

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: Cloudberry Venture Capital Fund – Fundo Fechado de Capital de Risco

Legal entity identifier: LEI 984500460MFDOC68AC88

Environmental and/or social characteristics

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.

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**



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

The financial product promotes environmental and/or social characteristics, integrating environmental, social and governance criteria (ESG) into investment decisions.

- ESG criteria are incorporated firstly by assuming the [Beta Capital sustainability commitments](#), secondly by (negative screening) excluding controversial sectors referred to as such in its policy and thirdly by carrying out to each analysed project a ESG due diligence which analyzes the information

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

provided by the company and its materiality concerning the impact on sustainability factors; in addition to the technological, legal and fiscal aspects of the business plan, sustainability risks are assessed and the decision may be, not to proceed with the investment.

- With regard to the investments, a hands-on policy is followed, with the active involvement of investee managers, to identify and manage sustainability risks throughout the different stages of the period in which they are held in Beta Capital portfolio and, on an annual basis, each subsidiary company will provide information of main negative Impacts on Sustainability Factors.
- A combination of main material indicators on sustainability and its negative impacts is used to assess compliance with the environmental or social characteristics of the financial product and that information will be disclosed to all the investors.
- No reference index has been designated to measure environmental or social characteristics of the financial product .

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

Cloudberry Venture Capital Fund uses the definition of main adverse sustainability impacts as referred in Article 2 (24) of Regulation (EU) 2019/2088 (SFDR).

The following sustainability factors are considered when analyzing the financial product's investment opportunities:

Environment

1. GHG Emissions
2. Carbon Footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste and radioactive waste ratio

Social and labor

10. UN Compact Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and mechanisms for monitoring compliance with the UNGC principles or the OECD Guidelines for Multinational Enterprises

12. Unadjusted gender pay gap
13. Gender diversity on boards of directors
14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons, and biological weapons)

Additional climate and other environment related indicators

15. Investments in companies without carbon emission reduction initiatives

Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

16. Lack of a supplier code of conduct

The selection of indicators is based on an assessment of their materiality, taking into account the investee companies, the possible occurrence and severity of negative impacts, including their irreversible nature, taking into account the size, nature and scope of the activities of the invested projects.

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 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?***

Not applicable. The Fund promotes E/S characteristics, but will not make any sustainable investments.

● ***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?***

Not applicable. The Fund promotes E/S characteristics, but will not make any sustainable investments.

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

Not applicable. The Fund promotes E/S characteristics, but will not make any sustainable investments.

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

Not applicable. The Fund promotes E/S characteristics, but will not make any sustainable investments.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



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

Yes,

As management company, Beta Capital considers material adverse sustainability impacts as defined in Article 2 (24) of the Regulation (EU) 2019/2088 (SFDR).

As defined in Beta's ESG procedures, material adverse sustainability impacts are integrated into all stages of the investment process, the indicators evaluated including all mandatory indicators established in SFDR, as well as at least one additional indicator related to climate and one indicator related to social and labor issues, respect for human rights and fight against corruption and bribery.

The selection of indicators is based on an assessment of their materiality, taking into account the companies, the possible occurrence and severity of negative impacts, including their irreversible nature, and the size, nature and scope of activities of the projects in which investments are made.

Regarding materiality of environmental indicators, Beta Capital uses as a reference recent data from the World Bank, estimating that in 2020 CO2 emissions (per capita) will be 4300 kg and the value of world GDP (per capita) will be approximately €10032. Converting these figures into a ratio, this means that for every euro of goods and services produced, 0.43 kg of CO2 will be emitted. Therefore, with respect to the indicators related to greenhouse gas emissions, Beta Capital believes that the values reported below this ratio are not materially relevant.

Concerning the remaining indicators, absolute values are taken into account and performance against the indicator is assessed (improvement or deterioration). When certain indicators are flagged as having a high impact or where an opportunity to improve performance is identified, Beta Capital works with the investee to develop the necessary improvement actions.

Every year, each investee company will provide information on the above-mentioned IAPs, which will be disclosed in accordance with Article 11(2) of the Regulation (EU) 2019/2088 (SFDR). In addition, Beta Capital's investment team will meet regularly with investee companies management on ESG related issues, namely strategy, performance analysis and planning of measures to be implemented.

No



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.

What investment strategy does this financial product follow?

The Fund, will invest in companies with a high potential for growth, appreciation in value and profitability, mainly operating in areas such digital and technology, environment and mobility, resources, financial , non-traditional assets, utilities & infrastructure, among others according to an opportunistic approach. The Fund may also invest in other venture capital or private equity investment funds whose investment policy falls within its characteristics and investment policy.

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), taking into account the United Nations Sustainable Development Goals and the United Nations Principles for Responsible Investment.

● ***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?***

The financial product complies with the Managing Entity's ESG procedures, which include 1) an initial screening that excludes the projects and activities referred to in the Exclusion Policy, followed by 2) due diligence that analyzes the information provided by the company in the ESG questionnaire. Finally, each company will report annually material adverse impacts on sustainability factors allowin to inform all the investors as defined in Article 11(2) of Regulation (EU) 2019/2088 (SFDR).

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

There is no commitment to a minimum rate of reduction.

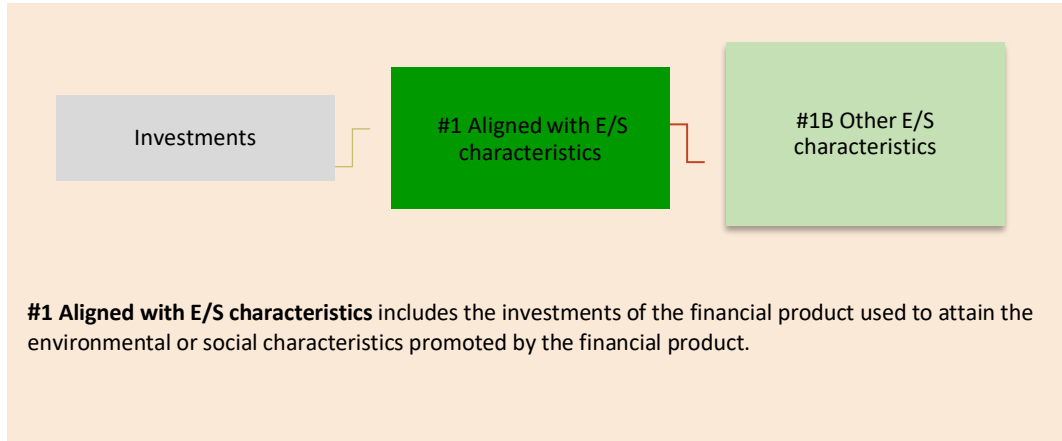
● ***What is the policy to assess good governance practices of the investee companies?***

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.



What is the asset allocation planned for this financial product?

The financial product invests in projects that promote environmental or social characteristics, or a combination of both.



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

No investments in derivatives are envisaged.



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

Not applicable. The Fund promotes E/S characteristics, but will not make any sustainable investments.

● **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

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

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.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a percentage of the following:


- **Turnover**, reflecting the share of revenues from the green activities of the companies benefiting from the investment
- **Capital expenditure** (CapEx), demonstrating the green investments made by investee companies, e.g. for the transition to a green economy.
- **Operating Expenditure** (OpEx), reflecting the green

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.

The Fund does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

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



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

Not applicable. The Fund promotes E/S characteristics, but will not make any sustainable investments.



What is the minimum share of socially sustainable investments?

Not applicable. The Fund promotes E/S characteristics, but will not make any sustainable investments.



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

Not applicable.



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?

A benchmark has not been designated.

Reference benchmarks are indices used to assess whether the financial product ensures the achievement of the environmental or social characteristics it promotes.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://betacapital.pt/sustainability/>