



# Sustainability-related Website Disclosure

BlackRock Private Markets – BlackRock Private Equity Fund (the "**Sub-Fund**")

Effective Date: 7 January 2025

**This website disclosure provides sustainability-related information about the Sub-Fund pursuant to Article 10. of the EU Sustainable Finance Disclosure Regulation (EU) 2019/2088 (“SFDR”).**

**A. Sammenfatning**

Afdelingen fremmer miljømæssige eller sociale karakteristika, men den har ikke bæredygtig investering som sit mål. Afdelingen forpligter sig ikke til at besidde bæredygtige investeringer, dog kan disse indgå i porteføljen. De miljømæssige eller sociale karakteristika, der fremmes af afdelingen, nås ved anvendelsen af visse Baseline Screens (samlet kaldet "Baseline Screens"). Baseline Screens implementeres via miljømæssige, sociale og ledelsesmæssige (ESG) spørgeskemaer samt tredjepartsværktøjer, som investeringsteams anvender som del af deres due diligence-proces for investeringer.

For at opnå sit investeringsmål investerer afdelingen primært, direkte og indirekte, i en diversificeret portefølje af langsigtede private equity investeringer. Afdelingen investerer også i en portefølje af likvide investeringer, som kan omfatte investeringer i likvide investeringsfonde og likvide beholdninger, likvide værdipapirer, sikrede låneforpligtelser, over-the-counter-transaktioner, aktier, egenkapitalrelaterede investeringer, fastforrentede værdipapirer, værdipapirer relateret til fast afkast, indskud og pengemarkedsinstrumenter.

Fonden stiller oplysninger til rådighed om de relevante vigtigste negative indvirkninger (PAI), der overvejes som led i due diligence- og overvågningsprocessen for ESG-kriterier og baseret på vurderingen af de tilgængelige oplysninger i årsberetningen.

Mindst 80 % af afdelingens samlede aktiver vil blive placeret i investeringer, der er tilpasset de miljømæssige og/eller sociale karakteristika. Afdelingen kan placere op til 20 % af de samlede aktiver i andre investeringer. Afdelingen forpligter sig aktuelt ikke til at investere mere end 0 % af sine aktiver i bæredygtige investeringer.

BlackRock samarbejder for hver investering og - hvor det er relevant - med tredjepartskonsulenter og/eller -leverandører om at indsamle en række centrale resultatindikatorer for ESG-kriterier på investeringsniveau på tværs af hele fonden. Investeringsteamet overvåger og vurderer regelmæssigt ESG-overvejelser som led i den løbende due diligence og forvaltning af alle investeringer.

BlackRocks porteføljeforvaltere har adgang til analyser, data, systemer og analytiske funktioner med henblik på at integrere ESG-indsigt i investeringsprocessen. BlackRocks interne processer fokuserer på at levere data af høj kvalitet, som kan anvendes af investeringseksperter og til gennemsigtigheds- og indberetningsformål. BlackRock søger at registrere så mange indberettede og godkendte data fra investeringer direkte eller via tredjepartsdataleverandører, som det er praktisk muligt. Dog udvikler branchens standarder sig løbende med hensyn til oplysningsrammer, navnlig hvad angår fremadskuende indikatorer.

BlackRock overvåger løbende udviklingen i EU's fortsatte implementering af rammerne for bæredygtig investering og investeringsmetoderne med henblik på tilpasning til de regulatoriske miljømæssige ændringer. ESG-datasæt ændres og forbedres løbende i takt med, at ændringerne i oplysningsstandarder, regulatoriske rammer og branchens praksis udvikler sig. BlackRock samarbejder løbende med en lang række markedsdeltagere om at forbedre datakvaliteten. Bæredygtig investering og forståelse af bæredygtighed udvikler sig sammen med datamiljøet. Industrideltagere står over for udfordringer i identificeringen af et enkelt parameter eller en række standardparametre med henblik på at opnå et samlet overblik over et selskab eller en investering.

BlackRock anvender en høj due diligence-standard i udvælgelsen og den løbende overvågning af de investeringer, som fonden foretager, for derved at opfylde fondens retningslinjer for investering, likviditet og risiko samt bæredygtighedsrisiko, ESG- og generel resultatudvikling.

Aktivt ejerskab med selskaber/fonde, hvor vi investerer vores kunders aktiver, opstår på forskellige niveauer i BlackRock. Hvis investeringsteams vælger at udnytte aktivt ejerskab, kan dette ske på en række måder, men grundlæggende søger porteføljeforvalterne at føre en regelmæssig og løbende dialog med ledende medarbejdere, bestyrelsesmedlemmer eller sponsorer i de virksomheder, der investeres i, eller fondsforvaltere af private equity. Hvor det er muligt, søger porteføljeforvaltningsteamet aktivt at forhandle sig til plads i bestyrelsen eller som bestyrelsesobservatør for direkte fælles investeringer og i kommanditisters rådgivende udvalg for underliggende fonde (som defineret i afsnit C nedenfor). Stærke, løbende forhold og aktivt ejerskab åbner mulighed for at fremme solid ledelse og bæredygtig forretningspraksis rettet mod de identificerede ESG-karakteristika og de vigtigste negative indvirkninger og kan fremme effektiviteten af virksomhedens eller fondens forvaltning og overvågning af aktiviteter, der er rettet mod de identificerede ESG-spørgsmål. Desuden kan aktivt ejerskab give porteføljeforvalterne mulighed for at komme med feedback om virksomhedens eller fondens praksis og offentliggørelser.

Fonden har ikke et specifikt indeks angivet som referencebenchmark for at klarlægge, om dette finansielle produkt er tilpasset de miljømæssige og/eller sociale karakteristika, som den fremmer.

### **B. No sustainable investment objective**

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

### **C. Environmental or social characteristics of the financial product**

In order to achieve its investment objective, the Sub-Fund will primarily invest, directly and indirectly, in a diversified, portfolio of long-term private equity investments (“Private Equity Investments”). Such Private Equity Investments may include Direct Co-Investments (as defined below) and investments in Underlying Funds (as defined below).

The Sub-Fund will also invest in a portfolio of liquid investments (“Liquid Investments” and, together with the Private Equity Investments, the “Investments”). Liquid Investments may include investments in liquid investment funds (the “Liquid Funds”) and cash and cash-equivalents, liquid securities, collateralised loan obligations, over-the-counter transactions, equities, equity-related investments, fixed income securities, fixed income-related investments, deposits, and money market instruments (collectively, the “Liquid Securities”).

The Sub-Fund seeks to promote environmental and social characteristics by pursuing certain environmental and social initiatives on a binding basis.

For an Investment to qualify for investment by the Sub-Fund, the investee entity must:

- 1) Fulfil the good governance requirement following an assessment of key governance criteria such as sound management structures, remuneration of staff, employee relations and tax compliance;
- 2) Meet the Baseline Screens (as defined below), including not being at a Very High risk of a UN Global Compact violation;
- 3) Have an Overall ESG Score, as described below, of greater than or equal to 2.

The Sub-Fund will not invest in any Investments where, at the time the investment is made by the Sub-Fund in such Investment, the Investment Manager is aware, to its actual knowledge (having undertaken customary due diligence), that such Investment is in an entity:

1. that derives any revenue from the manufacture or distribution of weapons in violation of one or more of: (i) The Convention on the Use of Certain Conventional Weapons, (ii) The Chemical Weapons Convention, (iii) The Biological Weapons Convention, (iv) The Convention on Cluster Munitions (the Oslo Convention), (v) The Anti-Personnel Landmines Convention (the Ottawa Convention) and (vi) The Nuclear Non-Proliferation Treaty;

2. that derives more than 5% of its most recently completed fiscal years' annual sales revenue from the extraction and sale of coal (including, for the avoidance of doubt, ignite, bituminous, anthracite and steam coal), as well as production and power generation from thermal coal;
3. that derives more than 5% of its most recently completed fiscal years' annual sales revenue from (i) tar sands extraction, or (ii) peat-fired power generation;
4. that is involved in the manufacturing of controversial weapons, cluster bombs, landmines, depleted uranium weapons, chemical and biological weapons, blinding laser weapons, incendiary weapons and/or non-detectable fragment weapons;
5. that derives more than 10% of its most recently completed fiscal years' annual sales revenue from the production, distribution or sale of weapons or ammunition (including, for the avoidance of doubt, "civilian" weapons or ammunition) or from the production, distribution or sale of military hardware;
6. that is a manufacturer or a provider of components or auxiliary services related to nuclear warheads and missiles, or an assembler of delivery platforms for nuclear weapons; Note that: (i) companies involved in the manufacturing of military weapons for entities that are not governments or governmental organisations, police forces, state-owned companies or supranational organisations are fully excluded, and (ii) companies selling to governments or governmental organisations, state-owned companies or supranational organisations are flagged to the private equity investment committee of the Investment Manager for additional scrutiny;
7. that is principally involved in the manufacturing of conventional weapons and weapons components for military use; Note that: (i) companies involved in the manufacturing of military weapons for entities that are not governments or governmental organisations, police forces, state-owned companies or supranational organisations are fully excluded, and (ii) companies selling to governments or governmental organisations, state-owned companies or supranational organisations are flagged to the private equity investment committee of the Investment Manager for additional scrutiny;
8. that derives more than 5% of its most recently completed fiscal years' annual sales revenue from production, distribution, retail and supply of tobacco-related products, tobacco leaf growing, harvesting, curing, leaf processing, end-product manufacturing;
9. that derives any sales revenue from the production of pornography; or
10. that, to the Investment Manager's actual knowledge obtained in the ordinary course of the Investment Manager's due diligence process (in reliance on responses provided by any investment or sponsor of an investment through any due diligence questionnaire) relating to the Direct Co-Investment or follow-on investment to such Direct Co-Investment conducted prior to the Sub-Fund acquiring such Direct Co-Investment or follow-on investment to such Direct Co-Investment, has violated the UN Global Compact's 10 Principles for Business.

It is possible that the Investment Manager will not receive sufficient information to correctly assess whether investee companies comply with the above obligations post-investment (collectively, the "Baseline Screens"). The Investment Manager may not be able to independently verify the accuracy of responses to the ESG Questionnaire described below and will rely on investee companies to provide accurate responses.

#### **D. Investment strategy**

In order to achieve its investment objective, the Sub-Fund will primarily invest, directly and indirectly, in a diversified, portfolio of long-term Private Equity Investments.

The Sub-Fund will also invest in a portfolio of Liquid Investments, which may include investments in Liquid Funds including, without limitation, funds investing in fixed income securities and funds investing in liquid alternatives and Liquid Securities.

Private Equity Investments may be made in a variety of ways, including by investing in (i) equity and equity-like interests in subsidiary holding companies, partnerships and other co-investment vehicles; and (ii) corporate finance instruments in the form of shareholder loans or other shareholder financing. The Sub-Fund will not seek control positions with respect to its Private Equity Investments. Instead, the Sub-Fund intends to make investments on a co-investment basis (“Direct Co-Investments”) alongside financial, strategic or other third-party private equity sponsors who sponsor and facilitate co-investments (“PE Sponsors”). Such PE Sponsors will generally either be well known to the Investment Manager, or other funds managed by the Investment Manager will have co-invested alongside them. The Sub-Fund’s Direct Co-Investments may be made on a primary or secondary basis. In addition, the Sub-Fund may also make Private Equity Investments by investing in secondary participations in underlying private equity focused investment funds (“Underlying Funds”).

All potential investments considered for the Sub-Fund will be subject to a detailed ESG assessment and risk rating process prior to an investment decision being made to ensure that they meet the Sub-Fund’s ESG criteria.

The Sub-Fund will not invest in any investee undertaking which, at the time that the Sub-Fund makes its initial investment therein, is determined by the Investment Manager to be high risk in accordance with the BlackRock ESG risk rating for BlackRock Private Equity Partners framework (or any successor or equivalent framework adopted by the Investment Manager from time to time), unless such investee undertaking is contractually obliged or incentivised to make positive ESG changes to its business or operations within eighteen (18) months of the date of initial investment such that it would then meet the Investment Manager’s criteria for investment by the Sub-Fund; provided that, for the avoidance of doubt, the foregoing shall not limit in any way the ability of the Sub-Fund to make follow-on investments in such investee companies where intended primarily to maintain or protect the value of an existing Investment, and any such follow-on investment shall not be subject to the foregoing limitations or requirements.

Beyond the integration of ESG in the due diligence process, each of the Investments will be made in accordance with a framework designed to achieve compliance with Article 8 of SFDR. All proposed investments to be made by the Sub-Fund are assessed against the environmental and social characteristics being promoted by the Sub-Fund, as outlined above.

Each Private Equity Investment is considered in relation to the proprietary ESG scorecards described below. The process is integrated across the different stages of the investment process. The assessment of individual Investments is a key consideration in the Sub-Fund’s Investment Committee process and the ultimate investment decision.

With respect to Direct Co-Investments, eligibility for an investment is determined through the completion of a proprietary Direct Co-Investment ESG scorecard. The deal teams are required to either (a) assign each investment a 1-5 rating (1 - Identified Issue; 2 - Identified Issue with Adequate Mitigants; 3 - Adequate Risk Control; 4 - Strong Practices; 5 - Key Driver of Underlying Business); or (b) answer yes/no across Environmental, Social, Governance, Data Quality, Other, Baseline Screens and Heightened Scrutiny questions. Where needed, the deal team will substantiate the answer or identify mitigants. The deal team’s assessment is combined with an industry scoring based on SASB resulting in an Overall ESG Score for the prospective Direct Co-Investment.

With respect to secondary participations in Underlying Funds, eligibility for an investment is determined through the completion of a proprietary secondary ESG scorecard with a look-through materiality threshold of 15% of Net Asset Value for the Baseline Screens. The proprietary ESG scorecard will use the same 1-5 rating system described above and will focus on practices of the general partners and/or managers of such Underlying Funds across Identification, Contribution and Monitoring, with additional assessment of good governance, data quality and baselines screens related to the portfolio. The deal team’s assessment results in an Overall ESG Score attributed to the portfolio.

With respect to Liquid Investments: (i) eligibility for an investment in a Liquid Fund is determined based on whether the relevant Liquid Fund constitutes a financial products as described in Article 8 SFDR as determined by the relevant fund manager and/or adviser; and (ii) eligibility for an investment in a Liquid Securities is determined based on the application of the Baseline Screens at the level of the underlying security (and not at the level of the parent/issuer). For the avoidance of doubt, Liquid Investments may still retain an indirect exposure to assets that may violate the Baseline Screens, including through the use of derivatives.

In addition, pursuant to the Sub-Fund's investment restrictions, the Sub-Fund will not invest in any Investment, which, at the time the relevant Investment is made, to the actual knowledge of the Investment Manager or the AIFM having undertaken customary due diligence, neither the Sub-Fund, nor any investment holding vehicles established by the Sub-Fund, would contravene the Baseline Screens as they are described above to apply to that type of Investment (other than Liquid Funds, which do not apply the Baseline Screens)

#### Consideration of PAIs on sustainability factors

Through its ESG due diligence and monitoring process, the Sub-Fund considers and reports, based on assessment of available information, on the following principal adverse impact indicators:

- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises; and
- Exposure to controversial weapons (anti-personnel mines; cluster munitions; chemical weapons and biological weapons).

The Sub-Fund will provide information on the PAIs considered through the ESG due diligence and monitoring process, based on the assessment of available information, in its annual report.

#### Good governance policy

For each Private Equity Investment, the Investment Manager completes a comprehensive proprietary ESG scorecard as described above, which includes questions on key governance criteria including, but not limited to, sound management structures, employee relations and remuneration of staff. In addition, the Investment Manager ensures tax compliance by conducting tax due diligence as part of the underwriting for which the investment teams leverage in-house experts as well as external advisors. With respect to good governance, the Investment Manager takes into consideration certain of the UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

### **E. Proportion of investments**

A minimum of 80% of the Sub-Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics.

#### Sustainable Investments

The Sub-Fund does not currently commit to investing more than 0% of its assets in Sustainable Investments with an environmental objective aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

The Sub-Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

The Sub-Fund does not commit to investing in sustainable investments with an environmental objective not aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

The Sub-Fund does not currently commit to investing more than 0% of its assets in socially sustainable investments, however, these investments may form part of the portfolio.

## Other Holdings

The Sub-Fund may on an ancillary basis invest in liquid instruments, including Liquid Investments, and the Sub-Fund may use derivatives for purposes of hedging. For the avoidance of doubt, liquid instruments and derivatives will not be aligned with the environmental and social characteristics outlined above.

In addition, certain Investments may be temporarily inconsistent with the E/S characteristics defined herein.

## **F. Monitoring of environmental or social characteristics**

BlackRock will collate a range of ESG performance indicators for each investment and, where required, will do so in partnership with third-party consultants and/or vendors. The portfolio management team will review these ESG performance indicators as part of investment monitoring, including conducting periodic portfolio review meetings.

Disclosure of these key performance indicators, together with progress towards any KPI-linked objectives and targets, will be disclosed to investors on a periodic basis within existing investor reporting processes.

## **G. Methodologies**

The following sustainability indicators are used to measure the attainment of the environmental or social characteristics being promoted by the Fund. Where possible and appropriate, these indicators will be obtained at the point of investment, and indicators will continue to be monitored throughout the investment period.

- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises; and
- Exposure to controversial weapons (anti-personnel mines; cluster munitions; chemical weapons and biological weapons).

## **H. Data sources & processing**

### Data Sources

BlackRock's portfolio managers have access to research, data, tools, and analytics to integrate ESG insights into their investment process.

ESG datasets are sourced directly from portfolio companies, from the private equity sponsors invested in the portfolio companies, or from external third-party data providers. These datasets may include headline ESG data, business involvement metrics or controversies and are available to portfolio managers and employed in BlackRock investment strategies. Such tools support the full investment process, from research, to portfolio construction and modelling, to monitoring and reporting.

### Measures taken to ensure Data Quality

BlackRock applies a comprehensive due diligence process to evaluate provider offerings with highly targeted methodology reviews and coverage assessments based on the environmental and/or social characteristics of the product. Our process entails both qualitative and quantitative analysis to assess the suitability of data products in line with regulatory standards as applicable.

BlackRock adopts a direct engagement approach to ensure data quality by obtaining KPIs directly either from portfolio companies, from the private equity sponsors invested in the portfolio companies, from the general partners/managers of Underlying Funds, or from external third-party data providers. Data is validated and reviewed as part of investment monitoring, including conducting quarterly periodic portfolio review meetings.

#### How data is processed

At BlackRock, our internal processes are focused on delivering high-quality data to be used by investment professionals and for transparency and reporting purposes. Data, including ESG data, received through various interfaces, and then processed through a series of quality control and completeness checks which seeks to ensure that data is of a high-quality before being made available for use downstream within BlackRock systems and applications.

The portfolio management team uses eFront as a centralized database, which provides real time updates on deal-flow, investor reporting, portfolio management and investment monitoring related activities. Strategy-related attributes such as the Baseline Screens are tracked for each Direct Co-investment within the eFront platform for monitoring and reporting purposes.

#### Use of Estimated Data

BlackRock strives to capture as much reported data from investments directly or via 3rd party data providers as practicable, however, industry standards around disclosure frameworks are still evolving, particularly with respect to forward looking indicators. As a result, in certain cases we rely on estimated or proxy measures from data providers. Due to current challenges in the data landscape, while BlackRock may rely on material amount of estimated data across our investments, the levels of which may vary from data set to data set, we seek to ensure that use of estimates is in line with regulatory guidance and that we have necessary documentation and transparency from data providers on their methodologies. BlackRock recognizes the importance in improving its data quality and data coverage and continues to evolve the data sets available to its investment professionals and other teams. Where required by local country-level regulations, funds may state explicit data coverage levels.

### **I. Limitations to methodologies and data**

#### Limitations to methodologies

Sustainable investing is an evolving space, both in terms of industry understanding but also the regulatory frameworks on both a regional and global basis. BlackRock continues to monitor developments in the EU's ongoing implementation of its framework for sustainable investing and is seeking to evolve its investment methodologies to ensure alignment as the regulatory environment changes. As a result, BlackRock may update these disclosures, and the methodologies and sources of data used, at any time in the future as market practice evolves or further regulatory guidance becomes available.

#### Limitations to data

ESG data sets are constantly changing and improving as disclosure standards, regulatory frameworks and industry practice evolve. BlackRock continues to work with a broad range of market participants to improve data quality.

Whilst each ESG metric may come with its own individual limitations, data limitations may broadly be considered to include, but not be limited to:

- Lack of availability of certain ESG metrics due to differing reporting and disclosure standards impacting private markets issuers, geographies or sectors

- Nascent statutory corporate reporting standards regarding sustainability leading to differences in the extent to which companies themselves are required to report against regulatory criteria and therefore some metric coverage levels may be low. This may be particularly relevant in private markets where investee companies may not be in scope for such standards.
- Estimated data by its nature may vary from realized figures due to the assumptions or hypothesis employed by data providers.
- Most corporate ESG reporting and disclosure takes place on an annual basis and takes significant time to produce meaning that this data is produced on a lag relative to financial data. There may also be inconsistent data refresh frequencies across different data providers or underlying assets.
- Coverage and applicability of data across asset classes and indicators may vary.
- Forward looking data, such as climate related targets may vary significantly from historic and current point in time metrics.
- BlackRock may be reliant on the private equity managers and sponsors for the collection and reporting of ESG related data which may vary from each other in terms of frequency, coverage and methodologies.

## J. Due diligence

BlackRock applies a high standard of due diligence in the selection and ongoing monitoring of investments made by the Fund for the purpose of compliance with the investment, liquidity and risk guidelines of the Fund, as well as the sustainability risk and ESG criteria and general performance. The investment process includes pre and post investment controls within the investment platform where the funds promote environmental or social characteristics, in a binding manner or have a sustainable investment objective.

The investment team includes environmental, social and governance considerations in the initial screening, sourcing and due diligence phases of the investment process. This may include the use of internal ESG due diligence templates to identify, analyze and document key ESG risks associated with any specific investment opportunity. Where appropriate, identified ESG risks are highlighted in Investment Committee materials and discussed at relevant Investment Committee meetings.

The investment team also considers environmental, social and governance criteria during post-investment monitoring as part of its periodic portfolio reviews between the investment team and BlackRock's Risk and Quantitative Analysis group. These reviews include discussion of the performance of the asset as well as of portfolio exposure to material ESG risks, where appropriate.

The investment team is also subject to BlackRock's investment oversight framework and BlackRock's central risk management function which also provides independent reviews of sustainability risks. The Fund's compliance team also provides further oversight and monitors the ESG requirements relevant to the Fund and any investment restrictions. The Fund manager also complies with related EMEA policies, including Investment Due Diligence policies which have been updated to integrate sustainability risk and consideration of PAIs. BlackRock has implemented a framework to ensure that the relevant policies and procedures are adopted and complied with by all relevant employees, including the investment team.

In addition, BlackRock makes data relating to PAIs to the extent that it is available to all portfolio managers. Please note that at present PAI data coverage varies in respect of markets, asset class and sectors. BlackRock continues to work closely with data providers and investment teams to ensure that robust and reliable data is considered during the investment due diligence processes and is made available where possible. Due to industry wide limitations in respect of PAI data coverage for private markets, this work is ongoing taking into account the nature of underlying investee companies, markets and reporting frameworks and therefore will be on a best efforts basis whilst the data and reporting landscape continues to evolve.

## **K. Engagement policies**

The Fund does not use direct engagement as a means of meeting its binding commitments to environmental or social characteristics or sustainable investment objectives.

Engagement may form part of the Due Diligence carried out by the investment team for select investments to assess how the investment manages ESG risks and opportunities and may continue post-investment during the holding period. Where applicable, the investment team may use engagement to discuss concerns, understand opportunities and share constructive feedback, based on the view that material ESG issues are intractably tied to a business' long-term strategy and fundamental value. The amount and level of engagement the investment team conducts on our investments varies depending on the deal structure and objectives.

BlackRock may exercise engagement on environmental and social characteristics through its investment ownership and through different channels, either directly by engaging with board or company management, or with the respective sponsor for each investment. Where possible, the portfolio management team actively seeks to negotiate seats in the board of directors or board observer seats for Direct Co-Investments. Strong ongoing relationships and engagement allow to advance sound governance and sustainable business practices targeted at the identified ESG characteristics and PAIs, as well as to understand the effectiveness of the company's or fund's management and oversight of activities designed to address the identified ESG issues. Engagement may also allow the portfolio management team to provide feedback on company or fund practices and disclosures.

## **L. Designated reference benchmark**

There is no 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.