



8F INVESTMENT PARTNERS HK LIMITED

8F AQUACULTURE FUND I (IRELAND)

SFDR ARTICLE 9

WEBSITE DISCLOSURE

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Issued by 8F Investment Partners HK Limited (the "**Investment Manager**") in respect of 8F Aquaculture Fund I (Ireland) (the "**Fund**"), a sub-fund of 8F Aquaculture ICAV

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1.1 Summary

The Fund is classified as an Article 9 financial product for the purposes of Regulation (EU) 2019/2088 ("**SFDR**").

The Investment Manager is committed to delivering attractive risk-adjusted investment returns through responsible investment practices that consist of thoroughly considering the impact of its investment decisions on society and on the planet, throughout the investment process. The aim is to achieve a wide range of positive financial, social and environmental outcomes for investors.

The investment objective of the Fund is to seek to achieve long term capital appreciation through impact investing in aquaculture. The Fund aims to acquire and/or develop four sustainable aquaculture facilities ("**Facilities**"), and potentially integrate these Facilities into full service providers of high quality branded fish. This will be achieved by acquiring and/or developing land-based salmon farms, processing plants and fish related businesses along the aquaculture value chain, subject to economic viability. The Facilities will be developed using market leading Recirculating Aquaculture System ("**RAS**") technology.

The Investment Manager believes that alignment, collaboration and commitment to globally respected responsible investment and sustainability principles and initiatives is of the utmost importance in order to lead by example and enhance positive impacts for the world.

The Investment Manager is a signatory of the UN backed Principles for Responsible Investment (PRI), which is the world's leading proponent of responsible investment. Supported by the United Nations, the PRI work to understand and promote the investment implications of ESG factors and how to incorporate these factors into investment and ownership decisions.

The Investment Manager is a Founding Signatory of the Sustainable Blue Economy Finance Principles ("**SBEFP**"). Pure Salmon is also a member of the SBEFP. The SBEFP were initially developed by the Worldwide Fund for Nature (the "**WWF**"), the European Commission, the World Resources Institute and the European Investment Bank. Since March 2020, the SBEFP are lodged under the United Nations Environment Programme Finance Initiative ("**UNEP FI**") and funded by the European Commission.

The UN SDGs provide a comprehensive and broadly recognised framework with a set of meaningful and pragmatic sustainability objectives towards which the Investment Manager seeks to steer the investments of the Fund. The Investment Manager's conviction is that portfolio companies which aim to advance one or more of the UN SDGs are better positioned to deal with global challenges deriving from the reality that the world's resources are limited, that stricter regulations are required to mitigate risks related to climate change, and that facing these challenges the aspirations of key stakeholders including end consumers are rapidly becoming increasingly demanding regarding sustainable development. As an active owner and in line with its stewardship and good governance principles and objectives, the Investment Manager encourages its portfolio companies to thoroughly consider and enhance their positive contribution towards reaching the UN SDGs that are relevant to their activity and sector.

The Fund has a structured four-phase investment process which is detailed below. This process is also subject to the Investment Manager's Responsible Investment and Impact Policy ("**RII**")



Policy”). As part of the Investment Manager’s RII Policy there is a conviction that fully integrating a thorough analysis of environmental, social and governance (ESG) factors into investment mandates, strategies, objectives and processes is key to identifying and mitigating material ESG risks, and therefore effective in delivering superior risk-adjusted returns. Pursuant to this, the Investment Manager has established specific environmental and social standards. The Fund’s Investment Process is detailed in this document.

Further information on proportion of the Fund’s investments which are considered sustainable investments, the processes and methodologies to be used in order to measure the attainment of the Fund’s sustainability objectives, the data used by the Investment Manager to attain the sustainable investment objective of the Fund, the limitations associated with the methodologies and data used to attain the sustainable investment objective of the Fund and the due diligence and engagement undertaken by the Investment Manager are described below.

1.2 No significant harm to the sustainable investment objective

As part of the Investment Manager’s Responsible Investment and Impact Policy (“**RII Policy**”), there is a conviction that fully integrating a thorough analysis of environmental, social and governance (ESG) factors into investment mandates, strategies, objectives and processes is key to identifying and mitigating material ESG risks, and therefore effective in delivering superior risk-adjusted returns. Pursuant to this, the Investment Manager has established the following environmental and social standards:

Environmental Standards

- Creating value from an environmentally friendly and sustainable approach in all aspects of its business.
- Adopting a solution-driven approach to environmental issues to protect the environment and the planet, including the oceans.
- Limiting consumption of environmentally scarce, non-renewable resources and seeking to preserve natural capital and protect biodiversity.
- Seeking to use renewable energy to the extent possible and practicable.
- Limiting emissions of harmful substances and harmful waste, including greenhouse gas emissions.

Social Standards

- Promoting diversity and having zero tolerance against any type of discrimination.
- Establishing positive involvement with all stakeholders, both internal and external, e.g., employees, customers, suppliers, and investors, as well as the communities in which they operate in order to solve social challenges.
- Respecting employees’ and contractors’ rights to decent working conditions, e.g., minimum wages, working hours, health and safety and right to collective bargaining.
- Addressing all customers’ concerns and interests proactively.
- Comply with international conventions on human rights, including supporting the elimination of child labour and modern slavery in their own operations as well as throughout their supply and distribution chains.

Through the Fund’s investment in the investee companies (the “**Investee Companies**”), the Fund deploys capital to build and operate the Facilities that are fully integrated with onsite processing and pet treat manufacturing units. Given the large-scale nature of the Facilities, the location and establishment of the Facilities are decided following thorough research and analysis

regarding key environmental, social, and human risks and opportunities. Once a location has been selected by the Investment Manager, the Investee Companies start the construction phase which is invariably subject to local permitting processes which typically includes strict environmental, economic, social and health safety standards that must be adhered to in a demonstrable way. Such regulatory standards typically cover key issues in terms of emissions and other environmental, social, and health and safety impacts (e.g., water discharge parameters, resource usage, land footprint, road traffic impact, job creation, building permits and standard, food safety and hygiene standards, etc.) which ensure that No Significant Harm will be caused by the project throughout its expected business life. Such permitting processes are also usually subject a public recourse phase. The Facilities can only be built and operated upon the obtaining of such strict regulatory and mandatory permits.

The Fund's investments are not aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Meanwhile, it is important to mention that the Investment Manager believes that alignment, collaboration, and commitment to globally respected responsible investment and sustainability principles and initiatives is of the utmost importance in order to lead by example to enhance positive impacts for the world. In line with this conviction, the Investment Manager aligns, encourages, and supports contribution towards relevant UN SDGs, and respect for human rights is fundamental to advancing the UN SDGs.

As a signatory of the UN backed Principles for Responsible Investment (“PRI”) the Investment Manager also ensures that the Fund and the Investee Companies integrate the UN-backed PRI within its business models and operations.

Specifically looking at Human Rights, and according to the PRI recommendations, the Investment Manager will take guidance from the UN Guiding Principles on Business and Human Rights (UNGP), the International Bill of Human Rights, the International Labour Organisation’s (ILO) Declaration on Fundamental Principles and Rights at Work, and the OECD’s Guidance on Responsible Business Conduct and Corporate Responsibility to Respect Human Rights. For instance, both the Investment Manager and the Investee Companies seek to apply the applicable pillars of the UNGP, as presented below¹.



To develop an effective framework to address human rights issues, the Investment Manager and the Investee Companies will seek to replicate the below set of best practices also recommended

¹ UNGP



by the UNGP.

POLICY	DUE DILIGENCE PROCESSES				ACCESS TO REMEDY
Adopt a policy commitment to respect internationally recognised human rights	Identify actual and potential negative outcomes for people, arising from investees	Prevent and mitigate the actual and potential negative outcomes identified	Track ongoing management of human rights outcomes	Communicate to clients, beneficiaries, affected stakeholders and publicly about outcomes, and the actions taken	Enable or provide access to remedy

1.3 Sustainable investment objective of the financial product

The investment objective of the Fund is to seek to achieve long term capital appreciation through impact investing in aquaculture. The Fund aims to acquire and/or develop four sustainable aquaculture Facilities, and potentially integrate these Facilities into full service providers of high quality branded fish. This will be achieved by acquiring and/or developing land-based salmon farms, processing plants and fish related businesses along the aquaculture value chain, subject to economic viability. The Facilities will be developed using market leading Recirculating Aquaculture System (“RAS”) technology. The Fund seeks to achieve its investment objective through investing primarily in businesses which operate sustainable fish farms or products and services that contribute to the fish farming industry generally or which carry on business in any of the value chain necessary to support such fish farming industry generally. Depending on the size of the farms as well as the economic viability of so doing, the Fund will look to develop processing capabilities integrated to the farms, thereby becoming a vertically integrated global fish producer across the value chain. The Fund, through 8F Aquaculture I Designated Activity Company (the “Investment Vehicle”) and the Investee Companies, as applicable, will:

- (i) focus on developing the next generation food infrastructure facilities and production capacity, to leverage on macro tailwinds of population increase, climate change, food traceability and security, local production and industrialization of food production;
- (ii) use proven advanced and RAS technology with its low production cost, low carbon footprint, scalability, proven business models, local operational teams, and fully traceable product from feed to plate. The Fund aims therefore to produce fully traceable salmon locally, from egg to plate, for local/regional consumption;
- (iii) focus on generating long-term and attractive returns, by combining critical factors in the Fund's capital structure: shorter investment period and opportunistic sourcing of both financing and government grants; and
- (iv) apply strict application of environmental social and governance regulation and investment criteria on investment sourcing, screening and monitoring as part of the Fund's impact investing objectives.

Commitments to responsible investment and sustainability principles and initiatives

The Investment Manager believes that alignment, collaboration and commitment to globally respected responsible investment and sustainability principles and initiatives is of the utmost importance in order to lead by example and enhance positive impacts for the world.

The Investment Manager is a signatory of the UN backed Principles for Responsible Investment (PRI), which is the world’s leading proponent of responsible investment. Supported by the United Nations, the PRI work to understand and promote the investment implications of ESG factors and how to incorporate these factors into investment and ownership decisions.

The Investment Manager is a Founding Signatory of the Sustainable Blue Economy Finance Principles (“SBEFP”). Pure Salmon is also a member of the SBEFP. The SBEFP were initially developed by the Worldwide Fund for Nature (the “WWF”), the European Commission, the World



Resources Institute and the European Investment Bank. Since March 2020, the SBEFP are lodged under the United Nations Environment Programme Finance Initiative (“**UNEP FI**”) and funded by the European Commission. The initiative is now referred to as the Sustainable Blue Economy Finance Initiative (“**SBE FI**”). The SBE FI is an UN-convened global community comprised of financial institutions and experts working together to accelerate the transition towards sustainable use of the world’s ocean, seas, and marine resources. Through close collaboration, and the development of practical actions and outputs, the SBE FI aims at ensuring that investment, underwriting, and lending activities are aligned to the UN Sustainable Development Goal 14 (SDG 14), “Life Below Water”, the key objective of which is to “Conserve and sustainably use the oceans, seas and marine resources for sustainable development”.

The 14 SBEFP are at the core of the SBE FI’s mission. As the world’s first global guiding framework for banks, insurers and investors to finance a sustainable blue economy, they set the standard and give guidance on how to invest positively in the ocean economy, enabling financial institutions to contribute towards rebuilding ocean prosperity, restoring biodiversity and regenerating ocean health.

For more information about the SBE FI, please refer to: <https://www.unepfi.org/blue-finance/>

UN SDGs alignment

The United Nations Sustainable Development Goals (“**UN SDGs**”) provide a comprehensive and broadly recognized framework with a set of meaningful and pragmatic sustainability objectives towards which the Investment Manager seeks to steer the investments of the Fund. The Investment Manager’s conviction is that portfolio companies which aim to advance one or more of the UN SDGs are better positioned to deal with global challenges deriving from the reality that the world’s resources are limited, that stricter regulations are required to mitigate risks related to climate change, and that facing these challenges the aspirations of key stakeholders including end consumers are rapidly becoming increasingly demanding regarding sustainable development. As an active owner and in line with its stewardship and good governance principles and objectives, the Investment Manager encourages its portfolio companies to thoroughly consider and enhance their positive contribution towards reaching the UN SDGs that are relevant to their activity and sector.

The Fund’s sustainable investment objectives are aligned with at least eight of the UN SDGs, as listed below:

- SDG #14 – “Life Below Water”
 - Protection of oceans and their ecosystems
 - Non-depletion of wild fish supplies

- SDG #13 – “Climate Action”
 - Lower carbon footprint with reduced transport
 - Healthier oceans are natural climate regulators

- SDG #3 – “Good Health and Well-Being”
 - No antibiotics, pesticides, hormones, or microplastics
 - Fresh, healthy, fully traceable protein

- SDG #2 – “Zero Hunger”
 - Sustainably produced food
 - Food security



- SDG #12 – “Responsible Consumption and Production”
 - Low Feed Conversion Ratio (FCR)
 - Reduced food waste thanks to longer shelf-life

- SDG #6 – “Clean Water and Sanitation”
 - Water recycling technology with 99%+ reuse
 - Negligible waste-water from production process

- SDG #9 – “Industry, Innovation and Infrastructure”
 - Environmentally sound industry
 - Local infrastructure

- SDG #8 – “Decent Work and Economic Growth”
 - Local employment for skilled & low skilled workforce
 - Training, education, and local research projects

1.4 Investment Strategy

The Investment Manager is committed to delivering attractive risk-adjusted investment returns through responsible investment practices that consist of thoroughly considering the impact of its investment decisions on society and on the planet, throughout the investment process. The aim is to achieve a wide range of positive financial, social and environmental outcomes for investors. Please also see above at "**What is the sustainable investment objective of this financial product?**" for further details on the investment strategy.

Investment Process

The Fund has a structured four-phase investment process. The pipeline review process will encapsulate all aspects of a potential acquisition or deployment as the investment opportunity flows through the pipeline. This process is also subject to the Investment Manager’s Responsible Investment and Impact Policy.

Tier 4

Potential investment opportunities are identified from a variety of sources. If after an initial screening by the investment team an opportunity is considered sufficiently interesting, a brief discussion will be held with the relevant managing director having oversight of the deal ("**Deal Managing Director**") before a confidentiality agreement is entered into. A limited desktop review will then be carried out by the team and the findings discussed with the Deal Managing Director. The Deal Managing Director can veto an opportunity at this point, or after 60 days the opportunity will drop out of Tier 4 to slow moving deals. If the Deal Managing Director believes the opportunity is worth pursuing, it will be referred to the Investment Committee of the Investment Manager, and if accepted the deal team will produce an Initial Investment Summary ("**IIS**") to be presented to the Investment Committee of the Investment Manager. Concurrence for an IIS by the Investment Committee will increase the level of internal review and authorise the deal team to continue to analyse the transaction, and the opportunity will be moved to Tier 3.

Tier 3

An investment opportunity will remain in Tier 3 provided steady progress is made in gathering information and the investment team has regular contact with management and/or vendors and/or stakeholders. The Investment Committee may, if required by the process, approve the appointment of external advisors (with a view to them providing services at a later stage of the investment appraisal process) and authorise the issue of a non-binding indicative offer on behalf of the Fund. The accumulation of information will be gradually developed into a Transaction



under Consideration memorandum ("**TUC**"). Once completed and approved by the Investment Manager (acting through the Investment Committee), the TUC will be presented to the Directors of the Fund and/or the board of directors of the Investment Vehicle (as the case may be) as an investment recommendation. The investment recommendation, in the form of a TUC, will request that Directors of the Fund and/or the board of directors of the Investment Vehicle (as the case may be) approve the broad outline of the recommended transaction, authorises the appointment of third party advisors for a thorough examination of the transaction and approves the budget for the level of transaction fees to be incurred. Approval by the Directors of the Fund and/or the board of directors of the Investment Vehicle (as the case may be) will result in the opportunity being moved to Tier 2.

Tier 2

Investment opportunities in Tier 2 will continue to be analysed by the deal team with the help of external advisors, leading to the preparation of a final offer and development of the Investment Memorandum ("**IM**"). The investment team and external service providers will 'fine tune' the final offer and all the execution documentation. The Investment Manager (acting through the Investment Committee) will approve the IM and make a final investment recommendation to the Directors of the Fund and/or the board of directors of the Investment Vehicle (as the case may be). The acceptance of the investment recommendation by the Directors of the Fund and/or the board of directors of the Investment Vehicle (as the case may be), in the form of the IM, will result in the investment opportunity being moved to Tier 1.

Tier 1

For Tier 1 opportunities, final offers to the vendor can be submitted by the Fund and/or the Investment Vehicle. The Investment Manager will be authorised to make all the necessary arrangements, on behalf of the Fund and/or the Investment Vehicle, to close the transaction, including any final adjustments to price within a predefined range, and to finalise all documentation. As part of this process, the Directors of the Fund and/or the board of directors of the Investment Vehicle (as the case may be) will be advised when it is appropriate to sign all the execution documents.

ESG Integration into the Investment Process

The Investment Manager integrates ESG analysis and incorporates positive impact objectives throughout its four-phase investment process through active monitoring and ownership. The Tier 4, Tier 3 and Tier 2 pre-investment due diligence processes for an investment under consideration include:

A thorough analysis and review of ESG risks and opportunities within the investment opportunity;

- (i) The signalling of any critical 'red flag' issue(s) that exist within an opportunity's current or future business model which would be in conflict with the Investment Manager's ESG standards and which are believed cannot be overcome;
- (ii) The determination of whether the opportunity is or can be aligned with one or more relevant SDGs;
- (iii) An appropriate action plan to mitigate material ESG risks; and
- (iv) A mapping of positive environmental and social impact objectives that the business can aim for.

Should the pre-investment assessment deem there to be unacceptable or critical levels of ESG risks that will remain high, and cannot be controlled or mitigated, then the investment will not proceed. If an opportunity is accepted for investment, then the target company will be required to commit to implementing the Investment Manager's ESG standards and incorporate pre-



defined impact objectives within their business plans. Post-investment, the Investment Manager will actively monitor portfolio companies concerning ESG standards to be implemented and will ensure progress towards agreed positive impact targets are in line to be achieved:

- (i) Work closely with the management teams of portfolio companies to provide guidance and support to ensure that the required ESG and positive impact frameworks are constructed, implemented and monitored;
- (ii) Take an active ownership role to influence through constructive dialogue and, if necessary, take steps to implement measures in cooperation with management, to ensure that the agreed upon ESG standards and positive impact targets are met; and
- (iii) Ensure effective monitoring by requiring portfolio companies to produce transparent and meaningful reporting on:
 - The establishment and empowering of a formalised ESG Committee
 - The establishment and implementation of ESG standards;
 - The integration of ESG analysis within business plans;
 - The monitoring and regular verification of progress made towards reaching the agreed net positive impact objectives; and
 - The monitoring of progress made towards contributing to identified and relevant SDGs.

Within its formalized RII Policy, and in line with its active stewardship roles and objectives, the Investment Manager has established the following governance standards and objectives which the Investment Manager expects from and drives its Investee Companies to align themselves with:

- Maintaining a high level of business ethics in all types of transactions and interactions.
- Complying with applicable and relevant laws and regulations, as well as being aware of future regulations, in the markets where they operate.
- Establishing a defined and documented corporate governance structure with clear responsibilities and procedures and appropriate internal control mechanisms.
- Establishing and implementing ESG and sustainability principles, standards and policies that are to be validated and to be implemented by the ESG Committee at the Investee Companies
- Integrating material ESG and sustainability factors into the company's business strategy and operations.
- Reporting transparently and accurately in a meaningful and relevant manner on all financial as well as extra-financial aspects of the business.

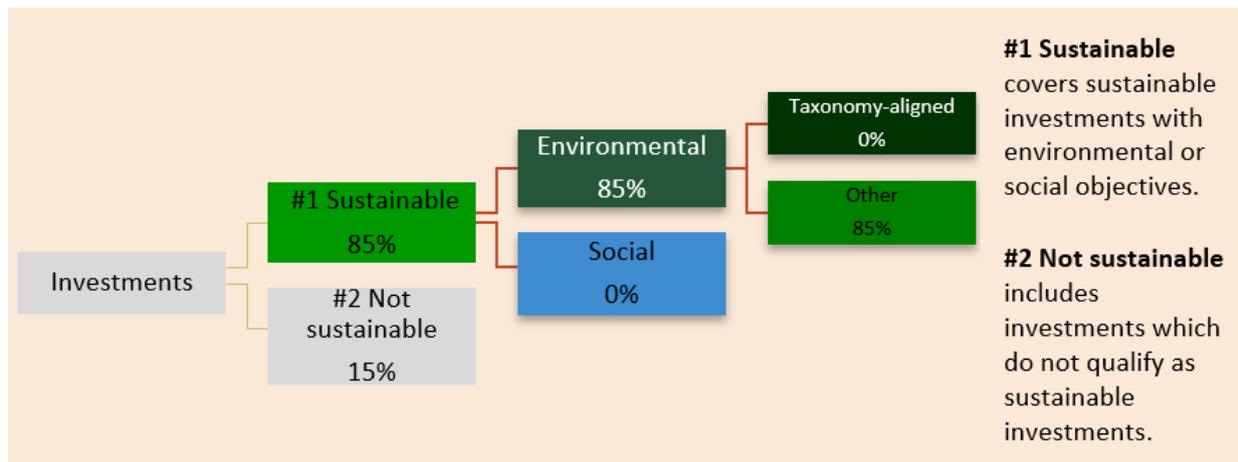
In addition, the Codes of Conduct & Ethics to be adopted and implemented by the Investee Companies will need to highlight, in addition to the standards listed above, the importance of good governance, with particular emphasis on the following aspects:

- Maintaining the highest standards of integrity and corporate governance practices in order to maintain excellence in the Investee Companies' daily operations, and to promote confidence in the governance structures
- Conducting business in an open, honest, and ethical manner
- Recognizing the importance of protecting all of human, financial, physical, informational, social, environmental, and reputational assets
- Engaging stakeholders clearly, honestly, and respectfully

- Committing to timely and meaningful dialogue with all stakeholders, including shareholders, customers, and employees, indigenous peoples, governments, regulators, and landowners, among others
- Ensuring that employees are treated fairly and with dignity and consideration for their goals and aspirations and that diversity in the workplace is embraced
- Applying fair labor practices, while respecting the national and local laws of the countries and communities where the investee companies operate
- Providing equal opportunity in all aspects of employment and will not engage in or tolerate unlawful workplace conduct, including discrimination, intimidation, or harassment
- Recognizing that governments have the primary responsibility to promote and protect human rights and will work with governments and agencies to support and respect human rights within the investee companies' sphere of influence. The investee company will not tolerate human rights abuses, and will not engage or be complicit in any activity that solicits or encourages human rights abuse
- Striving to build trust, deliver mutual advantage and demonstrate respect for human dignity and rights in all relationships it enters into, including respect for cultures, customs and values of individuals and groups.

The Investment Manager assesses the foregoing through (a) its due diligence performed as part of investment analysis carried out during its investment process, as outlined above, and (b) as part of its ongoing monitoring and due diligence, to ensure Investee Companies meet these good governance requirements.

1.5 Proportion of investments



The minimum proportion of the Fund's investments used to achieve the sustainable investment objective in accordance with binding elements of the Fund's investment strategy is 85%. The Fund obtains direct exposure to Investee Companies through investing in their securities.

The remaining proportion of the investments includes cash or cash like instruments held by the Fund for the following purposes:

- (1) to fund the payment of expenses.
- (2) to fund the development/acquisition of interests in the Investee Companies; and
- (3) to pay distributions to Shareholders of income received from Investee Companies.

Cash is not a sustainable investment and does not have any minimum environmental or social safeguards.



1.6 Monitoring of the sustainable investment objective

Please refer to point 1.4 above for a description of how the sustainability indicators used to measure the attainment of the sustainable investment objective of the Fund are monitored throughout the lifecycle of the Fund and the related internal or external control mechanisms.

1.7 Methodologies

In order to develop the metrics and corresponding methodologies to measure the attainment of the sustainable objective of the Fund, the Investment Manager:

- a) Has engaged a sustainability consultant in Norway with specialist knowledge of the salmon industry to assist it in surveying existing frameworks of metrics and constitute a comprehensive set of metrics that it could use, in agreement with the Investee Companies, to measure progress towards sustainability objectives.
- b) Follows the principles formulated by the SBEFP, especially through guides that are published by the SBEFP.
- c) Actively engages with the ESG committees of the Investee Companies to develop and implement specific ESG policies which adopt specific metrics for the measurement of the attainment of sustainable objectives, both for internal management purposes as well as for reporting purposes.

1.8 Data sources and processing

- (a) *Data sources used to attain each sustainable investment objectives of the financial product.*

Data sources include:

- Data collected and provided by contractors, vendors and suppliers (especially during the construction and development phase)
- Data collected and provided by Investee Companies
- Data collected and provided by suppliers of Investee Companies (through the Investee Companies)

- (b) *The measures taken to ensure data quality.*

The Investment Manager is guiding and supporting the Investee Companies to adopt high standards of data quality. Especially through the use of specialized data collection, verification, and analysis tools.

- (c) *How data is processed*

Data will be processed through a combination of specialized tools and internal analysis.

- (d) *The proportion of data that is estimated*

As the Investee Companies are still in construction phase, operational data can only be estimated. Once in fully operational phase, it is expected that the proportion of estimated data for Scope 1 will be significantly lower.

1.9 Limitations to methodologies and data

- 1.10 Given that the investment objective is to seek to achieve long term capital appreciation through impact investing in innovative full-growout salmon RAS aquaculture which is a new and growing industry, there can be some issues and challenges in terms of data methodologies. There are several sources of existing metrics and standards from which the most relevant, useful, and meaningful have already been identified. However, the different sources and standards are often not equivalent in definitions or methodologies. While many aquaculture-specific metrics already exist, there are very few that are RAS specific, and which will need to



be gradually developed by the Investee Companies as they ramp up to full scale operations.

Due Diligence

Please refer to point 1.4 above which details the due diligence process undertaken by the Investment Manager prior to making an investment.

1.11 Engagement policies

Please refer to points 1.4 and 1.7 above which detail how the Investment Manager engages with Investee Companies. There are currently no specific management procedures with respect to sustainability-related controversies in Investee Companies.

1.12 Attainment of the sustainable investment objective (for financial products that have sustainable investment as their objective).

N/A. The Fund has not designated an index as a reference benchmark.