



Xenon AIFM S.A.

Diversity Statement

December 2024

Introduction

Xenon Private Equity is an Alternative Investment Fund Manager ('AIFM') authorized by the Commission de Surveillance du Secteur Financier in Luxembourg ('CSSF') as per the European Directive 2011/61. The Xenon Private Equity ('Xenon') team has accumulated three decades of experience in teaming up with family-owned companies looking for operational support to manage transformation projects to spur growth, mainly via Mergers & Acquisitions ('M&A'), replace some shareholders or exploit transition opportunities.

As reported within its ESG Policy and in line with its Code of Conduct, Xenon aims to ensure fair labour and working conditions for all employees both at management company and portfolio company level and has defined various underlying commitments to enable this. A core tenet to this objective is Xenon's focus towards promoting and improving greater diversity, equity and inclusion within its business and its investment activities.

Scope

This document sets out Xenon's Diversity statement ('the statement'). The statement does not supersede and should be read in conjunction with Xenon's ESG Policy and Xenon's Code of Conduct. The statement's principles apply to all of Xenon's employees and fund strategies, including Xenon's Flagship Fund, Xenon's Small-Cap Fund and Xenon FIDEC.

Roles and Responsibilities

Accountability for the statement resides with Danilo Mangano (Co-Managing Director of the AIFM) and Shakhzoda Akhmedjanova (Compliance Officer).

Xenon's Sustainability Committee provides ongoing oversight over the statement and its objectives. The implementation of the statement's commitments will be actively supported by the ESG resources within the investment teams.

Defining Diversity

In line with the UN Global Compact ('UNGC') definition, *Diversity* refers to all the differences between groups and individuals whilst recognising people's distinct individuality – diversity therefore encompasses all those aspects that make people unique and unparalleled, such as ethnicity, age, gender, religion, political views, sexual orientation, neurodiversity and more. *Inclusion* refers to the awareness and promotion of diversity as value-adding, creating a welcoming and equality-driven environment. *Equity* refers to ensuring that all people are treated equally, whilst offering opportunities and resources that are adapted to specific needs or situations with the objective of managing systemic inequalities and reducing disparities.

Diversity Statement

Xenon believes that promoting diversity, equity and inclusion is a key element towards building a successful business and a prosperous society. Xenon's approach towards diversity is focused on creating a culture and an environment that is inclusive and respectful to all, which promotes collaboration, and where everyone feels valued and trusted - a culture which should be promoted and encouraged with all stakeholders, including portfolio companies. Operating in a predominantly male-driven industry, Xenon wants to contribute to Xenon believes that this ethos will help nurture talent, better serve clients, and create better performing investment opportunities.

Diversity in Action

Xenon believes that concrete actions and objectives are needed to enable the effective implementation of its diversity statement. As such, in addition to the requirements outlined within its ESG Policy, Xenon commits to:

- Appointing an accountable owner for ESG, including diversity, matters within the organisation;
- Integrating diversity considerations within the roles and responsibilities of Xenon's Sustainability Committee;
- Adopting inclusive and equitable hiring, retention and promotion practices;
- Ensuring that the remuneration for its personnel is solely based on the role and years of experience, without any form of discrimination;
- Tracking internal hiring, retention and promotion statistics against diversity criteria, and reporting these into its annual ESG Report;
- Distributing this statement to all employees and providing training focused on its content and on wider diversity matters;
- Distributing this statement, alongside the ESG Policy, to all portfolio companies;
- Engaging with portfolio companies to ensure diversity matters are explicitly considered, monitored and addressed within their businesses, and in due course set explicit targets with said companies;
- Reviewing the diversity statement on an annual basis to ensure that it remains in line with evolving diversity practices and considerations.

Xenon will also adhere to all applicable and mandatory standards and regulations aimed towards labour practices, including diversity and human rights.

Review

The statement is reviewed at least annually and updated accordingly. The statement was last updated in December 2024.