

AM VENTURES

SUSTAINABLE FINANCE DISCLOSURE REGULATION (“SFDR”)

EU-Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“SFDR”) aims to promote transparency by ensuring that financial market participants disclose their approach to sustainability. AM Ventures supports this goal and will include disclosures on its website, in its prospectuses and in its annual report.

The SFDR applies to financial market participants such as AM Ventures Management GmbH and the funds under its management, currently AM Ventures Additive Manufacturing Fonds I GmbH & Co. KG (together “AM Ventures”).

AM Ventures is therefore committed to address environmental, social and governance (“ESG”) risks and opportunities throughout its investment process.

POLICIES ON THE INTEGRATION OF SUSTAINABILITY RISK IN INVESTMENT DECISION-MAKING PROCESSES (ARTICLE 3 OF THE SFDR)

AM Ventures addresses sustainability risks in its investment decision-making process. ‘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. AM Ventures focuses especially on sustainability risks that are related to adverse impacts on sustainability factors as referred to in the SFDR and the draft Regulatory Technical Standards (“RTS”) issued by the Joint Committee, a forum with the objective of strengthening cooperation between the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA), collectively known as the three European Supervisory Authorities (ESAs). In particular, sustainability risks resulting from accelerated climate change and increasingly rapid social changes can lead to negative impacts on the net asset value of AM Ventures or its portfolio companies.

Sustainability risks of a new investment are determined during the due diligence process. If high sustainability risks identified during due diligence cannot be mitigated, the investment will not be carried out.

NO CONSIDERATION OF SUSTAINABILITY ADVERSE IMPACTS (ARTICLE 4 OF THE SFDR)

Principal adverse impacts are understood as the impacts of investment decisions that result in negative effects on sustainability factors. Art. 4 of the SFDR provides a framework aimed at achieving transparency in this regard. For this purpose, financial market participants such as AM Ventures must disclose certain information, taking into account the RTS. During the ongoing SFDR implementation phase, AM Ventures will not yet fully consider principal adverse impacts of investment decisions on sustainability factors as specified in Art. 4 of the SFDR, because it believes that the information provided to it by the portfolio companies regarding the investments is still not sufficient to allow it to do so. However, AM Ventures has implemented several mechanisms to work towards fully complying with the objectives of Art. 4 of the SFDR in the future. These include:

- The assessment of principal adverse impacts is integrated as part of the due diligence conducted prior to the investment decision
- Collaboration with co-investors and partners to reduce ESG risks
- Active engagement with portfolio companies through board or shareholder representation

TRANSPARENCY OF REMUNERATION POLICIES IN RELATION TO THE INTEGRATION OF SUSTAINABILITY RISKS (ARTICLE 5 OF THE SFDR)

AM Ventures has not yet implemented remuneration policies regarding sustainability risks.