

ANNEX II - ARTICLE 8 SFDR DISCLOSURES

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Virida Capital I Coöperatief U.A.**

Legal entity identifier: **N/A**

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*



Yes



No



It will make a minimum of **sustainable investments with an environmental objective:** ___%



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:** ___%



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 ___% 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**

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.



What environmental and/or social characteristics are promoted by this financial product?

Virida Capital I Coöperatief U.A. (“Virida” or the “Fund”) promotes environmental and social characteristics through the incorporation of ESG considerations within the investment process. Virida Capital I invests in energy transition start-ups, and specifically focuses on the GHG emission reduction potential of investment companies.

The Fund invests in early stage businesses (Seed to Series B) in the energy transition, supporting founders to address the funding gap during the commercialization stages of capital-intensive scaleups. Virida invests across the following energy transition segments: (renewable) generation technologies, transportation & storage and energy efficiency & heating. All of the Fund's investments are aligned with this thematic, and need to be aligned with at least one of the UN Sustainable Development Goals ("UN SDGs").

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.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Fund considers alignment with the UN SDGs and minimum good governance safeguards ahead of any investment.

The following sustainability indicators will be measured on investment company level:

- Scope 1 GHG emissions in CO2e. Where data is available, scope 2 and 3 may be considered;
- Renewable energy produced and/or stored in kWh;
- Number of jobs supported, per gender;
- For companies with more than 50 employees: adjusted gender pay gap in %;

The following sustainability indicators will be measured at fund level:

- Amounts invested in each thematic sector, in EUR and in % (renewable generation technologies, transportation & storage and energy efficiency & heating)

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

N/A

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

N/A

— — *How have the indicators for adverse impacts on sustainability factors been taken into account?*

N/A

— — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

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

N/A



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes, _____
- No

What investment strategy does this financial product follow?

Virida invests in early stage, capital intensive businesses in the energy transition. The geographic focus of the Fund will be on portfolio companies which are located in the EEA or the United Kingdom. The Fund’s ESG investment principles are rooted in the belief that responsible investing can lead to superior long-term financial returns and a positive impact on society and the environment. Therefore, investments are always aligned with at least one UN SDG, and look to promote both environmental and/or social characteristics.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

- Positive screening to ensure thematic fit and alignment with at least one UN SDG;
- Negative screening (exclusion list).

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

N/A

- **What is the policy to assess good governance practices of the investee companies?**

The Fund will hold minority positions in the investment companies, but aims to exercise its stewardship through investment board seats, shareholder meetings and regular interactions with investment companies. For all investments, ESG risks are monitored on an ongoing basis and all investments need to meet a minimum governance standard, as specified in Virida’s Risk Policy.

What is the asset allocation planned for this financial product?



The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Asset allocation describes the share of investments in specific assets.

[Include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue 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.

[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

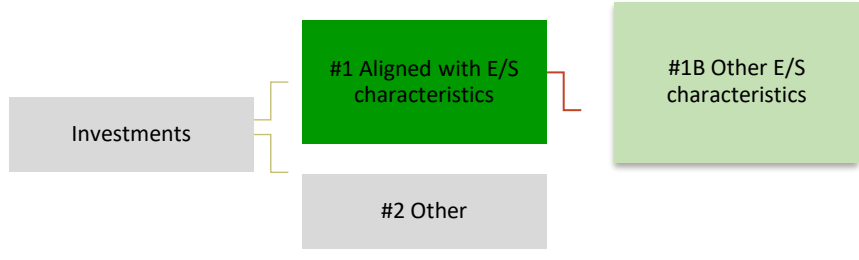
To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

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.

[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

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



Virida invests exclusively in equity and equity-like instruments which are aligned with the E/S characteristics which the fund promotes while not qualifying as sustainable investments, so 100% in sub-category #1B.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

N/A



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

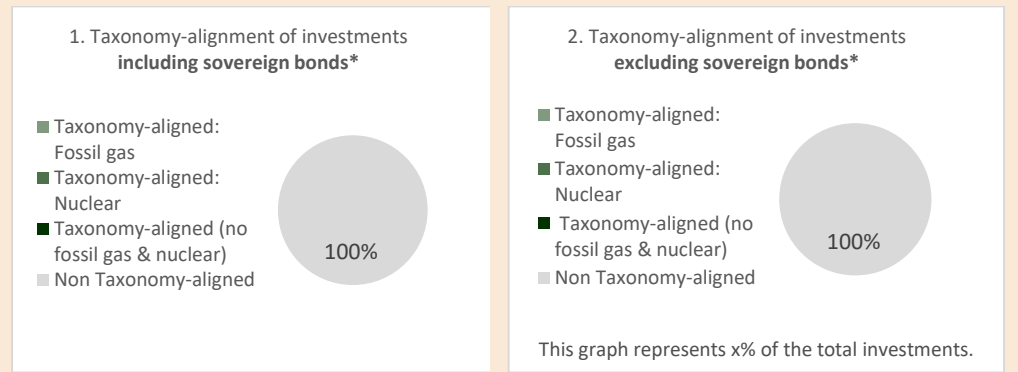
The Fund currently does not consider alignment with EU taxonomy at investment level

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

- Yes:
 - In fossil gas
 - In nuclear energy
- No

¹ 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 objective - 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.

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.

What is the minimum share of investments in transitional and enabling activities?

0%

[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A



What is the minimum share of socially sustainable investments?

N/A



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The Fund invests in liquid assets for cash management purposes with the purpose to hedge foreign exchange and interest rate risks and in the context of liquidity management but not for speculative purposes.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

The Fund does not use a designated reference benchmark index

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A



Where can I find more product specific information online?

More product-specific information can be found on the website: www.virida-capital.com

