SFDR DISCLOSURES WEBSITES

Sustainability-related disclosures (date of publication 20 March 2024)

On 10 March 2021, the Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088, the **SFDR**) came into force in the Netherlands. This European Regulation requires certain financial market participants (such as managers of alternative investment funds) to publish sustainability-related information on their website and in pre-contractual disclosures.

The SFDR lays down harmonised rules for financial market participants (such as managers for alternative investment funds) on transparency regarding the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes. In addition, financial market participants are required to provide sustainability-related information regarding the funds that they manage.

In the following you can read more about the manner in which Catalyze Fund Management B.V. (hereinafter **CFM**) takes sustainability-related aspects into account when making investments.

Transparency regarding sustainability risk policies (article 3 SFDR)

CFM does not take sustainability risks into account to the extent these present a material risk when making investments on behalf of Catalyze Capital I Coöperatief U.A.

In CFM's view sustainability risk is an environmental, social or governance (**ESG**) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. Before any investment decision is made, CFM follows an investment process consisting of various subsequent phases; (1) a preliminary investment phase, (2) a due diligence phase and (3) a final investment proposal phase. During the first phase important ESG issues are assessed and reported (e.g., exclusion list activities/industry context, materiality of ESG themes, company performance on key themes including ESG management, definition of opportunities and risks where ESG and value creation coincide). During the second phase, in case applicable, a review of ESG issues is made, the scope to be amended each time to include the elements that are material to the target's business. In the third phase, the investment team will highlight any material ESG issues that were discovered during the due diligence process. It may include an assessment of the commitment, capacity, and track-record of target's management to deal with material ESG issues. CFM is responsible for decision-making and whether to (conditionally) accept material ESG risks.

No adverse sustainability impacts at entity level (article 4 SFDR)

Sustainability risk can, as stated above, have a negative effect on investments. However, investments can also have a negative effect on sustainability factors. Sustainability factors are factors that relate to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. For example, investments can (indirectly) contribute to climate change, waste production or income inequality.

In accordance with article 4 sub 1 (b) SFDR, CFM states that it does not consider adverse impacts of investment decisions on sustainability factors as set forth in article 4 sub 1 (a) SFDR and therefore does not make the disclosures as described in article 4 sub 1 (a) SFDR. CFM has chosen to do so because (i) there is currently insufficient reliable data available to adequately analyse these principal adverse impacts and integrate them into the investment decisions-making process, (ii) there is currently insufficient clarity with regard to the legal rules regarding the weighting of these effects and most importantly (iii) given CFM's relatively small organisation, the administrative burden in connection therewith would not be proportional.

CFM will periodically reconsider its decision not to take principal adverse impacts of investment decisions on sustainability factors and may decide in the future to take into account principal adverse impacts of investment decisions on sustainability factors. In this light, CFM monitors the developments regarding the SFDR and the related delegated laws and regulation.

Transparency of remuneration policies in relation to the integration of sustainability risks (article 5 SFDR)

The remuneration policy of CFM does not take into account sustainability risks within the meaning of article 5 SFDR. It does however seek alignment of the financial incentives with the long-term interests of our clients and the long-term success of our organisation. The remuneration policy also promotes a sound and effective risk management culture that protects the value of the investment portfolios. Sustainability risks are part of this risk management policy and culture, in just the same way as all other forms of risk (i.e., intellectual property, strategic, credit, market, liquidity, interest rate, operational and information risk). Generally, remuneration has a fixed component and a flexible component which may include a carried interest. Remuneration for relevant staff considers compliance with all policies and procedures, including those relating to the impact of sustainability risks on the investment decision making process.