

Sustainability-related disclosures pursuant to Regulation (EU) 2019/2088 ("SFDR")

Year of publication: 2024

Date of Update	Description of amendment(s)
February 25, 2026	Addition of further financial products; editorial amendments.

I. Sustainability risks

42CAP Manager GmbH (LEI: 391200A1HWKPHVBT8F53, the "**Manager**") considers sustainability risks as part of its investment decision-making process. Sustainability risks are environmental, social or governance events or conditions, the occurrence of which could have an actual or potential material adverse effect on the value of the investment. The Manager considers sustainability risks as part of its due diligence process prior to any investment. This also includes an assessment of sustainability risks. Such assessment is being conducted through an informal process as appropriate in light of the circumstances of the individual case. The results of such assessment are taken into account when the investment decision is being taken. However, the Manager remains free in its decision to refrain from investing or to invest despite sustainability risks, in which case the Manager can also apply measures to reduce or mitigate any sustainability risks. At all times, the Manager will apply the principle of proportionality taking due account of the strategic relevance of an investment as well as its transactional context.

II. No consideration of adverse impacts of investment decisions on sustainability factors

The Manager does not consider any adverse impacts of its investment decisions on sustainability factors and, hence, does not use the sustainability indicators listed in Annex I of the Delegated Regulation (EU) 2022/1288 (as amended from time to time, "**RTS**") to identify and assess potential adverse impacts. Sustainability factors are environmental, social and employee concerns, respect for human rights and the fight against corruption and bribery.

Given that the SFDR, the Regulation (EU) 2020/852 ("**EU Taxonomy**") and the accompanying RTS have now been in force for some time, there is a growing body of regulatory guidance and market practice. However, significant legal and practical uncertainties persist regarding their application to venture capital as an asset class. This is particularly relevant for Manager, whose investment strategy focuses on early-stage companies. These portfolio companies typically have limited experience in ESG reporting and often lack the infrastructure to provide comprehensive ESG data. Moreover, the Funds will only hold minority interests in its portfolio companies. Such minority interests are, however, generally not sufficient to encourage the Fund's portfolio companies to collect and provide the relevant data. As a result, obtaining the necessary information for full compliance under Art. 4 SFDR continues to pose considerable challenges in practice.

If and to the extent that the legal uncertainties will be resolved and a practicable market and administrative practice will evolve in this regard, the Manager will re-evaluate considering principal adverse impacts of its investment decisions in in Q2 2027. In the meantime, the Manager remains free in its decision to use part of the sustainable indicators listed in Annex I of the RTS and/or an own set of indicators.

III. Remuneration disclosure

As a registered alternative investment fund manager within the meaning of section 2 (4) of the German Investment Code (*Kapitalanlagegesetzbuch*, "**KAGB**") and a manager of a qualifying venture capital fund as defined in Art. 3 (b) of Regulation (EU) No 345/2013 ("**EuVECA-Regulation**"), the Manager does not have and does not need to have a remuneration guideline or policy in accordance with the requirements of the KAGB or the EuVECA Regulation.

IV. Sustainability-related disclosures

1. 42CAP V GmbH & Co. KG

Financial product: 42CAP V GmbH & Co. KG ("**42CAP V**")

LEI: [*application pending*]

Summary

42CAP V considers certain environmental and/or social characteristics as part of its investment decisions and monitoring processes but does not seek to make sustainable investments as defined in the SFDR. The consideration of environmental and/or social characteristics is carried out both before and after an investment. For this purpose, information is initially and regularly obtained from the portfolio companies by means of qualitative queries. 42CAP V incorporates exclusion (negative screening) aspects during the decision-making process. Thereby 42CAP V considers certain ESG themes to be the key to responsible investing. The actions and decisions described in the following section are each made by the Manager for and on behalf of 42CAP V.

Zusammenfassung

42CAP V berücksichtigt bestimmte ökologische und/oder soziale Merkmale im Rahmen seiner Investitionsentscheidungen und Monitoring-Prozesse, strebt aber keine nachhaltigen Investitionen im Sinne der SFDR an. Die Berücksichtigung von Umwelt- und/oder Sozialmerkmalen erfolgt sowohl vor als auch nach einer Investition. Zu diesem Zweck werden zunächst und regelmäßig Informationen von den Portfoliounternehmen durch qualitative Abfragen eingeholt. 42CAP V bezieht Exklusionsaspekte (negatives Screening) in seinen Entscheidungsprozess ein. Dabei betrachtet 42CAP V einzelne ESG-Themen als Schlüssel für verantwortungsvolles Investieren. Die in diesem Abschnitt beschriebenen Handlungen und Entscheidungen erfolgen jeweils durch den Manager für 42CAP V.

No sustainable investment objective

42CAP V promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

42CAP V promotes environmental and/or social characteristics by implementing certain investment exclusions.

Investment strategy

The purpose of 42CAP V is to build, hold and manage (including to divest) a portfolio of equity and equity-related investments in pre-seed, seed and early stage in portfolio companies, engaged in sectors with

innovation capacity and growth potential, with a focus on technology sectors. 42CAP V will not have a specific industrial sector and shall conduct investments in portfolio companies primarily originating in the European Union.

42CAP V does not invest, guarantee or otherwise provide financial or other support, directly or indirectly, to companies, including portfolio companies, or other entities whose business activity consists of:

- a) Performing research and innovation activities considered as illegal according to the applicable legislation in the country of the portfolio company;
- b) An illegal economic activity (*i.e.*, any production, trade or other activity, which is illegal under the laws or regulations applicable to 42CAP V or the relevant portfolio company or entity, including without limitation, human cloning for reproduction purposes);
- c) The production of and trade in tobacco and distilled alcoholic beverages and related products;
- d) The production of and trade in weapons and ammunition within the meaning of the weapons control legislation applicable to the relevant portfolio company, provided, that this restriction shall not apply to investments in portfolio companies whose activities focus on certain defense and dual/use products and as such support or contribute to the European Union's security, defense capabilities, or strategic resilience, irrespective of whether such contribution is formally established under any specific European Union policy, directive, or funding program;
- e) Casinos and equivalent enterprises;
- f) The research, development or technical applications relating to electronic data programs or solutions, which:
 - (i) Aim specifically at: (1) supporting any activity referred to under a) through e); (2) internet gambling and online casinos; or (iii) pornography; or
 - (ii) Are intended to enable to illegally (i) enter into electronic data net-works; or (ii) download electronic data.
- g) Fossil fuel-based energy production and related activities, as follows:
 - (i) Coal mining, processing, transport and storage;
 - (ii) Oil exploration & production, refining, transport, distribution and storage;
 - (iii) Natural gas exploration & production, liquefaction, regasification, transport, distribution and storage;
 - (iv) Electric power generation exceeding the Emissions Performance Standard (*i.e.*, 250 grams of CO₂e per kWh of electricity), applicable to fossil fuel-fired power and cogeneration plants, geothermal and hydropower plants with large reservoirs.
- h) Energy-intensive and/or high CO₂-emitting industries, as follows:
 - (i) Manufacture of other inorganic basic chemicals;
 - (ii) Manufacture of other organic basic chemicals;
 - (iii) Manufacture of fertilizers and nitrogen compounds;

- (iv) Manufacture of plastics in primary forms;
- (v) Manufacture of cement;
- (vi) Manufacture of basic iron and steel and of ferro-alloys;
- (vii) Manufacture of tubes, pipes, hollow profiles and related fittings, of steel;
- (viii) Manufacture of other products of first processing of steel;
- (ix) Aluminum production;
- (x) Manufacture of conventionally-fueled aircraft and related machinery;
- (xi) Conventionally-fueled air transport, airports and service activities incidental to conventionally-fueled air transportation.

Proportion of investments

42CAP V will invest fully in line with its investment strategy and investment restrictions, *i.e.*, will only make investments which are aligned with its environmental and/or social characteristics. 42CAP V does not make and does not intend to make sustainable investments within the meaning of Art. 2 no. 17 SFDR or environmentally sustainable investments within the meaning of Art. 3 of Regulation (EU) 2020/852 ("**EU Taxonomy**"); hence, no portion of its investments will be aligned with the EU Taxonomy.

Monitoring of environmental or social characteristics

42CAP V has an increased awareness on the impact of environmental or social characteristics on risk management and thus on the value potential of investments. Accordingly, 42CAP V undertakes to monitor (compliance with) its environmental and/or social characteristics on an ongoing basis. Prior to making an investment, 42CAP V assesses the attainment of its environmental and/or social characteristics with respect to every (potential) portfolio company. During the holding period, 42CAP V uses the sustainability indicator 'No investments in the area of investment exclusions' and collects respective data at portfolio company level in order to monitor the ongoing compliance with its environmental and/or social characteristics. 42CAP V obtains the relevant information in annual reports from its portfolio companies. Moreover, 42CAP V consults with the portfolio companies in regular intervals and will carry out further checks if there are indications of potential issues with 42CAP V's ESG approach. External monitoring mechanisms are not in place.

Methodologies for environmental or social characteristics

42CAP V applies qualitative assessments with respect to its environmental and/or social characteristics. 42CAP V conducts an initial assessment of such characteristics in the course of its due diligence process prior to any investment by providing its (potential) portfolio companies with a checklist. Through this checklist, the investment exclusions and good governance practices are identified and evaluated. Based on the results of this assessment, 42CAP V identifies whether the environmental and/or social characteristics promoted by 42CAP V are met before making an investment.

During the holding period, the so conducted assessment forms the basis to measure and monitor if the characteristics are continuously being met. By using the sustainability indicator 'No investments in the area of exclusions', 42CAP V assesses and ensures the portfolio companies' ongoing compliance with its investment

exclusions. Hence, 42CAP V measures and evaluates the attainment of its environmental and/or social characteristics on an ongoing basis.

Data sources and processing

In order to attain each of the environmental and/or social characteristics promoted by 42CAP V, 42CAP V obtains the relevant data from its (potential) portfolio companies through an informal process in the course of the due diligence process conducted prior to each investment. Moreover, during the holding period, the portfolio companies provide 42CAP V with annual reports regarding the sustainability indicator. Hence, data is obtained exclusively from the (potential) portfolio companies. Further, mostly qualitative statements of an environmental or social nature or relating to corporate governance are requested from the (potential) portfolio companies and then taken into account in the investment decision-making and monitoring processes based on a commonly developed roadmap. An internal or external review or verification of the data obtained will be carried out if misrepresentations are suspected.

Limitations to methodologies and data

The data collected exclusively from the (potential) portfolio companies is internally or externally verified only if and to the extent misrepresentations are suspected. Thus, it cannot be ruled out completely that false information may remain undetected in certain cases. Further limitations, in particular with regard to the accuracy of the data and reliability of the data sources used, are currently not foreseeable. As 42CAP V's investments are made for several years, 42CAP V considers it a priority to establish and maintain a trustful working relationship with its portfolio companies in order to ensure data quality and compliance with the environmental and/or social characteristics promoted by 42CAP V.

Due diligence

In order to attain the aforementioned environmental and/or social characteristics, 42CAP V carefully selects its portfolio companies during the investment decision-making process. 42CAP V conducts a due diligence on every (potential) portfolio company. As part of this due diligence, 42CAP V carefully reviews how a (potential) investment relates to the environmental and/or social characteristics promoted by 42CAP V. 42CAP V incorporates exclusion (negative screening with respect to its investment exclusions) as well as good governance aspects during the decision-making process. This assessment is conducted by using a checklist and, where required based on the inherent ESG risk of the portfolio company, through an enhanced analysis. An internal or external review or verification of the information obtained will only be carried out if misrepresentations are suspected.

Engagement policies

Engagement is not part of the environmental or social investment strategy of 42CAP V.

Designated reference benchmark

No index has been designated as a reference benchmark to meet the environmental or social characteristics promoted by 42CAP V.

2. 42CAP IV GmbH & Co. KG

Financial product: 42CAP IV GmbH & Co. KG ("**42CAP IV**")

LEI: 391200X3Y8RYA17L7S78

Summary

42CAP IV considers certain environmental and/or social characteristics as part of its investment decisions and monitoring processes but does not seek to make sustainable investments as defined in the SFDR. The consideration of environmental and/or social characteristics is carried out both before and after an investment. For this purpose, information is initially and regularly obtained from the portfolio companies by means of qualitative queries. 42CAP IV incorporates exclusion (negative screening) aspects during the decision-making process. Thereby 42CAP IV considers certain ESG themes to be the key to responsible investing. The actions and decisions described in the following section are each made by the Manager for and on behalf of 42CAP IV.

Zusammenfassung

42CAP IV berücksichtigt bestimmte ökologische und/oder soziale Merkmale im Rahmen seiner Investitionsentscheidungen und Monitoring-Prozesse, strebt aber keine nachhaltigen Investitionen im Sinne der SFDR an. Die Berücksichtigung von Umwelt- und/oder Sozialmerkmalen erfolgt sowohl vor als auch nach einer Investition. Zu diesem Zweck werden zunächst und regelmäßig Informationen von den Portfoliounternehmen durch qualitative Abfragen eingeholt. 42CAP IV bezieht Exklusionsaspekte (negatives Screening) in seinen Entscheidungsprozess ein. Dabei betrachtet 42CAP IV einzelne ESG-Themen als Schlüssel für verantwortungsvolles Investieren. Die in diesem Abschnitt beschriebenen Handlungen und Entscheidungen erfolgen jeweils durch den Manager für 42CAP IV.

No sustainable investment objective

42CAP IV promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

42CAP IV promotes environmental and/or social characteristics by implementing certain investment exclusions.

Investment strategy

The purpose of 42CAP IV is to build, hold and manage (including to divest) a portfolio of equity and equity-related investments in portfolio companies. 42CAP IV has a technology driven focus; it focuses on a specific industrial sector. As such, investments are spread across a wide range of economic activities.

42CAP IV shall not invest, guarantee or otherwise provide financial or other support, directly or indirectly, to companies, including portfolio companies, or other entities whose business activity consists of:

- a) Performing research and innovation activities considered as illegal according to the applicable legislation in the country of the Portfolio Company;
- b) Any illegal economic activity (*i.e.*, any production, trade or other activity, which is illegal under the laws or regulations applicable to the Fund or the relevant Portfolio Company, including without limitation, human cloning for reproduction purposes);
- c) The production of, and trade in, tobacco, distilled alcoholic beverages, other non-alcoholic recreational drugs and related products;

- d) The financing and production of, and trade in, weapons and ammunition of any kind, including financing of such production and/or trade, it being understood that this restriction does not apply to the extent such activities are part of or accessory to explicit European Union policies;
- e) Casinos and equivalent enterprises;
- f) The research, development or technical applications relating to electronic data programs or solutions, which
 - (i) Aim specifically at: (i) supporting any activity referred to above; (ii) internet gambling and online casinos; or (iii) pornography; or
 - (ii) Are intended to enable to illegally (i) enter into electronic data networks; or (ii) download electronic data.
- g) Fossil fuel-based energy production and related activities, as follows:
 - (i) Coal mining, processing, transport and storage;
 - (ii) Oil exploration and production, refining, transport, distribution and storage;
 - (iii) Natural gas exploration and production, liquefaction, re-gasification, transport, distribution and storage;
 - (iv) Electric power generation exceeding the Emissions Performance Standard (*i.e.*, 250 grams of CO₂e per kWh of electricity), applicable to fossil fuel-fired power and co-generation plants, geothermal and hydropower plants with large reservoirs;
- h) Energy-intensive and/or high CO₂-emitting industries, as follows:
 - (i) Manufacture of organic and inorganic basic chemicals;
 - (ii) Manufacture of other organic basic chemicals;
 - (iii) Manufacture of fertilizers and nitrogen compounds;
 - (iv) Manufacture of plastics in primary forms;
 - (v) Manufacture of cement;
 - (vi) Manufacture of basic iron and steel and of ferro-alloys;
 - (vii) Manufacture of tubes, pipes, hollow profiles and related fittings, of steel;
 - (viii) Manufacture of other products of first processing of steel;
 - (ix) Aluminium production;
 - (x) Manufacture of conventionally-fueled aircraft and related machinery;
 - (xi) Conventionally-fueled air transport, airports and service activities incidental to conventionally-fueled air transportation.

Proportion of investments

42CAP IV invests fully in line with its investment strategy and investment restrictions, *i.e.*, only makes investments which are aligned with its environmental and/or social characteristics. 42CAP IV does not make and does not intend to make sustainable investments within the meaning of Art. 2 no. 17 SFDR or environmentally sustainable investments within the meaning of Art. 3 of Regulation (EU) 2020/852 ("**EU Taxonomy**"); hence, no portion of its investments are aligned with the EU Taxonomy.

Monitoring of environmental or social characteristics

42CAP IV has an increased awareness on the impact of environmental or social characteristics on risk management and thus on the value potential of investments. Accordingly, 42CAP IV undertakes to monitor (compliance with) its environmental and/or social characteristics on an ongoing basis. Prior to making an investment, 42CAP IV assesses the attainment of its environmental and/or social characteristics with respect to every (potential) portfolio company. During the holding period, 42CAP IV uses the sustainability indicator 'No investments in the area of investment exclusions' and collects respective data at portfolio company level in order to monitor the ongoing compliance with its environmental and/or social characteristics. 42CAP IV obtains relevant information in annual reports from its portfolio companies. Moreover, 42CAP IV consults with the portfolio companies in regular intervals and will carry out further checks if there are indications of potential issues with 42CAP IV's ESG approach. External monitoring mechanisms are not in place.

Methodologies for environmental or social characteristics

42CAP IV applies qualitative assessments with respect to its environmental and/or social characteristics. 42CAP IV conducts an initial assessment of such characteristics in the course of its due diligence process prior to any investment by providing its (potential) portfolio companies with a checklist. Through this checklist, the investment exclusions and good governance practices are identified and evaluated. Based on the results of this assessment, 42CAP IV identifies whether the environmental and/or social characteristics promoted by 42CAP IV are met before making an investment.

During the holding period, the so conducted assessment forms the basis to measure and monitor if the characteristics are continuously being met. By using the sustainability indicator 'No investments in the area of exclusions', 42CAP IV assesses and ensures the portfolio companies' ongoing compliance with its investment exclusions. Hence, 42CAP IV measures and evaluates the attainment of its environmental and/or social characteristics on an ongoing basis.

Data sources and processing

In order to attain each of the environmental and/or social characteristics promoted by 42CAP IV, 42CAP IV obtains the relevant data from its (potential) portfolio companies through an informal process in the course of the due diligence process conducted prior to each investment. Moreover, during the holding period, the portfolio companies provide 42CAP IV with annual reports regarding the sustainability indicator. Hence, data is obtained exclusively from the (potential) portfolio companies. Further, mostly qualitative statements of an environmental or social nature or relating to corporate governance are requested from the (potential) portfolio companies and then taken into account in the investment decision-making and monitoring processes based on a commonly developed roadmap. An internal or external review or verification of the data obtained will be carried out if misrepresentations are suspected.

Limitations to methodologies and data

The data collected exclusively from the (potential) portfolio companies is internally or externally verified only if and to the extent misrepresentations are suspected. Thus, it cannot be ruled out completely that false information may remain undetected in certain cases. Further limitations, in particular with regard to the accuracy of the data and reliability of the data sources used, are currently not foreseeable. As 42CAP IV's investments are made for several years, 42CAP IV considers it a priority to establish and maintain a trustful working relationship with its portfolio companies in order to ensure data quality and compliance with the environmental and/or social characteristics promoted by 42CAP IV.

Due diligence

In order to attain the aforementioned environmental and/or social characteristics, 42CAP IV carefully selects its portfolio companies during the investment decision-making process. 42CAP IV conducts a due diligence on every (potential) portfolio company. As part of this due diligence, 42CAP IV carefully reviews how a (potential) investment relates to the environmental and/or social characteristics promoted by 42CAP IV. 42CAP IV incorporates exclusion (negative screening with respect to its investment exclusions) as well as good governance aspects during the decision-making process. This assessment is conducted by using a checklist and, where required based on the inherent ESG risk of the portfolio company, through an enhanced analysis. An internal or external review or verification of the information obtained will only be carried out if misrepresentations are suspected.

Engagement policies

Engagement is not part of the environmental or social investment strategy of 42CAP IV.

Designated reference benchmark

No index has been designated as a reference benchmark to meet the environmental or social characteristics promoted by 42CAP IV.

3. 42CAP III GmbH & Co. KG

Financial product: 42CAP III GmbH & Co. KG ("**42CAP III**")

LEI: 391200VZE85DYBXY2M34

Summary

The 42CAP III considers certain environmental and/or social characteristics as part of its investment decisions and monitoring processes but does not seek to make sustainable investments as defined in the SFDR. The consideration of environmental and/or social characteristics is carried out both before and after an investment. For this purpose, information is initially and regularly obtained from the portfolio companies by means of qualitative queries. 42CAP III incorporates exclusion (negative screening) aspects during the decision-making process. Thereby 42CAP III considers certain ESG themes to be the key to responsible investing. The actions and decisions described in the following section are each made by the Manager for and on behalf of 42CAP III.

Zusammenfassung

42CAP III berücksichtigt bestimmte ökologische und/oder soziale Merkmale im Rahmen seiner Investitionsentscheidungen und Monitoring-Prozesse, strebt aber keine nachhaltigen Investitionen im Sinne der SFDR an. Die Berücksichtigung von Umwelt- und/oder Sozialmerkmalen erfolgt sowohl vor als auch nach einer Investition. Zu diesem Zweck werden zunächst und regelmäßig Informationen von den Portfoliounternehmen durch qualitative Abfragen eingeholt. 42CAP III bezieht Exklusionsaspekte (negatives Screening) in seinen Entscheidungsprozess ein. Dabei betrachtet 42CAP III einzelne ESG-Themen als Schlüssel für verantwortungsvolles Investieren. Die in diesem Abschnitt beschriebenen Handlungen und Entscheidungen erfolgen jeweils durch den Manager für 42CAP III.

No sustainable investment objective

42CAP III promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

42CAP III promotes environmental and/or social characteristics by implementing certain investment exclusions.

Investment strategy

The purpose of 42CAP III is to build, hold and manage (including to divest) a portfolio of equity and equity-related investments in portfolio companies. 42CAP III is technology-oriented and not focused on a specific industry sector. Therefore, investments are spread across a broad spectrum of economic activities. A particular focus is on companies active in the fields of artificial intelligence and blockchain technology. 42CAP III intends to make its initial investments in the early stages, *i.e.*, in seed and Series A rounds.

42CAP III shall not invest, guarantee or otherwise provide financial or other support, directly or indirectly, to Portfolio Companies whose business activity consists of:

- a) performing research and innovation activities considered as illegal according to the applicable legislation in the country of the portfolio company;
- b) an illegal economic activity (*i.e.*, any production, trade or other activity, which is illegal under the laws or regulations applicable to the Fund or the relevant Portfolio Company, including without limitation, human cloning for reproduction purposes);
- c) the production of and trade in tobacco and distilled alcoholic beverages and related products;
- d) the financing and production of and trade in weapons and ammunition of any kind;
- e) casinos and equivalent enterprises;
- f) the research, development or technical applications relating to electronic data programs or solutions, which:
- g) aim specifically at: (i) supporting any activity referred to under (b) through (e) hereof; (ii) internet gambling and online casinos; or (iii) pornography;

or which:

- h) are intended to enable to illegally (i) enter into electronic data networks; or (ii) download electronic data.

Proportion of investments

42CAP III invests fully in line with its investment strategy and investment restrictions, *i.e.*, only makes investments which are aligned with its environmental and/or social characteristics. 42CAP III does not make and does not intend to make sustainable investments within the meaning of Art. 2 no. 17 SFDR or environmentally sustainable investments within the meaning of Art. 3 of Regulation (EU) 2020/852 ("**EU Taxonomy**"); hence, no portion of its investments are aligned with the EU Taxonomy.

Monitoring of environmental or social characteristics

42CAP III has an increased awareness on the impact of environmental or social characteristics on risk management and thus on the value potential of investments. Accordingly, 42CAP III undertakes to monitor (compliance with) its environmental and/or social characteristics on an ongoing basis. Prior to making an investment, 42CAP III assesses the attainment of its environmental and/or social characteristics with respect to every (potential) portfolio company. During the holding period, 42CAP III uses the sustainability indicator 'No investments in the area of investment exclusions' and collects respective data at portfolio company level in order to monitor the ongoing compliance with its environmental and/or social characteristics. 42CAP III obtains the relevant information in annual reports from its portfolio companies. Moreover, 42CAP III consults with the portfolio companies in regular intervals and will carry out further checks if there are indications of potential issues with 42CAP III's ESG approach. External monitoring mechanisms are not in place.

Methodologies for environmental or social characteristics

42CAP III applies qualitative assessments with respect to its environmental and/or social characteristics. 42CAP III conducts an initial assessment of such characteristics in the course of its due diligence process prior to any investment by providing its (potential) portfolio companies with a checklist. Through this checklist, the investment exclusions and good governance practices are identified and evaluated. Based on the results of this assessment, 42CAP III identifies whether the environmental and/or social characteristics promoted by 42CAP III are met before making an investment.

During the holding period, the so conducted assessment forms the basis to measure and monitor if the characteristics are continuously being met. By using the sustainability indicator 'No investments in the area of exclusions', 42CAP III assesses and ensures the portfolio companies' ongoing compliance with its investment exclusions. Hence, 42CAP III measures and evaluates the attainment of its environmental and/or social characteristics on an ongoing basis.

Data sources and processing

In order to attain each of the environmental and/or social characteristics promoted by 42CAP III, 42CAP III obtains the relevant data from its (potential) portfolio companies through an informal process in the course of the due diligence process conducted prior to each investment. Moreover, during the holding period, the portfolio companies provide 42CAP III with annual reports regarding the sustainability indicator. Hence, data is obtained exclusively from the (potential) portfolio companies. Further, mostly qualitative statements of an environmental or social nature or relating to corporate governance are requested from the (potential) portfolio companies and then taken into account in the investment decision-making and monitoring processes based on a commonly developed roadmap. An internal or external review or verification of the data obtained will be carried out if misrepresentations are suspected.

Limitations to methodologies and data

The data collected exclusively from the (potential) portfolio companies is internally or externally verified only if and to the extent misrepresentations are suspected. Thus, it cannot be ruled out completely that false information may remain undetected in certain cases. Further limitations, in particular with regard to the accuracy of the data and reliability of the data sources used, are currently not foreseeable. As 42CAP III's investments are made for several years, 42CAP III considers it a priority to establish and maintain a trustful working relationship with its portfolio companies in order to ensure data quality and compliance with the environmental and/or social characteristics promoted by 42CAP IV.

Due diligence

In order to attain the aforementioned environmental and/or social characteristics, 42CAP III carefully selects its portfolio companies during the investment decision-making process. 42CAP III conducts a due diligence on every (potential) portfolio company. As part of this due diligence, 42CAP III carefully reviews how a (potential) investment relates to the environmental and/or social characteristics promoted by 42CAP III. 42CAP III incorporates exclusion (negative screening with respect to its investment exclusions) as well as good governance aspects during the decision-making process. This assessment is conducted by using a checklist and, where required based on the inherent ESG risk of the portfolio company, through an enhanced analysis. An internal or external review or verification of the information obtained will only be carried out if misrepresentations are suspected.

Engagement policies

Engagement is not part of the environmental or social investment strategy of 42CAP III.

Designated reference benchmark

No index has been designated as a reference benchmark to meet the environmental or social characteristics promoted by 42CAP III.

4. 42CAP II Opportunity GmbH & Co. KG

Financial product: 42CAP II Opportunity GmbH & Co. KG ("**42CAP II Opps**")

LEI: 391200CER5VMMWIN0950

Summary

The 42CAP II Opps considers certain environmental and/or social characteristics as part of its investment decisions and monitoring processes but does not seek to make sustainable investments as defined in the SFDR. The consideration of environmental and/or social characteristics is carried out both before and after an investment. For this purpose, information is initially and regularly obtained from the portfolio companies by means of qualitative queries. 42CAP II Opps incorporates exclusion (negative screening) aspects during the decision-making process. Thereby 42CAP II Opps considers certain ESG themes to be the key to responsible investing. The actions and decisions described in the following section are each made by the Manager for and on behalf of 42CAP II Opps .

Zusammenfassung

42CAP II Opps berücksichtigt bestimmte ökologische und/oder soziale Merkmale im Rahmen seiner Investitionsentscheidungen und Monitoring-Prozesse, strebt aber keine nachhaltigen Investitionen im Sinne der SFDR an. Die Berücksichtigung von Umwelt- und/oder Sozialmerkmalen erfolgt sowohl vor als auch nach einer Investition. Zu diesem Zweck werden zunächst und regelmäßig Informationen von den Portfoliounternehmen durch qualitative Abfragen eingeholt. 42CAP II Opps bezieht Exklusionsaspekte (negatives Screening) in seinen Entscheidungsprozess ein. Dabei betrachtet 42CAP II Opps einzelne ESG-Themen als Schlüssel für verantwortungsvolles Investieren. Die in diesem Abschnitt beschriebenen Handlungen und Entscheidungen erfolgen jeweils durch den Manager für 42CAP II Opps .

No sustainable investment objective

42CAP II Opps promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

42CAP II Opps promotes environmental and/or social characteristics by implementing certain investment exclusions.

Investment strategy

The purpose of 42CAP II Opps is to build, hold and manage (including to divest) a portfolio of equity and equity-related investments in growth stage portfolio companies in which 42CAP II GmbH & Co. KG and 42CAP III GmbH & Co. KG – at the time of the investment by 42CAP II Opps – already hold an investment or make an investment alongside 42CAP II Opps.

42CAP II Opps shall not invest, guarantee or otherwise provide financial or other support, directly or indirectly, to companies, including portfolio companies, or other entities:

- a) Whose business activity consists of an illegal economic activity (*i.e.*, any production, trade or other activity, which is illegal under the laws or regulations applicable to the Fund or the relevant company or entity, including without limitation, human cloning for reproduction purposes); or
- b) Which substantially focus on:
 - (i) The production of and trade in tobacco and distilled alcoholic beverages and related products;
 - (ii) The financing of the production of and trade in weapons and ammunition of any kind;
 - (iii) Casinos and equivalent enterprises;
 - (iv) The research, development or technical applications relating to electronic data programs or solutions, which
 1. aim specifically at: supporting any activity referred to under items b)(i) through b)(iv) above; internet gambling and online casinos; or pornography, or

2. are intended to enable to illegally enter into electronic data networks; or download electronic data.
- (v) Fossil fuel-based energy production and related activities, as follows:
1. Coal mining, processing, transport and storage;
 2. Oil exploration and production, refining, transport, distribution and storage;
 3. Natural gas exploration and production, liquefaction, regasification, transport, distribution and storage;
 4. Electric power generation exceeding the emissions performance standard (*i.e.* 250 grams of CO₂e per kWh of electricity), applicable to fossil fuel-fired power and cogeneration plants, geothermal and hydropower plants with large reservoirs;
- (vi) Energy-intensive and/or high CO₂-emitting industries, as follows:
1. Manufacture of other inorganic basic chemicals;
 2. Manufacture of other organic basic chemicals;
 3. Manufacture of fertilisers and nitrogen compounds;
 4. Manufacture of plastics in primary forms;
 5. Manufacture of cement;
 6. Manufacture of basic iron and steel and of ferro-alloys;
 7. Manufacture of tubes, pipes, hollow profiles and related fittings, of steel;
 8. Manufacture of other products of first processing of steel;
 9. Aluminium production;
 10. Manufacture of conventionally-fuelled aircraft and related machinery;
 11. Conventionally-fuelled air transport and airports and service activities incidental to conventionally-fuelled air transportation.

Proportion of investments

42CAP II Opps invests fully in line with its investment strategy and investment restrictions, *i.e.*, only makes investments which are aligned with its environmental and/or social characteristics. 42CAP II Opps does not make and does not intend to make sustainable investments within the meaning of Art. 2 no. 17 SFDR or environmentally sustainable investments within the meaning of Art. 3 of Regulation (EU) 2020/852 ("**EU Taxonomy**"); hence, no portion of its investments are aligned with the EU Taxonomy.

Monitoring of environmental or social characteristics

42CAP II Opps has an increased awareness on the impact of environmental or social characteristics on risk management and thus on the value potential of investments. Accordingly, 42CAP II Opps undertakes to monitor (compliance with) its environmental and/or social characteristics on an ongoing basis. Prior to making an investment, 42CAP II Opps assesses the attainment of its environmental and/or social characteristics with respect to every (potential) portfolio company. During the holding period, 42CAP II Opps uses the sustainability indicator 'No investments in the area of investment exclusions' and collects respective data at portfolio company level in order to monitor the ongoing compliance with its environmental and/or social characteristics. 42CAP II Opps obtains the relevant information in annual reports from its portfolio companies. Moreover, 42CAP II Opps consults with the portfolio companies in regular intervals and will carry out further checks if there are indications of potential issues with 42CAP II Opps's ESG approach. External monitoring mechanisms are not in place.

Methodologies for environmental or social characteristics

42CAP II Opps applies qualitative assessments with respect to its environmental and/or social characteristics. 42CAP II Opps conducts an initial assessment of such characteristics in the course of its due diligence process prior to any investment by providing its (potential) portfolio companies with a checklist. Through this checklist, the investment exclusions and good governance practices are identified and evaluated. Based on the results of this assessment, 42CAP II Opps identifies whether the environmental and/or social characteristics promoted by 42CAP II Opps are met before making an investment.

During the holding period, the so conducted assessment forms the basis to measure and monitor if the characteristics are continuously being met. By using the sustainability indicator 'No investments in the area of exclusions', 42CAP II Opps assesses and ensures the portfolio companies' ongoing compliance with its investment exclusions. Hence, 42CAP II Opps measures and evaluates the attainment of its environmental and/or social characteristics on an ongoing basis.

Data sources and processing

In order to attain each of the environmental and/or social characteristics promoted by 42CAP II Opps 42CAP II Opps obtains the relevant data from its (potential) portfolio companies through an informal process in the course of the due diligence process conducted prior to each investment. Moreover, during the holding period, the portfolio companies provide 42CAP II Opps with annual reports regarding the sustainability indicator. Hence, data is obtained exclusively from the (potential) portfolio companies. Further, mostly qualitative statements of an environmental or social nature or relating to corporate governance are requested from the (potential) portfolio companies and then taken into account in the investment decision-making and monitoring processes based on a commonly developed roadmap. An internal or external review or verification of the data obtained will be carried out if misrepresentations are suspected.

Limitations to methodologies and data

The data collected exclusively from the (potential) portfolio companies is internally or externally verified only if and to the extent misrepresentations are suspected. Thus, it cannot be ruled out completely that false information may remain undetected in certain cases. Further limitations, in particular with regard to the accuracy of the data and reliability of the data sources used, are currently not foreseeable. As 42CAP II Opps' investments are made for several years, 42CAP II Opps considers it a priority to establish and maintain a

trustful working relationship with its portfolio companies in order to ensure data quality and compliance with the environmental and/or social characteristics promoted by 42CAP II Opps.

Due diligence

In order to attain the aforementioned environmental and/or social characteristics, 42CAP II Opps carefully selects its portfolio companies during the investment decision-making process. 42CAP II Opps conducts a due diligence on every (potential) portfolio company. As part of this due diligence, 42CAP II Opps carefully reviews how a (potential) investment relates to the environmental and/or social characteristics promoted by 42CAP II Opps. 42CAP II Opps incorporates exclusion (negative screening with respect to its investment exclusions) as well as good governance aspects during the decision-making process. This assessment is conducted by using a checklist and, where required based on the inherent ESG risk of the portfolio company, through an enhanced analysis. An internal or external review or verification of the information obtained will only be carried out if misrepresentations are suspected.

Engagement policies

Engagement is not part of the environmental or social investment strategy of 42CAP II Opps.

Designated reference benchmark

No index has been designated as a reference benchmark to meet the environmental or social characteristics promoted by 42CAP II Opps.