



Quest for Growth NV

Corporate Governance Charter

October 2021



Table of Contents

INTRODUCTION	4
1. Legal Structure – Governing Laws – Governance Model.....	4
1.1 Legal structure	4
1.2 Governing laws	4
1.3 Governance model	4
2. Capital and Shareholders’ Structure.....	5
2.1 Capital and classes of shares	5
2.2 Shareholders’ agreements.....	5
3. Board of Directors	5
3.1 Powers.....	5
3.2 Composition	6
3.3 Procedure for nomination (or renewal), appointment and resignation (or non-renewal).....	7
3.4 Remuneration	8
3.5 Deontological behaviour – internal Code of Conduct	8
3.6 Operations	9
3.7 The chairperson of the board of directors	10
3.8 The Audit Committee	10
3.9 Periodical evaluation.....	12
4. Representation	12
5. The Management Company	12
6. The Executive Officers	13
7. The Shareholders	13
7.1 Communication and information.....	13
7.2 Major or strategic shareholders.....	14
7.3 General Shareholders Meetings.....	14
7.4 Agenda	14
7.5 Invitation	14
7.6 Participation to the General Meeting	15
7.7 Conditions for access to the shareholders’ meeting.....	15
7.8 Shareholders’ right to ask questions	15
7.9 Voting	15
7.10 Minutes.....	16
8. The External Audit.....	16



9.	Dividend Policy	16
10.	Key Operational Functions.....	17
10.1	Investment Strategy and Valuation.....	17
10.2	Risk management.....	17
10.3	Internal controls and internal audit.....	18
11.	Integrity Policy	18
11.1	Code of Conduct of the Management Company	18
11.2	Anti Money Laundering and Financing of Terrorism	19
11.3	Shareholders' complaints	19
Appendix I:	20
ASSET MANAGEMENT AGREEMENT		
Appendix II:	62
VERHANDELINGSCODE QUEST FOR GROWTH		
Appendix III:	67
COMPLAINT MANAGEMENT POLICY OF CAPRICORN.....		
Appendix IV:	69
CODE OF CONDUCT OF CAPRICORN PARTNERS.....		



INTRODUCTION

In accordance with the “2020 Belgian Code on Corporate Governance” (the “**Governance Code**”) Quest for Growth NV (“**QfG**” or “**Company**”) describes in this Corporate Governance Charter (“**Charter**”) its corporate governance. The Charter describes the structure and the decision-making processes in the Company and indicates how QfG embraces the principles of good governance. The Company shall apply the Governance Code or explain why it deviates from its provisions in this Charter and/or in the yearly Corporate Governance Statement.

The board of directors of QfG approved this Charter on January 21, 2020 and an updated version on October 27, 2021. The Charter will be updated as often as needed to reflect the Company’s corporate governance.

For completeness, this Charter must be read in conjunction with the (i) Prospectus published in 1998 at the IPO of the Company on the Brussels Stock Exchange, (ii) the latest version of the coordinated articles of association (the “**Articles of Association**”) and (iii) the most recent annual report. All these documents are permanently available on the website of the Company (www.questforgrowth.com).

In each annual report a Corporate Governance Statement shall be established describing (i) all relevant corporate governance events that have taken place during the year under review and (ii) the provisions of the Code which have not been (completely) complied with, including an explanation of the reasons for not having done so.

1. Legal Structure – Governing Laws – Governance Model

1.1 Legal structure

QfG is a public limited liability company, incorporated under Belgian Law as an investment company with fixed capital for investing in growth undertakings listed at European stock exchanges, unlisted companies, and venture capital funds, generally known as a “privak”. The ordinary securities of QfG have been listed on the first market of Euronext Brussels since 23 September 1998.

1.2 Governing laws

The Belgian Code on Companies and Associations (“**the Companies Code**”) and the Belgian laws and regulations on publicly traded companies are applicable to QfG. As a public privak, the Company is also subject to the rules of the Royal Decree of July 10, 2016 on Public Privaks and as an alternative investment fund QfG is subject to the rules of the Law of April 19, 2014 on Alternative Investment Funds and their Managers (the “**AIFM-Law**”) and to the specific corporate governance rules of the financial sector under supervision of the Federal Securities and Markets Authority (the “**FSMA**”).

1.3 Governance model

In principle, the board of directors is the highest management body of the Company responsible for all actions that are necessary or useful for the realization of the Company’s objective.



However, in accordance with article 10.2 of the AIFM-Law, QfG has nominated an external Manager of Alternative Investment Funds to fulfil all management tasks as described in article 3.41 of the AIFM-Law, namely: portfolio management, risk management, administration of the Company, trading of shares and all actions or services that are useful for the execution of its Company's objective or the assets in which it has invested. QfG is thus an externally managed investment fund and has nominated as its management company Capricorn Partners ("**Capricorn**" or the "**Management Company**"), which is an alternative investment fund manager ("AIFM"), licensed by the FSMA.

The nature and extent of this delegation are described in detail in the "**Management Agreement**" executed in April 2017, re-assessed in January 2020 and overviewed each year by the board of directors. The Management Agreement is enclosed herewith as [Appendix 1](#).

2. Capital and Shareholders' Structure

2.1 Capital and classes of shares

The share capital of QfG is fixed at € 139.749.029,16 represented by 16,774,226 shares without nominal value. All shares are fully paid-up upon their issuance.

The shares are divided into three classes: 16,773,226 ordinary shares, 750 class A shares and 250 class B shares. The ordinary shares are all listed on Euronext Brussels and are either registered or dematerialized shares. The 750 A and 250 B shares are and will remain registered shares and are reserved for certain founders, strategic partners and persons that contribute to the success of the Company. The class A and B shares are not quoted, are entitled to a preferred dividend and are only transferable under strict conditions, as specified in the Articles of Association.

2.2 Shareholders' agreements

QfG is not aware of or has not been informed of the existence of any shareholders' agreements.

3. Board of Directors

3.1 Powers

The board of directors has the most extensive powers to carry out all actions that are necessary or useful for the realisation of the corporate purpose, apart from those powers that are reserved by law or in the Articles of Association to the shareholders and those that are delegated to the Management Company.

The board of directors operates as a collegial body, determines its strategy, exercises supervision over the executive management and is accountable to the shareholders. The board will pursue sustainable value creation for the shareholders, monitor the Company's performance and put in place effective, responsible and ethical leadership.

The board of directors shall, amongst other things:



- Establish the Company's corporate and investment strategy, determine the asset allocation of the Company and regularly review the medium and long-term strategy based on the proposals of the Management Company,
- Ensure the correct implementation of the governance structure, approve the policies developed by the Management Company to give effect to the governance and strategy set forth;
- Determine the framework for internal control and risk management; annually review the implementation of this framework considering the report given by the audit committee;
- Appoint, dismiss and supervise the Management Company and the executive officers, determine their powers and duties and review their performance;
- Approve the semi- and annual accounts and ensure the timely disclosure of the Company's financial statements to the shareholders;
- Approve the Company's annual report, including the Corporate Governance Statement,
- Take all necessary measures to ensure the integrity and timely disclosure of the material financial and non-financial information disclosed to the shareholders;
- Execute the decision power to invest in venture capital funds set up by the Management Company,
- Decide to invest/divest in a portfolio company if there is a potential conflict of interest between the Company and the Management Company or a fund managed by the Management Company,
- Prepare the shareholders' meetings,
- Distribute the dividend, if applicable,
- Prepare the special reports required by the Belgian Companies Code,
- Establish one or more advisory committees, determine their composition and competence, and review their effectiveness,

The board has the right and duty to apply effective, necessary and proportional resources to fulfil its tasks properly.

3.2 Composition

The board of directors consists of a maximum of ten members, natural persons, appointed by the general meeting, who may or may not be shareholders.

The members of the board of directors are appointed for a term of maximum 4 years and may be reappointed.

QfG strives to have a board of directors that is operational enough to ensure effective decision-making and large enough to allow its members to contribute their experience and knowledge from various areas, and to accommodate changes in the board of directors without operational interruptions.

For that reason, diversity in background, age and gender (at least one third, as rounded down to the nearest whole number, should be of a different gender) and complementarity of skills, experience and knowledge are determining factors when composing the board of directors.

Competences which should be available in the Board are:

- knowledge of the financial markets



- knowledge of private equity,
- experience in leading a company
- international experience
- good network of contacts with Flemish enterprises and universities
- experience in financial reporting and/or company valuations
- regulatory knowledge

The holders of the class A shares and the holders of the class B shares have the statutory right to propose each two board members for election. The holders of ordinary shares are entitled to propose maximum eight members. At least a majority of the board will be non-executive directors and at least three directors will be independent directors who comply with the criteria stipulated in the Governance Code.

Non-executive directors should not take on more than 5 board memberships in listed companies.

The board will appoint a corporate secretary who doesn't need to be a director and who will draw the minutes of every meeting. These minutes summarize the deliberations, specify the decisions taken and indicate possible reservations of the directors. The secretary gives advice to the directors with respect to the execution of their mandate and with respect to the Company's compliance with the applicable laws, its Articles of Association, its Corporate Governance Code and the internal codes of conduct. The secretary drafts the Corporate Governance Statement.

3.3 Procedure for nomination (or renewal), appointment and resignation (or non-renewal)

QfG has a transparent nomination procedure for an efficient appointment and timely reappointment or succession of its board of directors. It therefore created a nomination and remuneration committee in April 2021 to advise the Board on the relevant matters concerning the composition and remuneration of the Board members (the "BRC").

The BRC is composed of at least three members of which the majority are independent non-executive board members. The chair of the board or another non-executive member chairs the committee.

The BRC leads the re-appointment or nomination process and make recommendations to the board regarding the appointment of suitable candidates for the board and executive officers.

Upon proposal of the BRC, the board approves the nomination procedure and objective selection criteria or profile for a new board member and makes the appointment proposals or re-appointment proposals to the general shareholders' meeting. For any new appointment to the board, the role, skills, knowledge and experience already present and those needed on the board should be evaluated and in the light of that evaluation, an appropriate description of the profile shall be prepared.

The final decision on the appointment of the directors is taken by the general meeting by a simple majority of the votes.

The mandate of the directors can always be revoked by the general meeting.

The mandate of retiring directors terminates immediately after the general meeting that decided on their replacement.



In case of an early vacancy on the board of directors, the remaining directors are entitled to provisionally appoint a new director until the general meeting appoints a new director. Each director appointed in this manner by the general meeting ends the mandate of the director he replaces.

The chairperson of the board of directors ensures that newly appointed directors receive an appropriate introduction so that they can immediately contribute to the board of directors. For directors who become an executive officer or a member of an advisory committee, the introduction includes a description of the specific role and tasks as well as any other information that is linked to the specific role of that committee.

3.4 Remuneration

The Company shall remunerate its board members and Management Company fairly and responsibly in order to attract, reward and retain the necessary talent to promote the achievement of the strategic objectives and sustainable value creation.

The non-executive board members are remunerated with a fixed fee and an attendance fee per meeting attended. The chairperson and the executive officer-member of the board have a higher fixed fee but no attendance fees as they have regular interactions and meetings with the Management Company. The executive board member who is chairman of the executive committee of the Management Company, is not paid by QfG but only by the Management Company.

No variable remuneration, stock options or contributions in pension plans are granted to the board members.

As long as the Company has no shares in its possession it is not possible to reward its non-executive directors with shares, despite the recommendation in the Governance Code. The Company is also of the opinion that this requirement is not favourable to guaranteeing the independence of its non-executive board members.

The general meeting shall approve the remuneration of the directors upon their nomination and yearly approve the remuneration report of the preceding financial year.

3.5 Deontological behaviour – internal Code of Conduct

All directors must demonstrate independence of mind and should always act in the best interest of the Company. Executive and non-executive directors each have a specific and complementary role to play on the board: the executive directors should ensure that the Management Company provides all relevant business and financial information for the board to function effectively. Non-executive directors should constructively challenge and help develop strategy and key policies proposed by the Management Company and should review the performance of the Management Company and executive officers.

Directors should make sure they receive detailed and accurate information and should study it carefully so as to acquire and maintain a clear understanding of the key issues relevant to the Company's business. They should seek clarification whenever they deem it necessary.

Directors cannot use the information obtained in their capacity as director for purposes other than for the exercise of their mandate. The members of the board are obliged to handle the confidential information received in their capacity as director with caution.

Each director must arrange his personal and business affairs so as to avoid direct and indirect conflicts of interest with the Company. A conflicted director shall refrain from taking



part in the board deliberation in respect of the items which may give rise to such conflict or potential conflict of interest.

Transactions between the Company and its board members shall always take place at arms' length.

The directors are subject to a transaction policy, the "*Verhandelingscode*", which is enclosed herewith as Appendix 2. This transaction policy should ensure an effective and efficient compliance with the Belgian rules on market abuse.

Each director commits to follow the undertakings and guidelines written down in this chapter on Deontological Behaviour and in the *Verhandelingscode*.

3.6 Operations

The board of directors meets in principal every three months on invitation of the chairperson, an executive officers, the Management Company or two directors.

Unless when there is urgency, each meeting is announced at least 2 business days before the day of the meeting, stating the agenda and the documents to be discussed. The notice will indicate place, date, hour and agenda of the meeting and will be communicated by letter, e-mail or other written form of communication.

The board of directors can deliberate by way of telephone or video conference or by unanimous written consent (including e-mail exchange) of the directors in the cases foreseen by the Companies Code.

The validity of the notices cannot be contested if all directors are present or legally represented.

The board of directors can only validly deliberate and decide if at least half of the members are present or represented of which half of the directors representing the class A shares and half of the directors representing the class B shares. Should this condition not be met, a new meeting must be called, which will validly deliberate and decide on the items on the agenda of the previous meeting if at least four directors are present or represented.

Every decision of the board is taken by a simple majority of the votes present or represented. Blank or void votes are not counted. In the event of a deadlock, the vote of the person chairing the meeting will be decisive.

A director who has a financial interest which is either directly or indirectly in conflict with a decision or transaction falling within the authority of the board of directors, must inform the other directors thereof before the board of directors deliberates and that director will not participate in the deliberation and decision on the conflicted decision or transaction. In addition, members of the board that are linked to the Management Company shall abstain from voting in any decision with a potential conflict of interest as stipulated in the Code of Conduct of the Management Company.

The minutes are approved at the following meeting of the board and executed by the members that participated in the deliberation. The minutes are kept at the Company's registered office.



3.7 The chairperson of the board of directors

The chairperson of the board of directors is elected amongst its members. In the absence of the chairperson, the oldest director will chair the meeting.

The chairperson is responsible for the leadership of the board and acts as an intermediary between the shareholders, the board of directors and the Management Company. He/she ensures that the board acts in an efficient and effective way.

The chairperson has amongst others, the following tasks:

- He/she takes initiatives and collects the necessary information to allow the board of directors to execute its authorities effectively and independently;
- He/she takes the necessary measures to develop a climate of trust within the board, contributing to open discussion, constructive dissent and support for the board's decisions;
- He/she ensures the optimal composition of the board of directors and leads the nomination process;
- He/she plans the internal evaluation of the board of directors;
- He/she proposes the agenda in cooperation with the executive officers and/or the Management Company and presides the board meetings;
- He/she ensures that the directors receive the supporting documentation for the board meetings timely and in an accurate way; all board members should receive the same board information;
- He/she supervises the quality of the continuous interaction and dialogue at the level of the board of directors;
- He/she chairs the general shareholders' meeting and ensures during that meeting that the shareholders can ask questions to the directors, the Management Company and the auditor of the Company.

3.8 The Audit Committee

The board of directors has established an audit committee, which advises the board of directors in specific areas of compliance, auditing and accounting. The decision making however, remains with the full board. The audit committee's internal charter is as follows:

3.8.1 Function

The primary function of the audit committee is to assist the board of directors in fulfilling its responsibilities by reviewing:

- The quality and integrity of the Company's accounting and financial reporting processes;
- The context and completeness of the financial reports and other financial information provided by the Company to the shareholders, the prudential regulators or the public;
- The quarterly valuations proposed by the Management Company;
- The scope of the proposed audit and the audit procedures to be utilised;
- The external audit process and the interactions between the external auditor, the Management Company and the board of directors; including inquiring about any difficulties encountered during the course of the audit and giving recommendations concerning the selection, appointment or reappointment and remuneration of a new external auditor;



- The management letters that are addressed to the Company by the external auditor and consider how the Company can comply;
- The adequacy and effectiveness of the internal control and risk management processes and reactions of the Management Company on the findings of the internal audit reports.

The Audit Committee will inquire regularly and at least once a year before the date of closing of the books, together with the external auditor, if the Company complies with all applicable legal requirements, statutory regulations and internal code of conduct and whether any compliance matter could have a material impact on the Company's financial statements and/or affect the Company's operations.

3.8.2 Composition

The audit committee is composed of at least three and maximum four directors who have the necessary qualifications for an optimal operation of the audit Committee. The majority of the members, including the chairperson, are independent directors and have expertise in accounting or audit.

The audit committee is presided by a chairperson. Unless the chair is elected by the full board of directors, the members of the audit committee may designate a chairperson by majority vote of the committee members. The chairperson of the audit committee cannot be, at the same time, the chairperson of the board of directors. The chairperson should be someone who (i) understands the audit committee's duties and responsibilities, (ii) is able to commit the necessary time (iii) has the requisite business, financial and leadership skills, (iv) is a good communicator and (v) is an independent director.

3.8.3 Operations

The audit committee meets at least four times a year and after each of its meetings, the chairperson of the audit committee will report to the board of directors about the activities of the committee and will make recommendations that it considers appropriate.

The specific agenda of each meeting, as well as supporting documentation, will be distributed to the audit committee members at least 3 days before the meeting.

The meetings of the audit committee are in general attended by one executive officer and/or a representative of the Management Company. Once per year the audit committee will meet with the Company's external auditor in a private session without representatives of the Management Company, to hear their independent advice and findings to the board of directors. The audit committee will also have one annual meeting with the internal auditor of the Management Company to hear their findings on the executed internal control operations.

The audit committee will be allowed to conduct any inquiry in the Company that it considers necessary, has unlimited and direct access to all information and staff of the Management Company and can dispose of all resources necessary to perform its tasks. The committee is entitled to seek external professional advice at the Company's expense after informing the chairperson of the board.



3.9 Periodical evaluation

Under the lead of the chairperson, the board of directors shall assess its own performance, composition, size as well as the interaction with the executive management, i.e. the Management Company and the Executive Officers, at least every three years.

Non-executive board members shall once per year assess their interaction with the executive management in the absence of directors affiliated with the Management Company.

At the end of a board members' term, a periodic evaluation of the contribution of that director will be done aiming at adapting the composition of the board to take account of changing circumstances. When dealing with re-election, the director's commitment and effectiveness should be evaluated by the board. The board should act on the results of this performance evaluation by recognising its strengths and addressing its weaknesses. Where appropriate, this will involve proposing new members for appointment, proposing not to re-elect existing members or taking any measure deemed appropriate for the effective operation of the board.

Information on the main features of the evaluation process of the board, its committees and its individual directors shall be disclosed in the Corporate Governance Statement.

4. Representation

QfG is validly represented in all its acts, including representation before the courts, by (i) the board of directors, (ii) the joint action of an executive officer and a director, or (iii) three directors, acting jointly, of which at least two directors appointed on the proposition of the Class A or Class B shareholders.

The company will moreover be validly represented by its special proxyholders, acting within the framework of their mandate.

The company is in respect of its daily management validly represented by its executive officers acting jointly and by the Management Company for all delegated tasks as mentioned in the Management Agreement, enclosed herewith.

5. The Management Company

As mentioned above, the Company has delegated all management functions mentioned in article 3,41° and on the basis of a full delegation referred to in article 10§2 of the AIFM-Law to Capricorn.

Capricorn is an independent European manager of private venture capital funds and public private equity funds, investing in minority shareholding positions of innovative companies with technology as competitive advantage. Capricorn's dedicated investment teams are composed of experienced investment managers with deep technology expertise and a broad industrial experience. Capricorn has obtained a full license as Alternative Investment Funds Manager from the FSMA on February 26, 2016.

Capricorn is providing services to investment funds. Next to QfG, Capricorn is managing private venture capital funds and is also the investment manager of UCITS.

The offices of Capricorn are in Leuven at the same address as the registered office of QfG.

Reference is made to the website of Capricorn for more information: www.capricorn.be



6. The Executive Officers

The board of directors has designated one of its members to monitor the day-to-day operations of the Company and to supervise more closely the tasks performed by the Management Company under the Management Agreement. The second executive officer is a representative of the Management Company.

The executive officers report to the board of directors at every meeting and whenever they consider necessary in between.

Powers

The executive officers must ensure that the Management Company has appropriate staff, structures, procedures and controls in place to appropriately carry out its responsibilities under the Management Agreement.

The oversight responsibilities of the executive officers include, but are not limited to:

- Supervising the calculation of the reported net asset value,
- Compliance with prudential rules, regulations and investment restrictions,
- Controlling the adherence to the investment policy of the Company,
- Day-to-day management duties which are not delegated to Capricorn Partners,
- Internal communication to the board of directors,
- External communication of the Company (including the website, press releases, questions from shareholders ...)

In order to allow the executive officers to appropriately execute their oversight responsibilities, the Management Company must provide the executive officers with timely and relevant reports. The executive officers will have direct and unlimited access to all staff of the Management Company and to all information necessary to perform their responsibilities.

They report at least each quarter on their findings to the board of directors.

7. The Shareholders

The Company shall treat all shareholders equally and respect their rights, including the specific rights granted to the different classes of shares as set forth in the Articles of Association.

7.1 Communication and information

The Company has a disclosure and communication policy towards its shareholders ensuring (i) a monthly press release with the basic figures of net asset value of the underlying investments, (ii) quarterly statements approved by the board, (iii) semi-annual figures (and report) subject to an auditors' review and (iv) a full annual report subject to a full audit. The timetable of the periodic information is published on the website and in the annual report. On request each communication and report is also provided in hard copy to the shareholder.

The Company updates its key information document ("KID") in accordance with the Packaged Retail & Insurance-based Investment Products Regulation at least every year. This KID is published on the website of the Company.

The analysts are invited at least twice per year to discuss in a personal meeting the figures and business outcome of the Company.



7.2 Major or strategic shareholders

Belfius has been a strategic partner since the IPO of the Company in 1998. It currently holds 13% of the ordinary shares and 42 B shares which are subject to a call option from Capricorn Partners. During the last two general meetings, the shares of Belfius represented more than the majority of the attended votes, meaning that de facto in accordance with article 1:14 of the Companies Code the Company could be supposed to be under control of Belfius and ultimately of the Federale Participatie- en investeringsmaatschappij. There is a strategic partnership agreement in which Belfius is only granted the right to propose one candidate director representing the Class B shareholders as long as it remains the owner of 100.000 ordinary shares of QfG.

Pamica NV, the investment and management company of Mr. Michel Akkermans is another strategic partner holding about 1.65% of the ordinary shares and 10 B shares granting Pamica a proposal right for one director as long as Pamica or Mr. Akkermans is owner of 277,777 ordinary shares of QfG.

The board shall encourage these shareholders to express their strategic objectives in a timely manner.

The FSMA shall be informed of any changes in the capital structure of the Company if thresholds of 5% increases or decreases are obtained and any shareholder having more than 5% of the shares will be mentioned in the Corporate Governance Statement incorporated in the annual report.

7.3 General Shareholders Meetings

All shareholders are convened once per year in the annual general shareholders' meeting. This meeting shall be held on the last Thursday of March at 11am. An extraordinary general meeting may be convened whenever the interests of the Company require so and when shareholders request so. Any shareholder or group of shareholders representing at least 10% of the shares of the Company or any group of shareholders representing at least 10% of the combined A and B shares may request the board of directors to convene an extraordinary general meeting. The request must describe the subjects to be discussed and the proposals of the requesting shareholders.

Any general meeting is held on the venue mentioned in the invitation and is chaired by the chairperson of the board of directors. The board of directors may decide to hold the meeting electronically or in a hybrid form.

7.4 Agenda

The board of directors determines the agenda of each general shareholders' meeting.

Any shareholder or group of shareholders representing at least 3% of the shares of the Company can add certain points and resolution proposals to the agenda of the General Meeting.

The agenda must contain the items to be addressed and the decision proposals.

7.5 Invitation

The invitation to a general shareholders' meeting, including the agenda and the proposals for resolutions, will be published at least thirty calendar days prior to the general meeting



(i) in the Belgian State Gazette, (ii) in at least one national newspaper on paper or electronically, (iii) in the media that are accessible and readable in the European Economic Area and (iv) on the website of the Company. All detailed information, proposals for resolutions and documentation on the exercise of the shareholders' voting rights will be published on the website of the Company.

The invitation (with agenda and proposals for resolutions) will also be sent per ordinary mail to the registered shareholders, holders of bonds or warrants and to the directors and auditors of the Company, unless the addressees have agreed to receive the convening notice through e-mail communication.

7.6 Participation to the General Meeting

Each shareholder is entitled to personally attend a general shareholders' meeting, provided that he or she meets all the requirements for access into the meeting. These requirements will also be communicated in the invitation.

A shareholder can be represented by a proxy holder, who does not need to be shareholder of the Company. In this event, the written proxy needs to be deposited at the latest on the sixth day prior to the meeting at the registered office of the Company.

Model proxy and voting forms are sent out together with the invitation to the registered shareholders and to those bearer shareholders who have indicated in good time their intention to attend the meeting. These forms are also posted on the Company's website.

7.7 Conditions for access to the shareholders' meeting

The right to attend and vote on a general meeting of the Company is only granted on the basis of the accounting record of the registered shares in the name of the shareholder, on the fourteenth day before the general meeting, at twelve midnight (Belgian time), either by their registration in the share register of the Company, or by their registration in the accounts of an authorized account holder or of a clearing institution (the registration date), regardless of the number of shares that the shareholder will be holding on the actual day of the shareholders' meeting.

At the very latest on the sixth day prior to the date of the meeting, the shareholder notifies the Company or the Company's representative that he wishes to attend the shareholders' meeting, in accordance with the formalities set out in the convening notice and submitting the proof of registration delivered to him/her/it by the financial broker, the accredited account holder or the settlement institution.

7.8 Shareholders' right to ask questions

All shareholders have the possibility to ask questions to the directors with respect to the annual report or the items on the agenda and to the Company auditors with respect to their report. The shareholders also have the possibility to submit their questions in writing to the chairperson of the board of directors. These questions in writing must be received by the Company at the very latest on the sixth day before the meeting in the way indicated in the convening notice. The chairperson shall take the necessary measures to ensure that any relevant questions from the shareholders are answered unless the answers would materially prejudice the Company, its shareholders or its employees.

7.9 Voting

Each share represents one vote.



The general meeting shall deliberate and take decisions validly regardless of the proportion of capital that is present or represented at the meeting. In the event of amendments to the Articles of Association or a decision for which the law requires an enhanced quorum, the enhanced majority requirements provided for in the Companies Code must be obtained in each class of shares as prescribed in the Articles of Association.

Abstentions and blank votes are not considered for calculating the majority in the shareholders' meeting. In the case of a tie, the proposal is rejected.

The Company will ask institutional investors and voting agencies, if known to the Company, for explanations on their voting behaviour and shall consider whether a "relationship agreement" would be appropriate.

Voting shall be done by show of hands or by a name call unless the general meeting decides otherwise by a simple majority of the votes cast. In case of an electronic shareholders' meeting, each shareholder shall be granted the right to vote directly in an electronic way unless the general meeting decides otherwise by a simple majority of the votes cast.

Each shareholder shall also have the right to cast its vote in advance of the general meeting by letter or proxy with voting instructions.

7.10 Minutes

At the end of the general meeting, the secretary of the meeting prepares the minutes of the meeting, which are signed by the chairman, the secretary, the directors who are present and the shareholders who request so.

The minutes are kept in a special register at the Company's registered office and are posted on the website of the Company as soon as possible after the shareholders' meeting.

8. The External Audit

The control of (i) the financial situation, (ii) the financial statements and (iii) the validity of the transactions from the perspective of the Belgian Companies Code and the Articles of Association which must be reflected in the financial statements, is entrusted to one or more statutory auditors from the auditors registered in the public register of auditors or registered audit firms.

The auditors are appointed by the general shareholders' meeting with a simple majority. The general meeting determines their number and fees.

After twenty years of audit by KPMG, the annual meeting of March 2019 nominated PwC Bedrijfsrevisoren as statutory auditor for the financial years 2019, 2020 and 2021. PwC Bedrijfsrevisoren specified that they appointed Mr Gregory Joos as their representative.

9. Dividend Policy

The general meeting decides with a simple majority, upon proposal of the board of directors, on the allocation of the profits, considering however article 35 of the Royal Decree of 10 July 2016 on the Public Privaks and the relevant clauses of the Company's By-laws.



As a general rule, no dividend can be paid out as long as the Company has carried forward losses.

Furthermore, Article 35 of the Royal Decree of 10 July 2016 on the Public Privaks sets forth that privaks must pay out at least 80% of the net earnings of the financial year, less the amounts corresponding to the net reductions in the Company's liabilities during the financial year. Article 35 also prescribes that the positive balance of the fluctuations in the fair value of the assets as set forth in the balance sheet must be included in an unavailable reserve and may not be distributed.

Article 43 of the By-laws of QfG prescribes that the Company must distribute at least ninety percent (90%) of its net revenues after deduction of the remunerations, fees and costs to its shareholders (the "Net Profit"). Holders of A and B shares enjoy a preferential dividend on the amount of the Net Profit exceeding the amount required to distribute a global allowance to the shareholders equalling a nominal amount of 6% per annum, calculated on the equity as expressed in the balance sheet after deduction of the dividend distributed in the course of the financial year ("the Exceeding Amount"). Of this Exceeding Amount, twenty per cent (20%) is distributed to the holders of A and B shares as a preferential dividend and eighty per cent (80%) is equally divided amongst all shareholders. Capital increases effectuated during the year are included in the calculation on a pro rata temporis base.

The audit committee carefully monitors the dividend calculation and distribution process together with the external auditors.

10. Key Operational Functions

10.1 Investment Strategy and Valuation

The portfolio will be managed in the best interest of the shareholders of the Company, in accordance with the investment strategy set forth by the board of directors and as specified in the Management Agreement (see Appendix 1), the Articles of Associations and the annual report.

The Management Company is responsible for the valuation of the portfolio in accordance with the valuation rules set forth in its Valuation Policy which forms an appendix to the Management Agreement. These valuation rules have been approved by the board of directors of the Company. Capricorn uses an appropriate, transparent and consistent valuation methodology to ensure that the valuation reflects as closely as possible the market value of each asset at the time of reporting. Capricorn carries out the valuation function internally but ensures that any valuation is performed impartially and with all due skill, care and diligence under supervision of a valuation expert, the executive officers and the board of directors.

10.2 Risk management

Risk management is part of the tasks delegated to Capricorn as Management company. Specific risk dashboards are drafted every day by the fund administrator of QfG and forwarded to the executive officers, risk manager, compliance officer and members of the executive committee of Capricorn in order to monitor (i) compliance with the investment



restrictions set forth in the Management Agreement and Articles of Association, (ii) compliance with the privak legislation, (iii) fluctuations in the daily net asset value and (iv) hedging of the exchange risks. Risk management within QfG focuses especially on the risks associated with the transactions made in the portfolio and the impact of the investments on the Company's general risk profile and liquidity.

The board of directors of Capricorn and the audit committee of QfG assesses the effectiveness and efficiency of the risk management function at least once per year.

10.3 Internal controls and internal audit

Internal controls and internal audit on the activities, processes and transactions are the responsibility of the Management Company and are described in the Internal Controls Procedures, Risk Management Policy and Internal Audit Charter of the Management Company, all available on request.

The executive officers will review the Internal Control Procedures whenever the Management Company intends to materially change these control procedures and will monitor that the internal audit function with the Management Company is appropriately addressed for monitoring the internal control procedures. The internal auditor of Capricorn scrutinises all internal processes and procedures according to a rotation schedule set forth in the contract with the internal auditor.

The internal audit function of the Management Company is carried out by EY Bedrijfsrevisoren CVBA with Ms. Sylvie Goethals as responsible partner. The internal auditor communicates its findings together with the management responses to these findings, in a yearly meeting to which the executive officers and the audit committee of QfG as well as the audit committee of the Management Company are invited. In addition thereto, the internal auditor has the authority to address any concern on a malfunction in the internal control system of the Management Company directly to the audit committee of QfG.

11. Integrity Policy

11.1 Code of Conduct of the Management Company

Capricorn is responsible for the compliance monitoring of QfG in the regulatory framework it is operating. As licensed AIFM it disposes of a dedicated compliance officer aggregated by the FSMA.

Capricorn has established a Code of Conduct which is to be followed by all members of staff and its executive directors. The Conflicts of Interest Policy is the first chapter of this Code of Conduct. It identifies the circumstances which constitute or may give rise to a conflict of interest as well as procedures to be followed to prevent, manage and monitor such conflicts. It stipulates also how directors and staff should behave when they are confronted with a



conflict of interest, the ability to influence a decision and how they should act when receiving a gift or inducement from a supplier or (potential) portfolio company. In its second chapter the Code of Conduct sets forth the policy regarding market abuse and in the third chapter a voting rights policy prescribes how an when voting rights are exercised in the portfolio companies of the managed funds. This Code of Conduct is attached herewith as [Appendix 4](#).

The monitoring of the compliance function is executed by the compliance officer and the internal and external auditors of the Management Company.

11.2 Anti Money Laundering and Financing of Terrorism

The Management Company is responsible for compliance with the European Anti-Money Laundering Regulations 2015/849 of 20/05/2015, the Belgian Law of 18 September 2017 and execution Royal Decree and the applicable Circulaires of the FSMA.

The Management Company's Policy with respect to the prevention of money laundering and financing of terrorism is available on request.

11.3 Shareholders' complaints

A complaint is any expression of dissatisfaction, whether oral or written, by a client or investor about the Company's failure to perform a function, provide a service in line with or act in compliance with the applicable legislations and regulations, the stated strategy and corporate policies applicable on and adopted by QfG.

Complaints are not considered to be routine enquiries, questions or requests about a service. A complaint gives QfG the opportunity to (i) put something right which has gone wrong, (ii) restore the service to the required standard, (iii) ensure that faults are acknowledged and (iv) prevent a recurrence of the failure.

The procedure for handling complaints is described in the Complaint Management Policy of the Management Company, attached herewith as [Appendix 3](#).



Appendix I:

MANAGEMENT AGREEMENT

MANAGEMENT AGREEMENT

This **MANAGEMENT AGREEMENT** (as amended, restated, supplemented or modified from time to time, hereinafter referred to as the “**Agreement**”) is entered into on 1 April 2017

- BETWEEN:** 1) **CAPRICORN PARTNERS**, a limited liability company (“*naamloze vennootschap*”) incorporated and existing under the laws of Belgium, having its registered offices at Lei 19/1, 3000 Leuven, Belgium, and with company number 0449.330.922 (“**Capricorn**” or the “**Manager**”);
- AND:** 2) **QUEST FOR GROWTH**, a limited liability company (“*naamloze vennootschap*”) having the form of a public privak under the Royal Decree of 10 July 2016 incorporated and existing under the laws of Belgium, having its registered offices at Lei 19/3, 3000 Leuven, Belgium, and with company number 0463.541.422 (“**QfG**” or the “**Client**”);

Parties sub 1) to 2) are hereinafter referred to as the “**Parties**” and individually as a “**Party**”.

WHEREAS:

- A. The Manager was on 24 February 2016 approved as an alternative investment funds manager (an “**AIFM**”) by the Financial Services and Markets Authority (the “**FSMA**”) in accordance with article 11 and the provisions of Title I, Book I, Part II of the Act of 19 April 2014 on alternative undertakings for collective investment and their managers (the “**AIFM Act**”).
- B. In light of the provisions of the AIFM Act, the Client qualifies as an alternative investment fund and wishes to appoint the Manager as its external Manager approved by the FSMA on the basis of a full delegation referred to in article 10 §2 of the AIFM Act in order to carry out all management functions mentioned in article 3, 41° of the AIFM Act.
- C. In order to manage the structural and inherent conflict of interest situations that might arise when the Manager would want to invest on behalf of the Client in other funds managed by the Manager or in portfolio companies of such funds, the Client himself will by derogation to the full delegation intended to be realized further to this Agreement remain responsible for (i) the investment decisions relating to the investment in other funds managed by the Manager and (ii) the investment decisions relating to the initial co-investment in portfolio companies of funds managed by the Manager and investment decisions relating to subsequent investments in such portfolio companies of more than EUR 750.000.
- D. The Manager has agreed to accept such appointment on the terms and subject to the conditions set forth hereinafter.

THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

For purposes of this Agreement, the following capitalised terms and expressions shall have the meanings specified or referred to in this Clause:

- “**Portfolio Assets**” means the assets invested by the Client in the Portfolio;
- “**Portfolio**” means the Quoted Portfolio and the Unquoted Portfolio;
- “**Prospectus**” means the prospectus related to the Client as issued from time to time and currently in the version dated 25 April 2016;
- “**Quoted Portfolio**” means investments in quoted companies including but not limited to securities traded on a regulated market, cash and cash equivalents, commercial paper and derivatives;
- “**Unquoted Portfolio**” means investments in unquoted companies including but not limited to private equity interests, securities traded on a regulated market during a lock-up period, and non-quoted funds, both third party funds and funds set up and organized by the Manager.

1.2 Interpretation

- (a) The titles and headings included in this Agreement are for convenience only and do not express in any way the intended understanding of the Parties. They shall not be taken into account in the interpretation of the provisions of this Agreement.
- (b) The Schedules to this Agreement form an integral part hereof and any reference to this Agreement includes the Schedules and vice versa.
- (c) In this Agreement, unless otherwise specified, references to Clauses or Schedules are made to Clauses or Schedules of or to this Agreement.
- (d) The original version of this Agreement has been drafted in English. Should this Agreement be translated into French, Dutch or any other language, the English version shall prevail among the Parties to the fullest extent permitted by Belgian law, provided, however, that whenever French and/or Dutch translations of certain words or expressions are contained in the original English version of this Agreement, such translations shall be conclusive in determining the Belgian legal concept(s) to which the Parties intended to refer.
- (e) The words “herein”, “hereof”, “hereunder”, “hereby”, “hereto”, “herewith” and words of similar import shall refer to this Agreement as a whole and not to any particular clause, paragraph or other subdivision.
- (f) The words “include”, “includes”, “including” and all forms and derivations thereof shall mean including but not limited to, even if this is not expressly indicated.

- (g) Words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders.
- (h) A provision of law is to be construed as a reference to that provision as the same may have been, or may from time to time be, amended or re-enacted and shall include any rules, regulations or subordinated legislation made pursuant to or relating to such provision of law provided however that, as between the Parties, no such amendment or re-enactment shall apply for the purposes of this Agreement to the extent that it would impose any new or extended obligation, liability or restriction on, or otherwise adversely affect the rights of any Party.
- (i) All periods of time set out in this Agreement shall be calculated from midnight to midnight. They shall start on the day following the day on which the event triggering the relevant period of time has occurred. The expiration date shall be included in the period of time. If the expiration date is a Saturday, a Sunday or a bank holiday in Belgium, the expiration date shall be postponed until the next business day. Unless otherwise provided herein, all periods of time shall be calculated in calendar days. All periods of time consisting of a number of months (or years) shall be calculated from the day in the month (or year) when the triggering event has occurred until the eve of the same day in the following month(s) (or year(s)) (“de quantième à veille de quantième” / “van de zoveelste tot de dag vóór de zoveelste”).
- (j) Unless otherwise provided herein, all references to a fixed time of a day shall mean Brussels (Belgium) time.
- (k) Unless otherwise provided herein, references to (a) “day(s)” are to calendar days.
- (l) All references in this Agreement to costs or charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof, unless where explicitly stated otherwise in this Agreement.

2 APPOINTMENT OF THE MANAGER AND SERVICES

2.1 General

- (a) The Client hereby exclusively by means of a full delegation as referred to in article 10 §2 of the AIFM Act appoints the Manager, who accepts such appointment, as the AIFM of the Client in order to carry out in such capacity the functions of investment management (comprising the functions of portfolio management and risk management) (the “**Investment Management Services**”), the administration (including, but not limited to, regulatory compliance monitoring) of the Client and the marketing of the units of the Client (the “**Administrative Services**”) as provided for in this Agreement (the Administrative Services and the Investment Management Services are hereinafter together referred to as the “**Services**”).
- (b) The appointment is executed under the responsibility of the Client. The Manager has in turn an obligation to report on the proper execution of its appointment.

- (c) The Client may at any time and at its free discretion, revoke or terminate the appointment of the Manager, in the event of which it shall not be required to motivate such decision.

If the Client terminates this Agreement for another reason than one of the following causes:

- (i) fraud by the Manager;
- (ii) the Manager taking actions prohibited by criminal laws (other than traffic violations);
- (iii) change of control over the Manager;
- (iv) serious breaches or violations of any of the Manager's duties or obligations under this Agreement by the Manager whereby a serious breach includes amongst others a failure to perform the Services if that failure is not remedied within 15 business days after the other Party's written notice of default,

the Client shall indemnify and compensate the Manager for any costs the Manager might incur related to the termination of this Agreement.

- (d) As long as this Agreement is in place, the Client shall, without the prior written consent of the Manager, be precluded from appointing (in any form) any other person to provide similar services, including without limitation, investment management services, management and/or consulting services with respect to the management of the investment portfolio of the Client, the administration, and the marketing of securities of the Client, the day-to-day management and the investment business of the Client.

2.2 **Investment Management Services**

- (a) The Manager shall be responsible for the day-to-day management of the affairs of the Client, which shall include the risk management function and portfolio management, in particular the continuous monitoring and adjustment of investments in line with the specific policy.
- (b) The Manager shall perform its risk management function in accordance with applicable laws, the Prospectus and the articles of association of the Client and perform risk-management procedures as may from time to time be required under applicable laws, so as to monitor and measure at any time the risk of the financial positions and their contribution to the overall risk profile of the Client.
- (c) The Manager shall also perform the portfolio management function and thus manage the Portfolio Assets. The Client may at any time during the term of this Agreement transfer additional assets into the Portfolio and create subportfolios for management by the Manager in accordance with the terms of this Agreement.

- (d) The Portfolio Assets shall be invested by the Manager according to the terms of this Agreement.

2.3 Administrative Services

The Manager agrees to carry out the functions of the administration (including, but not limited to, regulatory compliance monitoring) of the Client and the marketing of the units of the Client as these functions are described in the AIFM Act and for which Administrative Services the Manager shall be exclusively responsible and which shall at all times be carried out in the sole interest of the Client.

3 PERFORMANCE OF SERVICES UNDER THIS AGREEMENT

- 3.1 The Manager shall at all times perform his duties under this Agreement in accordance with all statutory, legal and regulatory requirements applicable to it and to the Client, and shall more specifically act in compliance with the legal framework specified in the AIFM Act and any implementing Decrees as may be determined from time to time, the Royal Decree of 10 July 2016 regarding public privaks, Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the “AIFMD”), the Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 supplementing the AIFMD (the “AIFM Regulation No. 231/2013”) and any other Commission Delegated Regulations and Commission Implementing Regulations in relation to the AIFMD, the prudential rules as may be determined from time to time by the FSMA, the Prospectus and the articles of association of the Client.
- 3.2 The Manager shall at all times maintain and designate sufficient qualified personnel and advisors to properly perform its duties under this Agreement.
- 3.3 No provision of this Agreement shall be construed so as to preclude the Manager from having similar functions with other parties and engaging in any activity whatsoever, including without limitation, providing investment management services, managing investments, participating in investments, administrative services, brokerage or consultancy arrangements or acting as an adviser to or participant in any corporation, partnership, trust or other business entity, for as long as the execution of the Services provided for under this Agreement are not significantly impaired thereby, and to retain for its own benefit any fees or other moneys payable therefore.
- 3.4 When the Manager is being asked by a portfolio company to provide remunerated consultancy tasks not pertaining to its Services for the Client under this Agreement, the Manager shall inform the board of directors of the Client thereof specifying the content of the tasks and the amount of the remuneration. The Manager undertakes to request the prior approval of the board of directors of the Client if the remuneration for the consultancy tasks exceeds € 5,000 per quarter, cumulatively, and undertakes to avoid any (appearance of) conflict of interest with the Client during the performance of these consultancy tasks.
- 3.5 The Manager agrees to exercise its activities pursuant to this Agreement in the best and sole interest of the Client, in accordance with the highest professional standards, and use all necessary skills and expertise in the development of the profitability and long-term business success of the Client and the enhancement of shareholder value.

- 3.6 The Parties acknowledge that the performance of this Agreement and the ensuing professional relationship cannot create an employment relationship between the Client and the Manager or between the Client and any physical person affiliated with the Manager.
- 3.7 The Manager shall exercise professional prudence and care in selecting persons, firms or corporations through or with whom it shall effect or arrange transactions for the Portfolio. The Manager will fulfil its mandate in a manner that can be expected of a normal, prudent and reasonable professional AIFM. The Manager will therefore use the necessary professional expertise and resources to fulfil this mandate.
- 3.8 The Manager is free to choose the counterparties and financial intermediaries (including brokers) to whom it transmits orders for the purpose of managing the Portfolio. The Manager will take all reasonable measures to achieve the best possible result for the Client. The Manager will only deal with entities that have been carefully screened beforehand.
- 3.9 The Manager will perform its investment mandate in compliance with market abuse legislation.
- 3.10 The Manager will perform its investment mandate in compliance with legislation aimed at preventing conflicts of interest.
- 3.11 The Manager will act exclusively in the interest of the Client.
- 3.12 With regard to conflicts of interest, the Manager will take organizational and administrative measures in accordance with the AIFM Act and any implementing Decrees as may be determined from time to time that are commensurate with the size and activities of the Manager and of the group to which it belongs, as well as with the nature, scale and complexity of the Services.

More in particular, since the Manager also exercises activities other than the activities which form the subject-matter of this Agreement, the Manager shall ensure at any time that an appropriate separation shall exist between those activities and the activities which form part of the subject-matter of this Agreement, that an effective audit and control system has been set up and is continuing to be implemented, and that an effective conflict of interest system has been set up and is continuing to be implemented, including in particular the implementation of internal policies which are of a nature to effectively prevent any actual conflict of interests and any appropriate separations of functions and powers.

The Manager shall notify the Client forthwith if – despite measures having been taken – conflicts of interest still exist.

In view of the conflict of interest situations that might in any event arise when the Manager would want to invest on behalf of the Client in other funds managed by the Manager or in portfolio companies of such funds, the Client himself will by derogation to the full delegation intended to be realized further to this Agreement remain responsible for (i) the investment decisions relating to the investment in other funds managed by the Manager and (ii) the investment decisions relating to the initial co-investments in portfolio companies of funds managed by the Manager and investment decisions relating to subsequent investments in such portfolio companies of more than EUR 750.000. For such purposes, whenever the Manager is considering to proceed to any of the aforementioned investments, the Manager will inform the

Client thereof and the Manager will only proceed to such an investment on the basis of prior written instructions given by or on behalf of the Client to the Manager and signed by two directors authorized to represent the Client. For the avoidance of doubt, and without prejudice to any of the foregoing Clause, the Client's board of directors shall be entitled to amend, revoke or otherwise adjust its instructions with respect to investments in such funds or portfolio companies at any time and at its free discretion, in the event of which it shall not be held to motivate such decision. The Manager shall not be entitled to refuse to accept any of the Client's instructions, except where the Manager reasonably believes that compliance with an instruction might involve a breach of any law, rule, regulation or agreement. Where the Manager has been instructed to effect one or more transactions in any such funds or portfolio companies which it believes to be unsuitable for the Client, it shall first advise the Client accordingly, explaining the reasons for that advice and, subject to the foregoing only give effect to the Client's instructions if, following that advice and explanation, the Client repeats the instructions in the manner prescribed by this Clause.

3.13 In line with the Markets in Financial Instruments Directive 2004/39/EC and the Regulation of the FSMA of 5 June 2007 regarding organizational requirements for undertakings that render investment services, the Manager establishes and implements an adequate business continuity policy with a view to ensuring the preservation of essential data and functions and the maintenance of investment services and activities, in case of an interruption to its systems and procedures. It also establishes and implements systems and procedures that are adequate with a view to safeguarding the security, integrity and confidentiality of information, taking into account the nature of such information.

3.14 The Manager will establish and implement a Disaster Recovery Plan for the IT environment and the applications for managing the Portfolio in order to analyse what the risk would be were the systems to go down for a certain time. All systems will be set up in accordance with FSMA regulations.

4 **PURPOSE**

The principal purpose of this Agreement shall be to enable the Client as a public privak under Belgian law to provide by way of a full delegation for (i) an efficient portfolio management of the Portfolio and risk management by the Manager in accordance with the asset allocation and the investment strategy and objectives as they have been set out by the Client's board of directors and are attached in their current version as Schedule A hereto, and (ii) the administration (including, but not limited to, regulatory compliance monitoring) and the marketing of the units of the Client by the Manager.

5 **PERMITTED INVESTMENTS**

The Manager can invest the assets of the Portfolio in financial instruments in accordance with the asset allocation, investment strategy and objectives as set out by the Client's board of directors and referred to in Schedule A hereto (and as they may be amended by the Client's board of directors from time to time).

6 DEPOSITORY BANK

- 6.1 The Client has entrusted the custody of the Portfolio to the following depository bank (the “**Depository**”):

BELFIUS BANK NV

The relationship between the Client and the Depository is governed by a separate agreement, hereinafter referred to as the “**Depository Bank Agreement**”.

- 6.2 The securities and monies have been or will be deposited on the accounts listed in the Depository Bank Agreement. If it proves necessary for portfolio management purposes, the Manager may request the Client to open additional accounts with the Depository on which securities or monies will be entered. The account numbers will be added to the Depository Bank Agreement.

7 WITHDRAWALS AND ADDITIONAL RECEIPTS

- 7.1 The Client has the exclusive right to request the Depository directly to withdraw any available assets held in the accounts referred to in the Depository Bank Agreement when such withdrawal is required for purposes of (i) paying out a dividend decided by the shareholders’ meeting of the Client, (ii) to pay for any repurchase of shares to which the Client would have proceeded following authorisation given thereto by its shareholders’ meeting, (iii) to proceed to any repayment of a capital reduction to which its shareholders’ meeting would have decided. In view of the full delegation realised further to this Agreement, the Client does not have the right to request withdrawals of available assets or monies for any other purposes.

Available assets are monies and securities that the Manager has not reserved for the execution of orders that have been transmitted but not yet entered or orders transmitted and entered but not yet executed or for the handling of orders that have already been executed but not yet settled. The Client will notify the Manager in advance in writing of its intention to withdraw assets setting forth the permitted intended use as aforesaid.

The Client will not give any direct instructions to the Depository with respect to unavailable assets; any instructions regarding these assets can only be given by the Manager.

- 7.2 The Client can add new assets to the Portfolio by depositing them on the accounts specified in the Depository Bank Agreement. Management of these assets will commence upon deposit on the accounts specified in the Depository Bank Agreement.

8 INVESTMENT POWERS, NO DELEGATION, RESTRICTIONS

- 8.1 The Manager will invest and reinvest the Portfolio in accordance with the asset allocation, the investment strategy and objectives set out in Schedule A (as they may change from time to time) and subject to the terms and conditions of this Agreement.

The Client authorizes the Manager to carry out all transactions (such as subscribing to and buying and selling, spot or forward, financial instruments or foreign currency, exercising rights, arbitraging or exchanging financial instruments, collecting income and holding liquid assets and time deposit accounts) that the Manager considers necessary for the risk management and portfolio management of the Portfolio at the Manager's discretion and without the prior approval of the Client, with the exception of (i) the investment decisions relating to investments in funds managed by the Manager and (ii) the investment decisions relating to the initial co-investment in portfolio companies of funds managed by the Manager and investment decisions relating to subsequent investments in such portfolio companies of more than EUR 750.000. The Client shall in view of the full delegation intended to be realized further to this Agreement, not carry out nor instruct any transactions itself. It is understood that the Client's board of directors may at any time and at its free discretion change or otherwise adjust the asset allocation and the investment strategy and objectives set out in Schedule A, in the event of which it shall not be required to motivate such decision, provided however that such change or adjustment shall be effective as of the 5th (fifth) business day following the notification by the Client thereof.

- 8.2 The Manager itself (or any of its employees and/or independent consultants acting for or on behalf of the Manager) will always perform the Investment Management Services under this Agreement and may not outsource such tasks to a third party save to the extent such outsourcing is permitted under the applicable laws and prudential regulations and then only in strict compliance therewith.
- 8.3 The Manager will act as the Client's agent in relation to each and every transaction for the account of the Portfolio.
- 8.4 The Manager will provide to the Client such additional services upon such terms as may be agreed in writing between the Parties from time to time. Subject to any written agreement to the contrary, any such additional services shall be provided in accordance with the provisions of this Agreement.
- 8.5 The powers given to the Manager in this Agreement and any additional powers conferred by law shall be exercised by the Manager solely in its capacity hereunder. In addition, all powers exercised by the Manager hereunder shall conform to and be in compliance with all rules and regulations to which the Manager is subject and which affect the duties of the Manager to the Client hereunder. In particular, the Manager shall ensure and the Client relies thereupon that it has full capacity and that it obtained all necessary governmental approvals and licenses, which may need to be obtained to validly sign this Agreement and to legally perform its obligations hereunder and, more generally, that no present regulation, law, decree, court order or judgment would forbid, or otherwise prevent, its full performance of the obligations hereunder.

9 REPORTS, ADMINISTRATION AND VALUATIONS

- 9.1 The Manager shall report to the Client in the form and frequency specified in Schedule C hereto.

- 9.2 The valuation of the Portfolio will be based on the rules specified in Schedule D hereto in accordance with the provisions of the AIFM Act and the AIFM Regulation No. 231/2013.
- 9.3 The Manager undertakes to select its external information providers with care. To the extent that the valuation is based on information supplied by external information providers, however, the Manager cannot be held liable for the accuracy of this information and the valuation provided is only by way of indication.
- 9.4 The Manager will meet the Client regularly to report to the Client in detail on:
- the performance of the Portfolio;
 - the asset allocation and how it is developing;
 - the compliance of the Portfolio with investment restrictions and regulatory requirements;
 - the economic and monetary outlook and the outlook for the stock and bond markets.
- 9.5 The Manager undertakes to inform the Client forthwith of any major problems that would have a material impact on the Investment Management Services, and of any emergency situations.
- 9.6 The Manager will provide the Client, the statutory auditor and the Depository appointed by the Client and the competent official bodies with the information, documents, notes and archives relating to the execution of its services required for performing the internal and external control.
- 9.7 The Client and its bodies remain responsible towards its shareholders and beneficiaries, as well as towards the contributing companies or supervisory bodies, for its choice of Manager and the supervision thereon. When selecting the Manager, the Client has taken account of the Manager's professional qualifications and experience.
- 9.8 The Client hereby declares that it qualifies as professional client within the meaning of article 2, 1st paragraph, 28^o, of the Law of 2 August 2002 regarding the supervision on the financial sector and the financial services and in Annex A to the Royal Decree dated 3 June 2007 regarding certain rules regarding the transposition of the MiFID Directive.

10 **CLIENT CLASSIFICATION, DEFINING THE RISK PROFILE AND FINANCIAL RISK**

- 10.1 The Manager has put the Client into the following category: Professional client.
- 10.2 In its portfolio management, the Manager will take into account the political, economic and financial situation as known to it at that time. The portfolio management conducted by the Manager is based on forecasts of anticipated developments on the financial markets. In view of the complex and often unpredictable nature of these markets, and without prejudice to Clause 3.5 and 3.11, the Manager cannot offer any guarantee regarding the degree to which the forecasts will be accurate. The Manager can therefore not be held liable for any capital loss of the Portfolio or for fluctuations in income.

11 ACCESS TO RECORDS AND PERSONNEL

- 11.1 The Manager shall keep or cause to be kept at its premises or in a secure document storage facility such books, records and statements as may be required from time to time in order to provide a complete and accurate record of all assets held in the Portfolio and all transactions carried out for the Portfolio from time to time.
- 11.2 The Manager shall provide to the Client all information available in its ordinary business records and necessary for the Client to comply with all filings or other reports required of the Client, or otherwise reasonably requested by the Client. The Parties mutually agree to comply with all filings, reports or other information and transparency requirements under the applicable laws and regulations.
- 11.3 Without prejudice to the generality of Clause 11.1, the Manager shall maintain the following records in relation to the Portfolio:
- (a) in relation to each transaction effected by the Manager, the Manager shall make a record of the date and time the transaction was effected, the investment and the number of units thereof which were the subject of the transaction, the price and other terms on which the transaction was effected, including where any conversion between currencies is involved, the rate of exchange, the parties to the transaction and, where the Manager effected the transaction in the capacity of both buyer and seller, that fact; and
 - (b) the Manager shall keep a separate record for the Client of all the cash, securities and term deposits comprised in the Portfolio from time to time and of each transaction effected with or on behalf of the Client; and
 - (c) such additional records, accounts, books and other documents as are required to be maintained by the Manager pursuant to applicable law, rules or regulations.
- 11.4 The Manager shall, on request and reasonable notice from the Client, allow the Client and its accountants or other professional advisers (together the “**Client’s Representatives**”) such access to the records of the Manager relating to the Portfolio and transactions for the Portfolio, as the Client may reasonably require and shall, on request, provide copies of such records to the Client or the Client’s Representatives and, if necessary, promptly provide certificates of responsible officers and internal auditors from time to time in respect of such transactions, holdings, books and records in such terms as they may reasonably require.
- 11.5 The Manager shall, upon request and reasonable notice from the Client, allow the Client’s Representatives such access to the personnel of the Manager relating to the Portfolio and transactions done in respect of the Portfolio.
- 11.6 The records maintained by the Manager pursuant to this Clause 11 shall be kept for at least ten (10) years from the date such records are compiled.

12 COVENANTS, REPRESENTATIONS AND WARRANTIES

- 12.1 The Manager hereby agrees to indemnify and hold the Client, its officers, agents, representatives and employees harmless against any actions, losses, costs (including, to the

extent permitted by law, attorneys' fees), damages, expenses, or demands of whatever kind which the Client, its shareholders, officers, agents, representatives or employees directly or indirectly suffer or incur arising out of this Agreement or in the course of or as a consequence of the Manager, carrying out Services for the Client, provided that any such action, loss, cost, damage, expense, or demand arises out of or is a consequence of any breach by the Manager of this Agreement (including, without limitation, the failure to act in accordance with the various terms, conditions and objectives contained in Schedule A hereto) or applicable law, or any negligent act or omission or willful default or fraud by the Manager (including without limitation any of its officers, agents, representatives or employees). For the avoidance of doubt and while this indemnity and hold harmless obligation is not to be taken as implying any exclusion of or limitation on any contractual liability which the Manager may incur under this Agreement and is without prejudice to any other rights or remedies of the Client, it is specified that the Manager shall not be liable to indemnify and hold the Client harmless as aforementioned or otherwise in respect of any actions, losses, costs, damages, expenses, or demands of any kind resulting from (i) the actions of the Client or previous advisors, or (ii) force majeure or other events beyond the control of the Manager, including without limitation any failure, default or delay in performance resulting from computer failure or breakdown in communications not within the control of the Manager, or (iii) the acts or omissions of any broker, dealer, market maker or counterparty with or through whom transactions are effected for the account of the Portfolio, or (iv) the fact that the Manager does not reach the investment objectives set forth under this Agreement.

- 12.2 The Manager represents and warrants that it has all authorizations, approvals, permits, licenses and consents from all relevant governmental or statutory agencies or regulatory bodies or institutions, necessary to enable the Manager lawfully to enter into this Agreement and to perform its duties and obligations hereunder and upon the terms and conditions of this Agreement, and the Manager will at all times whilst this Agreement remains in effect act as a reasonable and prudent AIFM would act in order to comply with the conditions attaching to such authorizations, approvals, permits, licenses or consents and with any laws, rules, regulations or requirements of such governments, agencies, bodies or institutions, so far as they relate, directly or indirectly, to this Agreement, to the performance by the Manager of its duties and obligations hereunder or to the investments of the Portfolio hereunder (for the purpose of the Clause referred to as the “**Relevant Rules**”); such representation shall be deemed to be repeated each time a transaction is effected by the Manager pursuant to this Agreement.

The Manager in particular represents and warrants that it is licensed by the FSMA as an “AIFM” within the meaning of the AIFM Act, and it covenants to promptly inform the Client of any change in any such status.

- 12.3 The Manager agrees that any breach by it of any provision of Clause 12.1 and 12.2 or any Relevant Rules in relation to this Agreement or the Portfolio, or any action taken in a manner different from that which can be expected from a reasonable and prudent Manager by it which causes the Client to be in breach of any such provision, in consequence of which the Client suffers or incurs any costs, claims, liabilities, losses or expenses shall be actionable by the Client and for such purpose shall be deemed to be (at the Client's election) a breach of this Agreement or a negligent act or omission by the Manager.
- 12.4 The Manager and the Client represent and warrant to each other that this Agreement has been duly executed by the Manager and the Client respectively and constitutes a valid and binding agreement of the Manager and the Client respectively, enforceable in accordance with its terms.

- 12.5 The Manager will not and will not purport to create, grant, transfer or assign any lien, charge, encumbrance or other rights whatsoever over or in respect of any investments in the Portfolio.
- 12.6 The Client represents and warrants to the Manager that it has all requisite power and authority to appoint the Manager to provide the Services in accordance with the terms of this Agreement and that the Portfolio is and will continue, until the appointment of the Manager is terminated, to be the property held by the Client which the Client is, subject to the restrictions and limitations referred to in Clause 12.7 hereof, empowered to deal with free from any lien, charge, encumbrance or other right whatsoever (other than those resulting from the operation of law).
- 12.7 Schedule B to this Agreement contains a (not exhaustive) list of the legal provisions and of the deed of incorporation and coordinated articles of association of the Client under which it operates and the investment regulations that apply to it containing the restrictions and limitations that apply to investments by the Client. The Client will notify the Manager of any modification thereto and of any further restrictions or limitations that would be imposed upon it and which may be relevant to the management of the Portfolio. The Manager shall not undertake any action which would be in conflict with or contrary to any such restriction or limitation.
- 12.8 The Client hereby agrees, subject to any other terms of this Agreement, to indemnify and hold the Manager, its officers, agents, representatives and employees harmless against any costs, loss, liability or expense whatsoever which may be suffered or incurred by any of them directly or indirectly in connection with or as a result of any breach by the Client of any of its obligations under this Agreement.

13 **TERM AND TERMINATION**

- 13.1 This Agreement is entered into between the Parties for an indefinite term.
- 13.2 The Manager may at any time resign by written notice of such resignation to the Client, and such resignation shall take effect at the expiration of six (6) months from the date of delivery of such notice.
- 13.3 Upon such resignation and/or termination, the Client shall appoint a successor manager. Upon resignation and/or termination, the Manager shall transfer to the Client, or to the new asset manager if so specified in the instructions of the Client, all documents and information concerning its Services. A successor manager shall not be personally liable for any act or omission of any predecessor.
- 13.4 Termination of the Agreement by the Manager further to Clause 13.1 hereof shall be communicated by notice, addressed to the Client and the Depository and confirmed by a letter sent by registered mail to the respective Parties.

14 **MANAGEMENT FEE**

- 14.1 The Manager receives an annual fixed fee for his Services for an amount that equals 1% of the Client's corporate capital (the "**Management Fee**"). The Client can annually review the Management Fee in light of the changed market conditions. In such an event, the Parties will in good faith negotiate on the compensation for the Services provided by the Manager.
- 14.2 The Management Fee is paid quarterly in advance.

- 14.3 The Management Fee shall cover all costs, fees and expenses of the Manager as set forth in this Agreement.
- 14.4 The Manager agrees and acknowledges that all costs, fees and expenses falling due in regard to the administration of the Manager shall be borne by the Manager. In event of a dispute between the Client and the Manager in connection with this, it is agreed that each Party will bear its own costs relating to its legal defence.
- 14.5 On termination of the appointment, the Manager shall be entitled to retain and receive all Management Fees and other expenses due by the Client up to the date of such termination and shall refund to the Client a proportionate part of any Fee received in advance as if such Fee accrued from day to day.
- 14.6 The Management Fee does not cover certain expenses related to the operations of the Client as listed in article 53 of the articles of association of the Client (with the exception of the Management Fee itself), including but not limited to:
- (a) fees payable to independent auditors for annual audits and legally required reports;
 - (b) fees payable to official authorities responsible for the oversight of the Client;
 - (c) commissions payable to financial agents, brokers, stock exchanges on which the Client's shares are listed and depositories;
 - (d) the out of pocket expenses incurred in connection with all communications to shareholders including the fees for printing and translating shareholder reports, the cost of press releases and the costs of general assemblies and the meetings of the board of directors;
 - (e) all other expenses incurred in connection with the operation of the Client, such as registration taxes, notary public, legal, etc;
 - (f) fees payable to the directors and the out of pocket travel expenses relating to the board meetings;
 - (g) directors' liability insurance for the members of the board of directors;
 - (h) in the context of a disposal (exit via trade sale, IPO) of an investment in a non-quoted entity, legal fees and success related fees charged by financial advisors to the Client as shareholder of such entity are borne by the Client and deducted from the proceeds received by the Client;
 - (i) taxes on assets, revenues or expenses;
 - (j) interest and expenses related to borrowings; and
 - (k) expenses related to the liquidity contract of the shares.

These costs and expenses shall be paid by the Client directly.

15 **INSURANCE**

The Manager shall at its expense at all times maintain such level of insurance cover in respect of its potential liabilities under this Agreement in accordance with the provisions of the AIFM Act and the AIFM Regulation No. 231/2013 and as the Client may reasonably require and shall provide details of such insurance cover to the Client upon request.

16 **NOTICES**

16.1 Any notice, approval, consent or other communication to be made under or in connection with the matters contemplated in this Agreement shall be made in writing and in English and be signed by or on behalf of the Party giving it and shall be delivered personally or sent by fax confirmed by registered mail:

If to the Manager	Name:	Capricorn Partners
	Address:	Lei 19/bus 1, 3000 Leuven
	Attention:	Mr. Jos B. Peeters
	Fax:	+32(0)16 28 41 08
with a copy to	Name:	Capricorn Partners
	Address:	Lei 19/bus 1, 3000 Leuven
	Attention:	Ms. Sabine Vermassen
	Fax:	+32(0)16 28 41 08
If to the Client	Name:	Quest for Growth
	Address:	Lei 19/bus 3, 3000 Leuven
	Attention:	Mr. Philippe de Vicq
	Fax:	+32(0)16 28 41 08

and shall be deemed to have been duly given or made as follows:

- if personally delivered, upon delivery at the address of the relevant Party;
- if sent by express courier, on the date of posting; and
- if sent by e-mail, on production of a reply mail from the counterparty which indicates that the e-mail was well received..

16.2 A Party may notify the other Party to this Agreement of a change to its name, relevant addressee, address or e-mail for the purposes of the giving of notices or other communications provided that such notification shall only be effective:

- on the date specified in the notification as the date on which the change is to take place; or
- if no date is specified or the date specified is less than five (5) business days after the date on which notice is given, the date falling five (5) business days after notice of any such change has been given.

17 COSTS AND EXPENSES

The Parties shall pay their own costs in connection with the preparation and negotiation of this Agreement and any matter contemplated by it.

18 ENTIRE AGREEMENT

18.1 This Agreement (and the documents and agreements referred to herein) contains the entire agreement between the Parties with respect to its subject matter.

18.2 It replaces and annuls all prior agreements, communications, offers, proposals or correspondence, oral or written, exchanged or concluded between the Parties relating to the same subject matter.

19 AMENDMENT

No amendment of this Agreement shall be effective unless it is made in writing and signed by a duly authorized representative of all Parties.

20 ASSIGNMENT

20.1 Except as otherwise provided herein, no Party may assign all or part of its rights and obligations under this Agreement to any third party (through a sale, a capital contribution, a donation or any other transaction, including the sale or contribution of a division (“*bedrijfstak /branche d’activité*”) or of a business as a whole (“*algemeenheid / universalité*”), or a merger, spin-off or split-up) without the prior written consent of the other Party. As long as such consent has not been obtained, the assigning Party shall continue to be liable for all obligations that it intended to assign (without prejudice to any other right or remedy that the other Parties may have for breach of this clause) and the assignee shall not be entitled to exercise any of the rights under this Agreement.

20.2 Subject to the assignment restrictions set out in Clause 20.1, the provisions of this Agreement shall inure to the benefit of and shall be binding upon the Parties and their respective heirs, successors and assigns.

21 SEVERABILITY / PARTIAL INVALIDITY

21.1 If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, under any applicable law, that provision shall be deemed not to form part of this

Agreement, and the legality, validity or enforceability of the remainder of this Agreement shall not be affected.

- 21.2 In such case, each Party shall use its reasonable best efforts to immediately negotiate in good faith a valid replacement provision having a similar economic effect which is as close as possible to that of the invalid, void or unenforceable provision.

22 **NO WAIVER**

The rights and remedies of the Parties shall not be affected by any failure to exercise or delay in exercising any right or remedy or by the giving of any indulgence by any other Party or by anything whatsoever except a specific waiver or release in writing and any such waiver or release shall not prejudice or affect any other rights or remedies of the Parties. No single or partial exercise of any right or remedy shall prevent any further or other exercise thereof or the exercise of any other right or remedy.

23 **GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and construed in accordance with Belgian law.

Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the CEPINA Rules of Arbitration by three arbitrators appointed in accordance with those Rules. The seat, or legal place, of arbitration shall be Brussels. The arbitration shall be conducted in Dutch.

[the next pages are signature pages]

THIS AGREEMENT HAS BEEN EXECUTED ON THE DATE INDICATED ON THE FIRST PAGE HEREOF IN TWO (2) ORIGINALS. EACH PARTY ACKNOWLEDGES RECEIPT OF ITS OWN ORIGINAL.

FOR CAPRICORN PARTNERS

Name : Jos B Peeters

Title : Chairman Executive Committee

FOR QUEST FOR GROWTH

Name: Philippe de Vicq
Title: Director -Effective leader

Name: Antoon De Proft
Title: Chairman:

Schedule A

Asset Allocation, Investment Strategy and Investment Objectives

The guidelines in the Quest for Growth investment policy are assuming an ordinary course of business. Certain developments in the markets in general or in individual portfolio companies more specifically could temporarily prevent Quest for Growth from meeting these guidelines. In case that happens, Quest for Growth will do everything reasonably possible to mitigate such infraction within an acceptable timeframe. When an infraction can't be resolved timely, Quest for Growth will report on it in its annual report as specified in the Royal Decree of 10 July 2016 regarding public privaks.

1. DEFINITIONS

1.1. ASSETS: The Royal Decree on the Publieke Privak dated July 10, 2016 (“Royal Decree”) makes use of the terms “*activa*”, “*netto activa*” and “*statutair netto-actief*” in order to describe asset allocation and other thresholds. Quest for Growth (“QfG”) will always use “net asset value” (“NAV”) as the denominator for the calculation of percentages of “*activa*” and “*netto activa*” and use “Corporate Capital” for the interpretation of “*statutair netto-actief*”. As QfG in the past only had significant amounts of debt in very exceptional situations and temporarily, using assets or net assets will not materially impact the ratios.

1.2. Quoted Portfolio: consists of companies of which the shares are traded on a regulated exchange or on a multilateral trading facility (MTF) and net cash (cash & other net assets).

1.3. Unquoted Portfolio: consists of investments in venture capital funds and direct investment in unquoted companies.

2. INVESTMENT STRATEGY

2.1. QfG invests in both quoted and unquoted companies. The investment areas and economic sectors in which QfG can invest are:

- **Digital:** including Software, IT Services, Internet Related Services, Digital Media, Technology Hardware, Communications Equipment, Semiconductors & Semiconductor Equipment
- **Health:** including Health Care Equipment & Services, Pharmaceuticals, Biotechnology & Life Sciences
- **Cleantech:** including Renewable Energy, Energy Efficiency, Clean Transport, Green Building, Power Electronics & Storage, Water & Pollution Control, Waste Management, Advanced Materials

2.2. QfG will focus its investment strategy on Europe.

2.3. QfG will get its exposure primarily to the unquoted health, cleantech and digital sector through investments in the venture capital funds organized by Capricorn Partners, its manager (“**Capricorn**” or “**Manager**”).

2.4. The funds organized by Capricorn should have an investment philosophy sufficiently close to QfG.

2.5. In addition, QfG shall also co-invest in selected unquoted portfolio companies of the venture capital funds organized by Capricorn. Any investment of QfG in a company, in which another alternative investment fund managed by Capricorn is already invested or another alternative investment fund managed by Capricorn will invest at the same time as QfG, will be considered a co-investment.

2.6. QfG can also invest directly in selected unquoted companies (i) within the existing competences of Capricorn (digital, Health and Cleantech) if they occur outside the active investment period or (ii) outside the specializations of the existing venture funds managed by Capricorn.

3. ASSET ALLOCATION

3.1. The QfG investment portfolio will at all times meet the requirements put forward in the Royal Decree:

QfG will invest at least 70% of its assets in quoted companies with a market capitalization of less than €1.5 billion or in unquoted companies (“**Qualifying Investments**”). The Unquoted Portfolio will represent at least 25% of the assets of QfG. However, QfG will target to invest 45% up to 55% of its net asset value in unquoted companies.

The remaining 30% of its assets will be invested in accordance with the requirements of “*Directive 2009/65/EG on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions*”.

QfG will assess the market capitalization of the quoted companies at the time of the first investment. Portfolio companies that exceed the market capitalization of 1.5 billion after the first investment will still be considered a Qualifying Investment for a period of 3 years. If a portfolio company, after having exceeded the 1.5 billion market capitalization threshold, falls again below the market capitalization of 1.5 billion it will again count as a Qualifying Investment. Any passing of the 1.5 billion market capitalization threshold thereafter will be subject again to the full 3 years’ qualification period.

3.2 Venture capital funds organized by the Manager

An investment in a venture capital fund typically requires a large upfront commitment of which only 25% gets called at inception of the fund. The remaining 75% gets called by the Manager during the life of the fund. Because the timing and the size of the capital calls are unpredictable, an investment in a venture capital fund should be limited to maximum 35% of the net assets and requires careful managing of the cash flows. Decisions on the commitment to invest into these funds are taken by the Board of Directors.

3.3. Co-investments alongside the venture capital funds organized by the Manager

For co-investments initially entered into before 1 January 2011 (and any follow-on investments thereon), the amount of the co-investment is fixed at 12.5% of the investment made by the venture fund.

For co-investments initially entered into after 1 January 2011, the QfG Board of Directors will decide on all initial co-investments and follow-on investments above 750 000 euro. Other follow-on investment decisions are taken by Capricorn and reported to the Board of Directors.

3.4. Direct investments in unquoted companies (other than co-investments)

A. The Board of Directors of 25 July 2017 decided to allow direct investments in selected unquoted companies. These investments should fall within the existing competences of Capricorn (digital, Health and Cleantech) but outside the active investment period or outside the specializations of the existing venture funds managed by Capricorn. For these direct investments, QfG will target investments in companies that have at least recurring paying customers or “proof of concept” (health-tech).

B. The executive committee of the Manager will decide on these direct investments. The decisions are communicated to the executive officers of QfG. Before the execution of an initial direct investment, the Board of Directors will have to confirm that the investment is in line with the investment strategy and policy as set forth in 3.5.A. and that no conflict of interest exists. Follow-on investments on these direct investments are decided by the executive committee of Capricorn and communicated to the executive officers and the Board of directors of QfG.

3.5. Historical investments in unquoted companies and venture capital funds

QfG still holds a number of historical investments in unquoted companies and investments and commitments towards venture capital funds organized by third parties that date back before 2012.

CVP will continue to manage those investments in the best interest of QfG. No new commitments will be made to invest in funds organized by third parties. Follow-on investments will be subject to the same decision process as described under 3.5. (Direct investments in unquoted companies).

4. PORTFOLIO CONCENTRATION

4.1. Quoted Portfolio

4.1.1. The Quoted Portfolio of QfG will be invested in the following themes and sectors: Digital, Health and Cleantech.

4.1.2. Up to 5% of the overall Quoted Portfolio may be invested outside the defined sector specialization in related areas such as traditional media, telecommunication services and holding companies being active both within and outside the outlined playing field.

4.1.3. QfG will hold maximum 5 % of its assets in one single company in the Quoted Portfolio at the time of investment. Should situations arise (for instance because of the performance of a particular stock in the portfolio or because of a successful IPO of an unlisted investment) whereby a quoted investment exceeds this maximum ratio, QfG will either divest in order to restore the situation or ask the Board of Directors for approval to maintain the situation for a longer period. The 5% limit will not be applicable for securities in lock-up after an IPO and will remain to be not applicable for 6 months following the end of the lock up period.

4.2. Unquoted Portfolio

4.2.1. QfG will not commit more than 20% of its statutory capital to a single fund organized by the Manager.

4.2.2. The aggregated investment in venture funds calculated based on cost of investment will never exceed 35% of the statutory capital of QfG.

4.2.3. For direct investments in unquoted companies, QfG will invest a maximum of 5% of its NAV (or Corporate Capital if lower) in a single investee company. The initial investment in an unquoted company, will be maximum of 2.5% of the NAV (or Corporate Capital if lower).

5. CASH AND CASH EQUIVALENTS

5.1. QfG is allowed to hold up to 30% of its assets in cash and cash equivalents.

5.2. QfG will not hold more than 10% of its assets in cash or cash equivalents with the same counterparty.

Cash and cash equivalents will be considered part of the Quoted Portfolio to the extent that they are generated and used in the normal course of business.

Cash and cash equivalents originating from a unique transaction like the sale of an unquoted portfolio company or generated with a special purpose for instance in preparation of the payment of a dividend by QfG will not be considered part of the (net) assets for purpose of determining the maximal amount of cash or cash equivalents allowed or for the calculation of regulatory ratio's and thresholds for a period of maximum one year.

6. DERIVATIVES

6.1. Equity derivatives such as convertibles, warrants, options, futures etc. can be used as an alternative or as a hedge for quoted stocks.

Though straightforward investments in listed stocks will at all-time remain the large majority of QfG's equity positions, a limited use of derivatives to set up equity positions is allowed subject to following constraints and limits:

6.2. Long positions (QfG = buyer of the option and pays the premium) of put and call options:

6.2.1. The sum of the market value of all premiums bought will be less than 5% of NAV

6.2.2. The underlying value (number of shares X strike price) of each bought option on an individual stock will not exceed 5% of NAV at the moment of acquisition

6.3. Short positions (QfG = seller of the option and receives the premium) of put and call options:

6.3.1. The sum of the market value of all premiums sold will be less than 5% of NAV

6.3.2. The underlying value (number of shares X strike price) of each sold option on an individual stock will not exceed 5% of NAV at the moment of sale. The number of shares implied by a short sale of call options on an individual stock shall not exceed the number of shares present in the portfolio during the entire lifetime of the option.

7. HEDGING

7.1. Equity hedging

Equity hedging can be considered both on a macro and a micro basis up to a maximum total of 100% of the portfolio and/or of each individual stock. Authorized instruments are:

1. Purchased put options on individual stocks (the total underlying being maximum the amount of the stocks in the portfolio)
2. Purchased put options on indexes (the total underlying being maximum the value of the quoted portfolio after deduction of the underlying covered by point 1.
3. Sold future contracts on indexes (the total underlying being maximum the value of the quoted portfolio after deduction of the underlying covered by points 2 & 3)

7.2. Currency hedging

In principle investments in foreign currencies will not be hedged.

The Manager can decide to deviate from the general rule in exceptional circumstances. For example, in case of an investment in an unquoted company in a country that is perceived as having a significant exchange rate risk or in case of an imminent exit in a not EUR denominated company. The decision to hedge will be exceptional and the reasoning will be documented and reported to the Board of Directors of QfG.

8. LEVERAGE

8.1. As a general principle QfG limits its investments to the amount of its equity. QfG can use up to 10% leverage in temporary situations such as the need created by an allotment of a public offering or a mismatch between investment and divestments. If QfG however would like to finance up to 10% of its portfolio by debt to take profit of an expected rally of the equity markets, it should be authorized before doing by the full Board of Directors.

8.2. The aggregated amount of uncalled committed capital of all venture capital funds and any debt taken on by QfG will never exceed 35% of the statutory capital of QfG unless this surpassing is the result of changes in the value of the assets and liabilities.

Schedule B

Regulatory Framework

- Act of 19 April 2014 on alternative undertakings for collective investment and their managers (the “**AIFM Act**”);
- Decrees further implementing the AIFM Act as may be determined from time to time;
- The Belgian Code on Companies and Associations of 23 March 2019, as amended, and the Decrees further implementing this Code as may be amended from time to time;
- Law of 18 September 2017 regarding the prevention of the use of the financial system for purposes of money laundering and financing of terrorism;
- Law of 4 December 1990 regarding financial transactions and financial markets as amended on 12 December 1996;
- Law of 2 August 2002 on the Supervision of the Financial Sector and Financial Services as amended from time to time;
- Royal Decree of 10 July 2016 regarding public privaks;
- Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the “**AIFMD**”);
- Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 supplementing the AIFMD (the “**AIFM Regulation No. 231/2013**”) and any other Commission Delegated Regulations and Commission Implementing Regulations in relation to the AIFMD as may be determined from time to time;
- prudential rules as may be determined from time to time by the FSMA;
- Deed of incorporation of the Client dated 9 June 1998;
- Coordinated articles of association of the Client dated 14 April 2021.

Schedule C

Area of relevance	Which Information	Frequency and persons information is provided to	At the disposal of the Board
Internal controls over financial reporting	Internal control procedures Report internal auditor Business Continuity plan Financial statements Audited financial statements NAV of portfolio and investments List of investments Newsletters AIF's managed by Manager Valuation of the portfolio	Annually to Audit Committee Quarterly to Board Semi-annual to Board Monthly to Board Daily to effective leaders Quarterly to effective leaders Daily to effective leaders	Internal Control Procedures Business Continuity Plan
Organizational structure	organizational chart, cfr. Corporate Governance Charter of Capricorn Change in key personnel working for QfG	 When a change occurs or is bound to occur, to Board	Corporate Governance Code Corporate Governance Code and Human Resources Policy
Administrative, accounting, financial and Technical organization	Internal Control Procedures Report internal auditor	Annually to Audit Committee	Internal Control Procedures
IT infrastructure and controls	Internal control procedures Report internal auditor Business Continuity plan	Annually to Audit Committee	Internal Control Procedures Business Continuity Plan
Internal control structure	Internal control procedures Report internal auditor	Annually to Audit Committee	Description of Internal Control
Risk management	Risk Management Policy Risk management Reporting	Daily to the effective leaders	Risk Management Policy
Compliance	Compliance Charter Reporting on Privak Legislation Reporting on compliance violations	Daily to the effective leaders Whenever a violaton occurs to the effective leaders	Compliance Charter
Conflicts of interest	Conflicts of Interest Policy Relevant articles in Law on Companies Reporting conflicts of interest Reporting compliance violations	Procedure to be followed Daily to the effective leaders Whenever a violation occurs, to the effective leaders	Code of Conduct
Delegation of responsibilities	Reporting on service providers		Best Execution Policy and Outsourcing Policy
Code of conduct of Board members Client and of staff CVP	Codes of conduct	Executed by all concerned persons and reviewed regularly	cfr. Executed documents of Board and Code of Conduct

Schedule D

Valuation Policy of Capricorn Partners as amended from time to time

See enclosed pdf.



VALUATION POLICY

Name of the executive officer responsible for the content	Sabine Vermassen, member of the executive committee
Date of initial adoption of the document	July 2017
Date of most recent changes approved by the executive committee	11/10/2019
Date of submission to the board of directors	28/08/2019 and 05/11/2019
Location on the server	Z:\CVP-Compliance, Risk and Legal\IPCGC

1. Valuation procedures

1.1. Principles and Frequency

Capricorn Partners (“Capricorn”) is responsible for the proper valuation of the assets held by its funds under management (its “AIFs”), the calculation of the net asset value of the AIFs and the publication of the valuations and net asset value to the investors in its AIFs. Capricorn must ensure that any valuation of AIFs assets is performed impartially and with all due skill, care and diligence.

Capricorn carries out the valuation function internally. Therefore, it shall ensure that the valuation review is functionally independent from the portfolio management, that the remuneration of the valuation expert is approved by the remuneration committee and that measures are put in place to mitigate conflicts of interest and to prevent influence from other staff members on the valuation expert.

Capricorn Partners shall ensure a consistent application of the procedures and valuation rules for all types of assets held by the AIFs and across all the funds it manages notwithstanding specific applicable accounting rules governing an AIF which have an impact on the way the valuations are taken over in the accounts of the relevant AIF.

The valuations shall be carried out at a frequency that is appropriate to the specific character of the AIF or the assets and Capricorn shall ensure that investors in the AIFs are informed of the valuations and calculations in the manner set out in the constitutional documents of the fund (e.g. shareholders agreement): For its Venture Funds Capricorn assesses the valuation of the underlying investments at the end of every quarter. For its quoted AIF Quest for Growth (“QfG”), the net asset value of its portfolio is assessed every quarter unless a material event has occurred in the underlying investments (including investments in the Venture Funds) that could have a significant impact on the value of QfG, in which case the valuation impact is published in the monthly report. For purposes of this intermediary change in valuation, significant is defined as having an impact of at least 0.5% on the net asset value of QfG at the time of the material event. In addition, a valuation shall be carried out each time a proposal is made to increase the capital of an AIF.

The valuation procedures and rules will be reviewed annually and modified if necessary. At this occasion, it should be assessed whether the used standard discounts and the choice of the KPIs should be revised by using back testing (as in, seeing if the assumptions made in the past made sense given the information available today).

This Policy is approved by the Board of Directors of Capricorn Partners and by the board of directors of each of its AIFs.



1.2. Valuation Expert

The valuation is the responsibility of the valuation expert and the executive committee of Capricorn. The valuation expert must have a master's degree in economics or financial sciences and experience in auditing or determining the valuation of financial instruments. The valuation expert's independency is guaranteed by a functional separation towards the investment team and a reporting line to the compliance officer and risk manager. Although present at each investment team meeting to hear the information on the portfolio companies first hand, the valuation expert has no vote in the decisions on the investments. The valuation expert is present at and provides input to the audit committee of each AIF (if any) and is present at each board meeting of the AIFs to explain and provide details on the proposed valuations. The valuation expert is the direct contact for all valuation information to the internal and external auditor and operates under the authority of the member of the executive committee responsible for compliance, legal and risk.

1.3. Procedure for Valuation

Capricorn ensures that, for each of its AIFs, an appropriate and consistent procedure is established so that according to the fund's documentation and the rules laid down in the applicable national law of the country where the AIF is established (i) a proper and independent valuation of the assets of the AIF can be performed and (2) the net asset value per unit or share of the AIF is calculated and properly disclosed to the investors.

1.3.1 Quoted investments

The procedure for the valuation of securities held in quoted investments is quite straight forward as in general, it concerns public companies that have their securities quoted on a stock exchange where the stock prices are listed. The reporting thereof is done by the fund administration unless discounts are applicable in which case the investment managers and the valuation expert determine the valuation in the valuation meeting.

1.3.2 Non-quoted investments

Valuations of non-quoted investments are first discussed in the respective investment team meetings of the AIFs which are attended by the valuation expert and where he/she must assure that (i) the valuations are done in accordance with these valuation rules (ii) that the figures and assumptions or key performance indicators which form the basis of the valuation are sufficiently documented by the investment managers and (iii) that all known factors that could be relevant in determining the value of the non-quoted investments are taken into account. For avoidance of doubt, the valuation proposals and underlying documentation must be prepared and documented by the respective investment managers.

Following the discussion in the investment team meetings, the valuation proposals are discussed at a quarterly valuation meeting that takes place close to the end of each quarter. Participants present at this meeting are: the valuation expert, the members of the executive committee of Capricorn and all senior investment managers overseeing non-quoted investments. In this valuation meeting the proposed valuations of the investment teams are discussed and amended as the case may be, to obtain a final and consistent valuation proposal. The valuation expert drafts a report of the outcome of this meeting. This report includes the valuations of all the non-quoted investments and the post-IPO quoted



investments of the Venture Funds (“the Quarterly Valuation Report”). This Report is then submitted for approval to the executive committee of Capricorn.

Capricorn subsequently submits the specific portfolio valuation of each AIF for approval to the board of directors of the relevant AIF, preceded by a presentation to and discussion with the audit committee of such AIF, if any.

1.4. Monitoring

The risk manager will verify on a yearly basis whether the valuation process was correctly followed for each AIF and will perform a specific individual review of the valuation process as carried out during the past year for one portfolio company per AIF. The risk manager will include the results of this internal control procedure in his yearly report.

2. Valuation rules

2.1. Principles

Capricorn Partners uses consistently one set of valuation rules adapted to the type of assets invested.

All AIFs present their reports and financial statements in euros, which is the functional currency. Investments in foreign currencies are converted at the closing rate on the measurement date. Profits and losses resulting from the exchange rate differences are recognized through profit and loss.

Hedge accounting is not applied. Financial instruments may be used to reduce (currency risks) and will be valued at fair value through profit and loss.

2.2. Valuation Rules for specific type of assets

2.2.1. Investments in quoted companies

For investments that are actively traded on organised financial markets, **the fair value is determined based on the closing price at the time the relevant market closes on the reporting date.**

All market (price) data for listed equity are provided by Bloomberg, Reuters and Factset.

For the valuation it is important to know whether there is an active market for the securities or not:

- An active market is a market in which transactions of quoted securities take place with enough frequency and volume to provide pricing information on an on-going basis. In principle the size of the holding in a given security by an AIF relative to the average daily trading volume in a such security will not trigger the application of a discount. However, a discount might be applied to values quoted in an active market if there are some contractual, governmental or other legally enforceable restrictions attributable to such investment, which result in diminished liquidity of the securities that would impact the price a market participant is willing to pay at the measurement date. A typical example is the lock-up agreement, which is a contractual arrangement prohibiting sale of those shares before the expiry of a given period: a discount of 1.5% is applied for each lock-up month still to run under the lock-up agreement, capped at a maximum of 25%. No distinction is made between the so-called hard and soft lock-ups.



- If the security is not traded on an active market Capricorn uses a standard liquidity discount of 25%. However, if there have been regular transactions in the period prior to the reporting period, Capricorn may also opt to apply an average price over a past period as a measurement yardstick if this method is considered to be more appropriate.

If more than one of the above situations applies, for example there is no active market and there is still a lock-up period, the highest applicable discount will be used.

2.2.2. Investments in non-quoted companies

For its underlying non quoted investments Capricorn uses consistently the International Private Equity Valuation (IPEV) guidelines as adopted from time to time (latest update is from December 2018). Only for the reporting in the annual accounts a difference might appear between QfG and the Venture Funds which are incorporated as Belgian limited liability companies that need to report according to Belgian GAAP contrary to QfG which, as a public privak, is obliged to report according to the accounting rules of IFRS. In case there is a difference between the value of an investment according to the IPEV guidelines and the value adopted in the annual accounts, the difference will be highlighted in the annual report to the shareholders.

In accordance with IPEV, **the fair value of an investment is determined as the amount for which an asset can be traded between well informed, independent parties prepared to enter into a transaction.**

In the absence of an active market Capricorn uses two valuation methods: the multiples method and the scenario analysis method as explained hereafter. When selecting the appropriate valuation method, each investment is considered individually. The valuation is recorded in the valuation documents and in accordance with the valuation flowchart as attached as appendix A. The chosen method is applied consistently from one period to another unless change would result in a better estimation of the fair value. The investment manager will always document the underlying reasoning for changing the selected valuation method.

The valuation documents consist at least of the following:

- Financial and non-financial data of the company (e.g. financial figures, address, board, management, etc.)
- Investment history of the AIF in the investee company
- Valuation method selection process
- Underlying documentation for the method Multiples or scenario Analysis

The valuation documents template is attached as appendix B.

A. Multiples Method

When?

This method is used for investments in an established company with a significant, identifiable or regular stream of turnover or profits that can be regarded as sustainable. When assessing the sustainability of the turnover or profits, the company's results for at least one audited financial year must be available for examination together with the forecasted results outlook of the company. Subsidies, grants or project-based income (if this is not the core business of the company) may not be considered.



Significant events that could have a positive or negative impact on the (future) revenues of the company should be assessed and if needed, should lead to a correction in the metrics used for the multiple approach."

The level which need to be met in order to be "significant" will be determined at the first measurement date and is dependent on the scope of the business the company is operating in and the available comparable companies.

Which multiple?

In order to determine the fair value of an investment, a reasonable and comparable multiple (bearing in mind the company's risk profile and profit-growth prospects) is applied to the sustainable turnover or profits of the company to be valued.

The following multiples are preferred:

- EV/turnover (enterprise value/turnover) for companies with a sustainable turnover flow
- EV/EBITDA (enterprise value/earnings) before interest, taxes, depreciation and amortisation) for companies with a sustainable EBITDA flow

If both multiples are applicable, the multiple EV/EBITDA should be used.

The valuation is done on the basis of the most recent available figures over 12 months, either of the last four quarters or of the last financial year.

The Peer Group

The multiple is determined based on the median for comparable quoted companies (the 'peer group'). The peer group is composed on the basis of criteria such as: comparable activities or sector, size, geographical spread. The peer group will preferably encompass a minimum of three and a maximum of around ten companies. The peer group is determined in the initial investment recommendation (or at the moment that the valuation is changed from scenario based to multiples) and composed consistently from one period to another unless change would result in a more representative composition. The market source used for determining the multiples is Factset.

Further Adjustments

The market-based multiple of the peer group of quoted companies is then adjusted for points of differences between the peer group and the company to be valued ('discount' or 'premium').

1. The impact of lack of liquidity: a standard liquidity discount of 25% is included for all non-quoted companies valued with the multiples method. It takes into account the difference in liquidity between the non-quoted company to be valued and the listed companies of the peer group.

2. Other Points of difference: Possible points of difference to be considered and assessed: scope, growth, diversity, nature of activities, differences between markets, competitive positioning, performance of the company compared to the peer group or to the key performance indicators documented at the moment of making the investment decision. etc. These points of difference, leading to a discount or premium, should preferably be based on defined KPIs which should be evaluated on each measurement date.

3. Recent transactions in which comparable companies have been sold or financed;

4. Exceptional or one-off items and anticipated drops in results.



B. Scenario Analysis

When?

The scenario analysis is used when the company has no or does not yet have any recurrent turnover or profits, which is often the case for seed, start-up or early-stage companies.

How?

It consists of a **forward-looking method that considers a number of possible future scenarios, being the probability-weighted expected return method (PWERM)**. Valuations will be determined by applying a correction factor to the most recent transaction price. This correction factor is calculated by applying a probability-weighting to a number of different possible future scenarios: (a) a successful exit, (b) a value increase, (c) a flat value (equal to the recent transaction price), (d) a value decrease and (e) a total write-off (investment lost). The company value in each of these scenarios is a best estimate following the expectation of the investment managers.

The starting point is often the price of a recent transaction, which generally represents the fair value of the company at the transaction date. At the subsequent measurement dates, changes or events that might imply a change to the fair value of the investment are assessed. A 12-month time horizon is used to prepare the scenario analysis.

In general, the assessment should be limited to three scenarios.

Which KPIs?

For each investment at least three key performance indicators will be identified and documented by the investment manager at the moment of making the investment decision (in the Final Investment Recommendation) or for the existing investments at the date of entry into force of this Valuation Policy and these KPIs will then be assessed at each measurement date. Commonly a set of agreed milestones is established in the closing documents and they are even linked to a future valuation of the portfolio company in a further round of financing. Missing a milestone may provide indication of a decrease in value while exceeding a milestone may provide evidence of an increase in value, however without disregarding other facts and circumstances that may have an impact on the valuation.

KPIs will vary across types of Investment, specific companies and industries, but are likely to include:

Financial milestones:

- budget and revenue growth,
- profitability expectations,
- cash burn rate,
- debt ratio,
- covenant compliance.

Technical milestones:

- phases of development,
- testing cycles/successful demonstrations at various scale of development,
- customer qualifications,
- patent approvals,
- regulatory approvals.



Marketing and sales milestones:

- customer surveys,
- testing phases,
- market introduction,
- market share.

Management and board performance:

- turnover of people,
- completeness of management and board positions
- ESG milestones compliance

Preferably, the identified KPIs are spread over the different categories and have a long term view

The identified KPIs are reassessed each measurement date and could only be changed in case of a change in strategy or after a new financing round. The measurement consists in judging whether the chosen KPIs at the measurement date versus the KPIs at initial valuation date (i) are outperforming (positive development) (ii) are on track (development on track) (iii) are progressing but slower than expected (moderate development) (iv) are negative (negative development).

Further Adjustments

1. Significant changes in the global economy or the economic environment in which the portfolio company operates,
2. Significant changes in the observable performance of comparable companies, or in the valuations implied by the overall market; or
3. Recently closed transactions in which comparable companies have been sold or financed.

Concluding the valuation

If the investment manager concludes that there is an indication that the fair value has changed, he/she must estimate the amount of any adjustment from the last reported fair value. This estimation is likely to be based on objective data from the company but is also based on the experience and personal judgement of the investment manager. Indeed, the necessity and magnitude of any adjustment are relatively subjective. In order to avoid a too person-dependent approach, the proposed valuation is first discussed in the team meeting and then in the internal valuation meeting with all senior investment managers in the presence of the valuation expert, compliance officer and risk manager.

The multiples used in the Scenario Analysis as a starting point are included in the illustrative example below under number 1. These standard multiples can only be changed based on specific information (e.g. term sheets).

Caution must be applied such that positive developments are only valued when they contribute to an increase in value of the portfolio company when viewed by a market participant. When considering these subtler indicators of value enhancement, in the absence of additional financing rounds or profit generation, the investment manager should consider what value a third party/market participant would place on these indicators, considering the potential outcome and the costs and risks to achieve that outcome.



Illustrative example

1. At the moment of investment:

Assumptions on which the price of the transaction is based (milestones/benchmarks) will be documented in detail by the investment manager

The price of the transaction is the calibration point for valuations at subsequent measurement dates.

2. Subsequent measurement date

At each subsequent measurement date, a detailed assessment is made and documented by the investment manager whether the key performance indicators (KPIs) (milestones/benchmarks) have been changed

Scenario analysis – if KPIs have not been changed

scenario	probability	multiple	Value
Investment is lost	0%	0	0
Down round	25%	0.5	0.125
Flat round	50%	1	0.5
Uptick	25%	1.5	0.375
Successful exit	0%	5	0
Total			100%

The scenario analysis results in the price of the recent transaction

Scenario analysis – if KPIs have been changed positively

scenario	probability	multiple	Value
Investment is lost	0%	0	0
Down round	10%	0.5	0.05
Flat round	45%	1	0.45
uptick	45%	1.5	0.675
Successful exit	0%	5	0
Total			117.5%

The scenario analysis results in a new valuation

Scenario analysis – if KPIs have been changed negatively

scenario	probability	multiple	Value
Investment is lost	10%	0	0
Down round	45%	0.5	0.225
Flat round	45%	1	0.45
uptick	0%	1.5	0
Successful exit	0%	5	0
Total			67.5%

The scenario analysis results in a new valuation

(The given % is only for information purposes)



C. Additional considerations

Irrespective of the multiples or scenario analysis-based method used for the valuation, specific consideration should always be given to the following factors which may have an impact on the valuation of the portfolio company (presuming always that a market participant would also consider these factors for the valuation):

1. Any surplus assets or excess liabilities and other contingencies of the company.
2. Bridge financing, such as granting loans to an investee company pending on *a new round of equity financing*) should be taken into account as follows: In case of an initial investment, where the AIF holds no other investment in the investment company, the bridge loan should be valued in isolation. If it is expected that the financing will occur in due course and that the bridge loan is merely ensuring that funds are made available early, cost may be the best indicator of fair value, unless market or company specific conditions exist, which could indicate that fair value differ from cost. If the bridge financing is provided to an existing investee company in anticipation of a *follow-on investment*, the bridge finance should be included, together with the original investment, as a part of the overall package of investment being valued to the extent a market participant would be expected to combine the overall investment.
3. Other rights such as conversion rights and ratchets may affect the fair value, and a separate assessment is done in order to establish the probability of them being exercised and the impact that this could have on the fair value of the investment.
4. Differences in the allocation of earnings or exit proceeds, such as liquidation preferences must be assessed and taken into account in order to determine their impact on the valuation of the investment.
5. Any instrument that may have a dilutive effect on the fund's investment must be considered so as to split the net equity value appropriately among the different securities and financial instruments.
6. Non-binding indicative offers, or term sheets are not accepted as such on a stand-alone basis for valuation but need to be assessed with a probability score of realization.
7. If a transaction upon which the valuation is based (e.g. a signed purchase or investment agreement) has been executed but has not yet been closed, a closing discount can be applied to the valuation to factor in the risk that closing might not be achieved.
8. Positions in options and warrants must be valued separately from the underlying investments considering the exercise period and the strike price of the option or warrant versus the actual fair value of the underlying asset.
9. For receivables placed in an escrow account (in general a deferred payment of part of a sales price linked to representations & warranties), a standard discount of 20% is applied. A regular assessment should be done in order to test whether this standard discount is still applicable.
10. Any internal matters such as fraud, commercial disputes, litigation, changes in management or strategy may obviously affect the fair value as well.
11. At the measurement date, all available information is considered to determine the fair value of the investment. Post balance sheet events that occur between the end of the reporting period and the date that the financial statements are authorized for issue, will be analyzed and depending on the nature of the event, the fair value of the investment can be adjusted.



2.2.3. Investments in funds not managed by Capricorn Partners

Quest for Growth has invested in a few funds that are not managed by Capricorn Partners. The fair value of these funds is in principle derived from the reported fund's net asset value. However, it may be necessary to adjust that value based on the best available information at the measurement date.

Factors that might give rise to an adjustment include: a timing difference against the reporting date, major valuation differences in the underlying shareholdings and any other factor likely to affect the value of the fund. Hence, a better estimation of the fair value of the fund may be obtained by determining the individual valuations of the underlying shareholdings.

2.2.4. Receivables of sold investments linked to milestones

Receivables stemming from the sale of investments that are linked to uncertain future results (milestone payments based on sales or EBITDA figures or on other KPIs) are separately valued but attract a discount that is dependent on the probability of these results-bound payments/claims being realised. To this end, probabilities of success that are generally accepted in the sector are used for a separate valuation. When applying a discount on the future receivables, also a discount rate will be taken into account to reflect the net present value.

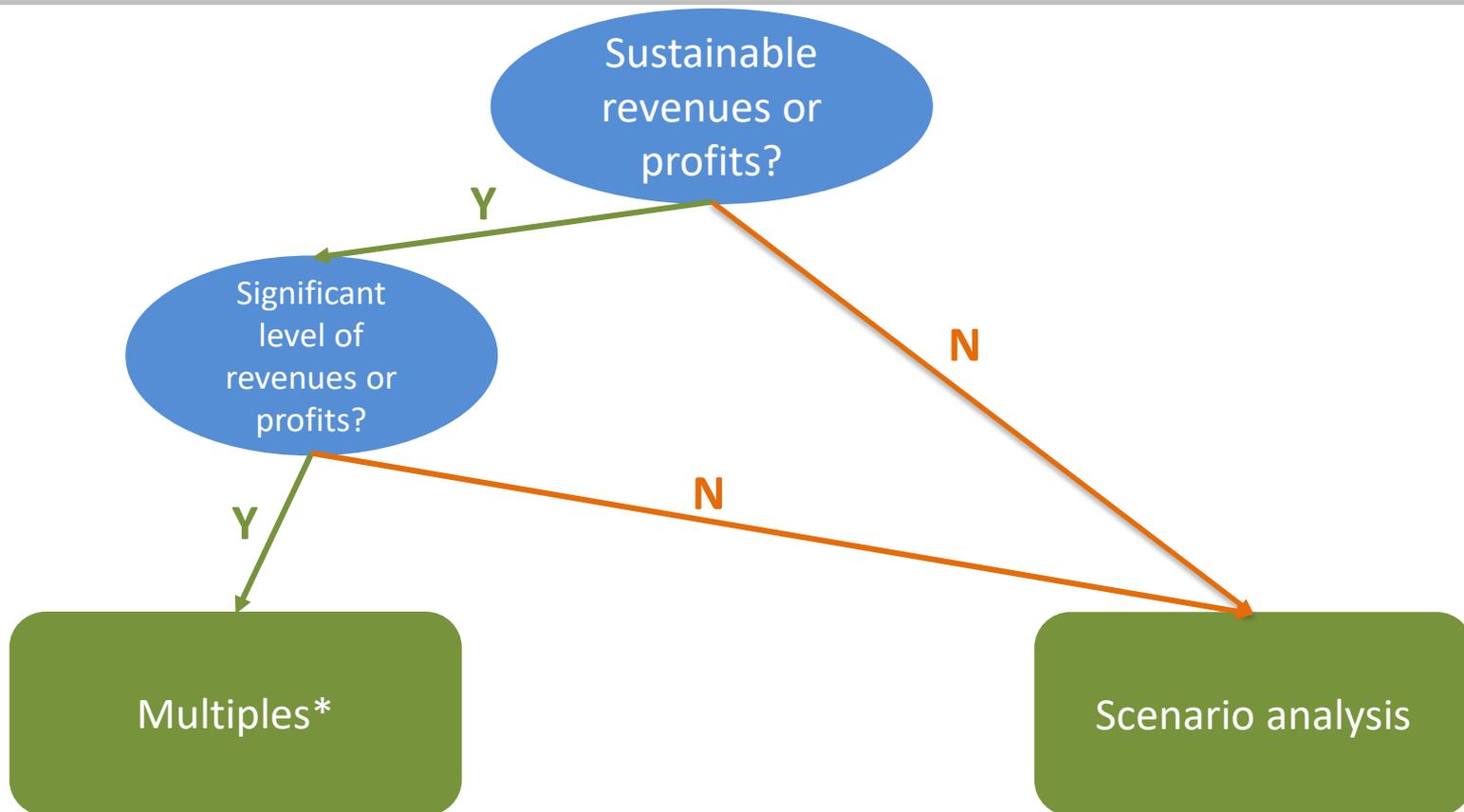
The reporting of these values in the annual accounts of QfG differ from the reporting in the annual accounts of the Venture Funds. This is because the financial statements of QfG are drafted in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), which prescribe the reporting of these uncertain future earnings in the accounts, while the financial statements of the Venture Funds, all being Belgian companies, are drafted according to the Belgian GAAP reporting method, which does not allow to incorporate these future milestones on the balance sheet as they are not certain. The Board of Directors and shareholders are informed on the difference in reporting this receivable according to the IFRS rules and the Belgian GAAP rules.

The entry into force of this Valuation Policy is September 30, 2019.

Annex A: Valuation flowchart

Annex B: Valuation documents template

Capricorn valuation rules flow chart



* Significant events that could have a positive or negative impact on the (future) revenues of the company, should be assessed whether revenues have to be corrected.

Calibration : price of the recent transaction

CP - Private & confidential

COMPANY LOGO

GENERAL DESCRIPTION OF THE COMPANY (investment manager)

Latest Developments

QUARTERLY UPDATE (investment manager)

FICHE *Company Name*

Legal and trading name	<i>company name</i>			
Location	xxx			
Total amount invested by AIF	link to next tabsheet			
Description of the business	xxx			
Stage of initial investment	xxx			
AIF's role (lead, co-lead)	xxx			
% ownership	xxx			
Lead investor	xxx			
Other significant co-investors	xxx			
Board of Directors	xxx			
Management	xxx			
Fair value per <i>reporting date</i>	link to next tabsheet			
Trading record	YEAR END (Y-2)	YEAR END (Y-1)	QUARTER (Q-1)	YEAR END (Y)
example (reporting period 2019-09-30)	2017-12-31	2018-12-31	2019-06-30	2019-12-31
€ ('000)	Audited/Actual	Audited/Actual	Actual	Budget
Revenues	xxx	xxx	xxx	xxx
EBITDA	xxx	xxx	xxx	xxx
EBIT	xxx	xxx	xxx	xxx
Net income	xxx	xxx	xxx	xxx
Cash & Cash equivalents	xxx	xxx	xxx	xxx
Interest bearing debt	xxx	xxx	xxx	xxx
Personnel	xxx	xxx	xxx	xxx
Exit/Funding planning	xxx			
Fair Value/Methodology	xxx			

xxx prepared by investment manager
 xxx prepared by valuation expert and reviewed by investment manager
 xxx prepared by the administration/valuation expert and reviewed by the investment manager

Company name										
Date	Shares	Book Cost	Fair Value as of reporting period	type	Interest since inception	Outstanding commitment	Total commitment of round	Price per share	AIF holding	Gross IRR
xxx	xxx	xxx		xxx	xxx	xxx	xxx	xxx		
Total	sum	sum	link to valuation tabsheet		sum outstanding interest	sum outstanding commitment			xxx (fully diluted)	link to calculati on below

IRR	
date investment	-investment
date investment	-investment
date investment	-investment
reporting date	air value reporting date

all dates and values are links to the table above

formula IRR

Company name		reporting period
Y	Valuation date	
Y	Valuation method	
Y	Date last transaction	link to overview table
Y	Sustainable revenues or profits	Y Y or N
Y	Proposed valuation method	Multiples
Y	Currency	EUR
Y	Cash burn rate	xxx
Y	Cash out:	
Y	reporting date	HY 1Y 2Y
Y		xxx
Y	Peer group	Country Market Cap m EUR EV/revenue
Y	Peer1	xxx xxx xxx
Y	Peer2	xxx xxx xxx
Y	Peer3	xxx xxx xxx
Y	Peer4	xxx xxx xxx
Y	Peer5	xxx xxx xxx
Y	Peer6	xxx xxx xxx
Y	Peer7	xxx xxx xxx
Y	Peer8	xxx xxx xxx
Y	Peer9	xxx xxx xxx
Y	Peer10	xxx xxx xxx
Y	Median	formula formula
Y	Multiples valuation	
Y	Multiple used (EV/revenue or EV/EBITDA)	EV/revenue
Y	Peer multiple at reporting date (Factset)	link to table above
Y	Liquidity discount	xxx (link to tabsheet Multiples)
Y	Discount (-) or premium (+) applied based on KPIs	xxx (link to tabsheet Multiples)
Y	Total discount	#VALUE!
Y	Revenues last available period in '000 EUR	xxx (link to tabsheet Multiples)
Y	Adjustments to revenues in '000 EUR	xxx (link to tabsheet Multiples)
Y	Adjusted revenues last available period in '000 EUR	formula
Y	Enterprise value in '000 EUR	formula
Y	Net fin. debt (cash & cash eq. - interest bearing debt) in '000 EUR	link to tabsheet multiples
Y	Adjusted equity value in '000 EUR	formula
Y	% ownership (fully diluted)	link to tabsheet InvHis
Y	Valuation in EUR	formula
Y	Fair Value in EUR	
Y	Exchange rate at valuation date	xxx
Y	Fair Value in EUR	#VALUE!

MULTIPLES

Prepared by investment manager and reviewed by valuation expert

1 Sustainable turnover/EBITDA

Turnover/EBITDA for the last audited financial year:

Forecasted turnover/EBITDA:

Conclusion:

2 Discount or premium based on KPIs

KPI 1:

Positive development
Development on track
Moderate development
Negative development

KPI 2:

Positive development
Development on track
Moderate development
Negative development

KPI 3:

Positive development
Development on track
Moderate development
Negative development

DISCOUNT (-)

PREMIUM (+)

3 Turnover/EBITDA over the last 12 months

	in '000 EUR
Q-4	
Q-3	
Q-2	
Q-1	
TOTAL	

4 Adjustments to turnover/EBITDA (OPTIONAL)

Adjustment (in '000 EUR):

Reasoning for the adjustment:

5 Net financial debts

Cash (in '000 EUR) for the valuation period:

Interest bearing debts (in '000 EUR):

Net financial debts (in '000 EUR):

SCENARIO ANALYSIS

Prepared by investment manager and reviewed by valuation expert

1 Identified KPIs at the moment of the most recent investment & evaluation of the KPIs

Possible KPIs:

<i>Financial milestones:</i> <ul style="list-style-type: none">• budget and revenue growth;• profitability expectations;• cash burn rate;• debt ratio; and• covenant compliance	<i>Technical milestones:</i> <ul style="list-style-type: none">• phases of development;• testing cycles/successful demonstrations at various scale of development;• Customer qualifications;• patent approvals; and• regulatory approvals	<i>Marketing and sales milestones:</i> <ul style="list-style-type: none">• customer surveys;• testing phases;• market introduction; and• market share.	<i>Management and board performance:</i> <ul style="list-style-type: none">• Turnover• Completeness of management or board positions
---	---	---	---

Identified KPIs (at least 3 and preferably spread over the different categories):

KPI 1:

Evaluation of the KPIs

Positive development
Development on track
Moderate development
Negative development

KPI 2:

Positive development
Development on track
Moderate development
Negative development

KPI 3:

Positive development
Development on track
Moderate development
Negative development

2 Probabilities in scenario analysis

Reasoning behind the probabilities:

3 Adjusting the standard multiples in scenario analysis

In case of e.g. a term sheet the standard multiples can be adjusted.

4 Adjustment to the price of the last transaction as the starting point (OPTIONAL)

Adjustment (in '000 EUR):

Reasoning for the adjustment:



Appendix II:

VERHANDELINGSCODE QUEST FOR GROWTH

1. Toepassingsgebied

1.1. Het doel van deze verhandelingscode is algemene richtlijnen te geven aan de bestuurders en leidinggevenden van Quest for Growth en de belangrijkste principes uit te leggen die voortvloeien uit de “Verordening Marktmisbruik”¹ (Market Abuse Regulation – MAR), die van toepassing is sinds 3 juli 2016. Deze MAR schept onder meer een gemeenschappelijk regelgevend kader m.b.t. handel met voorwetenschap, wederrechtelijke mededeling van voorwetenschap en marktmanipulatie. De volledige verordening is te vinden met volgende link:

<http://eur-lex.europa.eu/legal-content/NL/TXT/PDF/?uri=CELEX:32014R0596&from=NL>

1.2. Deze verhandelingscode is niet exhaustief en vervangt deze wetten en reglementen niet en de naleving van de verhandelingscode ontslaat de insiders dan ook niet van hun verplichting te voldoen aan alle toepasselijke regels en reglementen.

2. Definities

In deze verhandelingscode, zullen de volgende definities van toepassing zijn, tenzij anders vermeld:

- “Bestuurder(s)”: lid/leden van de Raad van Bestuur van Quest for Growth.
- “Raad van Bestuur”: de raad van bestuur van Quest for Growth.
- “Compliance Officer”: de persoon, die verantwoordelijk is voor de implementatie van deze Verhandelingscode en de controle op de naleving ervan. De Compliance Officer is Sabine Vermassen, alzo benoemd door Capricorn Venture Partners en gecertificeerd door de FSMA.
- “Emittent”: Quest for Growth NV (of “QfG”) met zetel gevestigd te Lei 19/3, 3000 Leuven.
- “Financieel Instrument”: een financieel instrument zoals bepaald in punt (15) van Artikel 4(1) van Richtlijn 2014/65/EU, in het bijzonder m.b.t. QfG: haar aandelen en rechten op aandelen in haar kapitaal en alle opties, futures, swaps, rentetermijncontracten en andere derivatencontracten die betrekking hebben de aandelen van QfG.
- “FSMA”: de Autoriteit voor Financiële Diensten en Markten, de instantie voor de Belgische financiële sector.
- “Gesloten Periode”: de periodes tijdens dewelke het de Persoon met Leidinggevende Verantwoordelijkheid in principe verboden is te verhandelen, zijnde de periode van 30 kalenderdagen onmiddellijk voorafgaand aan de voorlopige bekendmaking van de jaarlijkse of halfjaarlijkse resultaten van de Emittent.
- “Voorwetenschap”: niet openbaar gemaakte informatie die concreet is en die rechtstreeks of onrechtstreeks betrekking heeft op QfG en die, indien zij openbaar zou worden gemaakt, een significante invloed zou kunnen hebben op de koers van het aandeel van QfG of daarvan



afgeleide financiële instrumenten; aangezien QfG een investeringsvehikel is waarvan de activiteit in essentie bestaat uit het aanhouden van aandelen in andere vennootschappen, zal iedere voorwetenschap met aanzienlijke invloed op één van de portfolio ondernemingen van QfG, onrechtstreeks ook een aanzienlijke invloed hebben op de koers van QfG.

- “Insiderslijst” : een lijst samengesteld en bijgewerkt door de heer Marc Pauwels en die de volgende elementen bevat: a. de identiteit van elke persoon die toegang heeft tot voorwetenschap; b. de reden om deze persoon op te nemen in de Insiderslijst; c. de datum en het tijdstip waarop deze persoon toegang kreeg tot de voorwetenschap; d. de datum waarop de Insiderslijst werd opgemaakt en bijgewerkt.
- “Nauw Verbonden Persoon” : (i) een echtgenoot of echtgenote, of een partner van deze persoon die overeenkomstig het nationale recht als gelijkwaardig met een echtgenoot of echtgenote wordt aangemerkt; (ii) een overeenkomstig het nationale recht ten laste komend kind; (iii) een ander familielid dat op de datum van de transactie in kwestie gedurende ten minste een jaar tot hetzelfde huishouden als de relevante persoon heeft behoord, of (iv) een rechtspersoon, trust of personenvennootschap waarvan de leidinggevende verantwoordelijkheid rechtstreeks of onrechtstreeks berust bij een Persoon met Leidinggevende Verantwoordelijkheid, die is opgericht ten gunste van een dergelijke persoon, of waarvan de economische belangen in wezen gelijkwaardig zijn aan die van een dergelijke persoon;
- “Persoon met leidinggevende verantwoordelijkheid”: een persoon binnen QfG die a) lid is van een bestuurs- of toezichthoudend orgaan van QfG; b) een leidinggevende functie heeft maar die geen deel uitmaakt van de onder a) bedoelde organen en die regelmatig toegang heeft tot voorwetenschap die direct of indirect op QfG betrekking heeft, en tevens de bevoegdheid bezit managementbeslissingen te nemen die gevolgen hebben voor de toekomstige ontwikkelingen en bedrijfsvooruitzichten van QfG;
- “Transactie”: elke transactie voor eigen rekening door een Insider en/of een Persoon met Leidinggevende Verantwoordelijkheid (inclusief een Nauw Verbonden Persoon) die verband houdt met de aandelen of schuldinstrumenten van QfG of met derivaten of andere, daaraan gekoppelde financiële instrumenten.

3. Verbod op handel met voorwetenschap en wederrechtelijke mededeling van voorwetenschap

Het is verboden om:

- (i) te handelen met voorwetenschap of trachten te handelen met voorwetenschap.** Handel met voorwetenschap doet zich voor wanneer een persoon die over voorwetenschap beschikt die informatie gebruikt om, voor eigen rekening of voor rekening van derden, rechtstreeks of onrechtstreeks Financiële Instrumenten waarop die informatie betrekking heeft, te verkrijgen of te vervreemden (of te pogen deze te verkrijgen of te vervreemden);
- (ii) op grond van deze voorwetenschap iemand anders aan te raden** om de Financiële Instrumenten waarop deze voorwetenschap betrekking heeft, te verkrijgen of te vervreemden of iemand anders ertoe aan te zetten om te handelen met voorwetenschap, of
- (iii) voorwetenschap wederrechtelijk mee te delen.** Er is sprake van wederrechtelijke mededeling van



voorwetenschap als een persoon die over voorwetenschap beschikt deze voorwetenschap bekendmaakt aan enige andere persoon, tenzij de bekendmaking plaatsvindt uit hoofde van de normale uitoefening van werk, beroep of functie.

4. Verbod op marktmanipulatie

Het is verboden om zich in te laten met marktmanipulatie. Marktmanipulatie omvat het uitvoeren of iedere poging tot het aangaan van een Transactie, het plaatsen van een handelsorder of elke andere gedraging die: (i) daadwerkelijk of waarschijnlijk onjuiste of misleidende signalen afgeeft met betrekking tot het aanbod van, de vraag naar of de koers van een of meerdere Financiële Instrumenten; (ii) de koers van een of meerdere Financiële Instrumenten, door de actie van een of meerdere samenwerkende personen, op een abnormaal of artificieel niveau brengt, tenzij de personen die de transactie hebben aangegaan of de handelsorders geplaatst hebben, aantonen dat de beweegredenen om dit te doen gerechtvaardigd waren en in overeenstemming waren met de geaccepteerde praktijken van de betrokken markt, zoals erkend door de FSMA.

5. Transacties door Personen met Leidinggevende Verantwoordelijkheid

5.1. Onverminderd wat is vermeld in artikel 3 van deze Verhandelingscode, onthoudt een Persoon met Leidinggevende Verantwoordelijkheid zich van het uitvoeren van Transacties voor eigen rekening of voor rekening, rechtstreeks of onrechtstreeks, van een derde partij die verband houden met aandelen of schuldinstrumenten van QfG of met derivaten of andere, daaraan gekoppelde Financiële Instrumenten: (i) gedurende een Gesloten Periode, tenzij de toestemming tot verhandelen gegeven werd overeenkomstig artikel 6 van deze Verhandelingscode en (ii) tijdens iedere andere periode die gesloten wordt door de Compliance Officer omdat zij van mening is dat de Personen met Leidinggevende Verantwoordelijkheid beschikken over koersgevoelige informatie.

5.2. Onverminderd wat is vermeld in artikel 3 en 4 van deze Verhandelingscode, verbinden de Personen met Leidinggevende Verantwoordelijkheid die tevens verbonden zijn met Capricorn Venture Partners er zich additioneel toe om de gedragscode van Capricorn Venture Partners zoals vastgelegd in Appendix 9 van het Integrity Policy and Corporate Governance Charter na te leven.

6. Toestemming tot verhandelen

6.1. Onverminderd wat is vermeld in artikel 3 van deze Verhandelingscode, kan de Compliance Officer een Persoon met Leidinggevende Verantwoordelijkheid toestemming geven om voor eigen rekening of voor rekening van een derde partij Transacties uit te voeren tijdens een Gesloten Periode: a. hetzij van geval tot geval omwille van de aanwezigheid van uitzonderlijke omstandigheden, zoals ernstige financiële moeilijkheden, die de onmiddellijke verkoop van aandelen rechtvaardigen; b. hetzij op grond van de kenmerken van de handel in kwestie, in het geval van transacties in het kader van of verband houdend met aandelenregelingen van werknemers, spaarregelingen, aandelenkwalificatie of -rechten, of activiteiten waarbij geen verandering optreedt in het belang in de instrumenten in kwestie.

7. Verbod op handelen



7.1. Onverminderd wat is vermeld in artikel 3 van deze Verhandelingscode, is de Compliance Officer of de secretaris van de Raad van Bestuur gerechtigd om via een e-mail of ter zitting van de Raad van Bestuur elke Transactie die verband houdt met aandelen of schuldinstrumenten van QfG of met derivaten of andere, daaraan gekoppelde Financiële Instrumenten te verbieden. Iedere Persoon met Leidinggevende Verantwoordelijkheid verbindt er zich toe dit verbod te eerbiedigen en na te leven zolang het niet schriftelijk wordt opgeheven door de Compliance Officer of secretaris van de Raad van Bestuur.

8. Kennisgeving en publicatie van Transacties

8.1. Personen met Leidinggevende Verantwoordelijkheid en Nauw Verbonden Personen moeten QfG en de FSMA op de hoogte brengen van elke Transactie. Ze kunnen dit zelf doen dan wel vragen aan de heer Marc Pauwels om dit te doen in hun naam. De delegatie naar de heer Pauwels ontslaat hen echter niet van hun eigen verantwoordelijkheid.

8.2. Deze kennisgeving aan de FSMA moet onverwijld en niet later dan drie werkdagen na de Transactie gegeven worden. Een kennisgeving moet echter enkel gegeven worden wanneer het totale bedrag van de Transactie(s) binnen een kalenderjaar de drempel van EUR 5.000 bereikt heeft.

8.3. De kennisgeving moet minstens de volgende informatie bevatten:

- de naam van de persoon die verhandelt;
- de reden van de kennisgeving;
- een beschrijving en de kenmerken van het Financiële Instrument;
- de aard van de transactie(s) (d.w.z. verwerving of vervreemding), en de vermelding of ze al dan niet verband houdt met (i) de uitoefening van aandelenoptieprogramma's, of (ii) het als zekerheid verstrekken of uitlenen van financiële instrumenten, of (iii) transacties uitgevoerd door een persoon die beroepsmatig transacties aangaat of verricht, ook indien discretionaire bevoegdheid wordt uitgeoefend, of (iv) transacties in het kader van een levensverzekeringspolis;
- de datum en plaats van de Transactie(s); en
- de prijs en omvang van de Transactie(s).

8.4. Transacties moeten aan de FSMA worden gemeld via het on-line platform eMT, dat toegankelijk is via de webpagina: http://www.fsma.be/en/Supervision/fm/ma/trans_bl.aspx. De Nederlandse en de Franse taalversies van deze webpagina bevatten ook een gebruikershandleiding.

9. Insiderslijst

QfG is verplicht een Insiderslijst op te maken. QfG opteert ervoor twee afzonderlijke lijsten te maken: een lijst met permanente insiders en een lijst met transactie-specifieke insiders. De voorzitter van de raad van bestuur, de effectieve leiders en de personen die verbonden zijn met de beheervenootschap van QfG (Capricorn Venture Partners NV) worden op de permanente insiderlijst geplaatst. Alle overige bestuurders worden opgenomen bij de transactie-specifieke insiders.

De insiderslijsten worden door de heer Marc Pauwels bijgehouden en bijgewerkt indien nodig. Ze moeten ten minste vijf jaar bijgehouden worden.



10. Naleving van regels

De Compliance Officer is belast met het verzekeren dat de Insiders en de Personen met Leidinggevende Verantwoordelijkheid worden geïnformeerd over het bestaan en de inhoud van de Verordening inzake Marktmisbruik.

Personen met Leidinggevende Verantwoordelijkheid zijn verplicht om de regels van deze Verhandelingscode mee te delen aan en te doen respecteren tegenover hun Nauw Verbonden Personen. Voormelde Personen stellen de Nauw Verbonden Personen schriftelijk in kennis van hun verantwoordelijkheden uit hoofde van dit artikel en bewaren een afschrift van deze kennisgeving.

11. Administratieve maatregelen en sancties

Onverminderd strafrechtelijke sancties voorziet de Verordening Marktmisbruik in artikel 30 en volgende in een aantal administratieve sancties en andere administratieve maatregelen die genomen kunnen worden in geval van inbreuken. De administratieve financiële sancties kunnen oplopen tot € 5.000.000 voor natuurlijke personen en tot € 15.000.000 of 15% van de totale jaaromzet van rechtspersonen.

Aldus goedgekeurd door de raad van bestuur van Quest for Growth op 24 januari 2017

En meegedeeld aan alle bestuurders en Personen met Leidinggevende Verantwoordelijkheid die expliciet verklaren deze Verhandelingscode te zullen naleven en ze ook mee te delen aan hun Nauw Verbonden Personen.



Appendix III:

COMPLAINT MANAGEMENT POLICY OF CAPRICORN

A complaint is any expression of dissatisfaction, whether oral or written, by a client or investor about Capricorn's failure to perform a function or provide a service in line with or act in compliance with the applicable legislations and regulations and the stated strategy and/or corporate policies applicable on the concerned fund or Capricorn.

Complaints are not considered to be routine enquiries, questions or requests about a service. A complaint gives Capricorn the opportunity to (i) put something right which has gone wrong, (ii) restore the service to the required standard, (iii) ensure that faults are acknowledged and (iv) prevent a recurrence of the failure.

8. 1 Principles

The complaints procedure is built upon the following principles:

The customer complaint policy of Capricorn is based on the following principles:

- customers should be encouraged to voice their concerns as soon as they feel unsatisfied in order to resolve the matter without delay;
- wherever possible, complaints should be resolved at the point from which they originate; and
- information about how and where to formulate a complaint should be well publicized to customers and investors.
- Fairness, integrity, transparency, respect for the legal rights and confidentiality are basic principles of any complaint procedure.

All complaints and concerns will always be investigated, reported and action must be taken, wherever appropriate.

8.2 Complaints Procedure

All complaints received in writing, per e-mail, through the website, by phone or communicated in person will be directed to the compliance officer who will enter the complaint in the "Client Complaints" log. If the complaint relates to the compliance officer or to the responsibilities of the compliance officer, the chairman of the executive committee will take over the handling of the complaint.

The compliance officer will answer any complaint within five business days and will attempt to resolve the problem.

If the complaint is not resolved within ten business days, the complaint will be escalated to the executive committee. The chairman of the board of directors of Capricorn and either the board member-executive officer of QfG (if the claim refers to services provided to QfG) or the chairman of the board of directors of the respective Venture Fund (if the claim refers to a Venture Fund service) will be informed and kept up to date once the claim has been escalated to the executive committee.



If it appears to be impossible to resolve the complaint internally within 20 business days after the introduction of the complaint, the “Bemiddelingsdienst Kredieten - Beleggingen” will be proposed for an independent mediation.

Legal proceedings will be the last instance for a complaint.

8.3 Reporting

The compliance officer will report on the status of any pending complaints at the executive committee meetings.

The compliance officer will report at least once a year to the board of directors of Capricorn on the nature and the resolution of all complaints received as well as on the measures taken to avoid similar complaints going forward.

The compliance officer must inform and consult with the board member-executive officer of QfG or the chairman of the respective board of directors of the concerned Venture Fund if a complaint is not resolved in ten business days. A copy of this information will be provided to the chairman of the board of directors of Capricorn.



Appendix IV:

CODE OF CONDUCT OF CAPRICORN PARTNERS



CODE OF CONDUCT FOR STAFF

Name of the executive officer responsible for the content	Sabine Vermassen, member of the executive committee
Date of initial adoption of the document	April 2016
Date of most recent changes approved by the executive committee	05/08/2019
Date of submission to the board of directors	29/08/2019
Location on the server	Z:\CVP-Compliance, Risk and Legal\POLICIES

Introduction

Capricorn will always act honestly, fairly and in accordance with the best interests of the AIFs it manages.

Capricorn expects the highest standard of ethical conduct and fair dealing from its employees, investment managers and internal consultants (“staff” or “member(s) of staff”). The reputation and integrity of Capricorn and its staff are its most valuable asset. This Code of Conduct provides a way of conduct that each staff member must follow in order to avoid as much as possible any compliance risk with respect to conflicts of interest, market abuse and voting policy in portfolio companies. This Code of Conduct will be part of the labour regulations and is attached to each employee and/or internal consultant contract entered into with Capricorn.

This Policy applies to all member of staff, as well as, where applicable to any members of their households, and other persons, where such persons have or may have access to privileged information or inducements (the “Relatives”).

This Code of Conduct will at least once per year be reviewed on its effectiveness by the compliance officer who reports to the executive committee and all remedial action will be taken to address any deficiencies. Amendments to this Code of Conduct will be submitted to the Board of Directors.

This Code of Conduct contains three chapters:

- 1: the Conflicts of Interest Policy
- 2: the Market Abuse Policy and
- 3: the Voting Rights Policy



Chapter 1. Conflicts of Interest Policy

Capricorn shall take all reasonable steps to identify and manage conflicts of interest that arise in the course of managing AIFs between:

- Capricorn, including its directors, members of staff or any person directly or indirectly linked to Capricorn (“the relevant persons”), and the AIFs managed by Capricorn or the investors in those AIFs;
- the AIF or the investors in that AIF, and any other AIF or the investors in that AIF (“client(s)”);
- an AIF or the investors therein and a collective investment undertaking or UCIT managed by Capricorn

Definition of a Conflict of Interest

In identifying conflicts that may arise and whose existence may entail a material risk of damage to the interests of a client or the reputation of Capricorn, Capricorn must take into account whether it or any relevant person:

- is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- has an interest in the outcome of the service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client’s interest in that outcome;
- has a financial or other incentive to favour the interest of one client or group of clients over the interests of another client;
- carries on the same business as the client; or
- receives or will receive from a person other than the client an inducement in relation to the service provided to the client other than the standard and agreed remuneration for that service.

Legal Provisions on Conflicts of Interest

Regardless of the provisions of this Policy the directors and members of the Executive Committee will at all times abide by the rules contained in Articles 523 and 524 of the Company Code. Moreover, a director or member of Executive Committee who is conflicted shall refrain from taking part in the concerned deliberation in respect of the items which may give rise to such conflict or potential conflict of interest.

Areas which are sensible for Conflicts of Interest

The following is a non-exhaustive list of typical examples of situations where conflicts may arise in the business of Capricorn and the measures which have been taken to prevent or manage these potential conflicts of interest.

The compliance officer has the duty to list these potential conflicts of interests and to give them a risk assessment in its Compliance Risk Assessment. This risk assessment is based on two criteria: the risk impact (the potential damage should the conflict arise) and the risk likelihood (the probability that the conflict will arise).



1. Allocation Conflicts

A conflict of interest may occur when Capricorn decides to enter into a transaction where two of its AIFs are directly or indirectly the engaged persons, such as:

** An investment opportunity that fits in two or more Venture Funds:*

As all Venture Funds have well defined separate investment areas which are laid down in the governing documents of the concerned Venture Funds, and their investment periods are also limited, this conflict of interest is quite exceptional. Moreover, a potential conflict is detected in an early stage as the investment manager sends out the Initial Investment Recommendation (the IIR) to all the members of the board of directors requesting their input on *i.a.* the compliance of the proposed investment with the investment strategy of the Venture Fund, on eventual co-investment opportunities with the strategic shareholders and on any other suggestion or input for the due diligence. A potential overlap between two Venture Funds is as such detectable by the non-conflicted board members of each Venture Fund. The board members also have an insight on all the investment proposals that enter the database of Capricorn. The shareholders' agreement of some AIF's provide in an escalation to the board of directors for final decision in case of a potential conflict of interest.

** A private investment opportunity for QfG in a portfolio company of a Venture Fund:*

An allocation conflict may arise when QfG takes a direct participation in a portfolio company of a Venture Fund. As (strategic) shareholder of a Venture Fund, QfG often even has the right alongside other investors to co-invest in a portfolio company.

The initial decision to co-invest in a portfolio company of a Capricorn Venture Fund will be the responsibility of the board of directors of QfG after positive decision of the executive committee of Capricorn and communication to the effective leaders of QfG. Any follow-on investment decision that exceeds €750.000 will also be decided by the board of QfG. A follow-on investment below the threshold of €750.000 will be the responsibility of the executive committee of Capricorn unless it (or the compliance officer) decides that there might be a conflict of interest, in which case the potential conflict of interest will be documented in the minutes of the executive committee and the investment decision will be escalated to the board of directors of QfG.

** A quoted investment opportunity that fits in two or more AIFs or funds/UCITS under management*

All managed funds containing quoted investments have defined investment areas and strategies which are laid down in the governing documents of the concerned fund. Some investment opportunities may not fit into some funds based on:

- Sector or thematic focus of the fund
- Geographical focus of the fund
- Focus of the fund related to market caps
- Legal restrictions or restrictions related to the investment policy

But, some investment opportunities may fit into several funds. As a general rule, allocation procedures should not give any unfair preference to any fund. The decision to allocate to one or more funds is based on objective factors such as:

- Investment areas of the fund, as some funds are more focussed on a specific sector or theme, while other funds have a broader sector or thematic approach;
- Fund characteristics, taking into account if the fund is open ended or closed ended;
- Existing portfolio structure of the fund, considering the existing sector or thematic exposures and balances in the portfolio;



Capricorn Code of Conduct for Staff – version July 2019

- Number of stocks held in the different funds in relation to the desired range of positions held;
- Liquidity of the stock in relation to the daily volume traded, the fund size and the aggregate position held by the funds managed by Capricorn.

Moreover, fluctuations in other assets, subscriptions or redemptions may - independent of any allocation decision - lead to different weightings in different funds.

Orders aggregated for several funds will be treated equally for all funds involved in these orders in terms of price and commissions charged.

New investments (entry of a stock into one or more funds) are communicated to the Compliance Officer, who may request additional information regarding the allocation decisions.

** Capricorn launches a new Venture Fund and QfG is a potential candidate:*

Every time Capricorn sets up a new fund the investment team will present the opportunity to the board of directors of QfG. At the same time Capricorn will present the board with an update of the liquidity analysis of QfG to determine the room available for an investment in a fund taking into account its own Investment Policy. Based on that information the board of QfG will decide if and how much it will invest in the fund. All QfG board members who are linked to Capricorn will abstain from voting.

2. Valuation Conflicts

** Valuing investments in case management fees are calculated on the net asset value of the portfolio:*

In the Venture Funds, the management fee of Capricorn is calculated on the basis of the committed capital in the investment period and on the acquisition cost of the active investments thereafter. The *ratio legis* is that Capricorn should not be remunerated for managing investments that have been written off. The new management fee will never be higher than the management fee as calculated in the investment period as the valuation is not based on the net asset value but on the acquisition cost of the portfolio. Nevertheless, Capricorn could be tempted to refrain from writing off its investments as this could have an impact on the management fee. Two measures should assess this risk: the appointment of a valuation expert who is not part of the investment team and whose remuneration is overseen by the remuneration committee with a small variable component which is not directly linked to the management fee of Capricorn. Secondly, an audit committee is installed in some Venture Funds to verify, *inter alia*, the valuation of the investments or, if no audit committee is installed, the board of directors of the concerned Venture Fund oversees the valuation.

In QfG, the management fee is in principle fixed for three years and calculated on the basis of the corporate capital. The decision to appoint Capricorn and the terms of the management contract are taken in accordance with the legal provisions of articles 523 and 524 of the Company Law on conflicts of interest for a public company.

3. Self-Dealing

Self-dealing is the conduct of a person taking advantage of his position in a transaction and acting in his own interests rather than in the interests of the clients of Capricorn. Situations that may occur are:

** Investments in portfolio companies linked to clients of the AIFs or to staff*

A shareholder of a Venture Fund or of QfG, any director of an AIF or any member of staff could propose an investment in a target portfolio company that is linked to him. Therefore, any investment



opportunity in an unquoted company, submitted by a linked shareholder, a member of staff or director, must include full disclosure of the circumstances and/or liens between the opportunity and the concerned shareholder, director or staff member, prior to the deliberation. To avoid influence, the right to make investment decisions is exclusively given to an investment committee with senior investment managers that deliberate in the presence of the valuation expert and the compliance officer. The decision is taken with a special majority, after serious written due diligence and is recorded in minutes which are then sent to all the members of the board of the concerned AIF so that they may give their opinion on the eventual non conformity with the stipulated investment guidelines and criteria. After all, the passing of an investment opportunity by an investor or director linked to an AIF or a staff member is not necessarily a conflict of interest but may also be a great opportunity for the AIF.

** When a staff member invests in a portfolio company:*

In the Venture Funds, it is explicitly forbidden to invest directly in the portfolio companies as long as the shares of the portfolio company are not publicly traded and, if quoted on a stock exchange, as long as Capricorn holds a mandate in the board of directors of that portfolio company or is subject to a lock-up.

It is possible to purchase or sell shares in QfG or in a Quest Management Sicav or shares of its quoted portfolio companies. Capricorn Staff may have information about the execution of certain trades that would allow them to act as their own counterpart in the trade or to effectuate front running. The Personal Account Dealing policy (see below) is applicable here.

4. Outside services or functions

** When a staff member has another outside employment or function:*

Outside employment can cause a conflict of interest when the interest of one job contradicts with the interest of another.

It is forbidden for any member of staff to accept a job with an organisation with similar activities as Capricorn without the explicit consent of the chairman of the executive committee.

All directors, investment managers and members of the executive committee of Capricorn are required to disclose, upon their appointment and thereafter annually, all board memberships that they hold (except for board memberships in private management and family holding companies) to the chairman of the executive committee and to the FSMA. The chairman of the executive committee will review that information temporarily to make sure there are no confliction interests. The compliance officer will update the information on eManex if necessary.

** When a staff member exercises the function of board member in a portfolio company:*

The investment managers of Capricorn commonly take on board memberships in the portfolio companies of the respective venture funds. Although some of those memberships are held in a personal name to comply with the laws and regulations of the countries where the portfolio companies are incorporated in, the memberships are always to represent Capricorn, the manager of the Venture Funds. As such these memberships are not considered outside employment.

Additionally any member of staff who represents the Venture Funds on the board of directors of a portfolio company will:

- a. Transfer any fees or stock options received as compensation for serving on the board of directors of such portfolio company to the Venture Fund that is an investor in such company. In case more than one AIF is an investor in a given portfolio company then the



Capricorn Code of Conduct for Staff – version July 2019

received compensation will be transferred pro-rata of the committed capital of the respective investing AIFs.

- b. Any reimbursement for out of pocket travel expenses or legal or consulting fees by a portfolio company will be for the benefit of Capricorn.

5. Inducements

Members of staff are only allowed to accept gifts from clients, portfolio companies or target portfolio companies or suppliers (brokers, bankers or general suppliers) if accepting the gift is in accordance with generally accepted business ethics. Gifts with a value that objectively can be determined to exceed €500 should be discussed with the compliance officer before accepting them.

Invitations to lunches, dinners and one-day events that can commonly be classified as “networking” are allowed as long as those are not exceeding the € 1.000 threshold. In case of doubt staff should discuss with the compliance officer.

Members of staff should not allow to by-pass this undertaking by giving the inducements to their relatives or controlled companies.

Procedures and measures to prevent conflicts of interest in general

In addition to the specific conduct rules mentioned above, Capricorn has also put an organization in place that should maximize the prevention of conflicts of interest:

- the chairman of the executive committee together with the compliance officer scrutinize and accept all new investors in the Venture Funds (not the investment managers).
- Capricorn gives no investment advice to the investors of the Venture Funds.
- Staff responsible for the investment and divestment decisions can't supervise a procedure.
- The valuation expert, the risk manager and the compliance officer have no vote in the investment and divestment decisions.
- Certain activities, such as internal audit, have been outsourced to limit the chances of conflicts of interest within the organization.
- Capricorn has organised its electronic information on the server in such a way that staff members only have access to information that is relevant to their responsibilities. As such the exchange of information between persons where a potential conflict of interest could occur, is minimised.
- As Capricorn is a small organization where everyone talks to everyone in an informal way, it could be possible that potentially sensitive information is known by the staff, reason why Capricorn declares all members of staff to be considered insiders for the application of the insider trading policy, even if they are not involved in the management of quoted securities.
- There is no direct link between the success of one single investment made in an investee company of an AIF and the remuneration, be it fixed or variable of the responsible investment manager.

Procedures and measures to prevent conflicts of interest in risk management

Taking into account the small organization of Capricorn and the general rules for the prevention of the conflicts of interest (see above), the following measures have been taken to ensure more specifically the independency of the risk manager and to prevent any potential conflicts of interest:



Capricorn Code of Conduct for Staff – version July 2019

- The procedures to be followed for any transaction are in detail written down in the Internal Control Procedures (appendix 7) to ensure that all staff of Capricorn is well informed on the procedures and the risk manager is aware of the standards;
- The risk manager is subject to an independent review of the executive committee;
- Neither the risk manager nor the person responsible for risk at the executive committee level have investment or disinvestment decision power;
- The remuneration of the risk manager is overseen by the remuneration committee;
- The internal audit regularly reviews the performance of the risk management function;
- The daily reports of the risk assessment for QfG are forwarded to all members of the executive committee, the effective leaders of QfG and the compliance officer.

Managing conflicts of interest

Notwithstanding the procedures or measures set forth above to ensure, with reasonable confidence, that damage to the interests of the clients of Capricorn are prevented, all members of staff are required to inform immediately the executive committee or the compliance officer of any potential conflict of interest so that any necessary decision or action should be taken to ensure that Capricorn acts in the best interests of its clients.

Disclosure of conflicts of interest

In the event of a non-avoidable conflict of interest, Capricorn shall disclose the conflict of interests to the board of directors of the AIF in a durable medium and the disclosure shall include sufficient detail to enable the board of directors to make an informed decision in the best interests of the AIF. The form of any such disclosure must be approved by the compliance officer.

Conflicts Register

The compliance officer is responsible for the creation and maintenance of a conflicts register. This register contains details of all potential conflicts of interest that have occurred and the way they were handled or that, in the case of an ongoing activity, may arise. The executive committee of Capricorn and the effective leaders of QfG (with respect to its own conflicts of interests) will receive a copy of this conflicts register once a year.

In addition thereto, all conflicts of interests that occurred in a financial year and where it was not able to have them remedied in accordance with this Conflict of Interest Policy are submitted to the appraisal of the audit committee of each AIF which in its turn advises the board of directors and will be mentioned in the annual report send to all the shareholders of each AIF. All conflicts of interest that occurred in accordance with articles 523 or 524 of the Belgian Company Law, will follow the specific procedure stipulated in the Company Law.

Staff Awareness

The members of staff are reminded of applicable policies and procedures during training sessions at least once per year.



Chapter 2. Market Abuse

2.1 Principle and Definitions

This Chapter is applicable to all members of staff and their Relatives (hereafter together referred to as “Insiders”). It is strictly forbidden for any Insider to seek unfair advantage for themselves or others from their knowledge of, or association with Capricorn. All Insiders are strictly forbidden to engage in transactions that reasonably could be considered market manipulation and insider trading.

First there is **market manipulation** which is defined as executing transactions that could be considered misleading in view of the supply and demand of a security and spreading rumours about securities knowing that the information is false or misleading. The goal is to inflate the price of a security artificially by spreading rumours with the intent to profit from a higher price by selling the security or from a lower price to purchase the security.

Secondly there is **insider trading** which means that an Insider uses privileged information that is not publicly available for his own benefit. In order to be considered insider information the information needs to be sufficiently specific, needs to apply to a quoted instrument, is not known in the public and can reasonably be expected to have an impact on the stock quote once the information becomes public. Front running is also considered as a form of insider trading as the insider enters into an equity trade for himself with advance knowledge that the AIF will effectuate a block transaction while the public lacks this information.

The law forbids the holders of privileged information to:

- Use the privileged information for their own or third party benefit to directly or indirectly transact in the securities the information pertains to;
- Share privileged information with third parties except as necessary in the ordinary course of business;
- Advise third parties to trade in securities the privileged information pertains to.

As publicly quoted AIF, QfG has its own insider trading policy which is applicable to the non-executive directors.

Capricorn Partners has an additional insider trading policy for its non-executive directors.

2.2 Sharing of Information

All members of staff are committed not to distribute or discuss in any way confidential and privileged information except as necessary for the business of Capricorn to other members of staff, mentioning that this information is privileged so that the other members of staff are aware of the confidential and privileged nature of the information.

2.3 Personal Account Dealing Policy

Capricorn has established the following internal rules and procedures to prevent insider trading and other conflicts of interest related to personal account dealing:



- Trading in shares of QfG

Insiders are allowed to directly or indirectly purchase and/or sell shares of QfG as long as the transactions are made within ten business days after publication of the quarterly press release of QfG and provided that the compliance officer has not declared a black out period because she believes that the Insider had or could have had access to privileged information which is not generally available to the public.

Transactions should be reported to the compliance officer via a transaction report at the latest the day after the purchase or sale (see hereunder “*Internal Reporting*”).

- Trading in shares of the Quest Management SICAV’S (“QMS”)

Insiders are allowed to directly or indirectly purchase and/or sell shares of the Quest Management SICAV’S because these shares are tradable at any date at the net asset value, which is calculated daily.

- Investing in Venture Funds

Provided they are considered professional investors, Insiders are allowed to purchase shares in the Venture Funds as there is no risk of insider information because the Venture Funds are closed end funds not traded on any stock exchange.

- Investing in shares of a private portfolio company held by an AIF

Insiders are not allowed to have a direct or indirect (via companies under control) interest in the private portfolio companies held by the funds managed by Capricorn. Only the executive committee can grant an exception under certain limiting circumstances (for example participating in a crowd funding initiative for an amount below € 15.000). All crowd funding initiatives approved by the FSMA for an amount below € 5.000 fall automatically under the *de minimis rule*.

Insiders are not allowed to participate in the IPOs of portfolio companies held by the AIF’s nor to transact in shares of those companies during the lock up period of the AIF’s or as long as Capricorn is represented at the board of directors of those portfolio companies. All members of staff must consult the concerned Excel sheet “Tradable Public Companies” at the server of Capricorn to know which companies are subject to that restriction and when the restriction ends. The Internal Reporting procedure (see hereunder) is applicable.

- Investing in Quoted Securities of portfolio companies

Insiders are allowed to trade in quoted securities held by QfG and QMS for their personal benefit provided of course that they are not using privileged information to trade in the concerned securities. Moreover these transactions will be subject to the internal reporting rules specified below. The Insiders commit to consult with the compliance officer of Capricorn when they are uncertain about the permissibility of a certain transaction.

Internal Reporting

All members of staff must submit to the compliance officer a transaction report at the latest on the working day after the transaction, with respect to any transaction in shares of QfG, and in the tradable quoted securities that are in the portfolio of a Venture Fund, QfG or QMS . The transaction report will include for each transaction the name of the security, whether it was a purchase or a sale and the date of the transaction. The members of staff will put a reasonable effort to report on the transactions of their Relatives as well.

In order to facilitate the reporting, the members of staff are informed on the date of transaction of any new portfolio company of QfG or QMS and a coordinated list of all public investee companies is listed on the server as well.



If a member of staff was already a shareholder of a public company that becomes an investee company of QfG or QMS, the member of staff must inform the compliance officer at the latest on the working day after the report of the introduction of the stock in the QfG or QMS portfolio (or in case of holidays or other absences with limited access to e-mail: at the latest on the working day after the return to work) of his/her concerned holding and the date on which the shares were purchased.

The compliance officer may cross-reference the submitted trades with the trades executed by QfG or QMS. The compliance officer may request additional information from the concerned person and will, amongst others, consider the timing and eventual the magnitude of the trade as well as the period during which the security has been held. The compliance officer will document the outcome of his follow up, if any. If, after his follow up, the compliance officer has a suspicion of a violation of Capricorn's Code of Conduct he will notify the executive committee, who will then decide on further investigation and/or disciplinary or legal action.

2.4 Prompt notification to the Compliance Officer

Members of staff who become aware of a violation of the law or this policy by any Insider must immediately inform the compliance officer.

2.5 Delayed publication of the privileged information

The best way to prevent insider trading is the immediate publication of privileged information to the public. However, sometimes the publication of privileged information may be delayed if the compliance officer judges that the publication of the privileged information could hamper the interests of the AIF Capricorn manages and providing that (i) such delay is not threatening to mislead the market and (ii) the owner of the privileged information is able to guarantee the confidentiality of the privileged information. In such circumstances, the compliance officer or a member of the executive committee of Capricorn will gather the evidence on the basis whereof she decided to postpone the publication of the privileged information and the FSMA will be fully informed after publication of the privileged information in accordance with the concerned circular of the FSMA.



Chapter 3. Voting Rights Policy

3.1. Principle

From the standpoint of fiduciary responsibility, a policy on the exercise of shareholder rights must ensure that the portfolio companies undertake corporate governance in good faith, in line with the aim of ensuring profits for the AIFs of Capricorn. As Capricorn recognizes that corporate governance is an important factor in raising investment returns, rather than exercising voting rights automatically, it endeavours to exercise these rights influentially and in ways that will communicate shareholders' opinions to corporate management. Our exercise of voting rights is a substantive way of declaring shareholders' intentions and fulfilling our fiduciary responsibilities and to ensure that the voting rights are exercised if and when their exercise aims to maintain or improve the value of the investments.

Therefore, Capricorn has set forth a voting rights procedure for the portfolio companies of its AIF's. All investment managers must follow this procedure as set forth hereafter. The Voting Policy ensures that the exercise of the voting rights in the portfolio companies is in accordance with the investment objectives and policy of the relevant AIF and aims also to prevent or manage any conflict of interest arising from the exercise of voting rights.

3.2. General Voting Methods

It is the intention of Capricorn to vote in as many meetings called by the portfolio companies as possible. However, because of the limited size of our investment in certain companies, it may not always be in the best interest of the AIFs and its shareholders to have the investment managers dedicate significant time and effort to assessing the proxy's for straightforward general meetings. At a minimum Capricorn is committed to exercise all rights attached to those investments for which the regulatory thresholds for notification have been exceeded.

Also, certain markets require that shares being tendered for voting purposes are temporarily immobilised from trading until after the shareholder meeting has taken place. Other markets require a local representative to be hired in order to attend the meeting and vote in person on our behalf, empowered with power of attorney documentation which can represent considerable cost to the AIFs. Elsewhere it may not always be possible to obtain sufficient information to make an informed decision in good time to vote. In these instances, it may sometimes be in our clients' best interests to intentionally refrain from voting in certain markets from time to time.

Capricorn scrutinises every proxy individually, voting for or against each resolution, or actively withholding our vote, on a case-by-case basis. Our primary concern at all times is the best economic interests of our clients.

3.3. Specific Voting Methods

Capricorn will follow the following guidelines when practising voting rights in portfolio companies:

Capital Changes

Capricorn in general only approves changes in the investments' capital structure, if they are not detrimental to the AIFs and their shareholders.



Governing Bodies

In the following cases, Capricorn will consider to vote for a change in the governing bodies of the portfolio companies:

- weak or sharp decline of performance
- significant doubts about the competences of the governing bodies
- substantial legal compliance failure or other severe misconduct

Mergers and Acquisitions

Capricorn will look at mergers and acquisitions on a case-by-case basis. Only if sufficient information exists and the process is in line with the interests of the AIF's, Capricorn will vote for a merger or a takeover.

Reporting

If there is a lack of validity of the legally required reports, Capricorn will abstain or vote against the particular agenda items. If the financial statements are not compliant with standard accounting rules, Capricorn will vote against the approval of the annual financial statements.

Conflicts of Interest

Capricorn will prevent or manage any conflicts of interest arising from the exercise of voting rights according to its own Conflict of Interest Policy.

3.4. Procedures

Capricorn believes that the investment managers responsible for the investment are best placed to exercise the AIFs' voting rights in the most beneficial way possible for the AIFs, as they have access to all relevant information.

In case the investment manager is planning to adopt the proposals of the management of the portfolio companies in ordinary general shareholders' meetings, the investment manager will prepare the power of attorney to be executed by the chairman or two members of the executive committee (in accordance with the four eye principle) and Capricorn will then vote in favour of the agenda items.

In case the investment manager is planning to abstain from or vote against an agenda item proposed by the management of the portfolio company, or in case the voting refers to extraordinary shareholders' meetings or to meetings where a change of the management of the portfolio company is proposed, the procedure for exercising the voting rights will be as follows:

- for Venture Funds: the responsible investment manager will discuss the voting behaviour in the concerned investing team meeting in the presence of the legal and/or compliance officer and the minutes of the team meeting will reflect the discussion and decision of Capricorn.
- for QfG and QMS: the investment managers will consult with each other and inform per e-mail the Fund Administration and the compliance officer of their voting intentions.

Capricorn monitors all relevant corporate actions in relation to the funds' voting rights and ensures that the exercise of voting rights is in accordance with this Policy.

3.5. Reporting

The exercise of the voting rights is gathered by the administrative staff per AIF in a separate ledger.

Capricorn will report in the annual report of each AIF on how the voting rights of the participations held by the AIF were exercised or, if applicable, why Capricorn decided not to exercise the voting rights.
