

Velocity Fund Management B.V. | SFDR Disclosures¹ as per May 2025

In order to comply with the Sustainable Finance Disclosure Regulation² (the **SFDR**) and the SFDR Delegated Regulation³, Velocity Fund Management B.V. (**Velocity**) provides the following disclosures. These disclosures apply to all financial products (the funds) currently managed by Velocity Fund Management B.V. and are published in accordance with Article 3(1) of the SFDR.

Product Classification – Article 6 SFDR

The funds we manage do not promote environmental or social characteristics and do not have sustainable investment objectives within the meaning of Articles 8 and 9 of the SFDR.

The funds managed by Velocity are therefore classified as ‘Article 6 products’ under the SFDR.

Integration of sustainability risks – Article 3 SFDR

A sustainability risk means: ‘an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment’.

Before any investment decisions are made on behalf of a fund managed by Velocity, an investment process is followed. This process includes approval by the relevant committee(s). ESG considerations are an integral part of our pre-investment evaluation. As part of the risk assessment for each opportunity, we consider any identified sustainability risks.

Remuneration policy and sustainability risks – Article 5 SFDR

Velocity pays staff a combination of fixed and variable remunerations.

Variable remunerations for relevant staff reflect, among other factors, adherence to internal policies and procedures, including those related to the integration of sustainability risks into investment decision-making. Employees are informed of applicable policies at the start of their employment and at their yearly anniversaries.

Consideration of Principal Adverse Impacts (PAIs) – Article 4 SFDR

While ESG considerations are integrated into our investment process, we do not currently consider the adverse impacts of investment decisions on sustainability factors as referred to in Article 4(1)(a) of the SFDR.

This is primarily due to (i) the unreliability or unavailability of relevant data at a reasonable cost, and (ii) the relatively small scale of our organization, for which the administrative burden of full PAI reporting would be disproportionate. We continue to monitor regulatory developments and data availability closely, and we will review at least annually whether and when to take PAIs into account.

EU Taxonomy Regulation⁴ article 7

The investments underlying the financial products referred to in this disclosure do not take into account the EU criteria for environmentally sustainable economic activities as defined in the Taxonomy Regulation.

¹ The original publication of these SFDR disclosures was February 2022. The information has been updated in May 2025.

² 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).

³ Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing SFDR with regard to regulatory technical standards (RTS).

⁴ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.