

Mandatory disclosures under REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019 on sustainability related disclosures in the financial services sector (“SFDR”)

INFORMATION ABOUT POLICIES ON THE INTEGRATION OF SUSTAINABILITY RISK IN INVESTMENT DECISION-MAKING PROCESSES (SFDR Article 3 disclosures)

Capitalia Fund Management AIFP, SIA (referred to as “Capitalia”), does not currently manage any investment funds that promote environmental or social characteristics or have sustainable investment as its primary objective. We do not currently incorporate considerations of environmental, social and governance (referred to as “ESG”) risks into our investment decision-making process. However, during our due diligence process, if we identify any significant environmental, sustainability or governance risks that could have a negative impact on the value of the investment, we may take these ESG risks into consideration.

We understand that the consideration of sustainability risks is becoming increasingly important and we are continuously evaluating our approach and will update our policies when launching new investment funds.

STATEMENT OF NO CONSIDERATION OF ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS (SFDR Article 4 disclosures)

Capitalia understands that considering the Principal Adverse Impacts (PAI) of investment decisions on sustainability factors as defined by Article 2 (24) of the SFDR is important. However, due to the nature of our investment strategies and the small scale of our managed funds, currently we do not incorporate considerations of PAI into our investment decision-making process. As of January 1, 2023, our assets under management amount to EUR 3 million. Our largest funds invest in early and expansion stage Baltic start-up companies. Most portfolio companies operate in the software industry, due to their size, portfolio companies are currently not required to collect and report the data necessary to reliably assess and monitor PAI of investment decisions.

INFORMATION ON CONSISTENCY OF REMUNERATION POLICIES WITH THE INTEGRATION OF SUSTAINABILITY RISKS (SFDR Article 5 disclosures)

Capitalia remuneration policy is structured in a way that does not encourage excessive risk-taking with respect to sustainability risks.

Our remuneration policy is designed to align with our overall risk management strategy. We ensure that the remuneration of our employees is not tied to the short-term performance of individual investments or products, but rather to our overall investment performance and adherence to our risk management policies.

We believe this approach helps to mitigate the potential for excessive risk-taking and aligns with our commitment to responsible investment.