

# PETRICCA & CO

## SFDR Statement

Sustainability is an integral part of the values and culture of Petricca & Co Capital, which aims to develop a solid and sustainable business in the long term.

In this context, with the present disclosure, Petricca & Co Capital S.A. (Lux) and Petricca & Co Capital Ltd (UK) (together "**Petricca & Co Capital**" or the AIFM) intend to comply with the obligations deriving from the Sustainable Finance Disclosure Regulation 2019/2088 (the "SFDR").

This document sets out Petricca & Co Capital's policies on integrating sustainability in its investment decision-making process and is updated on January 2023.

### **Disclosure pursuant to Article 3 - "Transparency of sustainability risk policies" - of the SFDR**

The AIFM integrates sustainability risks in its decision-making process, as referred to under Article 3 of the SFDR.

Before any investment decisions are made, and as part of its overall investment analysis, Petricca & Co Capital will identify the material sustainability risks associated with the proposed investment.

Investment decisions will then be made by referencing the relevant investment policies and objectives, including an action plan for mitigating any sustainability risks at the asset level.

A description of procedures is included in the AIFM's [Sustainability Risk Policy](#).

### **Disclosure pursuant to Article 4 - "Transparency of adverse sustainability impacts at entity level" - of the SFDR**

Petricca & Co Capital considers principal adverse impacts on sustainability impacts of its investment decisions as described by Article 4 of the SFDR.

Sustainability factors may impact the revenue and cost structure of target investments directly or have external impacts, such as impacting the quality of life for community stakeholders or perceived value for customers. Accordingly, they also impact return on investment.

The AIFM strives to integrate sustainability factors with its general core business, creating a strong culture that drives sustainable practices at Petricca & Co Capital and in its AIFs.

These principal adverse impacts will be identified and prioritized through the AIFs's due diligence processes, which are detailed in the AIFM's [ESG Investment Policy](#).

The AIFM will review the PAIs annually and disclose the information in its [Principal Adverse Impact Statement](#).

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## **Disclosure pursuant to Article 5 – "Transparency of remuneration policies in relation to the integration of sustainability risks" – of the SFDR**

The remuneration policy of the AIFM includes the integration of sustainability risks related to its investment in the AIFs it manages.

### RISK ALIGNMENT

The AIFM acknowledges that the Policy, and an individual Employee's remuneration, must be consistent with and promote sound and effective risk management and not encourage risk-taking that exceeds the level of tolerated risk of the AIFM.

The risk-limiting features of the Policy include (amongst other things) the application of non-financial metrics, such as an assessment of an Employee's compliance with the AIFM's Sustainability Risk Policy, where applicable.

### PERFORMANCE MEASUREMENT

Under the Policy, the AIFM assesses an individual's performance when assessing and determining variable remuneration. This assessment is based on both quantitative criteria (for example, the financial performance of the individual and their business unit) and qualitative criteria (for example, holistic assessment of general adherence to specific policies and procedures).

The qualitative criteria used include, among others, an assessment of whether the relevant individual Employee has complied with the Firm's sustainability policies, including the Sustainability Risk Policy.

The relevant board will carry out this assessment of compliance with the Sustainability Risk Policy. In general terms, a positive or neutral assessment of overall compliance by an Employee with the Sustainability Risk Policy would not in itself be expected to contribute to any additional variable remuneration being awarded to an individual Employee. However, in extreme cases, there may be a negative impact on variable remuneration where material non-compliance has been identified.

A description of procedures is included in the AIFM's [Remuneration Policy](#).