

BETA INNOVATION FUNDO DE CAPITAL DE RISCO FECHADO | SUSTAINABILITY-RELATED DISCLOSURES

This disclosure applies to Beta Innovation – Fundo de Capital de Risco Fechado, NIPC 720016789, code LEI 845000BBD60BDB14150, and is made pursuant to disclosures pursuant to article 10 of Regulation 2019/2088 on Sustainability-Related Disclosure in the Financial Services Sector (SFDR).

A) SUMMARY

No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

The financial product promotes environmental or social characteristics to the extent that it integrates environmental, social and good governance criteria with traditional financial criteria in its investments. The incorporation of ESG criteria in investment decisions is done by excluding (negative screening) sectors referred to in the Management Entity's ESG Procedures. After the initial screening of investment opportunities, a detailed due diligence is conducted.

A combination of material indicators on sustainability and principal adverse impacts are used to measure the attainment of the environmental or social characteristics promoted by this financial product.

Investment strategy

The objective of this financial product is to provide long-term capital growth by investing in start-ups that carry out research and development projects aimed at technological innovation and the valorization of their results in new products, services and processes, in the fields of information and communication technologies, electronics, new materials, energy and life and health sciences. The Fund's investment strategy takes into account environmental, social and governance indicators, where materially relevant, to identify sustainability risks that, if materialized, are likely to affect the value of the investment.

Proportion of investments

The financial product will invest in companies that promote environmental or social characteristics or a combination thereof, with at least 10% of its investments being investments in economic activities that qualify as environmentally sustainable under the European Taxonomy.

Monitoring of environmental or social characteristics

The monitoring of the environmental or social characteristics promoted by the financial product is carried out through the analysis of periodic ESG reports submitted by the investee companies, which make it possible to assess the evolution of the risks and also of the selected sustainability indicators.

Methodologies

The indicators assessed include all mandatory indicators listed in Table 1 of Annex I of the Commission Delegated Regulation (EU) 2022/1288 of April 6, 2022 (RTS), as well as at least one additional climate indicator and other environment-related indicators (Table 2 of Annex I), indicator “4. Investments in companies without carbon emission reduction initiatives”. As well as one additional indicator related to the principal adverse impacts on social sustainability, employees, human rights, anti-corruption or anti-bribery (Table 3 of Annex I), indicator “4. Lack of a supplier code of conduct”. Whenever the values of the indicators are materially relevant, action plans and targets are established.

Data sources and processing

Beta Capital takes into account the principal adverse impacts of investment decisions on sustainability factors, taking into account publicly available information and information collected from affiliated companies.

Limitations to methodologies and data

The methodology for identifying principal adverse impacts depends on the information received from the investee companies. Beta Capital is aware of this situation and encourages its gradual improvement

Due Diligence

Due diligence on the underlying assets of the financial product is carried out periodically through the ESG questionnaire, which is answered by companies with the support of the investment team.

Engagement policies

No applicable in accordance with Article 3g of Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies.

However, as a consequence of its hands-on policy, Beta Capital will seek to influence and improve the ESG practices of its investee companies during the investment period.

Designated reference benchmark

A benchmark has not been designated.

B) NO SUSTAINABLE INVESTMENT OBJECTIVE

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment

C) ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT

The financial product promotes environmental or social characteristics to the extent that, in new investments, it will integrate environmental, social and good environmental criteria.

The Fund is committed to promoting environmental and social characteristics by adopting ESG criteria in the investment decision-making process in conjunction with traditional financial criteria. The integration of ESG criteria into investment decisions is carried out through the exclusion (negative screening) of sectors identified in the management company's ESG procedures and through due diligence to analyze the information provided by the company in the ESG questionnaire and its materiality; in addition to the technological, legal and tax aspects of the business plan, sustainability risks and/or the difficulty of overcoming constraints that jeopardize sustainability are assessed. The decision may be not to proceed with the investment. A hands-on policy will be followed in relation to the investments of this financial product, there will be active engagement with the relevant managers to identify and manage sustainability risks throughout the different phases of the holding period of the investments in the portfolio of the financial product, and each year each investee company will provide information on the main adverse impacts on sustainability factors. A combination of material indicators on sustainability and principal adverse impacts are used to measure the attainment of the environmental or social characteristics promoted by this financial product.

D) INVESTMENT STRATEGY

The objective of this financial product is to provide long-term capital growth by investing in start-ups that carry out research and development projects aimed at technological innovation and the valorization of their results in new products, services and processes, in the fields of information and communication technologies, electronics, new materials, energy and life and health sciences.

Beta works on building a diversified portfolio for investors to avoid concentrated risk exposures. Environmental, social and governance criteria are taken into account in the investment strategy to the extent that the values of the respective indicators are materially relevant, thus enabling the identification of sustainability risks and their impact on the value of the investment.

The Fund adopts its commitment to only finance companies that do not fail to comply with minimum safeguards in accordance with Article 18 of Regulation EU 2020/852 (Taxonomy Regulation), respecting the principle of DNSH (do no significant harm), with respect to the

environmental objectives referred to in Article 9 of Regulation EU 2020/852, taking into account the United Nations Sustainable Development Goals and the United.

Assessment of good governance practices of investee companies

In the assessment of Governance, the following factors are taken into account: good practices in terms of composition, parity, structure and functioning of the management body, including independence of the members, effectiveness of the supervisory body's performance, remuneration structure, and transparency of information.

E) PROPORTION OF INVESTMENTS

The financial product will invest in companies that promote environmental or social characteristics or a combination thereof, with at least 10% of its investments being investments in economic activities that qualify as environmentally sustainable under the European Taxonomy.

F) MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

The continued monitoring of environmental or social characteristics promoted by the financial product is based on Sustainability Policy of Beta Capital, the manager of the Beta Innovation Fund.

Its Sustainability Policy defines the guidelines for integrating sustainability risks into to the investment process, which can be summarized as follows: ESG risk assessment during the due diligence process, evaluation and improvement of the ESG performance of portfolio companies, assessment of principal adverse impacts.

Initially, the main negative indicators of sustainability factors will be assessed during the due diligence process, and periodically, each investee company will prepare an annual environmental, social and governance (ESG) report assessing its performance on these topics, which will be disclosed in accordance with Regulation (EU) 2019/2088. This report will be used, in addition to Beta Capital's hands-on policy, to formulate ESG objectives and monitor the performance of investee companies.

G) METHODOLOGIES

The indicators assessed include all mandatory indicators listed in Table 1 of Annex I of the Commission Delegated Regulation (EU) 2022/1288 of April 6, 2022 (RTS) that are relevant to the size, nature and scope of the company's activities, as well as at least one additional climate indicator and other environment-related indicators (Table 2 of Annex I), indicator "4. Investments in companies without carbon emission reduction initiatives". As well as one additional indicator

related to the principal adverse impacts on social sustainability, employees, human rights, anti-corruption or anti-bribery (Table 3 of Annex I), indicator “4. Lack of a supplier code of conduct”. The selection of indicators is based on the probability of occurrence and severity of adverse impacts, including their potentially irremediable character.

H) DATA SOURCES AND PROCESSING

Beta Capital taking into account publicly available information as well as information collected from affiliated companies through an ESG questionnaire.

It is important to note, on the one hand, the materiality of the indicators given the dimension, the nature and scale of the activities of the companies invested in and, on the other hand, that the European legislation on sustainability is a recent and not stabilized reality, in accelerated evolution, so that in some cases, the measurement of the principal adverse impacts will be partially subjective and based on a qualitative assessment.

To ensure data quality and coherence across portfolio level, Beta Capital supports participating companies throughout the reporting process, seeking to ensure the accuracy of the reported indicators and conducting internal and/or external reviews as appropriate.

I) LIMITATIONS TO METHODOLOGIES AND DATA

The methodology for identifying principal adverse impacts depends on the information received from the investee companies.

Beta Capital is unable to determine with precision the proportion of data that is estimated. This limitation does not affect how the environmental or social characteristics promoted by the Fund are met.

J) DUE DILIGENCE

The due diligence implemented to the underlying assets of the financial product is carried out through the ESG questionnaire, which is answered by companies with the support of the investment team.

This reporting takes into account the EU Delegated Regulation 2022/1288 (RTS).

K) ENGAGEMENT POLICIES

No applicable in accordance with Article 3g of Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies. However, as a consequence of its hands-on policy,



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Beta Capital will seek to influence and improve the ESG practices of its investee companies during the investment period.

L) DESIGNATED REFERENCE BENCHMARK

A benchmark has not been designated.

Approved on 14.03.2023.