

## ANNEX

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: EOS Hellenic Renaissance Company II SCA, SICAV-RAIF

Legal entity identifier: to be provided

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective:** \_\_\_%



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**



**What environmental and/or social characteristics are promoted by this financial product?**

*EOS Hellenic Renaissance Company II SCA, SICAV-RAIF (the Company) promotes environmental and/or social characteristics by assessing investees against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in companies that demonstrate adequate environmental, social and governance practices.*

*The Company aims to promote the improvement of ESG practices of investees within their sector of activity. The ESG performance of an entity is evaluated*

*against a combination of environmental, social and governance characteristics including the ones below:*

**ENVIRONMENTAL**

*Air pollution/GHG emissions*

*Water use*

*Energy consumption*

*Compliance with environmental legislation*

**SOCIAL**

*Human Rights*

*Employee Training*

*Diversity & Equal opportunity*

*Occupational Health & Safety*

*Compliance with labor legislation*

**GOVERNANCE**

*Anti-bribery & Corruption*

*Internal Controls*

*Conflicts of interest*

*Whistleblowing mechanism*

*Personal data security*

*Compliance with corporate legislation*

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Company.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

*- The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the Company:*

*- With respect to E characteristics the Company will ensure that the investees are not engaged in any of the “Excluded Activities” as described below:*

- (i) Fossil fuel-based energy production and related activities:*
  - (A) Coal mining, processing, transport and storage*
  - (B) Oil exploration & production, refining, transport, distribution, and storage*
  - (C) Natural gas exploration & production, liquefaction, regasification, transport, distribution, and storage*
  - (D) Electricity power generation exceeding the Emissions Performance Standard (i.e. 250 grams of CO<sub>2</sub>e per kWh of electricity), applicable to fossil fuel-fired power and cogeneration plants, geothermal and hydropower plants with large reservoirs*

- (ii) *Energy-intensive and / or high-CO2 emitting industries:*
  - (A) *Manufacture of other inorganic basic chemicals (NACE 20.13)*
  - (B) *Manufacture of other organic basic chemicals (NACE 20.14)*
  - (C) *Manufacture of fertilizers and nitrogen compounds (NACE 20.15)*
  - (D) *Manufacture of plastics in primary forms (NACE 20.16)*
  - (E) *Manufacture of Cement (NACE 23.51)*
  - (F) *Manufacture of basic iron and steel and ferro-alloys (NACE 24.10)*
  - (G) *Manufacture of pipes, tubes, hollow profiles and related fittings of steel (NACE 24.20)*
  - (H) *Manufacture of other products of first processing of steel (NACE 24.30, incl. 24.31-24.34)*
  - (I) *Aluminum production (NACE 24.42)*
  - (J) *Manufacture of conventionally - fuel aircraft and related machinery (sub-sector of NACE 30.30)*
  - (K) *Air transport, airports and service activities incidental to air transportation (NACE 51.10, 51.21 and 52.23)*

*- With respect to E/S and G characteristics, the Company will:*

- 1. apply the Commission's technical guidance document on the sustainability proofing for the Invest EU Fund (Communication of the European Commission 2021/C 280/01);*
- 2. ensure that the investee does not carry out any Excluded Activity. Nevertheless, it is possible to invest in an investment target that carries out an Excluded Activity, provided that this activity, although "excluded", can be considered environmentally sustainable in line with the Taxonomy Regulation (EU) 2020/852 and the technical screening criteria defined in the Commission Delegated Regulation (EU) 2021/2139 provided that the Company does not undertake to make a minimum percentage of environmentally sustainable investments;*
- 3. Without prejudice to the prohibition of investing in investee engaged in Excluded Activities at the moment of the investment and thereafter, ensure that an investee did not derive - in the financial year preceding the time of the investment - more than 10% of its revenues directly from activities and assets: i) related to fossil fuels, including downstream use , ii) under the EU Emissions Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the benchmarks , iii) related to waste landfills, incinerators and mechanical biological treatment plants and iv) where the long-term disposal of waste may cause harm to the environment,*

- With respect to overall ESG characteristics, the Company will make investments in companies with a minimum ESG scoring according to the internal proprietary methodology. Such minimum ESG scoring will be indicated in the annual report.

- With respect to the E/S and G characteristics, the Company will ensure that it does not have exposure to investee companies breaching the UNGC principles.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?** *Not applicable- the financial product does not commit to making sustainable investments*

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?** *Not applicable- the financial product does not commit to making sustainable investments*

— How have the indicators for adverse impacts on sustainability factors been taken into account? *Not applicable*

— How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details: *Not applicable*



**Does this financial product consider principal adverse impacts on sustainability factors?**

**X** Yes

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*Depending on the sector and data availability the Company considers the following principal adverse impacts on sustainability factors in determining the ESG scoring:*

*GHG emissions Table 1 - PAI 1*

*Water usage and recycling Table 2 - PAI 6*

*Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises Table 1 - PAI 10*

*Board gender diversity Table 1 - PAI 13*

*Rate of accidents Table 3 - PAI 2*

*Lack of a human rights policy Table 3 - PAI 9*

*Lack of anti-corruption and anti-bribery policies Table 3- PAI 15*

## What investment strategy does this financial product follow?

*The Company will invest primarily through share capital increase and, in specific cases, more flexible financial structures (convertibles, preferred shares). The focus will be on majority stakes (estimated up to 65% of the investee's capital) and minority stakes with controlling minority rights.*

*The Company, will aim to finance non listed SMEs and Small Mid-Caps businesses that are innovative, profitable, healthy, operating in sectors with growth potential and aim to respect the climate and environmental standards and priorities of the European Union. Indicative sectors include food and beverage, digital/tech, selectively retail, healthcare services, logistics & transportation, selectively industrials.*

*The Company will seek that integration of ESG criteria (environmental, social and corporate governance criteria) effectively complements the existing investment process of the Company and aims to formulate an integrated investment policy that, in addition to adapting to regulatory requirements, creates the responsible investment management framework.*

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

*The Company will apply the following binding elements:*

- 1. Apply the Commission's technical guidance document on the sustainability proofing for the Invest EU Fund (Communication of the European Commission 2021/C 280/01).*
- 2. Ensure that the investee does not carry out any Excluded Activity. Nevertheless, it is possible to invest in an investment target that carries out an Excluded Activity, provided that this activity, although "excluded", can be considered environmentally sustainable in line with the Taxonomy Regulation (EU) 2020/852 and the technical screening criteria defined in the Commission Delegated Regulation (EU) 2021/2139,*
- 3. Ensure that an investee did not derive - in the financial year preceding the time of the investment - more than 10% of its revenues directly from activities and assets: i) related to fossil fuels, including downstream use , ii) under the EU Emissions Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the benchmarks , iii) related to waste landfills, incinerators and mechanical biological treatment plants and iv) where the long-term disposal of waste may cause harm to the environment,*
- 4. The use of the principle of "do no significant harm" in accordance with the provisions of the Commission Communication (2021/C 58/01) "Technical guidance on the application of the principle of "do no*

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

significant harm” in the framework of the Regulation establishing the Recovery and Resilience Facility (while the Company will not apply the principle in the sense of the Taxonomy Regulation in order to achieve sustainable investments).

5. The use of a minimum ESG score for each investee according to the internal proprietary methodology. Moreover, the fund manager “the AIFM”, as part of its active interest in the promotion of the E/S characteristics, ensures, through an engagement approach, that the investee companies take measures to improve their ESG score annually.
6. within the Environmental & Social Assessment System (ESMS) developed by the AIFM, the AIFM implemented Environmental & Social risk screening via corresponding risk assessments with regards to its potential investees.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

Not applicable

- **What is the policy to assess good governance practices of the investee companies?**

Good governance practices of investees is assessed by looking at multiple indicators such as the investees’ business model and best governance practices, including personnel rights, business strategy, management quality, significant risks and opportunities and by applying the UNGC Principles.

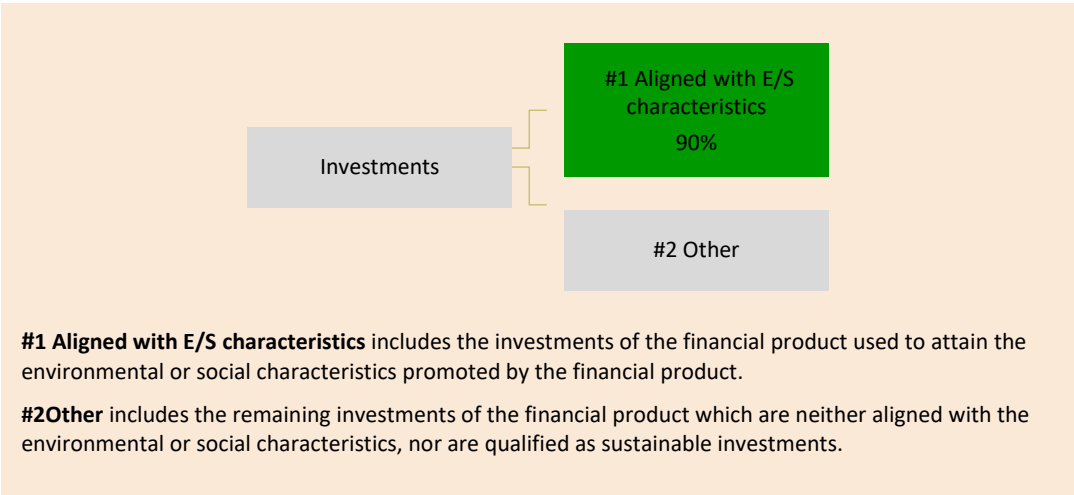
The AIFM will pursue, according to individual circumstances, a more active role in the decision-making of investee companies in particular through voting rights, taking care to avoid and/or manage any conflict-of-interest issues that may arise. The AIFM commits to encourage the disclosure of information on ESG issues, improving performance, reducing the risk profile, developing more sustainable business practices of the investees.



### What is the asset allocation planned for this financial product?

The Company’s investments will be allocated as follows:

**Asset allocation** describes the share of investments in specific assets.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

*The Company does not use derivatives for attaining the environmental or social characteristics promoted by the Company.*



- **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

*The Company does not commit to making sustainable investments with an environmental objective aligned with the EU Taxonomy.*

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

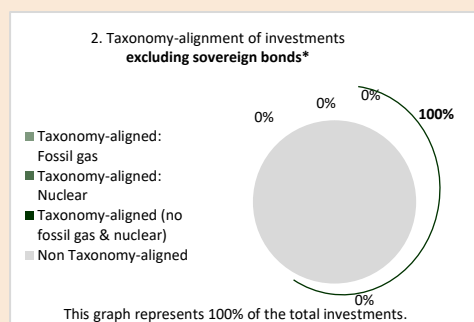
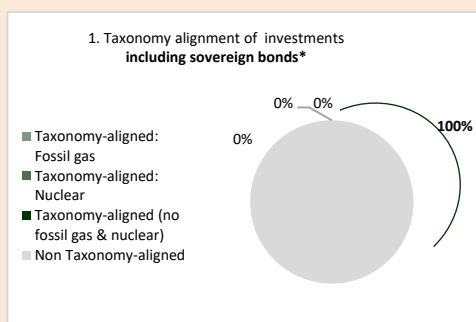
Yes:

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In fossil gas       In nuclear energy

No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

- **What is the minimum share of investments in transitional and enabling activities?**  
*Not applicable*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

*Not applicable*



**What is the minimum share of socially sustainable investments?**

*Not applicable*



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The remaining proportion of the investments may include :

- Instruments which are mainly used for liquidity, efficient portfolio management, notably cash and term deposits; and
- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product.

In any case, the AIFM will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards: through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, ...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

*There is no specific index designated as a referende benchmark*

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

*Not applicable*

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

*Not applicable*

- **How does the designated index differ from a relevant broad market index?**

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.





*Not applicable*

- **Where can the methodology used for the calculation of the designated index be found?**

*Not applicable*



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

**<https://eoscapitalpartners.com/>**