

# Website product disclosure for financial products that promote environmental or social characteristics

Articles 25-36 RTS SFDR

## Seaya Ventures III Fondo de Capital Riesgo, FCRE

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For financial products that promotes environmental and social characteristics, financial market participants shall publish the information referred to in Article 10(1) of Regulation (EU) 2019/2088 and articles 25 to 36 of the commission delegated regulation (EU) 2022/1288 of 6 April 2022 made up of the following sections:

### **a) Summary (article 25)**

SEAYA VENTURES III FONDO DE CAPITAL RIESGO, FCRE, (the Fund) discloses information on product sustainability according to Article 8 of Regulation (EU) 2019/2088 on the disclosure of sustainability-related information in the financial services sector ("Regulation" or "SFDR").

75% of the Fund promotes environmental or social characteristics and does not aim to make sustainable investments. On the one hand, it promotes the improvement of the integration processes of environmental, social, and governance factors in the management of the investees. On the other hand, the Fund's investments promote the contribution to the Sustainable Development Goals (SDGs), mainly in SDGs 2, 3, 4, 7, 8, 9, 11, and 13.

The investment strategy to improve the ESG performance of the company is through engagement with the company and the influence derived from the political rights held over the company. Identifying the ESG aspects to improve is based on an ESG assessment in the pre-investment phase. The evaluation process includes an analysis of the materiality of the most relevant ESG aspects within the sector of activity using the SASB® (Sustainability Accounting Standards Board) methodology and a questionnaire that includes the most relevant ESG issues developed from the recommendations of UN PRI and Invest Europe.

In addition, the management team is annually required to complete a questionnaire about the degree of compliance with the action plan, the reporting of key indicators, and the principal adverse impacts on sustainability factors identified in the due diligence phase. The investment team will analyze the survey responses and report findings to Seaya's ESG Committee. The committee will then assess ESG progress and collaborate with the investment team on planning engagement actions for the participating company for the upcoming year.

**b) No sustainable investment objective (article 26)**

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

**c) Environmental or social characteristics of the financial product (article 27)**

Seaya Ventures III is a multi-sector fund that invests in outstanding, mission-driven founders of European technology companies.

The social and environmental characteristics pursued by the Fund is the improvement of the ESG performance of the companies in which it invests. Such improvements should be understood as the reduction of negative externalities generated by the company's activity as reduction of carbon footprint, job creation and improvement of working conditions, increase of diversity, improvement of corporate governance structures and establishment of compliance policies that contribute to avoid corruption, improve data protection or cybersecurity, among others.

Seaya recognizes its ability to influence and transform companies and align their actions by contributing to the Sustainable Development Goals (SDGs). It will prioritize generating a positive impact on the following SDGs:

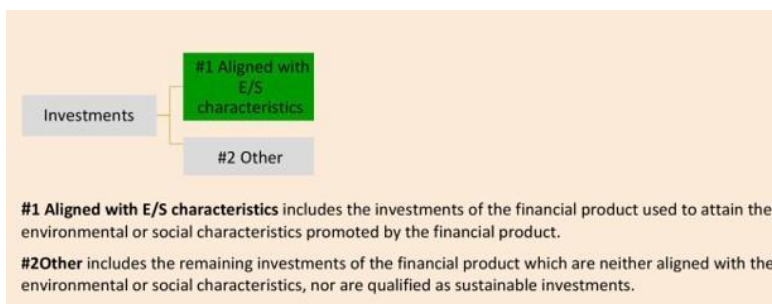
- Zero hunger (SDG 2),
- Good health and well-being (SDG 3),
- Education (SDG 4),
- Clean and affordable energy (SDG 7),
- Decent work and economic growth (SDG 8),
- Industry, innovation and infrastructure (SDG 9),
- Sustainable cities and communities (SDG 11) and,
- Climate action (SDG 13)

**d) Investment strategy (article 28)**

The investment strategy to improve the companies' ESG performance is through engagement with the company and the influence capacity derived from the political rights held over the company.

**e) Proportion of investments (article 29)**

The improvement of ESG performance will be promoted in at least 75% of the investments made by the Fund. Although the Fund aims to improve performance in all of the investees, there may be occasions in which, due to the characteristics of the transaction, the interests of the co-investors or the limited capacity of influence, among other reasons, the full deployment of the strategy described above is not possible. In those cases, the Fund will do its best to improve the most relevant ESG aspects of the investee.



#### **f) Monitoring of environmental or social characteristics (article 30)**

Seaya monitors its investments through ongoing communication with the investee's ESG manager throughout the life of the investment. Seaya requires that once a year, the investee completes ESG questionnaires reporting on the most relevant ESG issues in the portfolio, including principal adverse impacts. The responses to the questionnaire are used as a basis for engaging with managers to drive continuous improvement in ESG practices.

#### **g) Methodologies (article 31)**

A questionnaire including specific ESG indicators is used to evaluate, measure and monitor the improvement in the evolution of ESG performance in the investees, which are measured at least annually.

The indicators include the principal adverse impacts on sustainability factors, which are complemented with others obtained from SASB® (Sustainability Accounting Standards Board) and are chosen according to financial materiality criteria within the sector of activity. The information needed in order to calculate the indicators is obtained directly from the investees. These indicators are monitored by the investment teams and discussed by the manager's ESG committee.

#### **h) Data sources and processing (article 32)**

The data used to measure the achievement of the Fund's social or environmental characteristics are obtained from the investees themselves. The ESG Team is responsible for compiling the relevant information for the calculation of sustainability indicators on an annual basis. To ensure data quality, the data itself is reviewed by a specialized ESG consulting firm.

Moreover, the process of monitoring the degree of achievement of the environmental or social characteristics of the portfolio includes the identification at the Due Diligence stage of the primary material or potentially material adverse impacts of the Fund's investments on sustainability factors.

There is no proportion of data to be estimated. In some cases, data can be estimated based on experience.

**i) Limitations to methodologies and data (article 33)**

In some cases, it will not be possible to obtain the necessary data for the calculation of the investee's indicators when the latter has been recently acquired and, as a result, has not been able to implement the ESG processes required by the management company. In any case, the lack of data to measure the indicators does not prevent the investee from achieving the social or environmental characteristics.

**j) Due Diligence (article 34)**

The identification of ESG aspects to be improved is based on an ESG assessment carried out in the pre-investment phase. The assessment process includes a materiality analysis of the most relevant ESG aspects within the sector of activity using the SASB® (Sustainability Accounting Standards Board) methodology and a questionnaire including the most relevant ESG issues based on the recommendations of UN PRI and Invest Europe. The conclusions of the analysis are incorporated into the Investment Case Memorandum for the Investment Committee, including an action plan.

**k) Engagement policies (article 35)**

Seaya is committed to interacting with the companies it invests into and influencing and ensuring improved ESG performance and therefore takes an active engagement. Seaya teams oversee ESG activities within portfolio companies and may be directly involved in the execution or coordination of specific initiatives where they can add value.

Where no ESG Due Diligence has been conducted before the investment decision-making process, the company undertakes to conduct an ESG Review as a situational analysis. Then, based on the results of the due diligence or review conducted, and if not already in place, investees could define an internal governance structure responsible for ESG issues and implement a sustainability action plan to improve their performance, mitigate potential ESG risks and comply with applicable sustainability regulations.

**l) Attainment of the sustainable investment objective (article 36)**

The fund has not designated a benchmark index to achieve the sustainability investment objective.