sustainable Objective is measured by the Astanor Team against selected impact key performance indicators defined during the Impact Onboarding Phase (the **Impact KPIs**). Each Portfolio Company is assigned at least one Impact KPI amongst: the Planet KPIs (GHG emissions, biodiversity, water use – see above), the People KPIs (health, social – see above) and impact intelligence (the **Impact Intelligence KPI**). Each Impact KPI is measured respectively with dedicated measurement indicators (the **Measurement Indicators**).

The performance of the Measurement Indicators will later be modelled in the impact valuation methodology (which will be subject to the prior approval of the Limited Partner Advisory Committee, where applicable) which translates the net positive impact creation of each Portfolio Company into monetary terms. The Sustainable Investment Objective attainment will be measured by the ultimate impact monetary value created by the Partnership's investment (the **Impact Multiple on Investment** or **IMOI**): if the IMOI of the Partnership is superior to 1, it means that more impact (environmental or social) has been created than the monetary value of Capital Contributions made by the Partnership's Limited Partners for Investments. Should the IMOI be inferior to 0.8 (this conservative threshold has been proposed to cater for the scenario where the impact measurement is complex for some young Portfolio Companies, especially those measured by the Impact Intelligence KPI), a portion of the Carried Interest will be donated to charities which pursue an objective similar to the Sustainable Investment Objective. Further information can be found in the Responsible Investment Policy.

The methodologies of Astanor are further described in the Responsible Investment Policy.

Data sources and processing

The data is processed via the online platform Sweep. Astanor verifies the correctness of the data. Since the data is collected directly from the Portfolio Companies most of the data is not estimated. For some of the less mature companies for which going through a carbon footprint exercise is too early and too heavy to do, the Partnership will use sector-based averages based on Carbon Disclosure Project (**CDP**) estimates.

Limitations to methodologies and data

In case sector-based CDP guidelines are used to estimate the carbon footprint the outcome is not always accurate. These averages often do not accurately reflect the footprint of the Partnership's young innovative Portfolio Companies that tend to have significantly lower emissions than their sector average meaning that the financed emissions are potentially currently overstated compared to what they should be if accurate physical data was used.

Due diligence

Astanor positively screens opportunities which match the Partnership's sustainability and impact purposes, notably by ensuring that a foreseen investment sets positive examples of environmentally and socially responsible business practices (see the Responsible Investment Policy). It is important to note that, since Astanor will be screening for relatively young mission-driven companies that have identified a problem in the agrifood value chain and found a solution to participate in solving the problem, it is often the case that due to their size, the principal adverse impact of their activity on sustainability factors will often be inexistant: the core of Astanor investment thesis is to help build responsible ventures, on governance, environment and social aspects, as they grow. In addition, Astanor negatively screens for activities which have principal adverse impacts of investment decisions on sustainability factors and follows its exclusion list which is set out in annex of the Responsible Investment Policy.
During each step of the investment due diligence process, the Managing General Partner makes sure potential Investments are aligned with its mission and guiding principles and have the potential to deliver on one or more of the six Impact KPIs. The Managing General Partner also integrates other key Measurement Indicators during the due diligence process: it assesses whether the Investments contribute or enable one of the following six core objectives and "does not significantly harm" any of the other objectives:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control; and
- protection and restoration of biodiversity and ecosystems.

Finally, the Managing General Partner uses its reasonable efforts to pre-emptively assess, for each Investment, their respect towards minimum labor rights safeguards, including the International Bill of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work.

To strengthen its engagement, Astanor has prepared an impact and ESG clause – which it will implement into the investment documentation when investing into a Portfolio Company and by which such Portfolio Company confirms not to cause significant harm; this clause helps to contractually ensure that the Sustainable Investment Objective cannot be harmed but also allow for a better escalation channel in the event of an ESG issue. Each Investor can consult the ESG clause in a publication from Astanor's impact team.

Engagement policies

The Partnership constantly interacts with stakeholders to learn from them and improve its approach towards sustainability. By using the well-established Impact Management Project to identify these stakeholders, the Partnership has identified five pillars, which are helping us pursue our sustainability and impact objectives:

1. the investors;
2. the staff;
3. the Portfolio Companies;
4. the communities impacted by the Portfolio Companies; and
5. the planet.

For engaging with Portfolio Companies, the Partnership relies on the Astanor Team to follow up on Impact KPIs and overall sustainability objectives of each portfolio company. A full description of the engagements can be found in the Responsible Investment Policy.

Attainment of the sustainable investment objective

Section "Methodologies" above describes how sustainability indicators are used to measure the attainment of the Sustainable Investment Objective. The Partnership will not use a reference benchmark as it will pursue an active investment strategy and does not have a reduction in carbon emissions as its direct and only objective.

Further information:

More information can be found about the organization and the Partnership by reaching out to antoine@astanor.com and leslie@astanor.com.

ANNEX I: PRINCIPAL ADVERSE IMPACT STATEMENT

As an impact investor, Astanor is focused on assessing and measuring the positive impact, as well as potential negative externalities, of its investees. To this end, Astanor considers the principal adverse impacts of its investment decisions on sustainability factors throughout all major steps of the investment and portfolio management process. Astanor will take the necessary preparations to gather, monitor and report the fourteen (14) mandatory principal adverse impacts on sustainability factors as set out in Table 1 of Annex I of the Regulatory Technical Standards of the SFDR RTS. Furthermore, Astanor will report on additional PAI indicators related to the Table 1, Table 2 or Table 3 of the SFDR RTS.

MANDATORY QUALIFIED PAI:

1. GHG emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste and radioactive waste ratio
10. Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons

OPTIONAL QUALIFIED PAI:

15. Lack of supplier code of conduct
16. Investment in companies producing chemicals