

GENUI Sustainability Policy

GENUI

1. INTRODUCTION

GENUI's objective is to create long-term value for investors through strong financial returns and social and ecological impact objectives. This is the core of what we call 'Good Entrepreneurship'. It is reflected in our culture, business processes and at all stages of the investment cycle.

GENUI aims to expand and secure the portfolio of managed funds as well as the number of employees and business partners. To this end, we always strive to maintain excellent relationships with all partners and to establish ourselves as an employer and business partner of choice through excellent service offerings and performance.

We strive to maintain and further expand our leading market position. There to, we keep a close eye on economic, political, social, legal and technological developments and align our internal structures and processes towards sustainable corporate success.

GENUI's strategic sustainability objective is to support positive and measurable social or environmental effects. GENUI primarily invests in business models which inherently have a positive social or environmental impact, pursuing alignment of its investments with the United Nations Sustainable Development Goals (SDG). Transparency and good governance are vital to maintaining a standing in the market and to attracting business partners, employees and investors.

2. INTEGRATION IN OUR INVESTMENT STRATEGY

GENUI's Sustainable Investing Framework ensures that sustainability is not only embedded in our own operations but is integrated throughout the investment process. GENUI seeks to empower initiatives for achieving tangible environmental, social and governance (ESG) outcomes.

GENUI's sustainability governance structure ensures senior-level commitment from GENUI and the portfolio management teams as well as respective advice in the advisory boards (= Entrepreneurs Boards) of its portfolio companies. It enables GENUI to continuously track progress and advise on impact and ESG-related initiatives.

In alignment with the EU's Sustainable Finance Disclosure Regulation (SFDR), sustainability risk management is embedded in the way GENUI seeks to originate investments and make investment decisions and in ongoing portfolio management activities.

3. KEY FOCUS AREAS MONITORED

Good Governance

GENUI assesses the good governance practices of GENUI's portfolio companies prior to making an investment and periodically thereafter, including (but not limited to) with respect to sound management structures, employee relations, remuneration of staff and tax compliance ("Good Governance Standards"), in accordance with established industry-wide standards.

We promote a systematic, effective and risk-oriented engagement with portfolio companies on governance matters. We encourage portfolio companies to implement robust processes, policies and mechanisms that foster transparency, enhanced supervision and responsibilities as well as a strengthening of controls and checks and balances, with a.o. focus on conflicts of interest, cyber security, data protection and ESG incidents.

We respect international human rights principles aimed at promoting and protecting human rights, including the United Nations Guiding Principles on Business and Human Rights, the United Nations Declaration of Human Rights and the International Labor Organisation's Declaration on Fundamental Principles and Rights at Work.

Climate Change and Biodiversity

We acknowledge that the climate crisis is one of the biggest challenges of our time and commit to achieving net zero by 2050. We challenge our portfolio companies to adopt no exploitation policies and encourage them to align with science-based climate targets to limit global warming to 1.5°C and reduce their negative environmental footprint accordingly. While our top priority is to save emissions, we also recognise the need to assess climate change risks and evaluating the physical and transitional risks facing our portfolio companies.

We are committed to the conservation and promotion of biodiversity in our industry and that biodiversity is valued, preserved, restored and used sustainably, maintaining the services of the ecosystem, supporting a healthy planet and providing essential benefits for all people. We further promote a circular economy and thorough waste management, where resources are continuously repurposed (4R Principle: Reduce – Repair – Reuse – Recycle).

Human Rights

Respect for human rights is a fundamental value of GENUI. We believe that long-term business success can only be achieved if human rights are acknowledged and protected, embedded in our business operations and culture to ensure we do not engage in activities that directly or indirectly violate human rights. We respect and promote the human rights of all individuals impacted by our operations, including employees, shareholders, investors, contractors, portfolio companies and the communities in which we live and operate. Additionally, we expect all stakeholders,

including business partners, as well as all GENUI staff to be aligned in upholding human rights and require that they abide by the highest ethical standards, maintain proper standards of integrity, respect the rights of others and do not tolerate any violations of human rights, the use of child labour, prison labour, or any form of forced labour, modern slavery, servitude or human trafficking. We expect business partners and all GENUI staff to respect the law at all times.

Diversity, Equity and Inclusion (DEI)

GENUI strives to advocate for diversity and gender equality as an integral part of its corporate citizenship providing equal employment opportunities to all employees and job applicants, free from preconceived opinions. Equal opportunity means affording everyone equal access to the opportunity to fulfil themselves as individuals. All GENUI staff has a responsibility to transmit the values of equality and justice. Management should strive to eradicate ignorance and misunderstanding, which are the prime causes of prejudice and discrimination. Staff should aim to create a climate of acceptance and mutual respect.

GENUI believes in equality of opportunity for all its employees and job applicants regardless of race, colour, nationality, ethnic or national origins, gender, sexual orientation, marital or civil partnership status, gender reassignment, transsexuality, disability, religion or belief, age, social or economic background, or any other status or condition protected by law. GENUI pays particular attention to the increased participation and inclusion of vulnerable, disadvantaged and underrepresented groups.

GENUI is committed to the principle of equal pay for like work, work of equal value and work rated as equivalent for all its employees. In addition to our commitment to equal opportunities, we will make every effort to provide a working environment free from victimisation, harassment, and intimidation.

As a company, we believe in creating an inclusive environment for employees at every stage of their lives. We recognise that some employees need a flexible working environment, work flexible hours or can opt to use unpaid time off. We promote a flexible working environment recognising the positive impact that flexible working can have on an individual, their wellbeing, job satisfaction, engagement and productivity, retention, and supporting employees to balance their work and home life.

GENUI strives to be an attractive employer in the long-run for excellent employees and to this end, we create, develop and maintain an attractive work environment through various measures and encourage our portfolio companies to do the same.

Health and Safety

In order to achieve safety and health at work, GENUI employees and business partners are required to carry out their work in such a way that hazards to third parties are always avoided or kept as low as feasible; comply with the relevant legal provisions and internal instructions by demonstrating appropriate behaviour; and

communicate all incidents and near misses immediately, contributing towards an improved internal safety culture.

Whistleblowing

"Whistleblowing" is the process by which an insider, such as an employee, notifies a company of a matter of ethical and/or legal concern where the interests of others or of GENUI itself (as opposed to the insider him or herself) are at risk.

GENUI is committed to ensuring that concerns raised in good faith of potential breaches of laws, rules, regulations, or compliance policy are handled in an appropriate manner and rectified as necessary. GENUI encourages its employees and business partners to raise concerns at an early stage. GENUI, however, underpins to have a genuine suspicion based on reasonable grounds before raising any possible concerns.

Besides the external reporting channel, GENUI designed internal reporting channels in such a way that only the persons responsible for receiving and processing the reports and the persons supporting them in the performance of these tasks have access to the incoming reports.

Anti-Bribery and Corruption

In relation to combating bribery and corruption GENUI aims to provide a transparent, supportive environment in which issues concerning bribery and corruption can be discussed productively.

We expect GENUI employees and business partners to not engage, whether directly or indirectly, in bribery and corruption and to report any signs of bribery/corruption, if there is, at any point, an indication that bribery and/or corruption may potentially occur or be occurring already.

Anti-Money Laundering

GENUI complies with applicable laws for the prevention of money laundering and terrorist financing. GENUI has introduced internal measures to combat money laundering and terrorist financing including in particular but not only:

- effective risk management to combat money laundering and terrorist financing;
- appropriate internal safeguards to manage the risks of money laundering and terrorist financing, including the appointment of an anti-money laundering officer;
- identifying and monitoring counterparties – identification to occur prior to entering into a business relationship (and, in particular, prior to each closing) or where there is any suspicion of money laundering or terrorist financing;
- keeping accurate records of its counterparties, business relationships, and/or any other relevant transaction and updating those records regularly.

GENUI underpins towards its own employees as well as business partners the importance to ensure, at all time, that they have a sufficient level of knowledge regarding a person's or entity's normal business in order to be able to assess whether a particular transaction is unusual.

4. REPORTING AND RESPONSIBILITIES

GENUI is committed to being transparent about its ESG achievements, goals and the initiatives and principles supported. Please refer to associated documents referenced below. Our public disclosures on how sustainability risks and opportunities are incorporated in our activities are in line with the Regulatory Technical Standards (RTS) on ESG disclosures under The Sustainable Finance Disclosure Regulation (SFDR) as well as the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), as amended from time to time.

We highly value a regular dialogue with our portfolio companies as well as Limited Partners (LPs) on ESG-related matters. We have established a bi-annual ESG Portfolio Roundtable as a forum for our portfolio companies to exchange lessons learned, best practices, achievement and goals as well as challenges faced. Furthermore, we hold an LP Sustainability Council twice a year to stay informed about impact and ESG initiatives, progresses as well as industry and regulatory developments.

Responsibility for sustainability lies with a GENUI founding partner and managing director and our Chief Impact & Client Relations Officer, reflecting its strategic importance for GENUI. Value creation is monitored by a dedicated ESG team that has established a market leading ESG practice achieving strong and measurable impact at GENUI and the portfolio companies overseeing the reporting of their sustainability activities and develop overall processes to enhance measurement, evaluation and transparency on impact.

5. STEWARDSHIP

We regularly engage with our limited partners, investors, stakeholders, investees, and industry associations on sustainability matters. ESG topics are discussed at our GENUI Entrepreneurs' board meetings at portfolio companies, the annual general meeting (AGM) and investors' committee (LPAC) meetings.

Furthermore, GENUI has established the LP Sustainability Council, an advisory body comprising sustainability representatives of leading investment firms that comes together on a semi-annual basis to discuss current regulatory and market developments, impact measurement, ESG reporting, initiatives and outcomes as well as industry best practice..

In addition, GENUI has established the ESG Portfolio Roundtable, a forum for exchange comprising the sustainability representatives of our portfolio firms that comes together on a semi-annual basis to discuss ESG initiatives and share best practice on measurements, reporting and stakeholder communication.

We are associated with organisations promoting impact investing at the German as well as global level. With the Bundesinitiative Impact Investing (Federal Impact Investing Initiative, Germany), we work towards strengthening the impact investing eco-system in Germany and with the Global Impact Investing Network (GIIN) towards deepening our engagement in the impact investing industry globally. We are also a part of the Invest Europe Impact Investing Working Group that aims to advise and support Invest Europe's work on impact investing and the Invest Europe ESG Working Group promoting responsible investment practices and the consideration of ESG issues throughout the broader investment community. We also joined the ESG Data Convergence Initiative (EDCI) of the Institutional Limited Partners Association (ILPA), which seeks to standardise ESG metrics and provide a mechanism for comparative reporting.

Further, GENUI is a member of the UN Global Compact (UNGC), a signatory to the Women's Empowerment Principles (WEP) established by the UN Global Compact and of the UN Principles for Responsible Investment (UNPRI). GENUI is also signatory to the ILPA Diversity in Action and German Charta der Vielfalt promoting the recognition, appreciation and integration of diversity in business culture.

We not only apply leading principles to our own investing and operational activities but also support initiatives that work towards the promotion of sustainability in the overall investing industry.

6. PHILANTHROPY

GENUI has taken concrete steps towards strategic philanthropy. With the Entrepreneurs' Social Impact Partnership (Unternehmer Stiftung für Chancengerechtigkeit (USC) gGmbH) established by GENUI, we brought together an experienced management team, exceptional Entrepreneurs and an innovative investment model to promote opportunities for children and youths. USC leverages the financial contributions from GENUI's network of entrepreneurs and invests into GENUI and other leading investment firms, with the investment teams waiving this part of their carried interest. USC operates independently with a board comprising GENUI Entrepreneurs and partners from the investment firms involved, including GENUI. The foundation has an experienced female executive management and additionally engages topical experts in the areas of health, education and social inclusion.

Our vision is to develop and implement approved impact measures to contribute to a society in which those willing and driven to thrive have the possibility to do so. In our view this is a crucial pillar of Good Entrepreneurship as well as long-term value creation and with this in mind, we promote good education, social inclusion and health for children and youth, independent of the respective socio-economic background.

7. SCOPE AND ASSOCIATED DOCUMENTS

This Sustainability Policy applies to GENUI, its funds and the advice provided to portfolio companies, and is reviewed at least annually.

For further information on GENUI's sustainability initiatives please refer to our publicly available documents (reviewed at least annually) on our website:

- Good Governance Policy
- Sustainable Investing Framework
- Annual Sustainability Reports
- OPIM Disclosure Statement & Verification Statement
- Strategic TCFD Approach
- Sustainability related disclosures according to the SFDR.