Article 8 – SFDR disclosure

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Purpose – SFDR Statement

On March 10, 2021, the Sustainable Finance Disclosure Regulation 2019/2088 ("SFDR") entered into force, mandating financial market participants to disclose how sustainability risks and principle adverse impacts are considered in their investment decisions.
Bioqube Ventures NV ("Bioqube") hereby provides information about its policies regarding sustainability risks and adverse sustainability impacts, fulfilling the disclosure requirements set by the SFDR.

Bioqube is an exclusive life sciences investor - inherently promoting longer, healthier lives by investing in technologies and product candidates which prevent, cure, or alleviate diseases. Consequently, all the investments made by Bioqube promote E/S characteristics, aligning with United Nations Sustainable Development Goals ("SDG") 3, SDG 5, SDG 8, SDG9 and SDG 17 in accordance with Article 8 of the SFDR and the the UN Guiding Principles on Business and Human Rights. Due to the early-stage nature of the investee, the fund has not designated an index as reference benchmark.

Integrating Sustainability in our investment process

Conscious of its role and responsibilities of enabling and supporting the development of companies providing breakthrough therapies, Bioqube adopts a socially responsible approach to help bring drugs in areas of high unmet medical need, for severely ill patients who have limited or no other therapeutic options. With a mission to deliver impactful medicines, we are convinced that we can align meaningful financial returns with purposeful impact.

Sustainability Risk

As detailed in our ESG Responsible Investment Policy, sustainability risk assessment is integral to our investment philosophy. We evaluate environmental, social and governance factors and their potential impact on financial returns at each stage of the investment cycle and decision-making process. This includes, at the start of the investee journey, screening potential investments against our exclusion policy for sustainability risks and assessing material risks as part of our due diligence. During holding, we monitor, and support companies in improving their ESG score and encourage material actions for any sustainable risk identified. Finally, the sustainability journey concludes at exit, aiming to align the investee's product or intellectual property with its broadest potential impact.

Investment process

In its investment process, Bioqube sends an ESG questionnaire, adapted from *ESG Ventures/ Pictet Alternative Advisors* due diligence Framework to the proposed eligible company. This establishes a qualitative general ESG awareness and due diligence level and assesses the level of conformity of the future investment with the investment policy and Bioqube's exclusion policy. A separate assessment and conclusion are produced by Bioqube, based on the questionnaire, in person interaction with the future investment and the ESG quality of the future investment.

Additionally, prior to investing, companies are scored on Bioqube's internal IIMPACT grade, which encompasses ESG criteria, with a minimum threshold to ensure the positive impact of the investee on society (see IIMPACT score in our Responsible Investment Policy). The IIMPACT score is part of the quarterly investor report towards the fund investors and updated accordingly. The sharing of the ESG due diligence main conclusions and IIMPACT score for each investment is a prerequisite for presenting a case towards the Investment Committee.
These ESG KPIs are material within the Pharmaceutical and Biotechnology industries and specifically to the Fund's portfolio companies, forming part of the sustainability engagement with portfolio companies.
Furthermore, once the investment decision has been made, an ESG clause is incorporated into the investment contracts, committing investee companies to report ESG information on a yearly basis.

Post-investment, Bioqube's representative on the company's board regularly discusses and suggests appropriate actions to mitigate any emerging or existing Sustainability Risks. At least once a year, Bioqube representatives assess the progress of companies in the portfolio regarding sustainability, review the action plans and the ESG Score of the companies.

Consideration of Principal Adverse Impact

With due observance of Article 4 sub 1 (b) of the SFDR, Bioqube declares that it currently does not consider adverse impacts of investment decisions on sustainability factors at entity level as outlined in article 4 sub 1 (a) of the SFDR and therefore does not make the disclosures as described in this article.

Given the size, scale and early-stage nature of Bioqube's investment activities, not all of its portfolio companies are able to report on their adverse impacts, nor is such data available in any other way. As such, Bioqube cannot guarantee the appropriate completeness and required quality of the information needed to fully comply with the technical standards associated with Article 4 of the SFDR.

Bioqube will reconsider disclosing adverse impacts of its investment decisions on sustainability factors at entity level, as set forth in article 4 sub 1 (a) of the SFDR, when data quality and availability in relation to its portfolio are at a level required to comply in full.

Despite this, according to its Responsible Investment Policy to screen for material risk factors during ESG due diligence of an investment, Bioqube does consider specific data that can be qualified as Principal Adverse Impact, for example production of toxic waste or gender aspects of board and management teams.