MAIN
CAPITAL PARTNERS

Main | SFDR website disclosure[1]

In order to comply with the sustainable finance disclosure regulation (**SFDR**)[2] and the SFDR Delegated Regulation[3], Main Capital Partners B.V. (the **Manager**) makes the following disclosures with regard to Main Foundation II and MF II Co-investment Fund I Coöperatief U.A.[4] (together the **Fund**).

Summary

The Fund promotes environmental and social characteristics, but does not have as its objective sustainable investment. It will invest in in software or software-related portfolio companies (the **Portfolio Companies**). The Fund will exclude certain investments in Portfolio Companies with potentially significant negative climate, health and / or social impacts. To this effect, the Fund will exclude investments in Portfolio Companies that focus on or develop software for customers with potentially significant negative climate, health and / or social impacts as further detailed below (the **Excluded Investments**).

(i) Investments excluded due to significant potential for negative climate impacts
The Fund will exclude investments in Portfolio Companies which derive more than 20% of their revenues from developing software used by customers for the purpose of extraction, refining or production of fossil fuels.

(ii) Investments excluded due to significant potential for negative health impacts
The Fund will exclude investments in Portfolio Companies which derive more than 20% of their revenues from developing software used by customers for the purpose of the production of tobacco products.

(iii) Investments excluded due to significant potential for negative social impacts
The Fund will exclude investments in Portfolio Companies which derive more than 20% of their revenues from developing software used by customers for the purpose of, (i) offering internet gambling and (online) casino, (ii) the production or display of pornographic materials, (iii) the production of weapons and ammunition, or (iv) any illegal activities under any applicable laws.

(iv) Investments excluded due to non-compliance with the Global Compact, the OECD Guidelines and the UNGPs;
The Fund will exclude investments in Portfolio Companies which it reasonably believes not to be compliant with the Ten Principles of the United Nations' Global Compact, the OECD Guidelines (in particular Part I, Chapter XI on Taxation) and the UNGPs.

(v) Investments excluded due to other ESG reasons
The Fund will exclude investments in Portfolio Companies that meet other criteria or segments that do not correspond with the Manager's ESG beliefs, including but not limited to forced labour or child labour, pornography or prostitution and racist and anti-democratic media.

[1] The date of the initial publication of these disclosures is 12-03-2024. The disclosures have been updated on 01-07-2024.
[2] Regulation (EU) 2019/2088
[3] Commission Delegated Regulation (EU) 2022/1288
[4] MF II Co-investment Fund I Coöperatief U.A. invests in in Portfolio Companies alongside Main Foundation II Coöperatief U.A.

Delivering (standard) compliance or administrative software by Portfolio Companies will not be taken into account in the determination whether a Portfolio Company qualifies as an Excluded Investment. Pursuant to the relevant fund agreement(s) applicable to the Fund (the **Fund Documentation**), the Manager is prohibited from investing in the Excluded Investments.

The Fund and the Manager acknowledge the importance of socially responsible investment principles, such as the Principles for Responsible Investment (**PRI**) instituted by the United Nations (www.unpri.org), the Ten Principles of the United Nations' Global Compact (**Global Compact**), the OECD Guidelines for Multinational Enterprises (in particular Part I, Chapter XI on Taxation) (**OECD Guidelines**) and the UN Guiding Principles (**UNGPs**).

As such, and due to the Manager's own PRI membership, the Fund and the Manager will pay particular attention to compliance with international laws on human rights, and to the application of environmental, social, and governance (**ESG**) criteria to the management of its European private equity fund portfolios. It will integrate and formalize in its due diligence for each investment an analysis on the environmental, social (including health and safety, employees, human rights, consumer and community issues) and governance issues.

The manager will also use its reasonable best efforts to incorporate ESG criteria in the management of its Portfolio Companies, to the extent commercially reasonable and practicable and subject, in any event, to the investment strategy of the Fund and to the duty of the Manager to endeavour to maximise the return on investment for all investors. The manager will encourage the Portfolio Companies to integrate ESG considerations in their management for each investment, and will inform the investors in the case that any Portfolio Company is managed in a manner that, in the view of the Manager, is inconsistent with generally accepted ESG values.

Lastly, the manager will avoid the Fund from investing (i) in companies (whether directly or indirectly) that manufacture weapons and ammunitions as defined in the 25.4 NACE code of the Invest Europe sectoral classification (https://www.investeurope.eu/media/1105/sectoral_classification.xlsx), (ii) in companies that are involved in the production of anti-personnel landmines and cluster bombs, whereby such involvement shall cover entities whose activity is to produce or supply key components of these anti-personnel landmines or cluster bombs, (iii) in companies that have more than a 20% stake in subsidiaries and/or joint ventures that the Manager reasonably believes not to be compliant with the Global Compact, the OECD Guidelines and the UNGPs, and (iv) in segments and activities excluded pursuant to the AIFM's ESG policy, to be found on the AIFM's website (www.main.nl).

No sustainable investment objective
The Fund promotes environmental and social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product
The Fund will exclude certain investments in portfolio companies with potentially significant negative impact on:

- climate;
- health; and / or
- social impacts,

as further detailed in the Investment strategy section below.

Investment strategy
The Fund will employ a private equity strategy and will invest in software or software-related portfolio companies. This includes but is not limited to Portfolio Companies active in managed services, Software as a Service (SaaS) and data / content driven, subject to the Fund's investment restrictions and the Excluded Investments.

The Fund will exclude certain investments in Portfolio Companies with potentially significant negative climate, health and / or social impacts, as further detailed below.

(i) Investments excluded due to significant potential for negative climate impacts
The Fund will exclude investments in Portfolio Companies which derive more than 20% of their revenues from developing software used by customers for the purpose of extraction, refining or production of fossil fuels

(ii) Investments excluded due to significant potential for negative health impacts
The Fund will exclude investments in Portfolio Companies which derive more than 20% of their revenues from developing software used by customers for the purpose of the production of tobacco products.

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The Fund will exclude investments in Portfolio Companies which derive more than 20% of their revenues from developing software used by customers for the purpose of, (i) offering internet gambling and (online) casino, (ii) the production or display of pornographic materials, (iii) the production of weapons and ammunition, or (iv) any illegal activities under any applicable laws.

(iv) Investments excluded due to non-compliance with the Global Compact, the OECD Guidelines and the UNGPs;
The Fund will exclude investments in Portfolio Companies which it reasonably believes not to be compliant with the Ten Principles of the United Nations' Global Compact, the OECD Guidelines (in particular Part I, Chapter XI on Taxation) and the UNGPs.

(v) Investments excluded due to other ESG reasons
The Fund will exclude investments in Portfolio Companies that meet other criteria or segments that do not correspond with the Manager's ESG beliefs, including but not limited to forced labour or child labour, pornography or prostitution and racist and anti-democratic media.

Pursuant to the relevant fund agreement(s) applicable to the Fund (the **Fund Documentation**), the Manager is prohibited from investing in the Excluded Investments.

The Manager applies a Good Governance Policy. The Good Governance Policy describes how the Manager assesses whether a portfolio company in which the Fund intends to invest follows good governance practices and is therefore eligible to be included in the initial investment universe of the Fund. The Manager considers good governance to consist of a (minimum) standard of governance relating to sound management structures, employee relations, remuneration of staff and tax compliance. The good governance criteria are described in detail in the Annex of the Good Governance Policy. The good governance assessment is primarily performed by the investment teams based upon a data driven analysis. The data for the analysis comes from prospective Portfolio Companies and may be supplemented by the investment team with information from public or other reliable sources.

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Proportion of investments

Asset allocation describes the share of investments in specific assets.

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.

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.

What is the asset allocation planned for this financial product?

None of the investments of the Fund should be an Excluded Investment. Therefore, all investments of the Fund are aligned with the E/S characteristics.

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

N/A

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

What is the minimum share of investments in transitional and enabling activities?

N/A

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

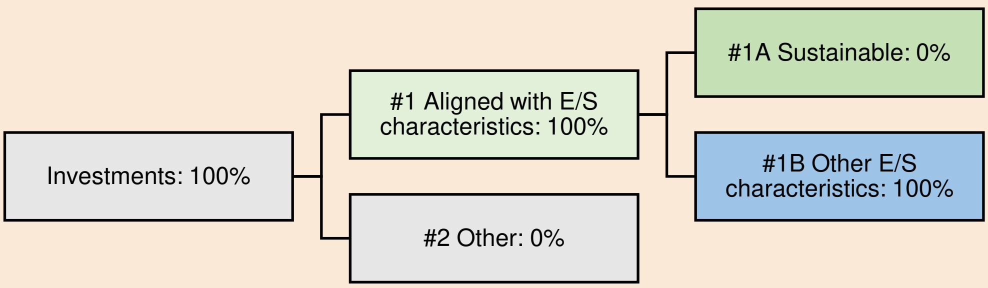
N/A

What is the minimum share of socially sustainable investments?

N/A

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

No investments are included under #2 Other.



#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.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Monitoring of environmental or social characteristics

Prior to making an investment, the investment team of the Manager makes an assessment whether a Portfolio Company qualifies as an Excluded Investment on the basis of an analysis of the revenue sources of the Portfolio Company and other information obtained with respect to the Portfolio Company necessary for making the assessment.

If the investment team determines that a Portfolio Company qualifies as an Excluded Investment, the Fund will not make an investment in such Portfolio Company. During the period in which the Fund will hold the investment in the Portfolio Company, the Manager keeps track of whether the Portfolio Company continues not to qualify as an Excluded Investment, and includes this information in ESG reporting to investors on a quarterly basis.

Methodologies for environmental or social characteristics

After the investment has been made, the Manager will continue to monitor the revenue streams of the Portfolio Company to ensure that the Portfolio Company's revenue does not cross a threshold that would qualify it as an Excluded Investment. In addition to the revenue reports, any other information necessary to determine whether or not a company qualifies as an Excluded Investment will be continuously obtained from the Portfolio Company, both prior to and during the life cycle of the investment.

Data sources and processing

The initial examination before investment as well as continuous monitoring post-investment is based on information sourced by desk research, data provided by the (prospective) Portfolio Company's representatives, and discussions between company management and the Manager.

Limitations to methodologies and data

The Manager ensures it has the expertise to reliably determine, based on the information it acquires, whether or not a Portfolio Company qualifies as an Excluded Investment. This in order to ensure the Fund's investments are and stay aligned with environmental or social characteristics.

Due diligence

ESG is embedded at every stage of the Fund's investment life cycle, starting when a deal is sourced. The Manager conducts due diligence to ensure that a potential investment is not an Excluded Investment, and that the Portfolio Company complies with good governance principles . It will also exclude any potential investment if the prospective company is non-compliant with the Global Compact, the OECD Guidelines, and the UNGPs, or do not correspond with the Manager's ESG beliefs in any other way.

The manager additionally conducts a high-level company ESG risk assessment and excludes all investments with material ESG risks that cannot be mitigated. The Manager has a zero-tolerance policy of any risk of unethical behavior.

ESG is carefully considered during the decision-making process. For all the Fund's investments, ESG due diligence specific to the target company will be included in the initial investment consideration. If needed, the Manager will seek advice from external experts to explore identified ESG risks or opportunities in further depth and consider all of them prior to investment. Where appropriate, The Manager makes binding commitments to ESG in the transaction documentation, such as through compliance related ESG covenants to ensure high standards of governance. The Manager also seeks to attract ESG linked financing where possible.

Engagement policies

After investment, the Manager proactively engages with Portfolio Companies on ESG. It encourages Portfolio Companies to integrate ESG considerations in their management for each investment.

Through regular communication it is ensured that all Portfolio Companies are aware of the high importance the Manager places on ESG characteristics.

Designated reference benchmark

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