Apprecia Capital Sustainability-related disclosures (AIFM level)

Integration of sustainability risks into the investment decisions at the level of the AIFM (to comply with Article 3 SFDR)

Art. 3 Integration of sustainability risks in Apprecia Capital investment decisions

Apprecia Capital ("**Apprecia**") believes that sustainability risks can threaten the investments at individual asset level and portfolio level underlying the fund it manages. In accordance with SFDR, "sustainability risks" refers to an environmental, social or governance event or condition that, if it occurs, may cause an actual or potential material negative impact on the value of the investment.

Sustainability risks cover environmental factors (climate change transition and physical risks, natural resources depletion), social factors (labor conditions, unethical supply chain, corruption and fraud and reputational concerns associated with human rights violations) and governance factors (fair, responsible, and sustainable conduct from the management of partners, transparency, application of code of conducts etc.).

Apprecia applies in its investment decision-making process the sustainability risks and is dedicated to investing in early-stage companies that is innovative and strives to contribute to a green and blue economy.

In that context, Apprecia is considering materially relevant sustainability risks into the selection of investments (negative screening process, asset selection, portfolio construction), and into the monitoring of ongoing investment alongside with other material risk factors, as specified further at the level of each fund managed by Apprecia. The degree to which Apprecia will take into account that sustainability risks may vary from one product to another, depending on the product and concrete structuring of the individual product, its strategy and its orientation to ESG projects.

Additionally, as and where the product so requires, Apprecia will conduct top-down sustainability investment risk analysis of the portfolio to ensure a global approach to the consideration of sustainability risks collaborating with third parties or referencing third parties' ratings and data.

When delegating the portfolio management function to a third-party or appointing an investment advisor, Apprecia will make sure that the third party applies the appropriate due diligence process to assess the sustainability risks in accordance with the characteristics of the product and have the required expertise and implemented procedures to integrate adequately the sustainability risks into the investment advice.

The manner in which the sustainability risks are integrated into the investment decision are further disclosed at the level of each fund managed by Apprecia.

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Art 4 : "No consideration of sustainability adverse impacts"

Consideration or not of principal adverse impacts (to comply with Art 4 SFDR)

Pursuant to EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "**SFDR**"), financial market participants shall publish on their websites information about whether or not consider principal adverse impacts of investment decisions on sustainability factors.

Although Apprecia considers ESG factors and sustainability indicators in the investment process, Apprecia does currently not consider directly and at its level the adverse impacts of its investment decisions on sustainability factors, for the purpose of Article 4 SFDR.

This is explained by the size and scale of Apprecia's activities which are currently limited with too few resources to be in a position to commit to consider the principal adverse impact indicators and comply with the related disclosure and reporting requirements. In addition, assets and investments currently intended to be managed by Apprecia are mostly in the sector of venture capital, in which the accurate ESG data – which is relevant to calculate and report on the principal adverse impact indicators – is limited.

Apprecia continues to review and consider its obligations with respect to whether it considers principal adverse impacts of investment decisions on sustainability factors at its level.

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