ESG and Sustainable Finance Disclosures

1. Introduction

CEE Equity Partners Ltd (the "Company") is a regulated Alternative Investment Fund Manager licensed by the Cyprus Securities and Exchange Commission. In line with the provisions of 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 (the "SFDR"), the Company must publish:

a) Its sustainability risk policy (Article 3 of the SFDR),
b) Information on adverse sustainability impacts (Article 4 of the SFDR), and
c) Remuneration policy (Article 5 of the SFDR).

2. Sustainability Risks Policy

a) **Policy scope:** Pursuant to the provisions of Article 3 of the SFDR, the Company shall disclose how sustainability risks are dealt with its investment decisions. The Company acknowledges the impacts sustainability risks can impose on the managed Alternative Investment Funds ("AIFs") and considers the approach to integrate the risks stemming from sustainability issues described in this Sustainability Risks Policy (the "Policy") as strengthening of its fiduciary duties towards the investors of the AIFs. Sustainability risks, as defined in the SFDR, means an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of an investment. Accordingly, sustainability risks may lead to a material deterioration in the financial profile, liquidity, profitability, or reputation of underlying investments. Despite being considered in the investment valuation process, they can have a significant negative impact on the market price and / or the liquidity of the investment and thus on the return of an AIF. Sustainability risks can affect all known risk types, such as market risk, liquidity risk, counterparty risk and operational risk, and contribute as a factor to the materiality of these risk types, however they do not represent a separate risk type, but are inherent to the aforementioned risk types. The Policy generally describes the Company's approach in handling and monitoring of sustainability risks, which may arise during the investment decision making process relating to the AIFs it manages and that are in scope of SFDR.

b) **Integration of sustainability risks into the investment decision process:** Within the Policy, the Company sets the framework for the manner in which sustainability risks are integrated into its investment decisions and describes the approach taken to manage and monitor sustainability risks which may have a material influence on a managed AIF based on the portfolio management activities performed by the Company. The Company performs the portfolio management function internally, meaning the investment decision is made internally and in the sole discretion of the Company. In doing so, investment decisions taken by the Company's portfolio management function are duly assessed against regulatory and legal requirements before their execution (pre-trade assessment). The Company will incorporate sustainability risks in the decision-making process and as part of the pre-trade assessment for any AIF which considers in its investment policy.

c) **Sustainability factors considered:** The aim of including sustainability risks in the investment decision making process is to identify the occurrence of these risks as soon as possible and to take appropriate measures to minimize the impact on the investments or the overall portfolio of the AIFs. The events or conditions that may be responsible for a negative impact on the performance of a given AIF are split into environmental, social and corporate governance, and their aspects will depend on the particular set-up of each AIF. While environmental aspects may include, for example, climate change mitigation, social aspects can include the consideration of internationally recognized labor law requirements, prevention of modern slavery or the abolition of a gender pay gap. Corporate governance aspects may include, for example, the consideration of employee´s rights and data protection. The Company also considers, when appropriate and relevant for each managed AIF, the aspects of climate change, including physical climate events or conditions such as heat waves, storms, rising sea levels and global warming.

d) **Product scope and approach:** The specific sustainability factors considered may vary as they depend on the specific investment strategy followed by each AIF. As an independent AIFM, the Company may be faced to many different type of investment products that fit into the three product categories as defined by SFDR: - Standard investment products without any particular environmental / social / governance characteristics or sustainable investment objective - Financial investment products which promote environmental / social / governance characteristics that follow Article 8 SFDR - Financial investment products who have a sustainable investment as objective, as mention in Article 9 of the SFDP. When performing the risk management function on behalf of the managed AIFs, the Company will integrate sustainability risks into the risk profiles of the AIFs, which integrate sustainability risks into their investment decision-making processes. The Risk Management function shall regularly report on the overall risk exposure of an AIF to the Company's Board of Directors. The consideration of sustainability risks into investment objectives and investment decisions of an AIF can be found in their respective constitutional documents. The enhancement of risk profiles on the basis of the above allows the Company to effectively monitor sustainability risks and report any (material) increase/breach of the limits set to the portfolio management function of the relevant AIF to allow further mitigating actions to be taken. The limits set in the risk profiles for sustainability risks are based on the overall risk exposure of a given AIF to reflect the overall investment strategy of such AIF. An increase in the sustainability risk exposure based on an increase of the sustainability risk level of a specific investment or of the portfolio of a given AIF may ultimately lead to disinvestment of certain investments of that AIF.

3. Information on Adverse Sustainability Impacts

Principle adverse impacts ("PAIs") are potential adverse effects of investment decisions on sustainability factors. Sustainability factors are environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. In accordance with Article 4(1)(a) of the SFDR, the Company is obliged to take into consideration and management of adverse sustainability impacts and disclose the activities and due diligence strategies on this matter. For the time being, the Company does not effectively consider PAIs of investment decisions on sustainability factors. In accordance with Article 4(1)(b) of the SFDR, the main reason for not considering adverse impacts of investment decisions on sustainability factors at the Company level is the lack of reliable and adequate information and data to assess the PAIs.

4. Remuneration Policy

The Company currently does not expect to make any changes to its remuneration policy in relation to sustainability risks, as its remuneration policy does not encourage excessive risk taking, including risk taking in terms of sustainability risks. The remuneration policy is separately disclosed in the Company's website.

5. Review and monitoring

The Company will monitor and review the SFDR disclosures and the Policy on an annual basis and will proceed to changes where and as needed. Any update will be made in accordance with the regulations applicable and will be subject to the approval of the Company's Board of Directors.