Sustainability Scorecard
Methodological Statement

Article 13(3), Regulation (EU) 2019/2088
EU Sustainable Finance Disclosure Regulation

1. Document Control

Relevant entity	BI-Invest Endowment Management S.à r.l.
Title	The Investindustrial Sustainability Scorecard (the "**Sustainability Scorecard**") is an in-house methodology originally developed by Investindustrial Advisors Limited ("**Investindustrial**") in 2022 and applied throughout the Investindustrial Group's fund management activities.
Document Version	Version #1
Date of methodological statement	3 September 2026
Date of last methodology update	31 March 2026
Public disclosure location	Investindustrial website, the Sustainability landing page (https://www.investindustrial.com/sustainability.html)
Contact point	Sustainability@investindustrial.com

2. Rating Product Disclosures

Objective	The Sustainability Scorecard is an internal, proprietary methodology developed to assess, through a single-materiality, risk-focused assessment, the extent to which a portfolio company investment has embedded sustainability-related principles and practices across its strategy and operations. It is intended to provide a consistent and comparable approach to Investindustrial's assessment of portfolio companies, helping to inform risk management and value creation discussions, support portfolio management and track progress against relevant sustainability indicators. The Sustainability Scorecard assesses the extent to which a portfolio company has embedded sustainability-related practices and principles, based on identified policies, systems and oversight, as well as its performance across a set of sustainability topics considered to be cross-cutting and relevant to the portfolio at large. The methodology is not based on a prescribed materiality framework but has been designed to meet Investindustrial's fund and portfolio management needs. The Sustainability Scorecard is not used for back-testing or impact analysis, and it does not apply "double materiality" as defined in Commission Delegated Regulation (EU) 2023/2772 ("**European Sustainability Reporting Standards**" or "**ESRS**").
Scope	The Sustainability Scorecard is an aggregated rating covering environmental, social, governance and corporate sustainability factors. The topics assessed in respect of each category of factors are set out under "Topics" below.

	The methodology combines a qualitative base score (“**Base Score**”) and a quantitative performance score (“**Performance Score**”). Points are allocated to each indicator within a topic, intended to reflect Investindustrial’s assessment of the relative difficulty of achieving a specified level of performance and/or the potential relevance of that achievement to the business, based on a pre-defined methodology for allocating points. Fund-level scores are derived from the aggregation of portfolio company scores, normalised based on net asset value (NAV).
Weighting	**Base Score:** The Base Score reflects selected “process and policy maturity” indicators, derived from 40 qualitative indicators and expressed as a score out of 100. **Base Score categories and points:** Base categories and points are: Environmental 25; Governance 27; Social 17; Corporate Sustainability 18; Ratings 13. **Performance Score:** The Performance Score reflects selected “quantitative progress” indicators. It is based on 24 quantitative indicators and results in a numerical score out of 100%, which is translated into grades A+, A, B, C, D and E. **Performance Score distribution:** Performance categories and points are: Environmental 21 points/ 27%; Governance 11 points/ 14%; Social 19 points/ 24%; Corporate Sustainability 18 points/ 23%; Ratings 9 points/12%. An exception to the above scoring allocation applies to portfolio companies in the services sector, which have a reduced focus on environmental indicators and operational certifications and are therefore not scored on topics concerning ISO 50001, 14001, 9001 or 45001 certifications.
Topics	The topics set out below have been selected to support monitoring and assessment of the sustainability performance of the Investindustrial portfolio and do not intentionally correspond to topics set out in external frameworks (i.e. the topics identified in the European Sustainability Reporting Standards). • **Environmental topics:** GHG emissions (reporting, Science Based Targets (“**SBTs”**), and emissions reduction initiatives), energy management (including level of certification), use of renewable electricity, environmental oversight (covering both day-to-day and remediation of identified issues), environmental management systems (including level of certification), and waste recycling/reuse. • **Social topics:** Health and safety oversight, systems (including level of certification) and performance, quality management (including level of certification), diversity and inclusion, and employee and community engagement. • **Governance topics:** Governance policies and systems including code of conduct, sustainability, anti-corruption/bribery, diversity & inclusion, whistleblowing, supply chain management, corporate governance, quality, environmental, health and safety, United Nations Global Compact (“**UNGC**”) engagement and Board composition, oversight on sustainability issues. • **Corporate sustainability topics:** Sustainability oversight (including committees and board engagement), sustainability strategy, sustainability objectives, materiality assessment, sustainability reporting, UNGC membership/reporting, portfolio engagement and management compensation linked to sustainability KPIs. • **Ratings**: Reflects a portfolio company’s risk profile and sustainability rating as assessed by third-party rating providers, where applicable.

Absolute/relative value	The Sustainability Scorecard is expressed in terms of both absolute and relative performance. For example, certain topics are assessed from an absolute standpoint and the portfolio company will receive a set number of points for having a stated policy or system. Certain topics will be scored based on relative performance, where the score awarded depends on performance against an industry standard or internally developed benchmarks. Once each portfolio company has been assigned a score, the scores are then used to compare the sustainability performance of portfolio companies against each other for the purposes of ongoing monitoring of sustainability maturity.
International agreements	Across all categories of factors, certain international agreements are taken into account. In relation to environmental factors, this includes consideration of a portfolio company's commitment to an SBT aligned with the Paris Agreement. In relation to social and governance factors, this includes consideration of a portfolio company's commitment to the objectives of the principles of the UNGC[1].

3. General Methodological Disclosures

Overview	The Sustainability Scorecard assesses the extent to which a portfolio company investment has embedded sustainability-related principles and practices across its strategy and operations and combines a qualitative Base Score with a quantitative Performance Score derived from selected indicators. The Sustainability Scorecard is updated on a quarterly basis for portfolio companies held by an Investindustrial fund and is generally backward-looking but may include an end-of-year forecasted score based on initiatives identified by each portfolio company for the remainder of the year. Forecasted scores are inherently uncertain and may differ from final actual results. The rating produced by the Sustainability Scorecard comprises the Base Score (expressed as a numerical score out of 100) and the Performance Score (expressed as a grade of A+, A, B, C, D or E). The Base Score is derived from 40 indicators, and the Performance Score is derived from 24 indicators. Each indicator is allocated a number of points, calculated using a predetermined scoring system. **Scoring examples:** • SBT indicator: validated SBTs = 6 points; committed to SBTs = 3 points; Paris-aligned targets = 1 point; no targets = 0 points. • Waste indicator: recycled and/or reused waste: 90–100% = 3 points; 50–89% = 2 points; 25–49% = 1 point; below 25% = 0 points. See below at 'Data sources' for information on measures and procedures to ensure the quality and reliability of data used.

[1] UNGC is a voluntary initiative of the United Nations based on CEO-level commitments to implement sustainability principles and take steps to support the goals of the United Nations. Participants commit to implementing the "Ten Principles" of the UNGC in relation to human rights, labour, environment and anti-corruption, each of which are derived from relevant international instruments and to supporting the advancement of the United Nations Sustainable Development Goals. Participants are required to provide the UNGC Office with an annual "communication on progress" or "CoPs". For further information about the UNGC, see https://unglobalcompact.org/about. For details of the Ten Principles, see https://unglobalcompact.org/what-is-gc/mission/principles.

	Rating rationale and ranking system: • **Base Score:** Higher scores are intended to indicate a comparatively more developed sustainability programme. • **Performance Score:** Higher scores (A+ being the highest) are intended to reflect relative performance against selected prior-year measures of the relevant portfolio company and/or selected benchmarks, where such measures or benchmarks are available and applicable. Portfolio companies' progress is reviewed, and selected indicators may be benchmarked against available sector benchmarks or the portfolio, where relevant and appropriate. Benchmarks may be reflected in the point allocation or in comments accompanying the assessment, with the approach depending on factors including availability and comparability. A draft version of the Quarterly Sustainability Dashboard and Sustainability Scorecard is typically shared with the relevant portfolio company for factual review before being shared with the Investindustrial Advisory Team for further comments. A final copy of the dashboard, including the Sustainability Score, is then shared with the fund manager (AIFM) for approval and incorporation into risk management oversight. Refer to 'Document Control' above for the date of the most recent update to this methodology and any changes introduced to the previous version. The relevance of the methodology is considered periodically, including during quarterly scorecard processes, and updates may be made where Investindustrial considers them appropriate. Potential revision triggers may include, among other things, regulatory developments, changes in market practice, improved availability of data, portfolio feedback, internal review findings or changes in Investindustrial's sustainability priorities.
Industry classification	The Sustainability Scorecard does not use an industry classification system.
Data sources	Quantitative and qualitative sustainability indicators are non-public and are collected from portfolio companies through a digital data reporting platform. An overview of the process is as follows: • **Quarterly data collection**: Includes approximately 70 questions/data points, including the Principle Adverse Impact data points, divided into health and safety performance, environmental impact, human resources, and incidents/litigations/controversies. The quarterly Sustainability Dashboard forms part of mandatory quarterly risk reviews of the portfolio. • **Annual data collection**: Includes approximately 315 data points covering social, environmental, governance and corporate sustainability matters. As with quarterly data collection, annual data collection includes the mandatory principal adverse impact data points required by the EU Sustainable Finance Disclosure Regulation. • **Data review**: Data points are reviewed by members of the Investindustrial Sustainability Team for internal consistency and completeness before being uploaded to the digital reporting platform and consolidated at fund or portfolio level, as applicable. This review does not constitute independent verification or assurance. • **Review of factual accuracy**: The Sustainability Scorecard is completed on a reasonable-efforts basis and is dependent on data and information provided by portfolio companies through annual and quarterly reports, quarterly catch-up calls and other available sources. Data is reviewed by the Investindustrial Sustainability Team before being uploaded into the system; however, that review does not constitute independent verification or third-party assurance, and the score remains dependent on the quality, completeness and accuracy of the underlying data reported by portfolio companies. • **Third-party input**: Third-party consultants/advisers may support due diligence or provide specific expertise. Certain greenhouse gas emissions assessments may be performed by third-

	party advisers. Climate physical risk assessment and responsible sourcing frameworks may also involve external specialist input. Any such input is subject to the scope, assumptions and limitations applicable to the relevant engagement. • **Estimated / modelled data**: Investindustrial relies primarily on data reported by portfolio companies. Reported data may include estimates or modelled information, including estimates prepared or recommended by third-party advisers. Where data is not reported by the portfolio company, Investindustrial will generally leave the relevant data point blank or mark it as not available, unless the applicable methodology provides otherwise. • **Data cut-off dates**: The deadline for completed quarterly reporting templates is generally one month after the close of each quarter. The Investindustrial Sustainability Team may then meet with portfolio companies to review the data and progress on the Sustainability Scorecard, as well as relevant initiatives, before publishing the final Quarterly Sustainability Scorecard. • **Engagement with portfolio companies**: Portfolio companies provide quarterly and annual data, participate in catch-up calls, online working sessions and onsite visits, and receive support on sustainability strategy, objectives, policies and reporting.
Scientific evidence	The Sustainability Scorecard is designed to be an internal tool and is not based on scientific evidence. It is based on the information described above under “Data sources”.
Artificial intelligence	The Sustainability Scorecard is based on the information described above under “Data sources”. No artificial intelligence tool is used in the development or use of the Sustainability Scorecard.

4. Limitations in Data Sources, Methodologies and Information

Limitations	• **Data used for specific rating:** Investindustrial will take reasonable steps to complete the Sustainability Scorecard, which is dependent on data and information provided by portfolio companies through annual and quarterly reports, quarterly catch-up calls and other available sources. • **Proprietary methodology:** Given the proprietary nature of the methodology, scores produced under the Sustainability Scorecard should not be assumed to be directly comparable with scores or ratings produced by other sustainability rating methodologies. • **Indicative nature of figures:** The Sustainability Scorecard is intended to be used as an internal management tool for portfolio monitoring and risk management purposes. The figures reported are indicative only, may be revised, and should not be interpreted as a guarantee, prediction or assurance that any sustainability objective or outcome will be achieved. • **Assumptions:** Assumptions may be applied when forecasting potential end-of-year scores. Otherwise, assumptions are generally not applied unless expressly stated in the applicable methodology or supporting materials.
Information availability	Investindustrial relies on data, analysis and recommendations from portfolio companies, third-party advisers and other data sources, which may be incomplete, inaccurate, inconsistent, estimated, modelled or out of date. Investindustrial does not independently verify all sustainability information received from portfolio companies, third-party advisers or other data sources. Investindustrial may, in its discretion, decide not to use certain information or to apply judgement when considering recommendations or inputs. Certain results exclude minority investments and recent investments for which scores have not yet been calculated.

5. Organisational Disclosures

Ownership structure	The Sustainability Scorecard is issued and disclosed by BI-Invest Endowment Management S.à r.l., which is registered in the Grand Duchy of Luxembourg, with its registered address at 11, rue Aldringen, L-1118 Luxembourg, and Luxembourg company registration (RCS) number B191217. The ultimate parent undertaking is Investindustrial S.A., with its registered address at 11, rue Aldringen, L-1118 Luxembourg, and Luxembourg company registration (RCS) number B142921.
Fees	No fees are involved in the issuance or disclosure of the Sustainability Scorecard and Quarterly Dashboard.
Management of conflicts of interest	Potential conflicts of interest or judgement-based considerations may arise where qualitative assessments involve portfolio company input, evidence of effort or forward-looking initiatives. The Investindustrial Sustainability Team reviews the Sustainability Scorecard collectively with the aim of applying the methodology consistently and documenting material judgements where appropriate.

6. Legal Statement

This methodological statement has been prepared and is provided for the sole purpose of disclosure under Article 13(3) of Regulation (EU) 2019/2088. The Sustainability Scorecard reflects the methodology, data sources, assumptions and limitations described in this document and in the underlying source materials as at the date of publication. The Sustainability Scorecard has evolved over time and is expected to continue to evolve to reflect topics that Investindustrial considers material and relevant to the portfolio. The Sustainability Scorecard is intended as an internal risk management and portfolio monitoring tool and should not be interpreted as investment advice, credit advice, legal advice, tax advice, a sustainability assurance opinion, a credit rating, or a recommendation to buy, sell or hold any financial instrument. Scores and related information are dependent on data provided by portfolio companies and other sources, may include estimates and judgement-based assessments, and may change over time. No representation or warranty is made as to the completeness, accuracy or continuing applicability of any score or related information, except where expressly stated.