QUAERO CAPITAL

SFDR STATEMENT

May 2021

In accordance with articles 3, 4 and 5 of the Disclosure Regulation (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 ("SFDR"), information is communicated below with respect to:

- the sustainability risk policy,
- the principal adverse impacts, and
- the remuneration policy in relation to the integration of sustainability risks.

Sustainable Risk Policy

Sustainable risks are defined by SFDR as 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 an investment.

QUAERO CAPITAL has identified three high-level sustainability risks further defined below. These are only examples of sustainability risk factors and do not solely determine the risk profile of the investment.

Physical climate risk: the risk associated with the physical impacts due to climate change. For example, frequent and severe climate-related events (hurricane, or flooding) can impact products, services, and issuers' revenues.

Climate transition risk: whether policy, technology, market or reputation risk arises from the adjustment to a low-carbon economy in order to mitigate climate change.

Governance risk: positive and negative factors, (independence, ownership or labor related) which may impact an issuer's operational effectiveness and reputation.

QUAERO CAPITAL's ESG Handbook (link here) describes how these potential sustainability risks are identified and integrated into its investment decision process.

Principal Adverse Impacts

Although QUAERO CAPITAL is an investment management group with less than 500 employees, QUAERO CAPITAL is committed to consider the adverse impacts of investment decisions from an environmental, social or governance perspective (non-financial risk).

QUAERO CAPITAL's PAI Statement (link here) provides information on the due diligence policies with respect to Principal Adverse Impacts, in line with Article 4 of SFDR.

Remuneration Policy[1]

QUAERO CAPITAL's goal is to define a motivating compensation for the company's employees that is in line with European and national rules. It also aims at promoting a sound and effective risk management that does not encourage excessive risk-taking, may they be financial or non-

[1] Applicable to Quaero Capital (France) SAS.

financial (compliance risks, sustainability risks, etc), and avoids conflicts of interest. The remuneration policy is in agreement with the group's strategy, objectives, values and long-term interests, such as sustainable growth prospects, and complies with the principles governing the protection of clients and investors when providing services.

The main objectives of QUAERO CAPITAL's remuneration policy are the following:

Guarantee alignment of remuneration with effective risk management

The remuneration system put in place is in line with the strategic objectives of the Company and consists of:

- A balance between fixed remuneration and variable remuneration
- Performance measurement

Our remuneration policy aims at aligning remuneration with effective risk management while encouraging the concerned employees to promote the lasting success and stability of the group.

A remuneration committee meets at least once a year to rule on the various subjects relating to remuneration. The principal executives of the Company as well as the Compliance Officer attend this committee.

Guarantee the correct application of the remuneration rules

The policy defines the rules of fixed and variable remuneration, drawing inspiration from the principles contained in the UCITS Directive, the AIFM Directive and the Disclosure Regulation. The setting of the variable part of the remuneration considers the assessment of individual performance, the general economic situation of the management company and the results of the group. The assessment of individual performance is based on quantitative and qualitative criteria.

Finally, the provision of carried interest for QUAERO CAPITAL's employees, by allowing them to invest alongside fund investors, ensures an optimal alignment of interests between investors, employees, and the community, and promotes a sound and effective risk management system.