

CARMA FUND Management GmbH – SFDR Disclosure

Article 10 SFDR — sustainability-related information about financial products that promote environmental or social characteristics

CARMA FUND Management GmbH (“**CARMA FUND Management GmbH**”) is the alternative investment fund manager of CARMA FUND I GmbH & Co. KG (the “**CARMA FUND I**”) within the meaning of the German Investment Code (*Kapitalanlagegesetzbuch*, KAGB) and as such publishes the following information in light of the consideration of sustainability-related aspects in accordance with Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure requirements in the financial services sector (the “**SFDR**”).

Summary

This financial product promotes environmental or social characteristics but does not have as its objective a sustainable investment. The promoted characteristics are investment restrictions. 100% of the investments will be in line with its investment strategy and investment restrictions.

No reference benchmark has been designated to attain the environmental or social characteristics promoted by the financial product.

Zusammenfassung

Dieses Finanzprodukt bewirbt ökologische oder soziale Merkmale, strebt aber keine nachhaltigen Investitionen im Sinne der Definition des Art. 2 Nr. 17 SFDR an. Bei den beworbenen Merkmalen handelt es sich um Ausschlusskriterien. 100 % der Investitionen werden im Einklang mit der Anlagestrategie und den Anlagebeschränkungen getätigt.

Es wurde kein Referenzwert benannt, um die mit dem Finanzprodukt beworbenen ökologischen oder sozialen Merkmale zu erreichen.

No sustainable investment objective

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

Environmental or social characteristics of the financial product

The promoted characteristics of this product are investment restrictions.

CARMA FUND I may not invest in sectors that are not in line with CARMA FUND Management GmbH's pursuit of a responsible investment philosophy, including among others the production of and trade in tobacco and distilled alcoholic beverages, the financing of the production of and

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trade in weapons and ammunition, different types of fossil fuel-based energy production as well as several energy-intensive and/or high CO2-emitting industries.

Investment strategy

CARMA FUND I will invest in investee companies aiming at the discovery, technical, regulatory, pre-clinical and/or clinical development of innovative or re-purposed products and services in the life science sector (including, but not limited to, therapeutics, drug discovery and development, diagnostics, digital health, medtech, green biotechnology, white biotechnology) through providing funding for the development of new intellectual property or of the improvement of the value of existing intellectual property as well as through building, holding and managing in its own name and for its own account a portfolio of equity and equity-related investments in such investee company and (ii) to participate, directly or indirectly, in the future proceeds generated by the investee companies by the commercialization of such intellectual property. In addition to investments, CARMA FUND I may provide funding to certain investee companies in the form of options, with a view to investing in these investee companies shall their respective plan under review progress positively.

No investments are made in the area of exclusions. As part of the due diligence and ongoing investment management, the investment team for CARMA FUND I will initially and continuously monitor whether the investment restrictions are abided by and whether the investment falls within the investment policies.

Policy to assess good governance practices of the investee companies

Good governance practices include sound management structures, employee relations, staff remuneration, and tax compliance. As part of the due diligence and ongoing investment management, the investment team will review whether a potential investee company has good governance practices in place.

Proportion of investments

CARMA FUND I will invest fully in line with its investment strategy and investment restrictions. CARMA FUND I will not invest a portion of its capital in any other asset class.

Monitoring of environmental or social characteristics

The investment team for CARMA FUND I will initially and continuously monitor whether the investment restrictions are abided by and whether the investment falls within the investment policies. CARMA FUND I will not make any investment in the excluded sectors unless previously approved by the Investor Advisory Board. Therefore, the achievement of the promoted ESG aspects – no investment within the excluded sectors – can be tracked in a simple way.

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Methodologies for environmental or social characteristics

See above. The exclusion list is used to measure how the social or environmental characteristics promoted by the financial product are met.

Data sources and processing

CARMA FUND I receives data provided by the investee companies as part of the due diligence process and at regular intervals after the investment. Where necessary or beneficial, CARMA FUND I also makes use of publicly available data. Data processing is exclusively internal and GDPR (DSGVO) compliant. Estimates of data are not made.

Limitations to methodologies and data

CARMA FUND Management GmbH is partly reliant on the information provided by investee companies during the due diligence process. Moreover, in the post-investment phase, CARMA FUND I is reliant on the company's reported data. In both cases, complete data may not always be available due to the nature of investments. The information is verified only if and to the extent, misrepresentations are suspected.

Since CARMA FUND I investments are made for a multi-year investment period, CARMA FUND Management GmbH places a high priority on establishing a trusting working relationship with the investee companies to ensure that data is submitted reliably and completely and that the above restrictions are met.

Due Diligence

CARMA FUND Management GmbH considers the promoted ESG aspects when sourcing new investee companies for CARMA FUND I and during the due diligence on targeted investee companies. The due diligence is performed by obtaining all information relevant to CARMA FUND Management GmbH using a due diligence questionnaire, which is then reviewed internally. If necessary, further specific information is also obtained from the potential investee companies, should this still be necessary after the detailed questioning. The due diligence process is not externally monitored.

Engagement policies

CARMA FUND I invests in investee companies for a period of several years. Therefore, CARMA FUND Management GmbH makes it a priority to establish and maintain a trusting working relationship with the investee companies in order to continuously comply with the investment restrictions. CARMA FUND Management GmbH thus also intends to establish or strengthen the consideration of sustainability risks at the portfolio level. CARMA FUND Management GmbH is in constant dialogue with the investee companies, but as a venture

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capitalist without majority ownership, the influence CARMA FUND Management GmbH can exert on the investee companies is limited.

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