

ANNEX V

Template for periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an

economic activity that contributes to an environmental or social objective, provided that

the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

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

Product Name: Fair Capital Impact Fund

Legal entity identifier: 724500WYYJRPZH4I2L29

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ Yes☐ No

☒ It will make a minimum of sustainable investments with an environmental objective: 100%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of sustainable investments with a social objective: 0%

☐ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy☐ with a social objective

☐ It promotes E/S characteristics, but will not make any sustainable investments



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

To what extent was the sustainable investment objective of this financial product met?

Fair Capital Impact Investing manages one fund that exclusively invests in early stage companies that assist in the transition to a sustainable economy. The objective of the fund is to accelerate transition under three pillars: sustainable energy, fair food systems and circular economy. The Fund does not consider an investment into any company of which the primary business activities do significant harm as defined by the Fund.

The sustainable investment objective has been met to the extent that no investment has been made into a company of which the primary business activities do significant harm.

• How did the sustainability indicators perform?

The sustainability indicators used to measure the attainment of each of the environmental characteristics promoted by the Fund are:

1. Kilograms of CO2 emissions avoided  
During 2024, a total of 27.876 tons Co2-eq was avoided on the portfolio level.
2. Kilograms of waste reduced or reused  
During 2024, a total of 1.623 tons waste was reduced on the portfolio level.
3. Units of sustainable products sold  
During 2024, a total of 9.548.830 sustainable products were sold by the portfolio companies.

- **How did the sustainability indicators perform compared to previous periods?**

In 2024, the Fair Capital Impact Fund demonstrated strong progress across all key sustainability indicators compared to 2023. The portfolio achieved a 64.7% increase in avoided CO<sub>2</sub> emissions, rising from 16,930 tons in 2023 to 27,876 tons in 2024. Waste reduction and reuse saw a substantial improvement, with a 130.6% increase, reaching 1,623 tons. Additionally, the number of sustainable products sold by portfolio companies grew by 3.1%, totaling 9,548,830 units. These results reflect the Fund's continued commitment to generating measurable environmental impact.

- **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

The Fund ensured that its sustainable investments did not cause significant harm to any sustainable investment objective by systematically assessing the business activities, internal policies & processes of all companies pre-investment on current or potential significant environmental or social harm. The Principal Adverse Impact (PAI) indicators were taken into account as well as additional qualitative criteria relevant to the Fund's investment strategy.

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

The Fund does consider principle adverse impacts (PAIs) of its investment decisions on sustainability factors at the Fund level. However, as set forth in article 4 sub 1 (a) of the Disclosure Regulation, the fund opted out of publishing such disclosure. Due to the early-stage nature of target investments, qualitative information on sustainability factors is available whereas quantitative data collection on the mandatory PAIs is not always possible.

By engaging with investees the fund already invested in, the potential negative impacts are monitored. Investees are required to report on indicators relevant to the investee on at least an annual basis. This information is analyzed and reported in the annual impact report.

- **Were sustainable investments aligned with [the OECD Guidelines for Multinational Enterprises](#) and [the UN Guiding Principles on Business and Human Rights](#)?**

The Fund analyzed the potential investee for violations of the OECD Guidelines for Multinational Enterprises, as well as the UN Guiding Principles on Business and Human Rights, as well as presence of compliance mechanisms that the investee has in relation with both of these. Any investee for which a violation was discovered in the last 3 years, or that is not willing to conduct an internal assessment to check adherence with the OECD Guidelines & UN Guiding Principles on Business and Human Rights, was not considered a sustainable investment.



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

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

In conducting assessments of sustainable investments, the Fund considered principal adverse impacts on sustainability factors. This assessment covered both adverse impacts directly caused by the products or services of the investee companies, and, where relevant, the adverse impacts enabled by their offerings compared with the conventional alternatives they are intended to replace. Where no proxy data was available, the Fund aimed to make an estimate of the value of the adverse impact based on the sector, nature of business of the investee and other reported metrics.

The results of these assessments informed both investment decision-making and ongoing monitoring. Where material adverse impacts were identified, the Fund engaged with investee companies to encourage improvements, and in cases where these did not materialise, considered divestment to safeguard the Fund's sustainable investment objective.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **2024**

	Largest Investments	Sector	% Assets	Country
1	HeatTransformers	Consumer Discretionary	17,29%	The Netherlands
2	ECO Group	Consumer Staples	13,26%	Germany
3	Seepje	Consumer Staples	12,25%	The Netherlands
4	Chainable	Consumer Discretionary	6,13%	The Netherlands
5	Reliving	Consumer Discretionary	3,50%	The Netherlands
6	3DTI	Materials	5,56%	The Netherlands
7	NICE	Consumer Staples	5,25%	The Netherlands
8	Lazy Vegan	Consumer Staples	7,22%	The Netherlands
9	Local Tea	Consumer Staples	4,38%	The Netherlands
10	GreenPro	Consumer Staples	4,16%	The Netherlands
11	Tap Electric	Information Technology	5,25%	The Netherlands
12	De Clique	Materials	0,88%	The Netherlands
13	Chocolatemakers	Consumer Staples	6,13%	The Netherlands
14	Newton Energy Solutions	Consumer Discretionary	4,38%	The Netherlands
15	Autarkize	Consumer Discretionary	4,38%	Germany

To enable a like for like comparison of the ESG characteristics of different portfolios, the above figures exclude cash



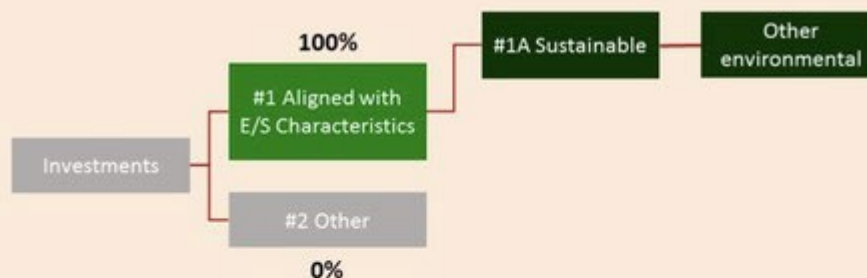
## What was the proportion of sustainability-related investments?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective

Asset allocation describes the share of investments in specific assets.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable

### • What was the asset allocation?



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The subcategory **#1A Sustainable** covers sustainable investments with environmental or social objectives.

### • In which economic sectors were the investments made?

	Sector	% Assets
1	Consumer Staples	47%
2	Consumer Discretionary	33%

power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

3	Materials	14%
4	Information Technology	6%
5		
6		

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



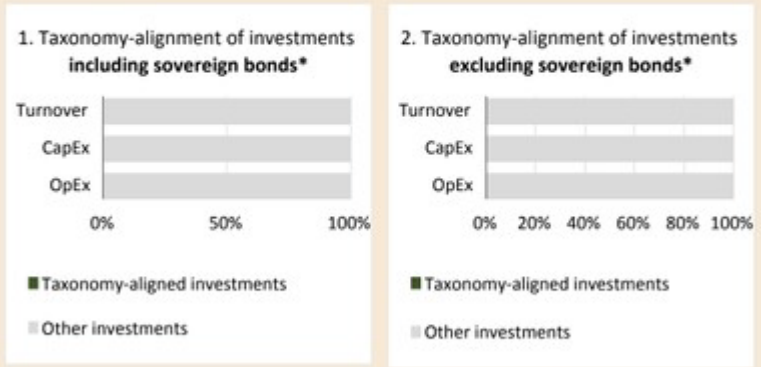
To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The extent of sustainable investments with an environmental objective aligned with the EU Taxonomy was 0%.

The proportion of the investments per each of the environmental objectives set out in the EU Taxonomy was as follows:

- (a) climate change mitigation: 0%
- (b) climate change adaptation: 0%
- (c) the sustainable use and protection of water and marine resources: 0%
- (d) the transition to a circular economy: 0%
- (e) pollution prevention and control: 0%
- (f) the protection and restoration of biodiversity and ecosystems: 0%

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



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

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue

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

No

from green activities of investee companies

- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

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

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

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

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



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

- **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

The percentage remained the same



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**  
100%



### What was the share of socially sustainable investments?

The fund invests with an environmental objective and therefore the share of socially sustainable investments is not applicable.



### What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards? N/A



### What actions have been taken to attain the sustainable investment objective during the reference period?

The Fund followed a binding strategy during the reference period to attain the sustainable investment objective.

For all of our investees, we followed a screening process based on the following:

- Have a clear and measurable positive contribution to the sustainable objectives of the fund
- Be willing to communicate and/or share information on its contribution to the sustainable investment objectives of the Fund and report on it regularly
- Report on its potential adverse impacts
- Be open to an audit of its reported financial statements, governance mechanisms, and internal business processes, if required by the Fund
- Accept a veto by the Fund (if necessary together with other sustainable investors in the company) on any action or decision that would alter the sustainable objectives of the company



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

No specific index was designated

### *How did the reference benchmark differ from a broad market index?* N/A

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective

***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

N/A

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

N/A

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

N/A