SFDR Disclosure On Regeneration.VC Website (Article 10 SFDR)
Disclosures pursuant Article 10 of The Sustainable Finance Disclosure Regulation (EU)(SFDR 2019/2088)

Financial Market Participant: Regeneration GP2 (the "General Partner")
Fund: Regeneration Fund 2, CommV (*private privak*) (the "Fund")

SFDR product category: Article 9

This document constitutes the website product disclosure for financial products that have sustainable investments as their objective. Under the EU Sustainable Finance Disclosure Regulation (SFDR), all article 9 SFDR funds are required to publish sustainability-related information document on their website.

March 2025

The Fund ("we", "us", "our") makes sustainable investments and aims to achieve net-positive impact on the environment with every investment. We aim to do so while delivering market rate returns to our investors.

We invest in early stage innovative companies (typically Seed or Series A) that deliver circular solutions and solve environmental and social challenges through scalable technologies, with a demonstrable contribution to selected themes, SDGs or that have alignment with EU Green Taxonomy criteria.

We strive to build toward global targets set by internationally recognized frameworks, agencies and governments – such as the Planetary Boundaries, Sustainable Development Goals, the Paris Agreements and the Convention on Biological Diversity.

CLASSIFICATION OF THE FUND

European regulation SFDR 2019/2088 ("Disclosure") and 2020/852 ("Taxonomy") introduced new regulatory obligations for financial markets participants, to increase the transparency of financial products and actors with regards to sustainability.

The Fund is classified as an Article 9 fund under SFDR, underscoring its commitment to making sustainable investments.

NO SIGNIFICANT HARM

The Fund is committed to ensuring that its investments do not cause any significant harm to its environmental or social objectives, and that good governance is duly upheld throughout the ownership period, as also reflected in the Fund's Impact and Sustainable Investments Policy. Potential adverse impacts of each investment are considered through the investment process and during the ownership period. The Fund will draw on internal expertise to conduct this analysis and support portfolio companies and engage third party experts on an "as needed" basis.

When investing in early stage/developing companies, it is common that such companies may not have a strong ESG framework in place at the time of investment which addresses sustainability risks. Additionally, the Fund intends to invest in early stage companies whose operations as well as whose exposure to potential climate risks, nature risks, labor law and human rights breaches are therefore limited. During its initial screening of any potential portfolio company, Regeneration.VC assesses the presence of minimum safeguards. These safeguards include three main categories 1) environmental criteria, 2) social criteria and 3) governance criteria, as outlined in further detail below and in the Impact and Sustainability Policy. If early stage companies do not yet have the necessary policies and commitments in place, Regeneration.VC will work with these companies to help them design the right policies and implement them.

1) **Environmental** –The Fund is dedicated to promoting environmental awareness and sound environmental practices among its portfolio companies in order to minimize adverse effects of its investments and promote key circularity principles

2) **Social** – The Fund aims to promote sound labor and human rights practices in the portfolio companies, this includes but is not limited to alignment with the UN Guiding Principles for Business and Human Rights, ILO conventions, and OECD Guidelines for Multinational Corporations.

3) **Governance** - the fund promotes sound governance through commitment to ethical and transparent practices across its portfolio.

For more detailed information on our policy and implementation please see our Impact and Sustainability Policy.

SUSTAINABLE INVESTMENT OBJECTIVE

Making environmentally sustainable investments is a core objective of the Fund. In doing so, the Fund aims to achieve a net-positive impact on environment.

Regeneration.VC invest in early stage innovative companies (Seed and Series A) that deliver circular solutions and solve environmental challenges through scalable technologies, with most companies showing a demonstrable contribution to i.e. Circular Design, Circular Use, Circular Re-use / Recovery and Circular Support based on the classification as defined in EU Categorization EU Categorization System of Circular Economy:

1. **Design (circular design):** increase resource efficiency through design innovation, process innovation and reengineering and/ or material innovation and substitution

2. **Use (optimal use):** Increasing resource efficiency through (i) product and asset lifecycle extension based on reuse, repair, repurposing, refurbishment or remanufacturing strategies and/or (ii) product and asset use-optimizing leasing and sharing models.

3. **Re-use (value recovery):** Increasing resource efficiency through the recovery of wastes in preparation for reuse and recycling or other circular economy strategies.

4. **Enabling technologies:** i.e. (circular support) tools, applications, and services enabling other circular activities/projects and thus indirectly contribute to increasing resource efficiency.

Fund intends to invest in potential portfolio companies that mostly fall into any of the four (4) categories listed above.[1]

Contribution to Planetary Boundaries or SDGs

Regeneration.VC strives to build toward global targets set by internationally recognized frameworks, agencies and governments– such as the Planetary Boundaries, Sustainable Development Goals and the Paris Accord and the Convention on Biological Diversity. In addition to contributing to EU Categorisation System of Circular Economy all investments made by the Fund also need to positively contribute to at least one (1) of the following frameworks:

1. Planetary Boundaries; or
2. Selected Sustainable Development Goals.

Planetary Boundary	**Related SDGs**
Climate Change	• SDG 7 • SDG 12 • SDG 13
Change in Biosphere Integrity (Biodiversity Loss)	• SDG 14 • SDG 15
Stratospheric Ozone Depletion	• SDG 12
Ocean Acidification	• SDG 14 • SDG 13
Biogeochemical Flows (Phosphorus and Nitrogen Cycles)	• SDG 6 • SDG 12 • SDG 14 • SDG 15
Land-System Change (Deforestation)	• SDG 12 • SDG 15
Freshwater Use	• SDG 6

[1] In practice the fourth (4th) category circular support focusing on enabling technologies will be often integrated across the other three (3) categories.

	• SDG 12 • SDG 15
Atmospheric Aerosol Loading	• SDG 3 • SDG 7 • SDG 11 • SDG 12 • SDG 13
Introduction of Novel Entities	• SDG 3 • SDG 9 • SDG 12

This table illustrates how the Fund's sustainable investments shall be aligned with planetary boundaries, related SDGs so as to ensure a comprehensive sustainability impact across environmental and socio-economic dimensions. This is an indicative alignment. Investments may also contribute indirectly to SDG 8 Decent Work and Economy Growth, and SDG 17 Partnership for the Goals.

EU Taxonomy

The Fund's sustainable investment objective is inherently in line with the core objective of Taxonomy, which is to establish and develop an internal market that works for the sustainable development of Europe, based, among other things, on balanced economic growth and a high level of protection and the improvement of the quality of the environment (Article 3(3) of the Treaty on European Union). While there is no specific commitment to invest in a minimum percentage of EU Taxonomy aligned environmental objectives, it is the aim of Regeneration.VC to maximize alignment of the Fund's investments with those objectives.

However, due to the complexity of the implementation of the technical criteria of Taxonomy (even more so for young companies), it is important to note that the Fund takes a prudent approach in not declaring that any portfolio company will align with the technical screening criteria, stated in the climate delegated act. All relevant SFDR reporting can be found on the Fund's website.

INVESTMENT STRATEGY

Regeneration.VC is a global early-stage venture capital firm investing in disruptive Consumer ClimateTech innovations. The Fund's investment strategy targets companies with asymmetric return potential, in setting environmentally aligned solutions into consumer value chains to drive significant climate-related impact. Investment sectors include, but are not limited to apparel, electronics, consumer goods including food and beverage and related industries.

The Fund aims to generate net-positive environmental impact while achieving attractive economic benchmarks. By prioritizing companies aligned with the Fund's Theory of Change and impact objectives, Regeneration.VC identifies ventures that address complex environmental challenges with scalable solutions.

The Fund's investment policy is outlined in further detail in the Impact and Sustainability Policy.

PROPORTION OF INVESTMENTS

The Fund only makes sustainable investments as defined in article 2(17) of SFDR. The Fund will make 100% of its investments with an environmental objective.

Further description of the repartition between environmental and social objectives can be found in the periodic report, as published from time to time. The Fund's sustainable investments are not aligned with the Taxonomy Regulation.

MONITORING OF ENVIRONMENTAL OBJECTIVES

The following, non-exhaustive, list of sustainability indicators will be used to measure attainment of the sustainable investment objective. These will be continuously developed and improved, to ensure that we are truly capturing the impact and sustainability of all our investments.

I. Share of investments which are classified as 'sustainable investments' (SFDR 2019/2088 Article 2.17);
II. Performance of Impact metrics against target for each investment; and
III. Aggregation of the Fund's impact performance.

Pre-Investment

From sourcing to final investment decisions, the Fund performs a series of impact and ESG assessments to identify positive impact potential and address sustainability risks for each potential investment. Each company needs to align with the Fund's theory of change and focus theme and meet the minimum impact threshold.

Recognizing that some economic activity or corporate behavior is not aligned with its definition of impact, the Fund maintains negative screening of the following exclusion criteria:

Regeneration.VC the Fund will not pursue investment in innovations that facilitate greater extractive or unethical enterprises that stand to more efficiently and effectively accelerate resource extraction, waste production, ecosystem pollution, and climate change. the Regeneration.VC team seeks to align, with principles laid out in the United Nations Global Compact (UNGC), UN Guiding Principles on Business and Human Rights the Global Impact Investment Network (GIIN), and the Organization for Economic Co-operation and Development (OECD) Guidelines for multinational enterprises to assess behavior of companies. The Fund also respects the International Finance Corporation (IFC) exclusion policies.

The Fund shall not directly or indirectly invest in, guarantee or otherwise provide financial or other support to companies or other entities active in the following businesses:

1. Weapons and Munitions production and trade;
2. Direct Fossil Fuel Production, Refining and Distribution;
3. Alcohol & Tobacco production and trade;

4. Gambling and Casinos;
5. Radioactive materials trade;
6. Asbestos-related activities;
7. Drift Net Fishing;
8. Exploitative forms of labor;
9. Logging in Primary Tropical Moist Forests;
10. Trading in internationally banned products;
11. Wildlife trade, especially those under CITES; and
12. Pharmaceuticals & Pesticides/Herbicides under international bans.

Since the Fund screens relatively young companies in the early stages of development, the adverse impact(s) of their activity on sustainability factors tends to be non-existent or very limited. The Fund intends to help build responsible ventures based on the principles of good governance, environment, and social best practices, as they grow and scale.

To determine whether a potential portfolio company is suitable for an investment, the Fund will rely on the findings of the applied Impact Investment Protocol.

In the definitive transaction documentation, the Fund will define the reporting requirements and add the extra agreed actions to be taken into account in accordance with the Impact Investment Protocol.

During investment negotiations with a potential portfolio company, the Fund ensures that its ESG and impact requirements are embedded in the transaction documentation.

Post-Investment

By implementing this Policy, the Fund mitigates ESG, and business risks and generates long-term value, leading to improved financial returns. Therefore, the Fund actively encourages its portfolio companies to integrate impact and ESG considerations across product, operations, and commercial activities.

The ESG data and performance analysis of all portfolio companies of the Fund are evaluated on an annual basis through a detailed interview and data collection with the portfolio companies to reflect evolutions in their processes, products, or management structure. The Fund conducts such annual monitoring in order to quantify, qualify, and enhance the positive environmental and social impacts of investments and mitigate any negative impacts. This monitoring exercise involves collecting data from the portfolio company and performing a comprehensive assessment, covering human rights, employee rights, corruption and bribery, and relevant compliance issues.

Based on this evaluation, follow-up actions are discussed with the portfolio company. This gives the investment team a good insight into the practices, decisions and events of the portfolio companies related to environmental, social and governance topics, across each company’s operations and its entire value chain. It’s an opportunity to monitor the impact and possible risks for growing companies.

Reporting on the Fund's investments will be done in accordance with Annex V to the SFDR RTS and in annual impact report. Inclusive of the management team, and Impact Oversight Committee, the Fund leverages its extensive experience and knowledge network to support portfolio companies on various ESG and impact-related topics.

The Policy will be implemented by the management team. A Chief Impact Officer will oversee implementation and monitoring of this policy. The progress of the investments on Impact and ESG criteria as well as any arising issues can be escalated to Impact Oversight Committee for further consideration.

Methodology

Qualitative impact and ESG related monitoring is done on a regular basis through interactions with portfolio companies. An Impact Indicator Framework has been development in partnership with Circle Economy Foundation. Based on the EU Categorization System of Circular Economy specific metrics are defined for each of the four (4) categories listed above (i.e. design, use, reuse and enabling technologies). A non-exhaustive list of indicative metrics that will be collected from the companies is set forth in the following paragraph. The Fund starts by collecting company specific performance data relating to the portfolio company on the one hand and, relating to the impacts in the value chain of the portfolio company on the other hand, should such an assessment be necessary in light of the pre-determined Impact KPIs of the relevant portfolio company. In addition to this data collection, a reference scenario for each product/solution needs to be defined as much as possible to allow the measurement of the Impact and Headline indicators. In the measurement, two situations are compared: one with the solution sold by the company, the other with the most likely scenario that would have occurred without the solution. Therefore, the reference scenario should reflect the most likely alternative scenario if the solution is not used.

Based on the information collected from this process the Fund is looking to first calculate the expected performance of the company using the selected KPIs. This should be done per unit of sales or revenue, and then projected to an expected growth path to assess the potential total impact over time. Then, with the KPIs and data of the reference scenario as input, The Fund calculates the (expected) fund performance using the Impact and Headline Indicators by following the ‘cascade-up’ methodology.

Illustrative non exhaustive metrics that may be used to monitor company specific performance and set targets include, but are not limited to, (i) Greenhouse gases emission avoided (tonne CO_2-e), (ii) Linear resource waste avoided (tonnes), (iii) sustainably sourced biological material (%), (iv) recovery potential (%), and (v) waste diverted from disposal tonnes. Other / additional metrics may also be selected if more relevant for portfolio companies.

Impact and ESG data is collected annually directly from portfolio companies.

The management reports rely upon the information provided by these portfolio companies, which is frequently limited due to the early-stage nature thereof. Consequently, the provided impact data may not be representative of the relevant portfolio company’s potential due to the lack of scale and maturity.

Furthermore, given the early stage of the portfolio companies not all indicators and datapoints may be available. In cases where data is not available, reasonable estimations are employed.

In case any observations or incidents occur in the portfolio companies related to the topics as defined in this Policy, these are followed up by the investment team and where necessary discussed with Impact Oversight Committee. In addition, an annual formal screening takes place where both the risk and impact performance results are analyzed, and where necessary any improvements are discussed.

Data sources and processing and limitations to methodologies and data

Data quality and reliability is largely anchored on the data gathered by the portfolio companies themselves, and the analysis made by the Fund's investment team, that is largely based on a limited set of comparative data. Many of the companies that the Fund invests in provide "enabling technologies" that facilitate positive changes for their corporate clients and value chain. As a result, it is difficult to exactly measure, quantify and attribute this positive change.

However, the Fund's investment horizon is at a very early stage and the relevance of the data is relative. The companies in which the Fund invests, are not yet at scale level, so the impact on the environmental, social or governance characteristics is not always representative.

CONFLICT OF INTERESTS

The Fund is aware that potential or actual conflicts of interests may arise as part of its company engagement activities.

The Fund maintains a conflict of interest policy designed to both prevent and manage conflicts. Any significant issues arising from due diligence and net impact assessments will be documented and presented to the Oversight Impact Committee for deliberation.

The Fund's conflict of interest policy has been published on its website.

CONTINUOUS EDUCATION

The ever-evolving nature of ESG and impact, requires the Fund to keep account of the latest evolutions in ESG and sustainability. The Fund will implement regular trainings for its team members in order to ensure that they are knowledgeable of the latest evolutions in ESG and sustainability.