

Sustainability related disclosures pursuant to Article 10(1) of the Disclosure Regulation | HSBC Alternative Investments S.C.A. SICAV-RAIF – Sub-Fund III (Buyout Basket III)

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 (the “**Disclosure Regulation**”) aims at providing more transparency to investors on sustainability risk integration, on the consideration of adverse sustainability impacts in the investment processes and on the promotion of environmental, social and/or governance (“**ESG**”) factors. In particular, it requires fund managers and advisers to disclose specific ESG-related information to investors on their websites.

1 Summary

HSBC Alternative Investments S.C.A. SICAV-RAIF – Sub-Fund III (Buyout Basket III) (the “**Sub-Fund**”) is a private equity fund-of-funds that promotes environmental and social characteristics within the meaning of article 8 of the Disclosure Regulation.

The Sub-Fund does not target sustainable investments within the meaning of article 2 (17) of the Disclosure Regulation. The Sub-Fund’s portfolio may (but for the avoidance of doubt, there is no obligation to) include investments that qualify as sustainable investments within the meaning of article 2 (17) of the Disclosure Regulation.

The Sub-Fund is structured as a blind pool and intends to invest into three to five private equity target funds yet to be selected. Such investments will be made by subscribing for interests in the target funds (“**Primary Investments**”). In addition to such Primary Investments, the Sub-Fund may invest on an opportunistic basis in target funds, yet to be selected, by acquiring stakes in existing funds from an existing investor (LP-led Secondary) or by participating in GP-led Secondaries (e.g. by way of a Continuation Fund; together the “**Secondary Market Transactions**”). The Sub-Fund promotes environmental and social characteristics pursuant to article 8 SFDR by ensuring a careful selection of its investments. Primary Investments and Secondary Market Transactions may (but don’t have to) promote environmental and/or social characteristics and qualify under article 8 of the Disclosure Regulation. The investments shall nevertheless integrate sustainability risks into their investment decisions and endorse sustainability, ESG aspects and/or promote environmental and social characteristics to a sufficient degree. Further, the actual portfolio allocation on asset level very much depends on the decisions of the respective managers included in the Sub-Fund Portfolio. Against this background, it is expected that at least 50% of the Portfolio Companies (calculated on the basis of the Sub-Fund’s NAV) will officially promote environmental and social characteristics within the meaning of article 8 SFDR and adhere to the applicable requirements of such regulation.

The Sub-Fund and its investments must enforce good governance practices in their investee companies, in particular with regard to sound management structures, employee relations, employee remuneration and tax compliance.

The Sub-Fund does not consider any adverse impacts of its investment decision on sustainability factors.

The Sub-Fund is a “fund-of-funds” and a blind pool. The promoted environmental and/or social characteristics and the indicators used to measure the attainment of each of these characteristics depend on the specific investments that will be selected for the Sub-Fund. Due to the Sub-Fund’s broad investment strategy and diversification, it is neither feasible

nor suitable to set meaningful standard indicators for environmental and social characteristics applicable to all investments in advance.

The selection of target fund managers is based on a rigorous due diligence covering investment related, operational, as well as legal and tax topics. The Sub-Fund evaluates, as part of the due diligence carried out by the AIFM and the investment advisor, the managers with respect to their management structures, employee relations, remuneration of staff and tax compliance, as well as the respective standards for portfolio companies.

Further, an important aspect of the due diligence is the review of the sustainability approach and capability of a target fund manager, to determine if and how its product intends to promote environmental or social characteristics.

The AIFM will actively monitor sustainability indicators and ESG incidents and will review ESG progress on an annual basis.

The Sub-Fund pursues an active investment management strategy and therefore does not invest by reference to any index and does not intend to do so.

Please find a translation of this Summary Section in German and in French attached to this document as Annex 1 and Annex 2 respectively.

For more ESG product specific information please also refer to: <https://www.fundrock-lis.com/esg/>.

2 No sustainable investment objective

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

The assets of the Sub-Fund may (but for the avoidance of doubt, there is no obligation to) include investments that qualify as sustainable investments within the meaning of article 2 (17) of the Disclosure Regulation.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (as defined in Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending the SFDR (the "**Taxonomy Regulation**"). Given that the Sub-Fund is a blind pool and it has a broad investment approach, it is not possible to predict whether or to what extent the Sub-Fund will be invested in so-called "taxonomy-aligned" assets. There is no obligation to invest in taxonomy-aligned assets. Therefore, as of today, no investment criteria for the Sub-Fund arise from the Taxonomy Regulation and the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Hence, the proportion of such investments under the Taxonomy Regulation is currently 0%.

3 Environmental or social characteristics of the financial product

The Sub-Fund promotes environmental and social characteristics.

Environmental and social characteristics can appear in various forms. The former can for example be contribution to resource efficiency in the use of energy, raw materials, water and soil, generation of renewable energy, reduction of waste generation, greenhouse gas emissions or impact on biodiversity and enhancement of the circular economy. Social

characteristics may be found and improved in almost every investment, for example by combating inequalities in the workforce, promoting social inclusion or providing safe and adequately paid labour. More specific investments can improve the availability of and access to healthcare services. The Sub-Fund and the target funds (as applicable) shall enforce good governance practices at the level of the investee companies, in particular with regard to sound management structures, employee relations, employee remuneration and tax compliance.

Due to its broad investment strategy – especially with regard to the multi-sector and multi-region approach – it is not possible to pre-define the environmental and social characteristics that shall be promoted by the Sub-Fund. Furthermore, the Sub-Fund is a “fund-of-funds” and a blind-pool, i.e. an investment fund that invests into target funds which are still to be selected. Furthermore, the target funds will generally also going to be blind pools, i.e. invest into investee companies and assets that still need to be selected.

In this context, however, it may be noted that the Sub-Fund aims to commit capital to investments that are themselves in line with the article 8 requirements of the SFDR and therefore promote environmental or social characteristics accordingly.

Based on the fund universe that is likely to be considered, the portfolio may, without any obligation thereto, pursue as **environmental or social characteristics** (and the corresponding Sustainable Development Goals) the reduction of carbon footprint (e.g. SDG 13), the responsible consumption and production (e.g. SDG 12) or the promotion of gender equality (SDG 5).

The Sub-Fund Portfolio may pursue one of the subgoals of certain SDGs including the aforementioned SDGs.

4 Investment strategy

As explained above, the Sub-Fund pursues an investment strategy comprising of Primary Investments and Secondary Market Transactions in order to provide the investor with a diversified multi-region, multi-sector portfolio of private equity investments. Not all the relevant investments of the Sub-Fund Portfolio need to classify according to article 8 of the SFDR and therefore need to adhere to the requirements of such regulation. However, even the investments not expressly qualifying according to article 8 of the SFDR, shall nevertheless endorse sustainability, ESG aspects and/or promote environmental and social characteristics to a sufficient degree. Notwithstanding the above, all investments will undergo the complete IDD and ODD processes and have to achieve the minimum ESG grades across due diligence areas as explained before. Against this background, it is expected that at least 50% of the Portfolio Companies (calculated on the basis of the Sub-Fund's NAV) will officially promote environmental and social characteristics within the meaning of article 8 SFDR and adhere to the applicable requirements of such regulation. The actual portfolio allocation on asset level very much depends on the decisions of the respective managers included in the Sub-Fund Portfolio.

The investment strategy of the Sub-Fund is designed to meet environmental and social characteristics. When considering the Buyout Basket III, the investment advisor will aim to select Target Funds that meet the conditions set forth under article 8 of the Disclosure Regulation. The requirement (i.e. to invest into article 8 SFDR target funds) will only be applied **on a best effort basis** when selecting the Sub-Fund Portfolio. This means that when determining the Sub-Fund Portfolio in the due diligence process, the Sub-Fund may include

investments that qualify under article 6 of the Disclosure Regulation according to their documentations, provided that they at least integrate sustainability risks into their investment decisions and the relevant Portfolio Companies follow good governance practices. The Target Funds and the relevant Portfolio Companies shall nevertheless endorse sustainability, ESG aspects and/or promote environmental and social characteristics to a sufficient degree. The selection of investments is based on a rigorous due diligence covering investment related, operational, as well as legal and tax topics. Within this due diligence, an important aspect is the review of the sustainability approach and capability of a manager, to determine if and how its product intends to promote and accomplish the respective environmental or social characteristics.

Various **sustainability risks** may harm the Sub-Fund's investments at the level of the Target Funds as well as at the level of the individual Portfolio Companies. The Sub-Fund is a fund-of-funds, it is therefore not anticipated that any single sustainability risk will drive a material negative financial impact on the value of the Sub-Fund. The AIFM is ultimately responsible for the integration of sustainability risks and will ensure that the investment advisor incorporates, alongside other risk factors, materially relevant sustainability risks into the due diligence and research, valuation, asset selection, portfolio construction, and ongoing investment monitoring.

The Sub-Fund also evaluates, as part of the due diligence carried out by the AIFM, the investment advisor and the legal advisors, the managers with respect to their **good governance practices**, including management structures, employee relations, remuneration of staff and tax compliance, as well as their standards for portfolio companies. The Portfolio Companies, in which the Sub-Fund (directly or indirectly through the target funds) invests, must follow good governance practices.

Consequently, the operational due diligence assesses with respect to the investment portfolio inter alia the following aspects:

- with reference to suitable corporate governance practices:
 - Board composition
 - Firm committees
 - Limited Partner Advisory Committees (LPAC)
 - Transparency
 - Segregation of duties
 - Outsourcing
 - Remuneration
- with reference to suitable employee relations,
 - Contractual terms for all employees/ partners
 - Compensation arrangements for the employee
 - HR processes and policies (including details on the recruitment and retention strategy and on the performance management process)
 - Diversity, equity & inclusion initiatives

- Monitoring processes of (i) employee relationships; (ii) conflicts of interest and (iii) appropriate segregation of duties with regards to mandatorily disclosed family relationships
- Litigations or ongoing legal proceedings relating to any employees
- with reference to tax compliance,
 - Tax policies (including duties as well as the exclusion of abusive or aggressive tax planning)
 - Compliance with applicable filing, reporting, disclosure and payment obligations
 - Please confirm that appropriate tax advice will be undertaken in respect of all legal and financing structuring to be implemented by the Fund and that relevant tax due diligence and structuring will be undertaken on the acquisition of all investments.
 - Adverse tax impact affecting the portfolio company's structure (including current holding structure and contemplated investments) in relation to the implementations of ATAD I, II and III
 - Existence of overdue tax filings or tax investigations for the portfolio company or the manager
 - Convictions, litigations, or ongoing legal proceedings relating to, for example, embezzlement, extortion, fraud, counterfeiting, or wilful failure to file a tax return, supply tax related information or provision of fraudulent statements, documents, or tax returns to tax authorities
- with reference to the existence of adequate controls for preventing and detecting bribery and corruption,
 - Anti-bribery and corruption policy (including anti-bribery and corruption procedures in the applicable code of ethics, compliance manual, adherence to regulatory bodies, oversight obligations and monitoring processes)
 - Consider corporate due diligence processes on bribery
 - Details of any of owners, employees, shareholders, partners, directors or key senior executives designated as Politically Exposed Person (so called "PEP")
 - Confirmation that no investment manager, employees, owners, directors or key senior executives etc. have ever been sanctioned or blacklisted by any governmental or regulatory authority in any jurisdiction
 - Investigations, convictions, litigations, or ongoing legal proceedings regarding, for example, any criminal act/offence in relation to any allegation of fraud, bribery, misrepresentation etc.

Further, the Sub-Fund Portfolio managers need to confirm

- that they are signatories of the UN Principles for Responsible Investments (so-called, PRI); and
- that, there are no serious violations of the UN Global Compact and democracy/human rights (including at the level of the portfolio companies).

The scoring of each investment opportunity includes four ESG grades across the key due diligence areas performance, people, philosophy and process, as well as a fifth score covering the macro environment in relation to ESG topics. A defined minimum grade in each key area has to be achieved by a potential investment to be considered suitable from an ESG perspective. Several key questions and topics are covered within each area and lead to the specific grade. Additionally, the operational due diligence rating for an investment's ESG process has to be "intermediate". On a case-by-case basis, a lower rating may be sufficient if the rating of a potential investment and its manager differ and the potential investment has the higher rating.

5 Proportion of investments

As explained above, the Sub-Fund pursues an investment strategy comprising of Primary Investments and Secondary Market Transactions in order to provide the investor with a diversified multi-region, multi-sector portfolio of private equity investments. Not all the relevant investments of the Sub-Fund Portfolio need to classify according to article 8 of the SFDR. However, at least 50% of the Portfolio Companies (calculated on the basis of the Sub-Fund's NAV) will officially promote environmental and social characteristics within the meaning of article 8 SFDR and adhere to the applicable requirements of such regulation. In this context, the Sub-Fund will not purely rely on the self-qualification of the selected target funds but carry out a thorough due diligence from an ESG perspective, nevertheless. The remaining maximum of 50% "#2 Other" investments (calculated on the basis of the Sub-Fund's NAV) shall still include and promote sustainability and ESG aspects to a sufficient degree, but potentially without officially promoting E/S characteristics pursuant to article 8 SFDR. During the due diligence of such an "#2 Other" investment, the manager's ESG policy and processes, the adherence to global ESG initiatives and the investment strategy are reviewed in order to evaluate if the manager's sustainability approach is considered satisfactory. The investments referred to as "#2 Other" represent, inter alia, the balance of the Sub-Fund's Portfolio that are not classified under the SFDR due to their nature or time of inception. Their purpose is to further enhance the risk / return profile of the Buyout Basket III. The binding elements in the investment process shall still secure sufficient consideration of environmental and social characteristics.

All investments (Primary Investments and Secondary Market Transactions) only provide an indirect exposure to investee companies through the respective Target Fund.

6 Monitoring of environmental or social characteristics

The AIFM will actively monitor sustainability indicators and ESG incidents and will review ESG progress on an annual basis with respect to the entire portfolio of investments.

With respect to Primary Investments, the monitoring is mainly carried out by the managers of the target funds. They will need to provide at least annual reports which also contain reporting on certain environmental and/or social indicators on an annual basis.

Any Secondary Market Transaction investment shall provide adequate reporting as well, also in regard to ESG aspects. This allows the Sub-Fund to evaluate how and to what extent the entire portfolio of investments contributes to achieving promoted environmental and social characteristics, as well as further ESG factors.

In the event of a material adverse event, the Sub-Fund will engage on an ad-hoc basis with the respective target fund manager or to obtain transparency and discuss mitigants.

Transparency of the promotion of environmental and social characteristics by the Sub-Fund will also be ensured via the Sub-Fund's periodic reports (see also par. 8 below).

7 Methodologies

The Sub-Fund is a "fund-of-fund" and a blind pool. The promoted environmental and/or social characteristics and the indicators used to measure the attainment of each of these characteristics depend on the specific portfolio of investments that will be selected for the Sub-Fund. Due to the Sub-Fund's broad investment strategy and diversification, it is neither feasible nor suitable to set meaningful standard indicators for environmental and social characteristics applicable to all investments in advance. Rather, the managers of the target funds in which the Sub-Fund will be invested will determine the relevant characteristics for their activities in order to be able to collect meaningful data. The collected data, which will be aggregated and reported at the level of the Sub-Fund, is expected to be diverse.

Given the projected investment strategies of the Sub-Fund's investments, information on sustainability indicators (such as "greenhouse gas emissions avoided or reduced", "energy consumption intensity per high impact climate sector", "share of renewable energy consumption and production", "carbon footprint", "board gender diversity" or "unadjusted gender pay gap") may be received and be used to measure the progress and attainment of promoted characteristics.

8 Data sources and processing

With the Sub-Fund being a "fund-of-funds" the data will be mainly sourced via the Target Funds / Portfolio Companies. Where applicable, data sourcing may be extended to external data providers and other publicly available information, e.g. reports of listed companies. Enhanced data may also be obtained through screening tools and due diligence procedures specifically covering aspects of good governance and potential adverse impacts of business activities.

To ensure data quality, plausibility checks are performed and reconciled with the manager of the target funds or portfolio companies if required. Data management and validation is carried out by the AIFM, with the support of investment advisor. For these purposes, the AIFM may further engage and cooperate with a specialized third-party service provider.

9 Limitations to methodologies and data

With the Sub-Fund being a "fund-of-funds" the data will be mainly sourced via the target funds / portfolio companies forming the investment portfolio of the Sub-Fund. Therefore, there are usually no publicly available data through data providers that can be used, and the Sub-Fund needs to rely to a large extent on the data provided by the target funds / portfolio companies. The measurement of the ESG aspects at Sub-Fund and Target-Fund level may be based on different or limited information, qualitative instead of quantitative information, different performance indicators and measurement frameworks. Further, the Target Fund's and Portfolio Company's managers may be dependent upon information and data from third parties. The limitations to this methodology can be that information received could be incomplete, delayed or inaccurate so that (i) investor reports may consequently be less rigorous (ii) engagement activities based on such information might not be as efficient as if the information had been timely and comprehensive.

The adequacy and robustness of data management processes is assessed by the AIFM and the investment advisor as part of the due diligence carried out on Target Funds / Portfolio

Companies. In this context the AIFM and the investment advisor take into account whether data or processes and controls are subject to independent reviews in order to obtain further assurance on methodologies and data.

10 Due diligence

Once potential investments have been identified by the investment advisor and agreed by the AIFM as potential investments for the Sub-Fund, the investment advisor carries out a commercial and operational due diligence on such potential Target Funds.

The investment due diligence process is identical for each opportunity that is evaluated, thus Primary Investments as well as Secondary Market Transactions will be reviewed this way.

The evaluation is mainly based on discussions with the managers, on-site visits as well as on the fund documentation and further documents, where applicable. Reference calls are used to verify and challenge the investment advisor's opinion.

Particular attention will be paid to discussions with the investment team and the direct interaction with members of investor relations (reporting) and administration teams. In this context, the operational framework of an investment (i.e. fund's corporate governance, reporting, subscription process, side letters, etc.) will also be taken into consideration, especially by the operational due diligence team that covers all private market investments.

During the investment process (and especially the due diligence process) it is evaluated in which regard (and whether) a potential investment is promoting environmental and/or social characteristics when investing and managing its investments. In greater detail, the assessment of the managers' ESG approach is carried out as part of the Sub-Fund's investment selection and forms an integral part of the due diligence process, whereby staff, organization, guidelines, policies, support of relevant initiatives (e.g. UNPRI), consideration in the investment and asset management process as well as in investor reporting are reviewed.

The scoring of an investment opportunity includes four ESG grades across the key due diligence areas performance, people, philosophy and processes. A fifth score considers the macro environment in relation to ESG topics. A defined minimum grade in each key area has to be achieved by a potential investment to be considered suitable for the Sub-Fund from an ESG perspective. Several key questions and topics are covered within each area and lead to the specific grade. Additionally, the operational due diligence rating for an investment's ESG process has to be at least "intermediate". On a case-by-case basis, a lower rating may be sufficient if the rating of a potential investment and its manager differ and the potential investment has the higher rating.

Based on the fund universe that is likely to be considered, the portfolio may, without any obligation thereto, pursue as environmental or social characteristics (and the corresponding Sustainable Development Goals) the reduction of carbon footprint (e.g. SDG 13), the responsible consumption and production (e.g. SDG 12) or the promotion of gender equality (SDG 5).

Based on pre-selection of investments for the Sub-Fund and after in-depth due diligence, the investment advisor will provide an investment recommendation to the AIFM who, in parallel to the in-depth due diligence, will engage an internationally renowned law firm to conduct a legal and tax due diligence of the fund documentation and, if necessary, subsequently negotiate any side letter agreements with the fund management of the Target Funds. At the

request of the AIFM, the investment advisor will coordinate the legal and tax due diligence as well as any necessary side letter negotiations.

The legal and tax due diligence will in particular examine whether an investment, (i) meets the investment criteria in so far as they are of a legal nature and (ii) is permissible for the Sub-Fund from a regulatory point of view and efficient from a tax point of view.

11 No consideration of adverse impacts of investment decisions on sustainability factors

The Sub-Fund does not consider any adverse impacts of its investment decision on sustainability factors.

The AIFM currently considers the requirements of the principal adverse impact (the so called "PAI") regime under Article 4 of the Disclosure Regulation and the related regulatory technical standards (the so called "PAI reporting") as not relevant for this Sub-Fund as it does not reflect the way in which the Sub-Fund is either operated or sold to investors.

For this Sub-Fund, the AIFM considers that the processes already in place in relation to, inter alia, the integration of sustainability risks into investment decisions are sound from a risk perspective and in line with the expectations for this Sub-Fund which does not make sustainable investments but only promotes environmental features.

12 Engagement policies

The Sub-Fund will comply with the engagement policy of the AIFM as set out in the LIS Engagement & Voting Rights Policy:

<https://www.fundrock-lis.com/policies/>

According to this policy, engagement with target funds and portfolio companies (also in relation to ESG topics) is key for properly identifying investment opportunities, managing investment risks, monitoring assets in portfolio and ensuring long-term sustainability. Specifically, there will be annual meetings with the investment adviser and the target funds to engage on the compliance with and progress on the sustainable investment objectives.

The relevant policy describes activities that will typically be carried out by the AIFM, the investment adviser or the portfolio manager in both, the pre-investment and post-investment stages.

In a nutshell, in the pre-investment stage, an in-depth due diligence, including ESG topics, will be carried out in order to identify and evaluate investment opportunities and the thereto related risks.

During the post-investment stage, one or all of the following activities may be carried out in the best interest of investors:

- monitoring of the progress of a specific investment and mitigation of risks identified during the due diligence process (including ESG topics);
- ongoing dialogue with management teams;
- application of the AIFM's voting strategy for determining when and how voting rights attached to instruments held in managed portfolios are to be exercised in order to benefit the relevant fund and its investors;

- cooperation with other shareholders in order to, inter alia, enhance good corporate governance practices and emphasising the relevance of implementation of ESG topics;
- engagement with stakeholders involved in the fund's activity to the extent permitted by law and if relevant in a given context;
- cooperation, via formal or informal meetings, with other shareholders aiming, inter alia, at enhancing good corporate governance practices, emphasising the relevance of implementation of ESG topics, promoting disclosure standards etc.

12 Designated reference benchmark

The Sub-Fund pursues an active investment management strategy and therefore does not invest by reference to any index and does not intend to do so.

Annex 1

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German courtesy translation

Zusammenfassung:

Die HSBC Alternative Investments S.C.A. SICAV-RAIF – Teilfonds III (Buyout Basket III) (der „**Teilfonds**“) ist ein Private Equity-Dachfonds, der ökologische und soziale Merkmale im Sinne von Artikel 8 der Offenlegungsverordnung fördert.

Der Teilfonds zielt nicht auf nachhaltige Anlagen im Sinne von Artikel 2 Nr. 17 der Offenlegungsverordnung ab. Das Portfolio des Teilfonds kann (muss aber nicht) Anlagen enthalten, die als nachhaltige Anlagen im Sinne von Artikel 2 Nr. 17 der Offenlegungsverordnung qualifizieren.

Der Teilfonds ist als Blind Pool strukturiert und beabsichtigt, in drei bis fünf noch auszuwählende Private Equity Zielfonds zu investieren. Diese Investitionen werden durch die Zeichnung von Beteiligungen an den Zielfonds getätigt („**Primärinvestments**“). Zusätzlich zu diesen Primärinvestments kann der Teilfonds auf opportunistischer Basis in noch auszuwählende Zielfonds investieren, indem er Anteile an bestehenden Fonds von einem bestehenden Investor erwirbt (sog. LP-led Secondary) oder indem er sich an sog. GP-led Secondaries beteiligt (z.B. über einen Continuation Fund; zusammen die „**Sekundärmarkttransaktionen**“). Der Teilfonds fördert ökologische und soziale Merkmale gemäß Artikel 8 der Offenlegungsverordnung, indem er eine sorgfältige Auswahl seiner Anlagen sicherstellt. Primärinvestments und Sekundärmarkttransaktionen können (müssen aber nicht) ökologische und/oder soziale Merkmale fördern und gemäß Artikel 8 der Offenlegungsverordnung qualifizieren. Die Anlagen müssen jedoch Nachhaltigkeitsrisiken in ihre Investitionsentscheidungen einbeziehen und Nachhaltigkeit und ESG-Aspekte unterstützen und/oder ökologische und soziale Merkmale in ausreichendem Maße fördern. Die tatsächliche Portfolioallokation auf Ebene der Vermögenswerte hängt außerdem in hohem Maße von den Entscheidungen der jeweiligen Manager des Teilfondsportfolios ab. Vor diesem Hintergrund wird erwartet, dass mindestens 50% der Portfoliounternehmen (berechnet auf Grundlage des Nettoinventarwerts des Teilfonds) offiziell ökologische und soziale Merkmale im Sinne von Artikel 8 der Offenlegungsverordnung fördern und die entsprechenden Anforderungen dieser Verordnung einhalten.

Der Teilfonds und seine Anlagen müssen in den Unternehmen, in die investiert wird, die Grundsätze guter Unternehmensführung durchsetzen, insbesondere im Hinblick auf solide Managementstrukturen, Arbeitnehmerbeziehungen, Arbeitnehmerentlohnung und Steuerkonformität.

Der Teilfonds berücksichtigt keine nachteiligen Auswirkungen seiner Investitionsentscheidungen auf Nachhaltigkeitsfaktoren.

Der Teilfonds ist ein Dachfonds und ein Blind Pool. Die geförderten ökologischen und/oder sozialen Merkmale und die Kennzahlen, die zur Messung der Erreichung dieser Merkmale verwendet werden, hängen von den jeweiligen Investments ab, die für den Teilfonds ausgewählt werden. Aufgrund der breit angelegten Investitionsstrategie und Diversifizierung des Teilfonds ist es weder möglich noch sinnvoll, im Voraus aussagekräftige Standardkennzahlen für ökologische und soziale Merkmale festzulegen, die für alle Investments gelten.

Die Auswahl der Zielfondsmanager basiert auf einer strengen Due-Diligence-Prüfung, die anlagebezogene, operative sowie rechtliche und steuerliche Aspekte umfasst. Der Teilfonds bewertet im Rahmen der vom AIFM und dem Anlageberater durchgeführten Due-Diligence-Prüfung die Manager im Hinblick auf ihre Managementstrukturen, Arbeitnehmerbeziehungen, Arbeitnehmerentlohnung und die Steuerkonformität sowie die entsprechenden Standards für die Portfoliounternehmen.

Ein wichtiger Aspekt dieser Due Diligence ist die Überprüfung des Nachhaltigkeitskonzepts und der Fähigkeiten eines Managers festzustellen, ob und wie sein Produkt ökologische oder soziale Merkmale fördern soll.

Der AIFM wird Nachhaltigkeitskennzahlen und ESG-Ereignisse aktiv überwachen und die ESG-bezogenen Fortschritte jährlich überprüfen.

Der Teilfonds verfolgt eine aktive Anlageverwaltungsstrategie und investiert daher nicht in Bezug auf einen Index und beabsichtigt auch nicht, dies zu tun.

Weitere produktspezifische Informationen zu ESG finden Sie auch unter: <https://www.fundrock-lis.com/esg/>.

Annex 2

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French courtesy translation

Résumé:

HSBC Alternative Investments S.C.A. SICAV-RAIF - Compartiment III (Buyout Basket III) (le "**Compartiment**") est un fonds de fonds de *private equity* qui promeut des caractéristiques environnementales et sociales au sens de l'article 8 du Règlement (UE) 2019/2088 du Parlement Européen et du Conseil du 27 novembre 2019 sur la publication d'informations en matière de durabilité dans le secteur des services financiers (le "**Règlement sur la Publication d'Informations**").

Le Compartiment n'a pas pour objectif les investissements durables au sens de l'article 2 (17) du Règlement sur la Publication d'Informations. Le portefeuille du Compartiment peut (mais, pour éviter toute ambiguïté, il n'y a aucune obligation) inclure des investissements qualifiés d'investissements durables au sens de l'article 2 (17) du Règlement sur la Publication d'Informations.

Le Compartiment est structuré comme un pool aveugle et a l'intention d'investir dans trois à cinq fonds cibles de capital-investissement qui doivent encore être sélectionnés. Ces investissements seront réalisés en souscrivant des participations dans les fonds cibles ("**Investissements Primaires**"). Outre ces Investissements Primaires, le Compartiment peut, de manière opportuniste, investir dans des fonds cibles qui n'ont pas encore été sélectionnés, en acquérant des participations dans des fonds existants auprès d'investisseurs existant (*LP-led Secondary*) ou en participant à des *GP-led Secondaries* (par exemple, par le biais d'un Continuation Fund; ensemble, les "**Transactions sur le Marché Secondaire**"). Le Compartiment favorise les caractéristiques environnementales et sociales conformément à l'article 8 du Règlement sur la Publication d'Informations, en veillant à une sélection rigoureuse de ses investissements. Les Investissements Primaires et les Transactions sur le Marché Secondaire peuvent (mais ne doivent pas nécessairement) promouvoir des caractéristiques environnementales et/ou sociales et peuvent se qualifier en vertu de l'article 8 du Règlement sur la Publication d'Informations. Néanmoins, les investissements doivent intégrer les risques de durabilité dans leurs décisions d'investissement et approuver la durabilité, les aspects ESG et/ou promouvoir les caractéristiques environnementales et sociales à un degré suffisant. Par ailleurs, l'allocation effective du portefeuille au niveau des actifs dépend en grande partie des décisions des respectifs gestionnaires du Portefeuille du Compartiment. Dans ce contexte, il est prévu qu'au moins 50% des sociétés du portefeuille (calculées sur la base de la VNI du Compartiment) promeuvent officiellement des caractéristiques environnementales et sociales au sens de l'article 8 du Règlement sur la Publication d'Informations et adhèrent aux exigences applicables de ce Règlement.

Le Compartiment et les investissements doivent appliquer des pratiques de bonne gouvernance dans les sociétés dans lesquelles ils investissent, en particulier en ce qui concerne les structures de gestion saines, les relations avec les employés, la rémunération des employés et la conformité fiscale.

Le Compartiment ne prend pas en compte les incidences négatives de ses décisions d'investissement sur les facteurs de durabilité.

Le Compartiment est un "fonds de fonds" et un pool aveugle. Les caractéristiques environnementales et/ou sociales promues et les indicateurs utilisés pour mesurer l'atteinte de chacune de ces caractéristiques dépendent des investissements spécifiques qui seront sélectionnés pour le Compartiment. En raison de la vaste stratégie d'investissement du Compartiment et de sa diversification, il n'est ni possible ni approprié de définir à l'avance des indicateurs standard significatifs pour les caractéristiques environnementales et sociales applicables à tous les investissements.

La sélection des gestionnaires de fonds cibles repose sur une diligence raisonnable rigoureuse couvrant les aspects liés à l'investissement, les aspects opérationnels, ainsi que les aspects juridiques et fiscaux. Le Compartiment évalue, dans le cadre de la diligence raisonnable effectuée par le gestionnaire et le conseiller en investissement, les gestionnaires en ce qui concerne leurs structures de gestion, les relations avec les employés, la rémunération du personnel et la conformité fiscale, ainsi que les normes respectives pour les sociétés du portefeuille.

En outre, un aspect important de la diligence raisonnable est l'examen de l'approche et de la capacité de durabilité d'un gestionnaire de fonds cible, afin de déterminer si et comment son produit entend promouvoir des caractéristiques environnementales ou sociales.

Le gestionnaire surveillera activement les indicateurs de durabilité et les incidents ESG et examinera les progrès ESG sur une base annuelle.

Le Compartiment poursuit une stratégie de gestion active des investissements; par conséquent, il n'investit pas par référence à un indice et n'a pas l'intention de le faire.

Pour plus d'informations sur les produits ESG, veuillez également vous référer à: <https://www.fundrock-lis.com/esg/>.