

### Introduction

Icoinic B.V. (**Icoinic**) is a manager of alternative investment funds within the meaning of Directive 2011/61/EU (**AIFMD**). Icoinic manages the following alternative investment funds:

- Delta Neutral Fund (**DN Fund**);
- Algorithmic Fund (**Algo Fund**); and
- Decentralized Finance Fund (**DeFi Fund**).  
(together, the Funds)

The Funds invest in crypto assets, such as cryptocurrency tokens, utility tokens and stablecoins.

Icoinic is subject to the Sustainable Finance Disclosure Regulation (EU) 2019/2088 (**SFDR**). The below sets out the sustainability disclosures applicable to Icoinic.

### Sustainability risks

- Sustainability risks are environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments of the Funds.
- Icoinic has identified sustainability risks the Funds are exposed to.
- The sustainability risks as set out below are applicable to all funds, unless the fund is specifically specified in which case the risk or measures are only applicable to that specific fund.

Sustainability risk	Integration in investment due diligence	Likely impact on the Fund returns
Due to a climate event (e.g. flood or hurricane), the servers of the crypto exchanges on which Icoinic trades stop functioning.	Before trading on a new exchange, Icoinic determines where the exchange's servers are located. The exchanges Icoinic trades on are usually located in domains of large and reputable cloud server providers (e.g. AWS). These cloud service providers have set their disaster recovery and business continuity measures at a level maximum of protection. Consequently, it is unlikely that these servers will stop functioning in case of a climate event.	Change: very small Impact: considerable.  Likely impact on the returns: negligible (0-1%)
Statutory limitations on the use of energy associated with transactions in certain crypto assets may result in a decrease in value of the Funds' assets.	<ul style="list-style-type: none"> <li>- Developments in the regulatory framework regarding limitations on energy used for crypto transactions are closely monitored by Icoinic.</li> <li>- The investment committee will take any identified limitations into account when making an investment decision.</li> <li>- For the DeFi Fund, before making a new investment the level of energy consumption associated with the crypto asset is examined. The investment committee may decide not to invest in this crypto asset if the identified level of energy consumption associated with it is considered to create an unacceptable exposure to the Funds' returns.</li> </ul>	Change: medium Impact: considerable.  Likely impact on the returns: considerable (more than 20%)

## Remuneration policy

- Icoinic is not required to establish a remuneration policy in accordance with sectoral legislation such as AIFMD.
- Icoinic has nonetheless established a voluntary remuneration policy, which does not take into account sustainability risks.

## No consideration of adverse impacts of investment decisions on sustainability factors

- Sustainability factors are environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.
- An adverse impact of the Funds' investments on sustainability factors may be that transactions in certain crypto assets have a significant level of energy consumption associated with them (e.g. bitcoin). This may adversely impact the environment.
- Icoinic does not consider this adverse impact on the environment when making an investment decision. Icoinic is not able to reduce the significant level of energy consumption associated with certain crypto assets the Funds invest in.
- Exclusively investing in crypto assets that do not have a significant level of energy consumption associated with them is not part of the investment strategy of the Funds.