Caesar Ventures Fund I GmbH & Co. KG

SFDR disclosures

January 2023

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Disclosures pursuant to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27th of November 2019 on sustainability disclosure requirements in the financial services sector
(the "SFDR")

The following information are given in light of the consideration of sustainability-related aspects in accordance with SFDR.

Art. 6 SFDR – Integration of sustainability risks

Caesar Ventures Management GmbH (the "**Manager**") addresses sustainability risks in its investment decision making process insofar as relevant. "Sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. When identifying a sustainability risk during the due diligence on potential investments, the Manager decides in light of the specific situation taking due account of the proportionality principle whether it gives up on the investment or proceeds with the investment alongside appropriate measures to mitigate the relevant sustainability risk. The Manager regularly reviews its policies to ensure that they address new and emerging risks as well as investors' concerns. Currently, the Manager does not expect sustainability risks to have a negative impact on Caesar Ventures Fund I GmbH & Co. KG's (the "**Partnership**") returns.

Art. 7 SFDR – Consideration of principal adverse impacts

The Manager considers principal adverse impacts of its investment decisions on sustainability factors pursuant to the SFDR only with respect to the sustainable investments of the Partnership. Regarding the Partnership's other investments, the Manager does not consider principal adverse impacts of its investment decisions on sustainability factors. Sustainability factors are environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable Investments

The Manager intends to develop policies on the identification and prioritization of principal adverse sustainability impacts on sustainability factors. The methodologies intended to be used by the Manager reflect the inherent characteristics of investing in start-ups and growth companies that are expected to grow their operations – this may lead to an increase in some of the adverse sustainability indicators as specified above, so that in those cases only a relative adverse impact mitigation strategy can be pursued.

The principal adverse sustainability impact is considered individually under a specifically required mitigation strategy, taking into account the extent and type of impact and providing for a mitigating or minimizing strategy in each case.
The principal adverse sustainability impacts will be assessed during the due diligence process and portfolio companies will have to measure and report on each adverse sustainability impact on a regular basis, allowing the Manager to track and evaluate the impacts for each portfolio company.

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Information about the principal adverse impacts on sustainability factors can be found in the Partnership's annual reports.

Other Investments

Regarding the Partnership's other investments, the Manager does not consider principal adverse impacts of investment decisions on sustainability factors. Considering the legal uncertainties currently related to the application of the provisions of the SFDR and the Regulatory Technical Standards (RTS) – in particular with respect to the consideration of adverse impacts – and the administrative burden resulting from such uncertainties and potential lack of adequate portfolio level data, the Manager is not in a position to commit to such standard in light of its fiduciary duty to the fund and its investors regarding the Partnership's investments that do not qualify as sustainable investments. The Manager will constantly monitor and review the evolution around such regulations and standards and considers to change its position on adverse impacts once (i) a best practice has evolved among market participants, (ii) there is clear guidance by the administrations on the application of such regulations and (iii) the consequences of a commitment towards the consideration of principal adverse impacts are reasonably clear to the Manager.

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Product name: Caesar Ventures Fund I GmbH & Co. KG

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 govern-

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 lay down 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?

☐ 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 **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 15% 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 will make a minimum of **sustainable investments 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?

<u>Investment Restrictions:</u>

1. The Partnership may not invest, guarantee or otherwise provide financial or other support, directly or indirectly, to 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 Partnership 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; (ii) the production of and trade in weapons and ammunition of any kind, it being understood that this restriction does not apply to the extent such activities are part of or accessory to explicit European Union policies; (iii) casinos and equivalent enterprises; or (iv) the research, development or technical applications relating to electronic data

programs or solutions, which (x) aim specifically at supporting any activity referred to under (i) to (iv) above; internet gambling and online casinos; or pornography; or which (y) are intended to enable to illegally enter into electronic data networks or to illegally download electronic data.

2. Furthermore, the Partnership excludes any investment into any other business models which are likely to have a detrimental impact on the environment and society or to not meet minimum standards of good governance. The Partnership will abide by the exclusions as formulated by the following institutions:

a. European Investment Bank, 2022: EIB eligibility, excluded activities, and excluded sectors list (https://www.eib.org/attachments/publications/eib_eligibility_excluded_activities_en.pdf)
b. KfW, 2019: Exclusions and additional requirements (Ausschlussliste und ergänzende Anforderungen) (https://www.kfw.de/PDF/Download-Center/Konzernthemen/Nachhaltigkeit/Ausschlussliste.pdf)
c. IFC, 2007: Exclusions (https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist#2007)

Other:
The Partnership promotes investments in (i) Greentech/Cleantech, (ii) Platform & Eco-systems and (iii) Lifesciences/HealthTech. Regarding such investments, the Partnership aims to ensure that the portfolio companies are committed to sustainable and responsible operating and management practices. To the extent feasible and appropriate, the Partnership will agree with portfolio companies on a set of sustainability KPIs to measure the ESG contribution and impact of our portfolio companies.

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

Other than the sector exclusions listed above and to the extent feasible and appropriate, the Manager will aim to agree with portfolio companies on a set of sustainability KPIs to measure the ESG contribution and impact of the portfolio companies. Such KPIs may vary on a case by case basis.

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

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?

The objectives of the sustainable investments are in principle threefold: (1) drive innovation and support new business models concerned with the provision of affordable and clean energy, (2) support and encourage business models that help companies and public institutions in their fight against climate change, (3) team up with founders, co-investors, and emerging business to foster innovation and promote sustainable industrialisation. The sustainable investments that the financial product partially intends to make will contribute primarily to the following environmental objectives (Art. 9, EU Taxonomy Regulation):

a. climate change mitigation;
b. the transition to a circular economy;
c. pollution prevention and control;

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?

For this purposes, the Manager considers principal adverse impacts of its investment decisions on sustainability factors pursuant to the SFDR with respect to the sustainable investments of the Partnership and, based on the PAI reporting, the manager can assess any adverse impacts and develop mitigation strategies.

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-corrup-

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

Please see above under *Art. 7 SFDR – Consideration of principal adverse impacts*.

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

The Manager always reviews the Partnership's sustainable investment in light of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and aims to support the portfolio companies on compliance with such standards.

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?

- [x] Yes, see disclosure under Art. 7 above.
- [ ] No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk toler-

The Partnership intends to seek long-term capital appreciation through equity and quasi-equity investments in early-stage, mainly technology companies primarily in the European Union with a focus on the DACH region (i.e. Germany, Austria and Switzerland).

- ***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 investment strategy is described in § 3 of the limited partnership agreement of the Partnership (the "**LPA**"). Further binding elements of the investment strategy can be found in § 18 of the LPA.

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

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

  All investments will be in line with the investment strategy.

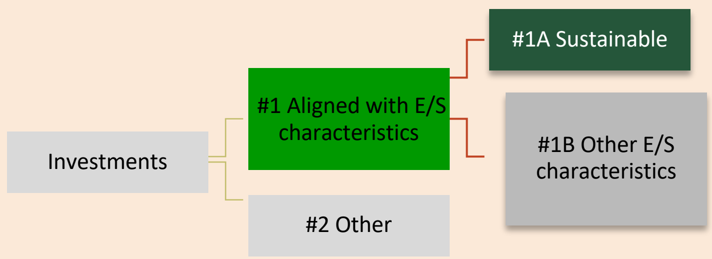
- ***What is the policy to assess good governance practices of the investee companies?***

  As part of the due diligence and ongoing investment management, the investment team will review whether a potential portfolio company has good governance practices in place and support portfolio companies to constantly evolve and improve their good governance practices.

Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

The Partnership will invest fully in line with its investment strategy and investment restrictions. The Partnership will not invest a portion of its capital in any other asset class. Therefore 100% of the investments fall under #1A or #1B.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

The Manager does not commit to a minimum extent of EU Taxonomy aligned sustainable investments of the financial product.

Does the financial product invest in fossil gas and/or nuclear energy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

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

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy? The Manager does not commit to a minimum extent of EU Taxonomy aligned sustainable investments of the financial product.

What is the minimum share of socially sustainable investments?

The Manager doesn not commit to a minimum extent of socially sustainable investments of the financial product.

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

There will be no investments made that are not aligned with the promoted environmental and social characteristics.

Where can I find more product specific information online?

More product-specific information can be found on the website: www.caesar.vc

[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.