ANNEX IV

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

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

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

Product name:
Alteralia III ELTIF SCA SICAV-RAIF ("the Fund")

Legal entity identifier:
B270250

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

●● ☐ **Yes**	●○ ☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It made **sustainable investments with a social objective:** ___%	☐ with a social objective
	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

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

The environmental and social (E&S) characteristics promoted by the Fund have been met by integrating E&S factors in the Fund's investment decision process and holding periods for all its investments. More specifically, by 31 December 2024, different ESG KPIs have been linked to the margin ratchet of all live financing instruments (8 out of 8) of the Fund.

The KPIs defined and thus, the E&S characteristics promoted by the Fund, are based on the most financially material E&S aspects identified for each investment by the investment team and the portfolio company management team and, if applicable, other investors. For this, during the due diligence process, the Fund carries out an exhaustive analysis on the company's activities, maturity on ESG issues, country and background.

In 2024, the Fund has linked all the investment's margin ratchet to the achievement of ESG KPIs, as shown in their loan documentation. In addition, specific KPIs have already been defined for 6 out of the 8 investments. Of the two companies that do not currently have ESG KPIs linked to the loan's margin ratchet, one has since been refinanced; as a result, the fund no longer can define or influence such terms. The other company has not defined any ESG KPIs and has therefore not complied with the related requirements; accordingly, the fund has applied the corresponding penalty.

In addition to the specific KPIs defined and monitored per investment, the Company has also measured the progress of the integration of ESG in the investment process through the KPIs defined in the pre-contractual information. The results can be encountered in the following section.

How did the sustainability indicators perform?

Below are the results related to the selected sustainability indicators for achieving the E&S characteristics promoted by the Fund. All data provided refers to 31/12/2024:

- **Exposure to excluded economic sectors: 0%**

  None of the companies of the Fund belong to excluded economic sectors defined in the Fund's exclusion list, found on the Precontractual template (Annex I of the Offering Memorandum).

- **Portfolio companies which have fulfilled the ESG questionnaire pre-investment: 100%**

  8 out of 8 companies have dully filled out an ESG questionnaire prior-investment, as an ESG Due Diligence exercise aimed at identifying financially-material E&S characteristics that are to be promoted throughout the investment period. 3 out of the 8 companies have undergone an external due diligence process on ESG-related matters.

- **Portfolio companies with loan linked to sustainability performance: 100%.**

  8 out of 8 companies have subscribed to a loan pertaining margin ratchet linked to the sustainability-related performance, measured through the specific ESG KPIs selected for each company.

  At 31st December 2024, 4 companies have defined the following ESG KPIs to the loan's margin ratchet, seeking to promote the following E&S characteristics:

Company	E&S characteristics	Key Performance Indicator
Company 1	Waste efficiency	Waste sent to landfill per euro of revenue (kg/€)
	Talent retention	Turnover rate
Company 2	Internally defined framework (i.e. ESG management and action plans, sustainability-linked remuneration, sanctions or incidents, supplier assessment, training and well-being, social initiatives, among other aspects)	Weighted score obtained from the answers provided to the questionnaire performing under/above the defined score
Company 3	Diversity and inclusion	% women in workforce
Company 4	Diversity and inclusion	% women in workforce
	Diversity and inclusion	# hires of employees with disabilities (on top of those required by law)
	Social initiatives	Hours from workforce dedicated to pro-bono

From the remaining four companies, three did not define their ESG KPIs linked to the loan in the period established in the financing terms and therefore, the Fund has applied to them the corresponding penalties (+10bps and +5bps, respectively). However, one of these companies has defined the following ESG KPIs in the first semester of the 2025 fiscal year:

Company 5	Diversity and inclusion	# scholarships provided to children from vulnerable groups
	Waste management	Packaging waste (kg)

In the case of the latest investment made by the Fund in 2024, the portfolio company is still in period of defining the ESG KPIs linked to the sustainability margin ratchet, following the financing legal documentation.

- **Portfolio companies that complied with the defined ESG KPIs set: 75%.**

  3 out of the 4 companies which had defined the ESG KPIs linked with the loan margin ratchet have been able to verify compliance with the defined KPIs and therefore, have obtained the discount defined in their corresponding financing terms (i.e. -10bps or -5bps). The remaining company have not been able to verify compliance with the targets defined on the current period and thus, the Fund has applied the corresponding penalties.

…and compared to previous periods?

In 2024, the number of investments of the Fund increased to eight, compared to four in the previous exercise. All investments completed the ESG questionnaire prior to investment and are being financed through sustainable loans linked to specific ESG KPIs.

In 2024 three out of the four companies that had defined ESG KPIs have been able to meet their annual ESG targets according to the terms defined in the loan financial documentation, obtaining the applicable discount. A notable improvement compared to the previous exercise, in which only one company had defined ESG targets and managed to verify compliance with them.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable. The Fund does not have a sustainable investment objective.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable. The Fund does not have a sustainable investment objective.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable. The Fund does not have a sustainable investment objective.

Were the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable. The Fund does not have a sustainable investment objective.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

How did this financial product consider principal adverse impacts on sustainability factors?

Although the Fund evaluates the impact of its investments on the environment and society through all the investment process. (See section “What actions have been taken to meet the environmental and/or social characteristics during the reference period?”). The Fund does not consider principal adverse impacts (PAI) according to the Delegated Regulation (EU) 2022/1288).

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01st January to 31st December 2024

What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Technology solutions provider for fleet management stations	Software & technology	8.7%	Spain
Manufacturer of bending and end-forming machines	Industrial	11.1%	Italy
Regulatory compliance services platform (legal tech and consulting)	Software & technology	9.0%	Spain
Early childhood education and childcare company	Education	12.1%	France
Global influencer marketing and content creation agency	Marketing	9.2%	Spain
Provider of innovative educational programs and materials for schools	Education	6.9%	Spain
Service provider firm focused on clinical research and digital health	Healthcare	13.5%	Spain
Aviation academy offering flight training and ground school	Education	4.8%	Spain

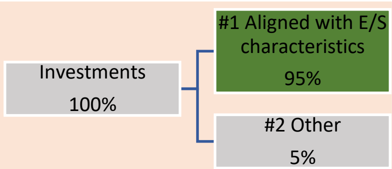
As of 31/12/2024

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

All the fund's investments promote social or environmental characteristics by having their margin ratchet linked to ESG KPIs. However, it is important to recall that 3 out of 8 companies are in the process of defining their KPIs; therefore, the specific social and environmental causes they will contribute to are still being determined.. “Other” includes elements such as cash and cash equivalents.



#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.

To comply with the EU taxonomy, the criteria for **fossil gas** include emissions limitations and a switch to renewables or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management standards.

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.

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.

In which economic sectors were the investments made?

Investments were made in education (37.5%), technology and software (37.5%), healthcare (12.5%) and industrial (12.5%) sectors.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy[1]?

Not applicable. The Fund does not have a sustainable investment objective and does not invest in activities aligned with EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

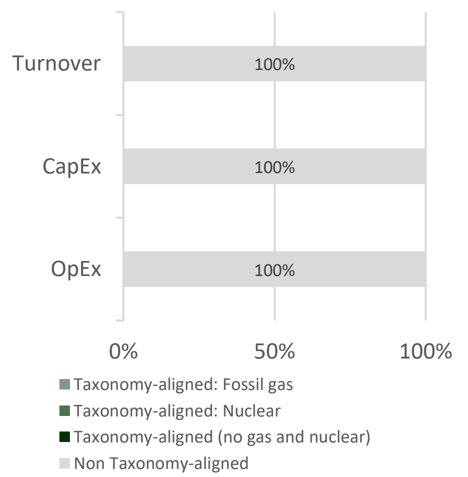
☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

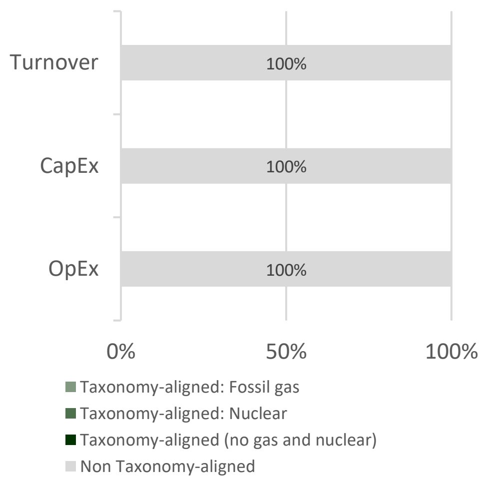
☒ **No**

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

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments.

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

What was the share of investments made in transitional and enabling activities?

Not applicable. The Fund does not have a sustainable investment objective.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable. The Fund does not have a sustainable investment objective, and it does not invest in activities aligned with EU Taxonomy.

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

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy

Not applicable. The Fund does not have a sustainable investment objective.

What was the share of socially sustainable investments?

Not applicable. The Fund does not have a sustainable investment objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

There were no investments classified as "Other".

The "Other" Investments may include investments in liquid assets (cash) held for the purposes of servicing the day-to-day requirements of the Company or investments for which there is insufficient data for them to be considered ESG-related Investment. This lack of data along with the intended use of this portion of the portfolio, precludes the existence of any E&S safeguards from being in place.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During 2024, the Fund applied its investment strategy, as found on the pre-contractual information (Annex I of the Offering Memorandum), incorporating the consideration of sustainability risks in the pre-investment analysis and the holding period in 100% of its investments.

Prior to any investment, the Fund has carried out a **negative screening process** and therefore, no investments have been made in companies operating in controversial sectors or in activities which are not considered to be aligned with the Fund's investment philosophy. These activities include energy-intensive and high CO_2-emitting industries and fossil fuel-based energy production. In addition, for the first time in 2024, as part of the investment process, Alantra Asset Management Sustainable Investment Principal must approve the investment ensuring that the investment's activities are not included in the sectors excluded. The complete list of excluded economic sectors can be found on the Precontractual template (Annex I of the Offering Memorandum).

Additionally, the team has carried out a **due diligence process** to identify the most material ESG aspects for each investment. The due diligence process consists of an internal ESG questionnaire; an ad hoc assessment on each investment based on their financial activity and sector; and an external due diligence, if applicable. As per 31/12/2024, 8 out of 8 companies have dully filled out an ESG questionnaire pre-investment and 3 out of 8 companies have undergone an external due diligence process on ESG-related matters.

In 8 out 8 companies the Fund has **incorporated ESG KPIs linked to the loan's margin ratchet**. From which, three companies managed to define the corresponding ESG KPIs according to the terms established in the loan documentation and verified compliance with the targets set for the 2024 period.

Some of the Fund's portfolio companies have taken concrete actions to meet their sustainability-linked performance targets by embedding measurable goals into their daily operations and implementing specific measures such as:

- Formalization of sustainability governance structures and appointment of new positions (i.e. committees, sustainability managers, etc.).
- Obtainment of ISO 9001 certification to enhance performance and quality control.
- Inclusion of non-financial indicators into management remuneration frameworks.
- Implementation of energy efficiency upgrades and addition of electric vehicles to its fleet.
- Definition of targets to maintain at least 50% female representation.
- Increasing female representation by 10% through inclusive recruitment strategies.

- Hiring new employees with disabilities, beyond those defined by legal requirements.
- Dedication of employee hours to pro bono projects or community development initiatives.
- Carry out of employee satisfaction surveys and increase employee benefits (e.g. pension plans) to reduce employee turnover rates.

How did this financial product perform compared to the reference benchmark?

Not applicable. The Fund has not designated a reference benchmark.

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

- **How does the reference benchmark differ from a broad market index?**

  Not applicable. The Fund has not designated a reference benchmark.

- **the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable. The Fund has not designated a reference benchmark.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable. The Fund has not designated a reference benchmark.

- **How did this financial product perform compared with the broad market index?**

  Not applicable. The Fund has not designated a reference benchmark.