

BlackSheep SGR S.p.A.

(in short, BLS SGR S.p.A.)

Responsible Investment Policy

Approved by the Board of Directors on 29 December 2025



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1	23/10/2025	First approval	N/A
2	29/12/2025	Integration of provisions concerning the non-consideration of the principal adverse impacts of investment decisions on sustainability factors – Disclosure pursuant to Article 4 of Regulation (EU) 2019/2088 (SFDR).	Introduction of Article 9



1. Glossary

- **ESG:** environmental, social and governance aspects;
- **ESG Action Plan:** means an operational action plan defined for portfolio companies to improve their sustainability performance, reducing risks and maximizing opportunities;
- **EU Regulation 2019/2088:** Regulation on Sustainable Finance Disclosure Regulation (hereinafter also **SFDR Regulation** or **SFDR**), concerning sustainability reporting in the financial services sector;
- **Fund ex Art. 8 of EU Reg. 2019/2088:** a fund that promotes, among other characteristics, environmental or social characteristics, or a combination of such characteristics;
- **PAI (Principal Adverse Impacts):** means the main adverse effects caused by the investment decisions made by the asset manager on the sustainability factors identified in the ESG framework;
- **RTS (Regulatory Technical Standards):** defines Technical Standards on ESG disclosure for financial market participants on EU Regulation EU 2019/2088 (SFDR);
- **Sustainable Development Goals or SDGs:** mean the 17 Sustainable Development Goals adopted by all United Nations Member States in 2015, which are an urgent call for action by all countries – developed and developing – in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve oceans and forests;
- **EU Regulation 852/2020 or EU Taxonomy Regulation:** means the EU regulation establishing a framework for sustainable investment and amending Regulation (EU) 2019/2088. The EU Taxonomy Regulation, aims to create a ‘green list’ of environmentally sustainable economic activities, to facilitate sustainable investment;
- **UN PRI (UN Principles for Responsible Investments):** is a United Nations–supported international network of investors working together to implement its six aspirational principles, often referenced as “the Principles”. Its goal is to understand the implications of sustainability for investors and support signatories to facilitate incorporating these issues into their investment decision-making and ownership practices. In implementing these principles, signatories contribute to the development of a more sustainable global financial system;
- **Universal Declaration of Human Rights:** is an international document that articulates fundamental rights for people, adopted by the United Nations General Assembly in its third session, on 10 December 1948 in Paris.



2. Premise

BlackSheep SGR S.p.A. (hereinafter also the “AIFM” or “BLS SGR” or the “Asset Manager”) is an EuVECA management company specialized in venture capital investments with focus on the Italian and EU markets. BLS SGR currently manages:

- (i) “BlackSheep EuVECA Fund” (“**Principal Fund**”), an Italian closed-end reserved alternative investment fund, qualified as EuVECA fund, focused on mainly medium and long-term investment transactions of shares, quotas, interests, equity instruments, convertible financings through debt instruments and equity-linked instruments; and
- (ii) “BlackSheep Parallel EuVECA Fund” (“**Parallel Fund**”), an Italian closed-end reserved alternative investment fund, qualified as EuVECA fund, focused on mainly medium and long-term investment transactions of shares, quotas, interests, equity instruments, convertible financings and equity-linked instruments.

BLS SGR aims at generating a positive impact through its activities and, for this reason, has chosen to integrate responsible investment criteria throughout its investment process. In fact, the AIFM considers ESG principles as one of the pillars of its investment activities, and acts through the adoption and implementation of processes aimed at preventing and identifying potential sustainability risks, i.e. events or conditions that could have a negative impact on the value of the investment. ESG principles are, furthermore, viewed as essential to creating and developing corporate value, inspiring all stakeholders involved (investors, shareholders, employees, management of investee companies, etc.).

The Responsible Investment Policy aims at communicating to all stakeholders the AIFM’s commitments towards responsible and sustainable investing, describing its ESG governance structure, ESG objectives pursued and responsible investment approach adopted.

This Responsible Investment Policy also defines the way in which BLS SGR intends to integrate ESG factors into its business activities in accordance with the legislative requirements of SFDR Regulation and the RTS.

Whenever necessary and at least every three years, this Policy is validated and possibly updated and amended by the Board of Directors of BlackSheep SGR S.p.A..

3. Main references and principles

As for the integration of ESG criteria within the investment process, the AIFM abides with the requirements introduced by EU Regulation No. 2088/2019 (SFDR). Under the latter, BLS SGR manages “BlackSheep EuVECA Fund” and “BlackSheep Parallel EuVECA Fund” in line with article 6 of the SFDR at the AIFM level as well as at the managed Fund level. Accordingly, the AIFM takes into account ESG considerations in the management of the funds, considering the impacts of the funds’ activities on sustainability factors and integrating ESG factors into the funds’ investment decisions, although the funds do not promote social or environmental characteristics and do not pursue sustainable investments.

BLS SGR also refers to the UN PRI as guideline for the integration of ESG factors across all phases of its investment process.

As of today, the voluntary and inspiratory principles of the UN PRI are the following:

- (i) incorporating ESG principles into investment analysis and decision-making processes;
- (ii) being active shareholders promoting ESG criteria into ownership policies and practices;
- (iii) seeking appropriate disclosure on ESG issues by the funds’ portfolio companies;



- (iv) promoting acceptance and implementation of the UN PRI within the investment industry;
- (v) working together to enhance our effectiveness in implementing the UN PRI;
- (vi) reporting on activities and progress towards implementing the UN PRI.

BlackSheep SGR S.p.A. is committed to promoting the UN PRI adopting a responsible investment approach across all phases of its investment process. Such ESG approach is structured to yield a reduction of risk while enhancing profitability and investors' attractiveness.

In addition, BLS SGR has defined its ESG Objectives in line with the SDGs. In particular, the AIFM has identified three SDGs to which it can best contribute through its activities and has defined its ESG Objectives in line with them. Please refer to Article 4 of this Policy ("ESG Objectives") for more information.

Furthermore, BlackSheep SGR S.p.A. conducts all activities in full compliance and alignment with the Universal Declaration of Human Rights.

This Policy has been also formulated in accordance with the Associazione Italiana del Private Equity, Venture Capital e Private Debt's (AIFI) guidelines.

4. ESG Objectives

BlackSheep SGR S.p.A. recognizes the importance of integrating ESG factors into its investment processes in order to assess and manage ESG risks and opportunities, thus enabling to create value in the medium-long term for all its stakeholders (e.g. Investors, shareholders, employees, portfolio companies, community, etc.).

In particular, BLS SGR has defined specific ESG objectives to be pursued through its investment activities in addition to related SDGs that are most relevant to the AIFM's activity, in particular:

ESG Objectives

- **Environmental:** BLS SGR is committed to assessing the impact of its activities in environmental terms, tackling climate change and addressing environmental impacts associated with energy consumption;
- **Social:** BLS SGR will further strengthen diversity and inclusion within the management company as well as the portfolio companies, creating the ground for eliminating any form of discrimination based on gender, religion, ethnicity, political orientation, sexual orientation, etc.;
- **Governance:** BLS SGR aims to contribute to integrating sustainability-oriented business practices into portfolio companies, adopting an ethical and responsible approach, enabling both the creation of value and the strengthening of the reputation of the Asset Manager and its portfolio companies.

Within the above framework, specific environmental, social and governance objectives are defined for each fund managed by the AIFM within its relevant constitutive and operating documentation, taking into account its ESG profile and investment strategy.

SDGs:



5. ESG Governance

BlackSheep SGR S.p.A. has adopted an ESG governance structure to oversight the integration of ESG factors in all phases of the investment process as follows:

- **Board of Directors** (oversight responsibility): approves AIFM's Responsible Investment Policy and related updates, as well as the ESG approach of any fund managed by the AIFM. Additionally, it oversees the ESG Manager and ESG Responsible activities. In line with the Bank of Italy's Expectations¹, the Board plays an active role of direction and governance in integrating climate and environmental risks into the corporate culture as well as into the corporate risk appetite framework (where applicable) and in the risk limits of managed portfolios, coherently addressing key corporate policies and the adaptation of organizational and management systems.
- **ESG Manager** (oversight responsibility and implementation responsibilities): the appointed ESG Manager is Sandro Moretti Cane, a member of the Board of Directors. He reports to the Board of Directors and is responsible for supporting the implementation of the Investment Policy along all the phases of the AIFM's investment processes (involving all the funds under management), collecting reports and fund-related information provided by the ESG Responsible.
- **ESG Responsible** (implementation responsibilities): the appointed ESG Responsible is Marcello Giordani, member of the investment team of the funds managed by the AIFM and is responsible for the implementation of the relevant fund's ESG approach – i.e., assessment of ESG risks and opportunities and monitoring of ESG performance during the whole investment process. He/she reports to the ESG Manager.

6. Exclusion List

BlackSheep SGR S.p.A. has defined an exclusion list to exclude certain sectors from its investment activities, thus implementing responsible investment considerations. In particular, the AIFM and all managed funds do not carry out investments nor provide (directly or indirectly) financial support of any kind to:

- companies whose operations limits people's individual rights and freedoms or violating human rights;
- companies or enterprises that are in a prohibited situation (e.g. bankrupt) or whose focus is on illegal economic activities (i.e. any activity, which is illegal under the laws or regulations applicable to the company or entity);

¹ Aspettative di vigilanza sui rischi climatici e ambientali, Banca d'Italia, 2022.



- companies involved in production, distribution, packaging, marketing, and/or sale of tobacco, alcoholic beverages and related products, recreational drugs, weapons and ammunition of any kind (including the relevant components) and military systems or the financing thereof;
- companies involved in the casinos sector including internet gambling and online casinos;
- companies involved in the production or trading of pornography and related products and/or the provision of services of a sexual nature;
- companies involved in research, development or technical applications relating to electronic data programs or solutions intended to illegally download or enter into electronic data networks;
- companies involved in fossil fuel-based energy production and related activities (including extraction of mining, exploration, processing or refinement);
- companies involved in energy-intensive and/or high CO₂-emitting industries unless the specific final recipient transaction qualifies as environmentally sustainable investments as defined in the “EU taxonomy for sustainable activities” (Regulation (EU) 2020/852, as amended from time to time) as supplemented by the technical criteria established under the “EU Taxonomy Delegated Acts” (Commission delegated Regulations (EU) supplementing Regulation (EU) 2020/852 or upcoming Taxonomy Delegated Acts, as amended from time to time, respectively).

The above list only represents the general principles guiding the AIFM in determining the exclusion lists of the funds under management. BlackSheep SGR S.p.A. includes a specific exclusion list, including and integrating the above list, in the constitutive documentation of any fund under management, based on the specific features of each relevant fund.

7. Integration of ESG factors into the Investment Process

BLS SGR has defined a responsible investment approach to integrate ESG criteria throughout the whole investment life cycle in order to mitigate ESG risks, capture ESG opportunities and create shared value within its portfolio.

Pre-investment phase

With the aim of identifying and assessing potential sustainability risks and opportunities related to the investment, during the pre-investment phase BlackSheep SGR S.p.A. performs an assessment using a proprietary ESG pre-screening and due diligence standard which, as a first step, performs a “negative screening” in order to verify the coherence between the opportunity of investment and the exclusion list of the relevant fund under management.

Secondly, through the information provided by the target company and based on the related business sector in which the company operates, the AIFM (possibly supported by external advisors) highlights potential material topics for the company and assesses its relative maturity and ability to manage them. Furthermore, the AIFM (possibly supported by external advisors) evaluates the applicability on target to contribute to the promotion of the environmental and social characteristics that the relevant fund is promoting (if any).



Following the “negative screening”, the AIFM performs a “positive screening” of the target companies, highlighting best practices already implemented and potential opportunities related to the investment.

If critical issues emerge through the pre-screening phase, the relevant fund’s investment team may assess the need to perform an in-depth ESG due diligence through the support of external expert ESG consultants. If, as a result of the in-depth ESG due diligence, critical issues are found to be significant, the relevant fund reserves the right not to pursue the investment.

ESG findings emerging from the Pre-investment phase are then included in a short ESG memo and will be the basis on which a specific ESG Action Plan will be built for each Portfolio company, during the ownership phase.

Ownership Phase

Once the sustainability risks and opportunities are identified during the Pre-investment phase, AIFM’s objective is to act properly during the ownership phase in order to reduce risks and maximize opportunities, shaping a structured management of ESG issues within portfolio companies.

The first step consists in drafting a tailor-made ESG Action Plan identifying the concrete actions to be put in place to enable the promotion of environmental and social characteristics within the investee company as well as the sustainability indicators to measure these characteristics. In particular, the ESG Action Plan has the goal of assessing sustainability risks emerged as material from the ESG due diligence, improving investees’ management of ESG topics and establishing good governance practices through the definition of actions, targets, KPIs and timeframes that will guide the companies’ activities.

Moreover, during the ownership phase, ESG performance of the investees is monitored. At the same time, progress versus the ESG Action Plan defined for the company is tracked, in order to monitor whether the targets set have been reached.

ESG assessment activities carried out on each portfolio company are monitored by the ESG Responsible, who oversees maintaining relations with each Portfolio Company, supporting them in the monitoring phase. The ESG Responsible is also in charge of reporting periodically to the ESG Manager on the performance of the portfolio companies, who then periodically reports to the Board of Directors.



Exit Phase

During the exit phase, the AIFM is committed to highlighting the ESG impact on the portfolio company, comparing the ex-ante situation with the ex-post one, thus evaluating the improvement of the portfolio company's ESG profile, and of the residual ESG risks. These analyses are an integral part of the pre-divestment ESG analysis carried out under the responsibility of the ESG Manager.

8. Stewardships initiatives

In order to enhance the impact of its responsible investment activities, BlackSheep SGR S.p.A. undertakes to report to its investors, through dedicated sections of its periodic reporting, on the progress of ESG criteria integration within the Asset Manager and its investees, reporting any initiatives implemented. In addition, during investors' meetings, the Asset Manager aims to keep investors updated on the overall progress of the investees in the ESG criteria integration process and in the progress recorded in the implementation of ESG Action Plans. Furthermore, for funds qualifying under article 8 of SFDR, the AIFM will prepare an annual ESG report, reporting on the ESG status of the relevant funds' portfolios.

9. Non-consideration of the principal adverse impacts of investment decisions on sustainability factors

Within the framework of its ESG strategy, BLS SGR does not consider the Principal Adverse Impacts (PAI) at entity level, as it believes that, at this stage, such an approach is not appropriate given the nature and structure of the portfolio of asset classes managed, which include only Venture Capital AIFs.

As an Alternative Investment Fund Manager, BLS SGR manages two Venture Capital funds acting in accordance with Article 6 of SFDR.

The application of the PAI regime at entity level requires the availability of standardized, reliable and comparable ESG data. In the Venture Capital context, many investee companies, particularly at seed or pre-seed stage, lack the structures and information necessary to enable a consistent and meaningful assessment of PAIs, thereby making the collection and harmonization of ESG data relating to PAIs across the entire investment chain extremely challenging and not meaningful.

The adoption of such metrics at asset management company level could therefore result in the inclusion of partial or non-homogeneous data, potentially leading to the generation of information of limited usefulness for investors.

Notwithstanding the non-consideration of PAIs at entity level, BLS SGR maintains a strong commitment to sustainability and to the integration of ESG factors into its investment processes. This approach is implemented through the exclusion, across all managed funds, of sectors and types of companies that are not aligned with the criteria set out in this Responsible Policy.

The non-consideration of PAIs will be subject to periodic review.