



Brussels, 31.10.2022
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ANNEXES 1 to 4

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COMMISSION DELEGATED REGULATION (EU) .../...

amending and correcting the regulatory technical standards laid down in Delegated Regulation (EU) 2022/1288 as regards the content and presentation of information in relation to disclosures in precontractual documents and periodic reports for financial products investing in environmentally sustainable economic activities

ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Aqua-Spark Cooperative U.A.

Legal entity identifier: 724500YWWNA442F2KQ18

Sustainable investment objective

Did this financial product have a sustainable investment objective?

Yes

No

It made **sustainable investments with an environmental objective: 100%**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective: 0%**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

Aqua-Spark’s mission to move the aquaculture industry toward being healthier, more sustainable and accessible, while generating competitive financial returns. As such, our investments systematically target companies where social and/or environmental impact is integral to the product/service being created. All of the companies we invest in must have sustainability 'in their DNA', i.e. being an integral part of their company and operations. Every (new) investment is assessed on its



Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

alignment with the impact outcomes as described in the Aqua-Spark Impact Policy. Investee companies need to at least have one of the below outcomes identified as their (long term) impact outcome.

Impact Outcomes:

1. Eliminate industry dependency on wild-caught fish for feed and broodstock;
2. Improve the environmental footprint of aquaculture (GHG, land, water, pollution);
3. Increase valorization of underutilized resources;
4. Increase biodiversity in aquaculture;
5. Increase production and consumption to improve health and nutrition;
6. Decrease antimicrobial use in aquaculture;
7. Improve animal welfare;
8. Increase transparency and traceability;
9. Increase access to aligned finance for farmers;
10. Increase smallholder profitability by increasing access to sustainable practices and technologies;

Our mission is aligned with the global challenge to create a sustainable and accessible food system that benefits all stakeholders. The table below shows the inputs, outputs and outcomes and how these impact outcomes of the Aqua-Spark main fund are linked to the following UN SDG criteria: SDG 2, 3, 8, 12, 13, 14, 15.



For each impact outcome above, we have defined specific KPIs to measure the impact of portfolio companies and allow reporting at aggregate fund level. There is not a reference benchmark available for aquaculture and therefore no reference benchmark has been designated.

Despite that most of our portfolio companies in the early stage are pre-revenue or deliver limited revenue and therefore no material impact can be reported yet, we do see improvements for the impact KPIs we measure on an aggregate portfolio level.

The table below (under: “How did the sustainability indicators perform”) show for the past three years, year-on-year improvements on the measured KPI’s. Hence this is a good indicator that we make progress on the impact outcomes, even taking into account the challenges of these years due to the Covid-19 pandemic.

However, to indicate whether *the sustainability objective of this product was met* is difficult to answer as in order to create the impact that Aqua-Spark envisages and to achieve our mission, we actively invest capital for the long term as the transition of the entire aquaculture value chain into a sustainable food system that benefits all and generate competitive investment returns, needs a long term view. Therefore our fund has been set up as open-ended fund to support this long term view. Also it is worth noting that our Theory of Change is not linear: depending on the characteristics of each specific investment, the pathways to impact may vary. Nevertheless, the progress shown over the past years on the measured indicators is a confirmation that we are on the right path, hence sustainable investment objectives for 2022 could be considered as being achieved.

● **Alignment with EU Taxonomy Environmental Objectives (article 9)**

Currently 0% of our investments are classified as EU Taxonomy aligned. As the EU taxonomy is not final for all objectives and there is no EU Taxonomy for sustainable aquaculture, we are not able to perform an eligibility test for EU taxonomy alignment and assume that all investments are not EU taxonomy aligned.

● ***How did the sustainability indicators perform?***

Below table shows the impact results of our portfolio companies in 2022, 2021 and 2020, as measured according to our performance indicators. The data have been collected by the portfolio managers with support from the Aqua-Spark impact team and have been provided, where possible, by the investee companies. This is the source of the annual impact reports that Aqua-Spark publishes. We believe it is important to share the impact results of our portfolio members to inspire all global aquaculture stakeholders to unite in a larger movement towards sustainable solutions. As part of sharing results, we published our first impact report in 2017, only two years after making our first investment, and have been doing so every year

The figures below are in absolute numbers and where required the measurement is indicated in the first column. The link of the Impact KPI’s to the Impact Outcomes has been reflected in the table as well, visible in column 2.

Impact KPIs	linked to impact outcome	Value 2022	Value 2021	Value 2020
Fish saved with alternative feed ingredients	1. Eliminate industry dependency on wild-caught fish for feed and broodstock	65,973,072	58,574,942	38,580,342
Feed Saved (kg)	2. Improve the environmental footprint of aquaculture (GHG, land, water, pollution)	190,966,539	129,939,154	123,947,203
"Waste" upcycled (kg)	3. Increase valorization of underutilized resources	64,399,400	49,251,382	39,000,000
Species groups served by our portfolio (n)	4. Increase biodiversity in aquaculture	26	25	16
# of ha of marine area preserved	4. Increase biodiversity in aquaculture	125	na	na
Food harvested / produced (kg)	5. Increase production and consumption to improve health & nutrition	8,585,651	7,397,264	2,727,176
Meals produced (n)	5. Increase production and consumption to improve health & nutrition	42,505,991	34,657,621	11,127,474
Meals produced in developing countries (n)	5. Increase production and consumption to improve health & nutrition	39,776,102	30,748,196	7,884,220
Animals treated with antibiotic replacements (n)	6. Decrease antimicrobial use in aquaculture	34,920,000	32,726,671	63,174,037
Farms served with animal welfare technology (n)	7. Improve animal welfare	40	40	44
# of fish with improved welfare	7. Improve animal welfare	221,000,000	na	na
Food traded with improved transparency and traceability (kg)	8. Increase transparency and traceability	114,955,514	40,390,262	12,903,534
Funds received by farmers (USD)	9. Increase access to aligned finance for farmers	204,350,000	62,500,000	15,995,187
# of farms adopting digital technology	10. Increase smallholder profitability by increasing access to sustainable practices & technologies	55,263	24,098	11,520

● **...and compared to previous periods?**

Please find in the table above, the kpi values for multiple years. Aqua-Spark is reporting on the impact KPIs every year in its annual impact report.

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

The Aqua-Spark impact policy has been created to support our mission to move the aquaculture industry toward being healthier, more sustainable and accessible, while generating competitive financial returns. To encourage wider industry adoption, the policy will provide greater transparency, guided by principles, processes and practices integral to our core operations.

Our portfolio companies share our vision and are willing to collaborate across the value chain, transparently applying sustainable business practices.

Only those investments are selected that do not cause significant harm to any environmental or social sustainable investment objective, and as mentioned in the previous paragraphs, every (new) investment is assessed on its alignment with the 10 impact outcomes as described in the Aqua-Spark Impact Policy.

If a potential portfolio company is found to cause significant harm to any of the 10 impact outcomes, it is not eligible for investment. In the Due diligence phase this is assessed. After the Due diligence phase we determine together with the investee company the impacts action plans and KPIs. Furthermore, Aqua-Spark weighs the principal negative impacts of investments on sustainability factors when making

investment decisions (both when selecting investments and when managing them). With respect to table 1 of annex 1, we refer on a case-by-case basis.

The Shared Values Manifesto (“SVM”) and the Aqua-Spark Impact Policy set out the minimum standards for employee relations, remuneration, taxes and other corporate governance topics that potential portfolio companies must meet in order to be eligible for investment and which are aligned with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the labor standards as stated by the International Labor Organization, including paying all employees, including contract employees, a living wage. In addition, Aqua-Spark and Portfolio companies will not discriminate on gender, race, sexual preference or religion and will not take part in any practices regarding child labour or slavery.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

— — — ***How were the indicators for adverse impacts on sustainability factors taken into account?***

We do consider adverse impacts (article 7). Prior to investment we define several PAI’s that could be material to the company and obtain data for these as part of the due diligence process. As the companies under consideration are early-stage and may not have this data readily available, qualitative data is also deemed sufficient at this stage. We also consider other material adverse sustainability impacts of our (potential) portfolio companies as part of a general sustainability-risk assessment in due diligence and monitor these risks post-investment.

Because of our early stage (startup) investment strategy and the fact that we invest in companies with a sustainable objective we generally do not expect significant adverse/negative impacts on these indicators.

— ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

We assess our investments against the Aqua-Spark Shared Value Manifest and SDG’s and applicable adverse impact on sustainability factors.

The Shared Values Manifesto (“SVM”) and the Aqua-Spark Impact Policy set out the minimum standards for employee relations, remuneration, taxes and other corporate governance topics that potential portfolio companies must meet in order to be eligible for investment and which are aligned with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the labor standards as stated by the International Labor Organization, including paying all employees, including contract employees, a living wage. In addition, Aqua-Spark and Portfolio companies will not discriminate on gender, race, sexual

preference or religion and will not take part in any practices regarding child labour or slavery.



How did this financial product consider principal adverse impacts on sustainability factors?

The (applicable) PAIs described in table 1, annex 1 (SFDR) are considered on a case-by-case base. In the due diligence phase together with our impact manager we do define the PAIs that could be material to the company and obtain data for these as part of the due diligence process. Since the majority of the companies we target are start-ups, data is often not readily available. We also consider other material adverse sustainability impacts of our (potential) portfolio companies as part of a general ESG-risk assessment in due diligence.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022

What were the top investments of this financial product?

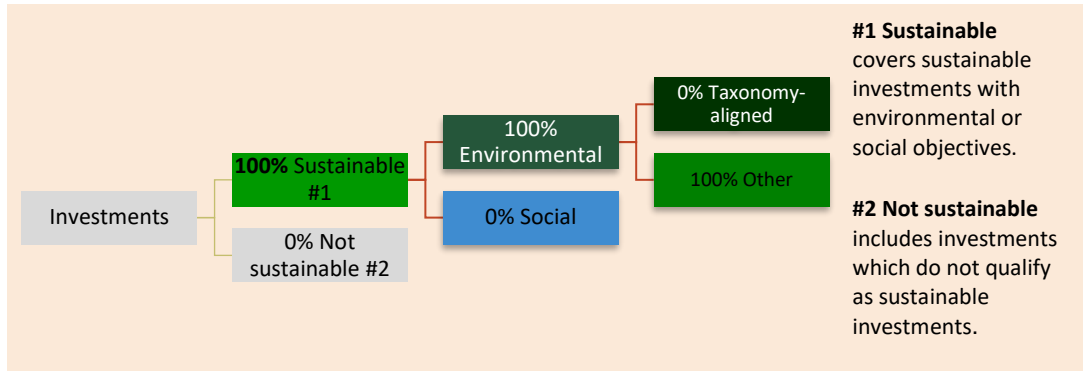
Largest investments	Sector	% Assets	Country
<i>eFishery</i>	<i>Aquaculture</i>	<i>53,58%</i>	<i>Indonesia</i>
<i>Protix</i>	<i>Aquaculture</i>	<i>9,16%</i>	<i>Netherlands</i>
<i>Calysta</i>	<i>Aquaculture</i>	<i>5,81%</i>	<i>USA</i>
<i>Bluegrove</i>	<i>Aquaculture</i>	<i>4,49%</i>	<i>Norway</i>
<i>Proteon</i>	<i>Aquaculture</i>	<i>3,84%</i>	<i>Poland</i>

Note: % Assets is based on internal market value in EUR



What was the proportion of sustainability-related investments?

● What was the asset allocation?



As of December 31st 2022, 100% of net assets value were invested in sustainable investments.

● In which economic sectors were the investments made?

Aquaculture.



To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

- Yes:
- In fossil gas In nuclear energy
- No

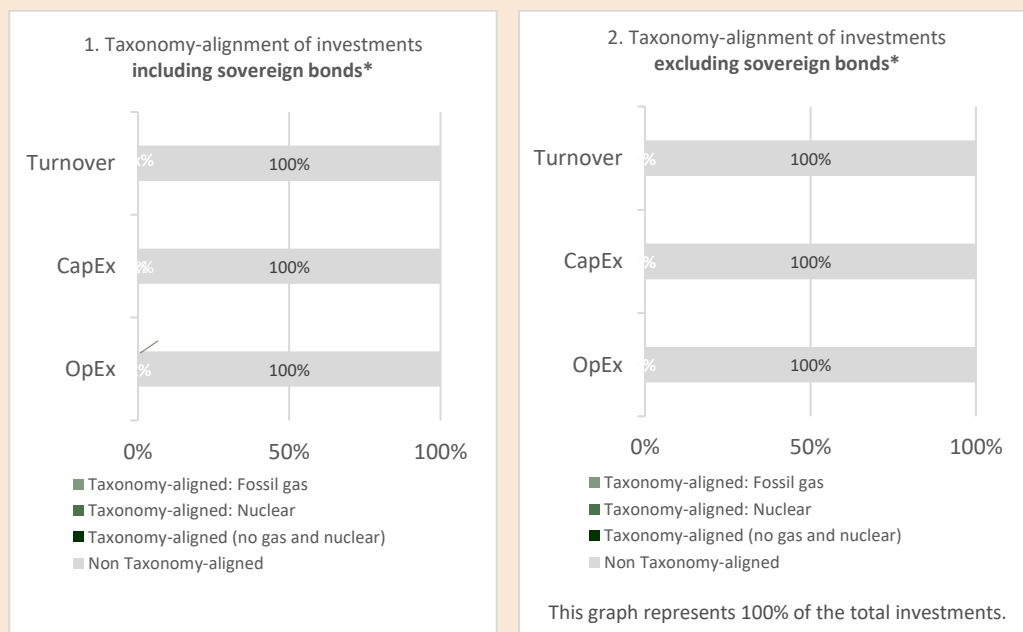
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What was the share of investments made in transitional and enabling activities?**

The minimum share of investments in transitional and enabling activities is 0%.

● **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

For 2022 and previous years, 0% of our investments were classified as EU Taxonomy aligned. As the EU taxonomy is not final for all objectives and there is no EU Taxonomy for sustainable aquaculture, we are not able to perform an eligibility test for EU taxonomy alignment and assume that all investments are not EU taxonomy aligned. However, in the future we expect that the majority of our investments will become EU Taxonomy aligned.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

We do not specifically target non EU Taxonomy aligned investments as such. However, as the EU Taxonomy has not been fully finalized yet, especially no EU Taxonomy for sustainable aquaculture, therefore 100% of our investments in 2022 was non EU Taxonomy aligned.



What was the share of socially sustainable investments?

The share of sustainable investments with a social objective in 2022 was 0%, albeit most of our investments have strong socio-economic objectives as most of global aquaculture production is coming from smallhold farmers in developing markets. Moreover, our shared values manifesto includes strong human and labor condition principles.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

0% of the investments were included under “not sustainable”.



What actions have been taken to attain the sustainable investment objective during the reference period?

We monitor and manage ongoing compliance through Investment managers and Board membership in all portfolio companies. Portfolio Managers monitor the portfolio companies on a quarterly basis on their impact KPI performance.



How did this financial product perform compared to the reference sustainable benchmark?

● How did the reference benchmark differ from a broad market index?

There is not a reference benchmark available for aquaculture and therefore no reference benchmark has been designated.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

There is not a reference benchmark available for aquaculture and therefore no reference benchmark has been designated.

- ***How did this financial product perform compared with the reference benchmark?***

There is not a reference benchmark available for aquaculture and therefore no reference benchmark has been designated.

- ***How did this financial product perform compared with the broad market index?***

There is no broad market index benchmark.