

ANNEX D

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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 governance practices.

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Atlantic Bridge V GP Ltd.

Legal entity identifier: 729469

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes</p> <p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____%</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%</p>	<p><input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> 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 20% of sustainable investments</p> <p style="margin-left: 40px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>
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What environmental and/or social characteristics are promoted by this financial product?

By implementation of its investment strategy and ESG integration process the fund promotes the following environmental and/or social characteristics listed below.

Environmental characteristics that are relevant to the company's sector and geographic location and any other material factors such as:

- Global warming mitigation and adaptation
- Nature Stewardship including responsible waste and water management and the reduction of plastic pollution
- Responsible product development

Social characteristics:

- Promotion of diversity, inclusion and equality
- Fair and equal pay



- Female representation at executive and board level
- Respect for data privacy and efficient cyber security management
- Responsible supply chain management

The relevance of sustainability factors can vary for each portfolio company, influenced by elements like the company's sector, geographic location and growth stage. These variables are taken into account when assessing and monitoring each target portfolio company based on appropriate environmental and/or social considerations.

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

The achievement of the environmental and social characteristics promoted by this product is measured using the sustainability indicators described below.

A selection of indicators is used depending on sector relevance, geographic location and growth stage of the company.

Environmental indicators:

- Carbon footprint
- Emission intensity ratio
- Greenhouse gas reduction targets
- Renewable energy consumption
- EU Paris aligned benchmarks
- Quality of environmental management and related quantitative pollution indicators

Social indicators:

- Payment of living wage
- Unadjusted gender pay gap
- % of women in executive management
- % of women at board level
- % of independent board members
- Number of hours of employee training
- Number of work related injuries
- Quality of ESG supplier screening relevant to sector

Investment holdings are analysed with a proprietary model that is based on our internal ESG framework, aligned with the themes described under the question of “environmental and/or social characteristics promoted by this financial product”.

Using the data provided by the companies and where appropriate, direct discussions with company management, the investment professionals monitoring each company determine the internal ESG materiality risk and opportunity in a simple 3 level scale of low, medium and high. This process takes into account both quantitative factors (e.g. energy intensity, unadjusted gender payment gap and percentage of women at board level) and qualitative factors (quality of ESG supplier assessment, board member independence, etc.). Based on this analysis,

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

investment recommendations are made and subsequently ESG minimal thresholds and performance goals are determined for each investment holding (depending on sector and growth stage).

ESG performance along these minimum thresholds and goals is closely monitored and the investment manager ensures that company leadership for ESG risk and opportunity at executive and board level is in place.

The use of these criteria is regularly reviewed by our ESG Committee.

● ***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?***

Our Sustainable Investment Impact Framework is intended to be substantially aligned with the guideline on European Investment Fund's criteria for Climate Action and Environmental Sustainability (CA&ES) operations in EIF's intermediated SME and mid-cap financing (April 2022 CA&ES criteria). In order for an investment eligible under the framework as a sustainable investment, it will first be classified, having regard to its economic activities, as contributing to any of these 6 environmental objectives:

- Climate mitigation
- Climate adaptation
- Sustainable use and protection of water and marine resources
- Transition to circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

The contribution of an investment in these categories will be measured against specific impact objectives and metrics appropriate to the technical solution and sector.

● ***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?***

We rely upon our screening processes, which are part of our proprietary ESG methodology and apply a DNSH test to investments taking into account Principle Adverse Indicators (PAI) indicators described in the next section. Companies assessed as not passing the threshold will be excluded from being treated as a sustainable investment.

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

The principal adverse impact indicators (PAI) for sustainability are used by our investment professionals for internal analysis of each of the companies monitored in our internal ESG analytical frameworks. Our integrated ESG investment process starts with a materiality analyses for each PAI aligned with sector relevance. Due to the early stages of some of the target portfolio companies, adequate data on the principal adverse impacts may not always be available.

Following this materiality assessment, a quantitative and qualitative assessment of the PAIs is conducted. This assessment will be taken into account for the final investment decision to evaluate the sustainability of the investment. The results will also be taken into account for subsequent ESG performance management.

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

The OECD guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is part of the process to identify sustainable investments.

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-corruption and anti-bribery matters.



Does this financial product consider principal adverse impacts on sustainability factors?



Yes.



No, Atlantic Bridge strives to consider the principal adverse impacts of investment decisions on sustainability factors, however, the early developmental stages of target portfolio companies may result in a lack of sufficient data regarding these impacts.



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

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

The Fund will seek significant capital appreciation through equity investments in the full ecosystem of deep tech growth technology businesses (EU 27: 67%; UK/US: 33%) with disruptive technologies in Next-Generation Semiconductors, Digital Transformation & Cyber Security, Advanced Compute & Artificial Intelligence (“AI”), Sustainability & Climate that apply across all major industries undergoing transformation and industrial automation.

Details of the fund’s strategy can be found in its Limited Partner Agreement.



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?

Our Sector- and value-based exclusions are set out in schedule 3 of the Limited Partnership Agreement, and apply as a binding restriction to exclude investments in the areas of tobacco, weapons, gambling and pornography.

The fund fully adopts Atlantic Bridge’s responsible investment policy and its proprietary ESG methodology to undertake due diligence and ongoing monitoring around sustainability performance.

As indicated under the section “Does this financial product have a sustainable investment objective” 20% of the fund is in investments that are aligned with the guideline on European Investment Fund’s criteria for Climate Action and Environmental Sustainability (CA&ES) operations in EIF’s intermediated SME and mid-cap financing (April 2022).



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

We do not commit to a minimum rate.

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.

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

Atlantic Bridge, in its due diligence stage, will look at a number of areas in its assessment of the governance of an investee company, including:

- Independence, competence and diversity of the board of directors
- % of female board members
- Quality of management
- Board accountability for ESG material risks
- Efficient policies for data privacy and cyber security
- Tax compliance
- Legal compliance

The General Partner will continue to monitor these areas during the Fund's stewardship phase, and, where applicable, will use its position on the board of a portfolio company to positively influence company management around good governance practices and, as necessary, to improve practices where practicable.

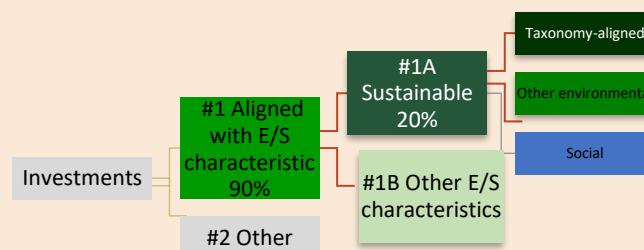


What is the asset allocation planned for this financial product?

The fund commits to a minimum proportion of investments, over the totality of the investment period, as illustrated below:

90% investment aligned with promoted environmental and social characteristics

20% sustainable investments with environmental objectives



#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.

#2 Other 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.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The fund will not invest into derivatives.

Asset allocation describes the share of investments in specific assets.


Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

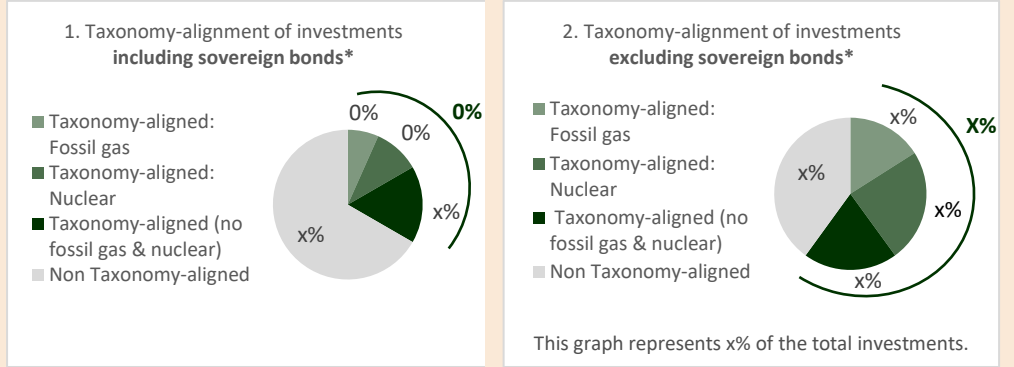
 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?
The minimum proportion of investments that are aligned with the EU Taxonomy is 0%.

- Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?
 - ☐ Yes:
 - ☐ In fossil gas
 - ☐ In nuclear energy
 - ☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

- What is the minimum share of investments in transitional and enabling activities?

There is no commitment to a minimum proportion of investments in transitional and enabling activities.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?
The minimum share of sustainable investments with an environmental objective is 20%.



What is the minimum share of socially sustainable investments?
The minimum share of sustainable investments with a social objective is 0%.



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

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.

This category may include investments for which relevant data is not available. Minimum environmental or social safeguards are not applicable.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*
- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*
- *How does the designated index differ from a relevant broad market index?*
- *Where can the methodology used for the calculation of the designated index be found?*

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



Where can I find more product specific information online?

More product-specific information can be found on the website

<https://abven.com/responsible-investment/>

