



# Sustainability Policy

3 April 2023

## Sustainability Policy

### 1. FRAMEWORK

The Sustainability Policy is one of the corporate instruments of Portugal Capital Ventures – Sociedade de Capital de Risco, S.A. ('Portugal Ventures') aimed not only at complying with legal and regulatory sustainability requirements, in particular those set out in 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 ('Sustainability Finance Disclosure Regulation', or SFDR'), but also to disclose Portugal Ventures' level of commitment in respect of sustainability, as regards environmental, social and governance (ESG) factors.

In this respect, the Policy sets out:

- a) the main principles underpinning Portugal Ventures' activities, as well as the ESG goals pursued;
- b) how Portugal Ventures, in pursuing its asset management activities, integrates sustainability risks into its investment decision-making process; and
- c) how, in the pursuit of its activities, Portugal Ventures takes into consideration the adverse impacts of investment decisions on sustainability factors.

This Policy was drawn up, at Portugal Ventures' sole discretion, in accordance with the principle of proportionality, taking into account its size, nature and organizational structure and the human and technical resources available at the time of its preparation.

Bearing in mind that Portugal Ventures is part of Portuguese promotional bank Grupo BPF, and to the extent necessary to ensure full compliance with the legal and regulatory obligations applicable to the companies that are part of the Group at any given time, this Policy may be amended and is therefore dynamic nature.

This Policy should be read together with the "STATEMENT OF NON-CONSIDERATION OF THE ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS", published on Portugal Ventures' website.

### 2. GENERAL GUIDING PRINCIPLES

This Policy aims to guarantee compliance with the general guiding principles set out below.

By establishing and implementing this Policy, Portugal Ventures intends to steadily contribute to a more sustainable future for the planet and its inhabitants, which includes acting in accordance with the United Nations Sustainable Development Goals, set out in the UN's Agenda 2030.

Similarly, in the pursuit of its activity as a venture capital firm it shall take into consideration the UN's Principles for Responsible Investment (PRI), of which it plans to become a signatory.

Guided by these principles, Portugal Ventures shall, in the pursuit of its activity, endeavour to:

- a) propose, define and implement procedures that incorporate ESG factors into investment analysis and decision-making processes;
- b) review current internal policies and, where appropriate, issue new policies that incorporate or enhance ESG factors, in particular with respect to investments;
- c) make sustained efforts to ensure that the undertakings in which it invests or intends to invest are encouraged to make ESG-related disclosures;
- d) validate, approve and implement such principles in the broader context of its activity as a venture capital firm;
- e) raise awareness and work together, from a Group perspective, for a more effective implementation of the principles;
- f) monitor ESG-related activities and the developments thereof, in particular through periodic status reports and by issuing and publishing activity and progress reports on the implementation of the principles.

### **3. GOALS**

Portugal Ventures acknowledges that the integration of sustainability risks, particularly in the investment decision-making process, is a consequence of its fiduciary duties to its investors, fund participants and clients.

As such, and as part of its mission, Portugal Ventures aims to ensure the competitiveness of its investees and to create long-term value for investors, fund participants and clients, and shall begin taking into consideration sustainable investment criteria in the pursuit of its activity.

Adopting such a strategy aims, essentially, at generating new opportunities for investment and the creation of long-term value for its investors, fund participants and clients, so as to actively and gradually ensure that its activities have a positive ESG impact.

Below are the main duties assigned to the departments of each business unit, the Compliance Department and the Legal Department.

### **4. INVESTMENT POLICY**

Portugal Ventures' activity is also guided by ESG goals and factors, many of which reflected in the legal and regulatory requirements with which it must comply.

Without prejudice to the specific ESG and sustainability-related features of the investment policy of each collective investment undertaking or portfolio, these goals and factors are also reflected in investment decisions in respect of the sectors of activity and in the nature and purpose of the projects of the undertakings in which Portugal Ventures invests through the funds it manages.

By way of example:

- a) as regards environmental sustainability: Portugal Ventures ensures the implementation of measures related to climate mitigation and adaptation; pollution prevention and control; the transition to a circular economy; and the conservation and restoration of biodiversity and ecosystems.
- b) as regards social sustainability: Portugal Ventures ensures respect for the rules on the prohibition of gender-based discrimination; human rights; child labour; slavery; occupational health and safety; freedom of association and expression; human capital management and labour relations; diversity; community relations; health and access to medicines; consumer protection; combating inequalities and promoting social cohesion, social integration and labour relations, and human capital investment;
- c) as regards the corporate governance of listed companies: shareholder rights; remuneration structure; composition of the management body; independence of the members and effectiveness of the supervisory body; compliance with tax obligations.

Portugal Ventures acknowledges and undertakes to ensure that ESG-related disclosures are accurate, clear and objective, making every effort to neither accept nor allow misleading and false information to be disclosed (greenwashing).

Below is a list of sectors excluded from investment by Portugal Ventures, which shall refuse to invest in any undertaking whose main business activity offers or involves the promotion, production, distribution or marketing of products or services related to:

- a) activities considered illegal under the laws or regulations of the host country or international conventions and agreements, or those subject to phasing out or prohibition;
- b) corruption, money laundering and terrorist financing;
- c) forced labour and child labour;
- d) pornography and prostitution;
- e) radioactive materials (except for medicinal purposes);
- f) tobacco;
- g) violation of human rights;
- h) weapons and ammunition.

## 5. GOVERNANCE

Portugal Ventures acknowledges that the management of alternative investment undertakings involves and is affected by sustainability risks, that is, by ESG-related events or conditions which may cause a significant, effective or potential adverse impact on the value of the investment.

As such, there is an urgent need to gradually integrate sustainability risks into the investment decision-making process, which has implications throughout the investment cycle, in particular in investment decisions, asset valuation, and divestment decisions.

For these reasons, in this Policy the Board of Directors has set out the duties to identify, assess and manage risks that must be performed as part of the company's organisation system, throughout the investment process, particularly as regards the support departments, with which they must comply. These duties are as follows:

### 5.1. Board of Directors

The Board of Directors shall be responsible for:

- a) approving and periodically reviewing this Policy;
- b) ensuring that Portugal Ventures has, at any given time, the appropriate resources to integrate sustainability risks in investment decision-making processes.

### 5.2. Risk Management

The Risk Department shall be responsible for:

- a) preparing the reports required to give the investment and asset management department(s) the appropriate visibility to control the risks to which the sustainability-related management of portfolios are exposed;
- b) measuring the impact of sustainability risks on the return on assets under management.

### 5.3. Compliance

The Compliance Department shall be responsible for:

- a) monitoring compliance with this Policy;
- b) establishing specific procedures for implementation of this Policy;
- c) ensuring alignment of this Policy with current ESG best practices, legislation and regulations;
- d) ensuring the internal collection and dissemination of information relating to the ESG regulatory framework;
- e) sharing good practices and fostering an internal ESG-aligned culture;
- f) ensuring the organisation of ESG training courses.

## **6. FINAL PROVISIONS**

### **6.1 Approval and effective date**

In accordance with Portugal Ventures' internal procedures, this Policy must be approved by the Board of Directors, on a proposal of the Compliance Department.

### **6.2 Review and effect**

It shall be incumbent upon the Compliance Department, as the body responsible for submitting the policy proposal, to submit any proposals for amendment or review thereof to the Board of Directors. The Policy shall be reviewed regularly in the light of experiences gained in implementing it, inter alia, the need to establish or review procedures and/or as a result of legislative changes, where warranted.

### **6.3. Publication**

This Policy, in both Portuguese and English, is available for consultation on Portugal Ventures' website.

The Board of Directors

3 April 2023