

Annual Statement on Adverse Impacts of Investment Decisions on Sustainability Factors

Indico Capital Partners does not meet the requirements of large financial market participants set out in paragraphs 3 and 4 of article 4 of the Regulation (EU) 2019/2088, of the European Parliament and of the Council, of 27 November 2019 ("SFDR").

Despite this fact, Indico Capital Partners remains proactive in its commitment to sustainability and Environmental, Social, and Governance ("ESG") principles by, throughout its investment management process, including portfolio management, diligently evaluating and managing ESG risks.

However, Indico Capital Partners does not consider adverse impacts of investment decisions on sustainability factors as recommended by the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 ("DR SFDR Template" - Annex I).

Given the sort of companies - early-stage start-ups - targeted by the financial instruments managed by Indico Capital Partners, currently Indico cannot ensure the collection of all necessary data for reporting under SFDR and the DR SFDR Template in order to attain an appropriate measurement and a reasonable consideration of the effective adverse impacts of its investment decisions on sustainability factors.

The main challenges preventing the gathering of the detailed information outlined in the DR SFDR Template, are the following:

- publicly available information is still incipient, lacking precision, accuracy, and comparability;
- the companies in its initial/start-up phases are not under the obligation to, and do not have reasonable capacity, make available structured ESG information as required by the DR SFDR Template;
- third parties providers/external data sources face similar difficulties in obtaining comprehensive data, and its associated costs are deemed to be disproportionately high.

Nevertheless, Indico Capital Partners commits to conduct an annual assessment of the referred main challenges on this matter and will adjust its approach as necessary based on evolving circumstances.