

1. RESPONSIBLE INVESTMENT & STEWARDSHIP POLICY

1.1 Introduction

- 1.1.1 This responsible investment & stewardship policy (“**RI Policy**”) is established, and may be amended by, the Board of Managers.
- 1.1.2 The meaning of certain capitalized or uncapitalized terms used in this RI Policy is set forth in the List of Definitions attached as **Annex 1**.

1.2 Application

- 1.2.1 This RI Policy applies to (i) JAB Consumer Fund Management S.à.r.l. (“**JCFM**”), the 1 authorized alternative investment fund manager according to the provisions of the amended Luxembourg law of 12 July 2013 on alternative investment fund managers (the “**AIFM law**”) of JAB Consumer Partners SCA SICAR (“**JCP**”) a partnership limited by shares (*société en commandite par actions*) qualifying as an investment company in risk capital (*société d'investissement en capital à risque*) governed by the amended Luxembourg law of 15 June 2004 relating to the investment company in risk capital (the “**SICAR law**”) and (ii) to the Board of Managers (“**Board of Managers**”) and Personnel or Employees of JCFM (collectively “**Personnel**” or “**Employees**”).
- 1.2.2 In principle, the RI Policy is applied by JCFM with respect to all Compartments of JAB Consumer Partners SCA SICAR. However, where a Section of this RI Policy specifically refer to one (or several) Compartment(s), this Section shall only be applied with respect to this specific Compartment.
- 1.2.3 Environmental, social, and governance (“**ESG**”, or “**Sustainability**”) topics are considered key components of long-term value and business resiliency and as such companies are expected to consider current ESG issues like business ethics, climate change, equality, diversity, inclusion, and transparency in their business operations. Regulators, policy makers, consumers are demanding high standards of sustainability from companies and investors.
- 1.2.4 Diminishing resources, changing consumer demands, evolving norms, and increased regulations are expected to present greater challenges and opportunities for companies around the world. JCFM holds the fundamental belief that companies that carefully manage ESG issues today are better positioned in the future in response to the rising demands.
- 1.2.5 JCFM is dedicated that Portfolio Investments act in accordance with high ethical and professional standards. Through this RI policy, JCFM commits to an investment management philosophy of working with Portfolio Investments to address and monitor their material sustainability issues, allowing it to identify and effectively address related risks and value-enhancing opportunities for investors.
- 1.2.6 JCFM seeks to reduce risk and enhance value by building a proactive focus on ESG issues across the investment life cycle, wherever possible. For this purpose, JCFM has adhered to the

United Nations Principles for Responsible Investment (“**PRI**”) and is a signatory of the PRI since 2020. The PRI defines responsible investment as a strategy and practice to incorporate ESG factors in investment decisions and active ownership.

1.2.7 JCFM is committed to:

- incorporate key ESG topics into investment decision-making; and
- as appropriate and to the extent possible, encourage Portfolio Investments to address and monitor their material ESG topics through responsible management and stewardship practices.

1.2.8 The purpose of this RI Policy is to provide a broad framework for ESG integration through the investment life cycle across JCP’s investments. For the purpose of this RI Policy, the investment life cycle includes the period prior to the acquisition of an investment to its exit, and as such, covers the investment decision making process, as well as the management of the investments.

1.2.9 This RI Policy sets out the key principles and obligations in relation to the responsible investment and asset management activities in order to identify, assess and address those issues that JCFM - in its sole discretion - determines to have - or have the potential to have - a substantial impact on an organization’s ability to create, preserve, or erode economic value, as well as environmental and social value for itself and its stakeholders (“**Material ESG Issues**”).

1.2.10 This RI Policy will be reviewed on an annual basis and updated, as appropriate, to measure success and whether it continues to reflect JCFM’s strategy, targets, and investment beliefs (“**JCFM’s ESG Ambition & Roadmap**”), and compliance with law and regulations. The RI Policy may also be updated to include possible responsible investment methodologies, or new asset classes that this RI Policy does not yet cover.

1.3 Roles and Responsibilities

1.3.1 It is the responsibility of JCFM’s board of managers to:

- determine JCFM’s ESG Ambition & Roadmap;
- approve ESG related targets and goals, including those that underpin the RI Policy;
- encourage ethical conduct and lead by example (tone from the top);
- be responsible for ensuring compliance with all relevant (ESG) laws, regulations, rules and professional standards applicable to JCP and JCFM;
- provide leadership and promote adherence to this RI Policy to its Employees;
- support the ESG Officer in his activities (further detailed below);
- monitor and enforce compliance with this RI Policy by the Employees, including taking appropriate disciplinary action;

- assess and discuss periodically Material ESG Issues identified by the ESG Officer and/or the Employees, and other matters that may arise either in the investment activities or management of the Portfolio Investments;
 - approve recommendations from the ESG Officer and/or the Employees, including (risk) mitigations and remediation actions for Material ESG Issues identified/reported;
 - approve investment decisions.
- 1.3.2 The Board of Managers has the final responsibility for developing and executing mitigation actions whenever an issue arises or is brought to its attention. Mitigation actions may include:
- communication and collaboration with relevant authorities;
 - adjustments in internal and external processes to eliminate future sources of issues; and
 - careful consideration of human resource management and or business partners, among others.
- 1.3.3 The Board of Managers is responsible for reporting significant ESG risk matters and to discuss possible risk mitigating measures, as deemed appropriate.
- 1.3.4 The ESG Officer is responsible for identifying any risk of non-compliance within JCP or JCFM based on the requirements imposed by laws and regulations and this RI Policy.
- 1.3.5 It is also the responsibility of the Board of Managers, or a delegate thereof, to:
- develop ESG related targets and goals relating to investment activities;
 - assist Employees to understand the importance and requirements of this RI Policy and its implementation;
 - to monitor compliance; where a single representative of JCFM is involved, or a delegate has been appointed, specific responsibilities would be to:
 - notify the Board of Managers in a timely manner when a significant ESG risk matter arises; and
 - discuss regularly on ESG matters, at a frequency which is in accordance with the nature, scale and complexity of JCFM activities, that include:
 - the adequacy and effectiveness of the investment and asset management procedures, indicating whether appropriate remedial measures have been or will be taken in the event of any actual or anticipated deficiencies; and
 - an outline of the ESG risks that JCFM, JCP or Portfolio Investments potentially face to ensure that prompt and appropriate action can be taken.
 - implement the guidelines of the PRI where appropriate, including the identification and assessment of the ESG risks of proposed investments, integrate findings into

overall investment analysis and decisions, and communicating and discussing results and investment recommendations with(in) the Board of Managers before pursuing an investment decision;

- monitor the ESG risks that the Portfolio Investments have identified, as well as communicating and discussing the Portfolio Investments' progress in dealing with such ESG risks with(in) the Board of Managers (see section 6);
- use reasonable care to monitor third parties acting on behalf of JCP or JCFM to ensure that their work is in accordance with this RI Policy;
- inform and educate Employees.

1.3.6 The Board of Managers or a delegate will be entrusted with enough resources (that could include external advisors) to support them to carry out their role.

1.4 Training

1.4.1 JCFM ensures that its Employees involved in the investment and/or asset management activities are aware of their professional obligations, by providing them with training on responsible investment.

1.4.2 Such training is also aimed at raising awareness of the RI Policy internally and to ensure that the Employees have the information and tools required to meet the terms of this RI Policy.

1.4.3 The ESG Officer and the Board of Managers monitor ESG developments and the ESG Officer will inform the Employees of relevant changes in applicable laws and regulations and RI Policy requirements and/or facilitates (updated) training to the extent relevant. The content of training shall be appropriate for the level of knowledge and experience of the relevant Employee and their function.

1.5 Implementation of the Principles for Responsible Investment (PRI)

1.5.1 JCFM is dedicated to having businesses acting in accordance with high ethical and professional standards and together addressing ESG risks.

1.5.2 JCFM is committed to an investment management philosophy of working with Portfolio Investments to address and monitor material sustainability issues. JCFM aims to incorporate sustainability issues into decision-making and ownership practices across its Portfolio Investments.

1.5.3 In cases where JCFM has limited ability to influence, Portfolio Investments will be encouraged and stewarded to consider relevant activities covered in the Investment monitoring section of this RI Policy.

1.5.4 JCFM has adhered to the PRI. For this purpose, JCFM:

- will incorporate ESG topics into investment analysis and decision-making processes;

- will regularly evaluate the Portfolio Investments' performance based on relevant key indicators;
- will seek appropriate disclosures on ESG topics from Portfolio Investments;
- will provide, over time, reporting on progress related to ESG topics of Portfolio Investments;
- will engage with key stakeholders in efforts to continuously improve RI approach;
- will promote acceptance and implementation of the PRI within the investment industry; and
- will work together with the JAB group to enhance its effectiveness in implementing the PRI.

This is not intended to be an exhaustive list of all PRI or other responsible investment principles that JCFM adheres to, nor a comprehensive checklist of all the related policies that JCFM should adhere to address the PRI or other responsible investment principles.

1.6 ESG Incorporation in Investment Practices

1.6.1 In accordance with the PRI, JCFM incorporates ESG issues into existing investment practices using a combination of three (3) approaches:

- Include ESG issues in investment analysis and decisions, to better manage risks and improve returns (integration approach);
- Apply filters to lists of potential investments in order to rule prospective Portfolio Investments in or out of contention for investment, based on JCFM's preferences, values and ethics (screening approach); and
- Seek to combine attractive risk return profiles with the purpose of contributing to a specific environmental or social outcome, including impact investing (thematic approach).

A. Integrating ESG in investment analysis

- 1.6.2 Before a potential Portfolio Investment, the Board of Managers (or a delegate) conducts an ESG risk assessment to identify whether the potential Portfolio Investment faces any Material ESG Issues. The findings of the risk assessment shall be incorporated into the overall investment analysis and decision making.
- 1.6.3 Portfolio Investments may face various ESG risks in undertaking their business activities. Risk assessment forms the basis for JCFM to identify material ESG risks that the potential Portfolio Investments may face, and whether the identified ESG risks are within the borders of the JCFM's investment requirements.
- 1.6.4 In the ESG risk assessment, JCFM considers the nature and the size of the Portfolio Investments' activities and the ESG risk factors related to:
- the types of Portfolio Investment and/or (ultimate) beneficial owners;
 - the Portfolio Investments' strategy, objectives and targets (if any);
 - types of (envisaged) products and/or services that the Portfolio Investments offer;
 - the Portfolio Investments' value chain;
 - the countries and geographical locations of the Portfolio Investments' operations.
- 1.6.5 ESG factors may prove important to a Portfolio Investment's ability to navigate ESG-related risks and generate revenue while also benefiting society.

These risks, and the guidelines to manage those risks, are set out below. This is, however, not intended to be an exhaustive list of all ESG risks that JCFM may potentially encounter nor a comprehensive checklist of all the guidelines that JCFM applies to address the identified ESG risks.

While this RI Policy sets out a set of guidelines that are used to address the identified ESG investment risks, as part of the investment activities or as part of the asset management activities, JCFM may apply alternative guidelines to address the identified risks.

Environmental risk	Social Risk	Governance risk
Environmental risks are related to risks resulting from Greenhouse Gas (GHG) accumulation in the	Social risk is about the way a company affects its various stakeholder groups such as employees,	Governance risks are related to several components. i.e., to (i) corporate governance, which can be seen as the way a

atmosphere, leading to global warming with multiple consequences on economies, companies and supply/distribution chains. JCFM applies the Task Force on Climate-related Financial Disclosures (TCFD) to classify environmental risks.	suppliers, contractor or consumers, and particularly, the extent to which these stakeholders are at risk of suffering any negative impacts as a result of corporate practices.	company ‘governs’ itself through policies, processes and controls to achieve compliance and secure transparency in its dealings; and (ii) business integrity, which can be seen as the way a company steers clear of corruption and bribery and avoids openly engaging with politically exposed persons who may pose a reputational risk to the company’s brand.
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B. Approach to Due Diligence and Investment Monitoring

- 1.6.6 JCFM’s approach is to implement this RI Policy and monitor the performance of its Portfolio Investments. During the pre-investment phase, JCFM will identify Material ESG Issues through the due diligence process. These Material ESG Issues will be discussed and considered at the level of the Investment Committee.
- 1.6.7 JCFM will monitor ongoing progress on Material ESG Issues in its Portfolio Investments.
- 1.6.8 In addition, JCFM will require Portfolio Investments to have Material ESG Issues on the agenda of their boards at least once a year. All Portfolio Investments will be required to report on identified and agreed-upon key performance indicators across a number of Material ESG Issues as part of a common reporting framework.

C. Screening and exclusion

- 1.6.9 JCFM applies an exclusion policy in its investment activities which forms the basis of its fiduciary duty. As an overarching principle, prospective Portfolio Investments that do not comply with this RI Policy, international conventions, internationally recognized frameworks, and applicable sanction laws or other regulations will be excluded from investment.
- 1.6.10 JCFM applies specific sectoral exclusion policies for controversial industries, where relevant. Please refer to Annex 2: EXCLUSION LIST & PROHIBITED SECTORS LIST.

D. Investments approach

- 1.6.11 JCFM aims to use a best-in-class approach in its ESG investments. This approach is based on texts with a universal scope, like the United Nations Global Compact, the G20/OECD’s

Principles of Corporate Governance, OECD Guidelines for multinational enterprises, the International Labour Organization (ILO) and others.

1.6.12 JCFM ESG assessment consists of rating (prospective) Portfolio Investments on their ESG practices according to their sector. JCFM ESG assessment is based on an aggregate between the analysis of multiple extra-financial data providers and own due diligence. JCFM considers three (3) dimensions in its JCFM ESG assessment: Environment, Social, Governance (ESG) and assesses (prospective) Portfolio Investments' exposure to risks and opportunities and the management of these challenges in each of their sectors.

- Environmental dimension: there are positive and negative sides to environmental issues, and this analysis assesses how Portfolio Investments deal with them. It examines Portfolio Investments' ability to control their direct and indirect environmental impact, by for example limiting their energy consumption to produce products such as coffee and tea, reducing their greenhouse emissions from energy consumption for transportation, fighting resource depletion and protecting biodiversity as result of agricultural activity for the production of food and beverages;
- Social dimension: the objective here is to measure how a Portfolio Investment defines a strategy to develop its own human capital and how its approach to respecting and championing human rights in its supply chain, drawing on fundamental principles with a European and universal reach. Examples of the social dimension are diversity of company boards and other leadership positions, allowing employees the right to freedom of association (e.g. in unions), and preventing child labor or forced labor in the production of agricultural raw materials.
- Governance dimension: this dimension is set to ensure that a Portfolio Investment's management is able to organize a collaborative process between the different stakeholders that guarantees it will meet long-term objectives (therefore guaranteeing that Portfolio Investment's value over the long term). This dimension provides an analysis of how a Portfolio Investment integrates all of its stakeholders and ethical guidance in its development model: not only its shareholders, but also its employees, clients and suppliers, local communities and the environment.

MANAGEMENT & STEWARDSHIP

1.7 Stewardship and Active Ownership

1.7.1 Stewardship refers to the responsibility of asset owners to exercise their ownership rights to protect and enhance long-term investment value by promoting sustainable value creation.

1.7.2 JCFM's stewardship efforts are described in this RI Policy.,

- 1.7.3 JCFM through JCP plays an important role in influencing the behavior of managers of Portfolio Investments, whether it is in the way Portfolio Investments manage risk, the way Portfolio Investments remunerate management and staff or how managers vote on key resolutions.
- 1.7.4 Stewardship activities include engagement and consideration of ESG issues in the oversight and monitoring of the management and governance structures of Portfolio Investments.

1.8 Responsible Asset Management

- 1.8.1 The management of each Portfolio Investment is ultimately responsible and accountable for the management and consideration of material ESG issues in their strategy and their business operations and processes, including identifying, managing, and monitoring material Sustainability risks and opportunities.
- 1.8.2 Because JCFM focuses on consumer goods and services industries, namely Coffee & Beverages, Fast-casual restaurants, Petcare and Indulgence, JCFM believes it is well positioned to motivate enhanced performance on material ESG topics in these industries, thereby adding value to its Portfolio Investments based on its industry expertise.
- 1.8.3 JCFM aims to encourage Portfolio Investments to improve their ESG risk management or develop more sustainable business practices approaches to encourage and monitor the performance on sustainability factors.
- 1.8.4 Approaches that JCFM may apply (as indicated by the PRI) are:
- Discussing ESG issues with Portfolio Investments and encouraging them to improve their handling, including disclosure, of such issues (Engagement).
 - Formally expressing approval or disapproval through voting on resolutions and proposing shareholder resolutions on specific ESG issues (Proxy Voting).
- 1.8.5 In some cases, JCP is a minority shareholder of a Portfolio Investment and as such JCFM will have limited power and authority to influence and/or as access to the Portfolio Investment's information. The responsibility lies with the management of Portfolio Investments to ensure ESG integration in the organization. However, JCFM envisions that its responsible investment and asset management approach motivates Portfolio Investments, including those in which JCP holds a minority position, to adequately integrate ESG in business practices.
- 1.8.6 Engagement with Portfolio Investments: JCFM strives to motivate the Portfolio Investments to set objectives, targets and key performance indicators on relevant ESG

issues and report progress on these as part of a common reporting framework (e.g., CSR reporting, integrated reporting, PRI, etc). JCFM aims to encourage, and where possible, monitor the performance on ESG issues of its Portfolio Investments through engagement. This includes:

- The management of Portfolio Investments is responsible for providing regular updates to the Board of Managers. Typically, JCFM through representatives of the wider JAB group will have board representation in each of its Portfolio Investments. This allows us to attend important meetings where Portfolio Investments discuss and set their strategy, targets and objectives, as well as discuss progress and performance towards meeting these. Where needed, and to the extent appropriate or not yet covered, JCFM will encourage the Portfolio Investments to incorporate ESG issues in their strategy, targets and objective setting;
- JCFM may act as a sounding board to the Portfolio Investments and provide recommendations if requested;
- JCFM will encourage Portfolio Investments to integrate material ESG risks issues into its risk management.
- Where this is requested, JCFM may actively engage discussions of ESG issues with Portfolio Investments to improve their handling of ESG issues, for example discussing whether the performance on ESG topics has or should be included in the remuneration of the management of the Portfolio Investments.

1.8.7 Engagement through proxy voting: where relevant JCP engages through voting in two (2) ways:

- Voting: JCP s voting approach helps influence Portfolio Investments' approach to addressing ESG issues and aims to ensure consistency in the areas of progress selected and the principle outlined in the RI policy.
- Pre-meeting dialogue: The pre-meeting dialogue establishes a permanent dialogue with Portfolio Investments on the main issues of financial performance and ESG issues, as well as their associated action plans.

1.9 Internal Monitoring and Reporting

1.9.1 JCFM aims to ensure that its investment and management activities are, and remain, in compliance with the RI Policy, applicable legal, regulatory (if any) and contractual requirements.

1.9.2 JCFM has monitoring procedures that evaluate JCFM's compliance with the RI Policy, applicable legal, regulatory (if any) and contractual requirements, the implementation and

performance of the procedures and the relevance, adequacy and effective operation of key quality control policies and procedures (if any).

- 1.9.3 Portfolio Investments are also continuously monitored and assessed on an ongoing basis to ensure assessing and benchmark their ESG performance. JCFM will receive periodic reports from Portfolio Investments, which includes information on the performance and ESG topics themes.
- 1.9.4 The results and overall findings from the monitoring procedures performed are discussed with the Board of Managers and lessons from these procedures are communicated within Portfolio Investment and as part of the training.

1.10 External Reporting and Disclosure

- 1.10.1 JCFM aims to promote the acceptance and implementation of responsible investment and ownership principles/practices within the private equity and financial industry. For this purpose, JCFM shares RI information and other relevant sustainability information with its investors. JCFM discloses RI information in accordance with applicable regulation, where applicable.
- 1.10.2 JCFM reports periodically on material ESG topics. Furthermore, JCFM recognizes that most ESG impact is at the level of Portfolio Investments, and that a consolidated report would not be meaningful and dilute the specific issues each Portfolio Investment faces.

1.11 Continuous Improvement

- 1.11.1 This RI Policy will be reviewed and updated as appropriate from time to time to reflect material changes in JCFM's or the Portfolio Investments' strategy, JCFM's competitive environment or key stakeholders' expectations.

1.12 JCP V

- 1.12.1 JCP V is qualified as "Article 8" financial product for the purposes of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

a. Environmental or social characteristics of the financial product

- 1.12.2 JCP V promotes environmental and social characteristics in accordance with Art.8 SFDR which consist of:

- Climate (GHG emissions). Portfolio Companies are encouraged to measure and report their GHG emissions in accordance with recognized standards such as set by SBTi (Science Based Target initiative) and TCFD (Task Force on Climate-related Financial Disclosures),

set ambitious reduction targets and take appropriate actions to reduce their GHG emissions where feasible;

- Equality of opportunity, diversity & inclusion. Portfolio Companies are encouraged to implement policies and procedures which reflect their approach in this regard. The AIFM will measure the level of diversity and inclusion of Portfolio Companies along certain criteria including, but not limited to gender diversity at board level.

b. Investment Strategy

1.12.3 For JCP V, the AIFM will adhere to the general investment approach, as further detailed by the PPM by integrating Sustainability Factors in the investment decision making process and by giving proper consideration to the adverse consequences of potential Sustainability Risks on JCP V's investments.

1.12.4 To assess the initial performance of a Portfolio Company the AIFM implemented an investment due diligence process which includes the assessment of the promoted environmental and social characteristics. Additionally, the AIFM implemented a comprehensive exclusion list of activities, where the AIFM will refrain from investing in, Prohibited sectors.

1.12.5 The investment strategy foresees the following process:

- Once acquired, a Portfolio Company is given 12 months to implement and disclose a transition plan which shall enable it to determine a concrete action plan (the "**Transition Plan Period**")

- Once the transition plan is established, the Portfolio Company is given 24 months to reach the sustainability targets and implement the transition plan (the "**Implementation Period**" and together with the "**Transition Plan Period**", the "**Transition Period**").

Therefore, in principle the whole Transition Period may not exceed 36 months. In case of major M&A event, the AIFM may decide that (all or part of) the Transition Period may restart.

1.12.6 During the Transition Period, unless there is a delay in establishing or implementing the transition plan, Portfolio Companies will be deemed actively working on (and thus meeting) the promoted environmental or social characteristics. Given the nature of investment and differences of the sustainability status of portfolio companies JCP V may invest in, during the capital deployment phase of JCP V (the "**Ramp-up Period**"), JCP V is not required to reach the minimum proportion of 50% of investments which can be used to attain the promoted characteristics of the Compartment. JCP V aims at reaching the defined minimum threshold during the financial year following the ramp-up period.

- 1.12.7 In addition, the AIFM shall implement a scorecard to periodically assess the adherence of good business ethics and governance practices of the Portfolio Companies.

c. Proportion of Investments

- 1.12.8 JCP V aims at investing at least 50% of its capital in Portfolio Companies fulfilling the requirements of the AIFM methodology to attain the promoted characteristics. JCP V may thus invest in Portfolio Companies which may not fulfil the promoted characteristics. JCP V will usually invest into the Portfolio Companies via intermediary entities.

1.13 Relationship with the Private Placement Memorandum

- 1.13.1 The Private Placement Memorandum (“PPM”) shall prevail in case of discrepancies between the PPM and this RI Policy.

ANNEX-1

LIST OF DEFINITIONS

1. In this RI Policy, the following terms have the following meanings:

Board of Managers means the Board of Managers of JCFM.

ESG Officer designated as Stanislas de Kerdrel and Michael Mosser .

Employee means any director, officer, full-time, part-time and seconded employee including any third-party contractor, who receives or is entitled to receive remuneration for goods or services from JCFM.

ESG means Environmental, Social, and Governance.

JCP means the JAB Consumer Partners SCA SICAR.

JCP V means JAB Consumer Partners SCA SICAR – JCP V (USD) and JAB Consumer Partners SCA SICAR – JCP V (EUR), both compartments of JCP.

JCFM means JAB Consumer Fund Management S.à.r.l., the management company of JCP.

Material ESG Issue means those issues that JCFM - in its sole discretion - determines to have - or have the potential to have - a substantial impact on an organization's ability to create, preserve, or erode economic value, as well as environmental and social value for itself and its stakeholders.

RI Policy means the Responsible Investment & Stewardship Policy of JCFM.

Sustainability means Environmental, Social, and Governance.

Portfolio Investment or **Portfolio Companies** means a company that JCP invests in.

PRI means the United Nations Principles of Responsible Investment.

2. Save where the context dictates otherwise, in this RI Policy:
- (a) unless a different intention clearly appears, a reference to a Clause or Annex is a reference to a clause or annex of this RI Policy;
 - (b) words and expressions expressed in the singular form also include the plural form, and vice versa;
 - (c) words and expressions expressed in the masculine form also include the feminine form; and
 - (d) a reference to a statutory provision counts as a reference to this statutory provision including all amendments, additions and replacing legislation that may apply from time to time.
3. Headings of clauses and other headings in this RI Policy are inserted for ease of reference

and do not form part of this RI Policy for the purpose of interpretation.

ANNEX-2

EXCLUSION LIST & PROHIBITED SECTORS LIST

1. Anti-Social Forces, Terrorism, Human Rights Violations and Corruption

Any direct or indirect investment which constitutes or is involved in the financing of:

- (a) an anti-social force (including but not limited to organized crime, member of a criminal organization, a person who has been a member of a criminal organization in the past five (5) years, a quasi-member of a criminal organization, organized crime-related entity, corporate extortionist, racketeering organization, violence group with special intelligence, or any person who is equivalent to the foregoing);
- (b) individuals, entities, or organizations which are involved in terrorism and appear as such on the lists of one or more of the United Nations Security Council Committee, the European Union, Her Majesty's Treasury of the United Kingdom, the United States' OFAC
- (c) any investment which is or has been directly involved in serious systematic human rights violations or severe environmental damage and where such activities, in the sole determination of the Board of Managers, is ongoing;
- (d) any investment which engages in material and/or systematic corruption where such material and/or systematic corruption has been evidenced by a decision or an order of a court or intergovernmental organization such as the UN or the OECD and where such corruption, in the sole determination of the Board of Managers, is ongoing

2. Chemicals

Companies which manufacture:

- (a) Chemical weapons
- (b) Chemicals prohibited in Annex A of the Stockholm Convention, an international agreement on persistent organic pollutants (POPs) which create severe health impacts, such as cancer
- (c) Chemicals which are inconsistent with Annex III of the Rotterdam Convention, an international agreement on hazardous pesticides and industrial chemicals
- (d) Unbounded asbestos fibres
- (e) Products containing PCBs
- (f) Pharmaceuticals subject to international phase outs or bans
- (g) Pesticides/herbicides subject to international phase outs or bans
- (h) Ozone depleting substances (ODS) subject to international phase out (for example CFCs)

- (i) Narcotics
- (j) Cannabis and cannabis derivative products
- (k) E-cigarettes

3. Defense Equipment

Companies which manufacture, sell, supply, distribute, purchase or use:

- (a) Munitions (cluster munitions and bombs, anti-personnel mines, biological and nuclear weapons), including any key components thereof
- (b) Other weapons where this amounts to more than one third of the business in terms of its typical annual turnover.
- (c) Companies which have a direct or indirect stake of more than 20% in a subsidiary that is directly involved in the manufacture, sell, supply, distribute, purchase or use of the above-mentioned weaponry or munitions.

4. Energy

Companies which directly or indirectly support:

- (a) New coal fired power plants, including completely new plants and major expansions to existing plants;
- (b) New offshore oil or gas projects in the Arctic;
- (c) New greenfield oil sands projects, including completely new mines, new "in situ" operations in geographically separate locations to existing ones, and new pipelines dedicated to the oil sands sector; and
- (d) New nuclear projects are inconsistent with the International Atomic Energy Agency standards.

5. Forestry and Wildlife

Companies which are involved directly, or indirectly via the supply chain, in: illegal logging; wood logged in violation of traditional and civil rights; wood logged in forests where high conservation values (i.e. critical ecological attributes, ecosystem services or social functions – for example, forests containing endangered species or key hunting areas or sacred burial grounds of local communities.) are threatened by industry; or forests being converted to plantation or to non-forest use (deforestation); or wildlife or wildlife products regulated under CITES or species on the IUCN Red List of threatened species.

6. Agriculture and Fishing

- (a) Growers and mills which are involved in: illegal operations; land clearance by burning; the

conversion of areas (often forests) necessary to protect high conservation values; harmful or exploitative child labour or forced labour; the violation of the rights of local communities, such as the principle of free prior and informed consent; and operations where there is significant social conflict.

- (b) Traditional goose liver production and trade.
- (c) Activity of drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
- (d) Companies operating in the palm oil, soy, cattle ranching or rubberwood industries which are involved directly, or which source from suppliers involved in:
 - (i) illegal operations;
 - (ii) deforestation (i.e. the conversion of areas (often forests) necessary to protect high conservation values (as defined in paragraph 4(c) above), the conversion of high carbon stock forests, the conversion of primary tropical forests or land clearance by burning);
 - (iii) new plantation development on peat, regardless of the depth; and
 - (iv) exploitation of people and communities, including harmful or exploitative child labour or forced labour, the violation of the rights of local communities, such as the principle of free prior and informed consent, and operations where there is significant social conflict.

7. Freshwater

Companies which directly support the following:

- (a) New large dams (i.e. dams exceeding 15 metres in height or exceeding both 5 metres in height and 3 million cubic metres in reservoir volume) for hydroelectric projects inconsistent with the World Commission on Dams Framework; or
- (b) Projects located in, or substantially impacting on critical Natural Habitats where the project significantly degrades or converts them.

All prohibitions extend to indirect support, such as general-purpose investments, where the use of proceeds is known and materially supports prohibited activities.

8. Mining & Metals Companies which directly support:

- (a) New thermal coal mines or new customers dependent on thermal coal mining.
- (b) Mines using Mountaintop Removal (MTR), or customers dependent on MTR, in the Central Appalachian Mountains of the United States of America.
- (c) Customers commencing the disposal of tailings in rivers or shallow sea-water³ in or since 2007.

9. World Heritage Sites and Ramsar Wetlands

Companies directly supporting projects which threaten the special characteristics of UNESCO World Heritage Sites or Ramsar Wetlands.

10. Certain Transactions Companies that:

- (a) are themselves, are owned or controlled by or are acting on behalf of any Person (as defined below) who is, to the knowledge of JCFM:
 - (i) in violation of any relevant anti-money laundering legislation, rule, regulation or order;
 - (ii) in violation of any relevant anti-bribery or corruption legislation, rule, regulation or order, including for the avoidance of doubt, the Bribery Act 2010; or
 - (iii) a designated target of Sanctions;
 - (iv) organised or resident in a country or territory whose government is the target of sanctions including Cuba, Iran, North Korea, Sudan, Syria and the Crimea Region); or
 - (v) otherwise a subject of Sanctions.

For these purposes, in respect of (a)(i) and (a)(ii) above, ownership of 10% or more of outstanding voting securities being presumptively a control position.

JCFM confirms that for the purposes of this letter:

- (a) the term "Person" includes all natural persons, entities, organizations, governments, territories, and other political entities; and
- (b) the term "Sanctions" mean sanctions laws, regulations, embargoes, or restrictive measures administered, enacted, or enforced by any of the following sanctions authorities:
 - (i) the United States Government; the United Nations;
 - (ii) the European Union or any of its Member States;
 - (iii) the United Kingdom; or
 - (iv) Hong Kong

11. Unlicensed or Unregistered Financial Institutions

A Portfolio Investment that is (or a Portfolio Investment that has any member of its corporate group that is) an unlicensed or unregulated financial institution (e.g. a broker-dealer) or Money Services Business (i.e. companies offering services involving money/currency exchange, money

transfer, cheque cashing, and issuing or selling travellers cheques or money orders) that has operations in a jurisdiction which requires such financial institution or Money Services Business to have a licence and/or registration.

12. Shell Banks

A financial institution that has no physical existence in the country in which it is incorporated and licensed, and which is unaffiliated with a regulated financial group that is subject to effective consolidated supervision.