

## ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Inven Capital – Podfond B (“Sub-Fund B”)

Legal entity identifier: 75160706 (NIČ of Sub-Fund B)

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

☒ ☒ ☐ **Yes**

☐ It made **sustainable investments with an environmental objective:** \_\_\_\_%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective:** \_\_\_\_%

☒ ☐ ☒ **No**

☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☒ It promoted E/S characteristics, but **did not make any sustainable investments**



**To what extent were the environmental and/or social characteristics promoted by this financial product met?** *[list the environmental and/or social characteristics promoted by the financial product. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 (Taxonomy), in respect of sustainable investments with environmental objectives, list the environmental objectives set out in Article 9 (Environmental objectives) of that Regulation to which the sustainable investment underlying the financial product contributed. For financial products that made sustainable investments with social objectives, list the social objectives]*

*[list the environmental and/or social characteristics promoted by the financial product. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 (Taxonomy), in respect of sustainable investments with environmental objectives, list the environmental objectives set out in Article 9 (Environmental objectives) of that Regulation to which the sustainable investment underlying the financial product contributed. For financial products that made sustainable investments with social objectives, list the social objectives]*

Environmental and social characteristics promoted by Sub-Fund B

Our investment strategy intends to promote environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices in accordance with Article 8 of SFDR (REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019).

We are committed to investing in a responsible way by actively integrating environmental, social and governance considerations into our investment selection and ongoing monitoring process. Specifically, we aim at:

- a) investing into companies where we see a commitment towards ESG goals,
- b) supporting these companies with the process of defining their own ESG strategy and policy as well as their implementation,
- c) ensuring that the companies in which the Sub-Fund B invests ideally benefit investors, society and the environment.

We monitor several metrics during our investment process that are listed in our ESG policy (document Inven ESG policy) published on our website [www.invencapital.cz](http://www.invencapital.cz) in the section Info for Investors.

The ESG metrics we consider in our investment process can be divided into the following areas: general environment, carbon footprint, material management, supply chain, employees, customers, community, diversity and inclusion, general governance and board of directors.

#### ● ***How did the sustainability indicators perform?***

##### **Performance of ESG characteristics promoted by Sub-Fund B in 2022**

In 2022 we collected data from 5 out of the total of 7 portfolio companies that comprised Sub-Fund B as of the end of 2022.

Even though we first invested into these companies between 2018-2020, i.e. before the SFDR regulation came into force, we considered a number of sustainability indicators during our investment process. First, we ensured that the activities of our portfolio companies did not belong to a list of excluded activities (e.g. activities harming the environment and society, child labor, weapons production etc) as defined in Sub-Fund B statute. Then, we also checked that the companies we invest in benefit the society or environment in certain way.

After we formulated our ESG policy and framework in a structured way during 2022 (as described in detail in our Inven ESG policy on our website), we approached our portfolio companies with ESG data questionnaires and held interviews with them to determine their approach to ESG.

The summary of data we collected from 5 portfolio companies is described in broader categories below.

##### ***General commitment towards ESG***

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

A commitment towards ESG goals was demonstrated in all our monitored portfolio companies in 2022. 2 companies have an ESG policy documented, 3 portfolio companies formulated an environmental commitment.

#### *Environmental metrics*

3 companies measured carbon footprint scope 1 and 2 in 2022, 1 company was implementing the measurement.

4 companies have some carbon reduction initiatives in place. Most companies recycle waste. 2 companies measured waste as part of the carbon footprint calculation.

4 companies consumed green electricity when asked about their renewable sources of energy.

#### *Social metrics*

All companies have a code of conduct in place.

4 companies measured employee satisfaction with the average result of 62.

Diversity and inclusion policy was found in 2 companies.

#### *Governance metrics*

All companies had established Cyber security measures and GDPR policy.

There were independent board members in 60% of the companies. Female board members were represented on 3 Boards of Directors.

All companies had anti-corruption policy.

The second round of data collection will happen in the first half of 2023 and it will also enable us to prepare the principal adverse sustainability impacts statement as set out in Annex 1 of Commission Delegated Regulation (EU) 2022/1288.

- **...and compared to previous periods?** *[include for financial products where at least one previous periodic report was provided]*

Data from previous reporting periods are not available as 2022 was the first reporting period for Sub-Fund B.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?** *[include for financial products that made sustainable investments, where not included in the reply to the above question, describe the objectives. Describe how the sustainable investments contributed to the sustainable investment objective. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributed]*

Sub-Fund B didn't make any sustainable investments in 2022.

**How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?** *[include where the financial product includes sustainable investments]*

How were the indicators for adverse impacts on sustainability factors taken into account?

Sub-Fund B didn't make any sustainable investments in 2022.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Sub-Fund B didn't make any sustainable investments in 2022.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

**How did this financial product consider principal adverse impacts on sustainability factors?** *[include section if the financial product considered principal adverse impacts on sustainability factors]*

Even though Sub-Fund B did not make any sustainable investments, it considered the principal adverse indicators on sustainability through its own ESG framework and will publish the Principal adverse sustainability impacts statement defined in Appendix 1 of COMMISSION DELEGATED REGULATION (EU) 2022/1288 on Inven's website ([Inven Capital](#)) in the section Info for investors by the end of June 2023.

**What were the top investments of this financial product?**

| Largest investments | Sector            | % Assets | Country |
|---------------------|-------------------|----------|---------|
| Zolar               | EVs installations | 40%      | Germany |
| Forto               | Logistics         | 33%      | Germany |
| tado                | Energy efficiency | 9%       | Germany |

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1.1.2022-31.12.2022**

[Include a statement for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

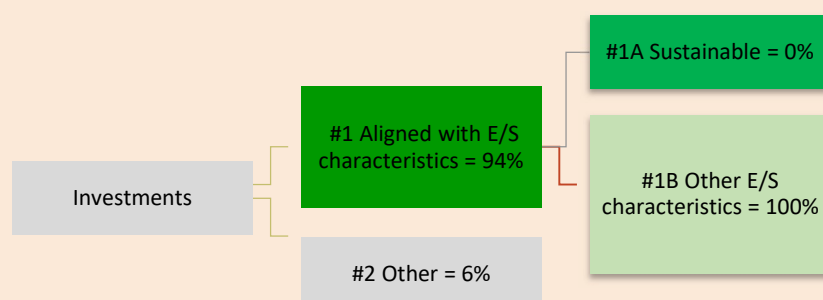
The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

## What was the proportion of sustainability-related investments?

Sub-Fund B had not made a commitment in sustainable investments with a social objective.

### ● What was the asset allocation?

[Include only relevant boxes, remove irrelevant ones for the financial product]



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

[include the note below where the financial product made sustainable investments]

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Note: #2 Other includes portfolio companies that we did not gather data from.

### ● In which economic sectors were the investments made?

[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

**Asset allocation** describes the share of investments in specific assets.

[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The investments were made into the following sectors: hydrogen production, electromobility, logistics, EVs and heatpumps installations, energy consumption optimization, AI.

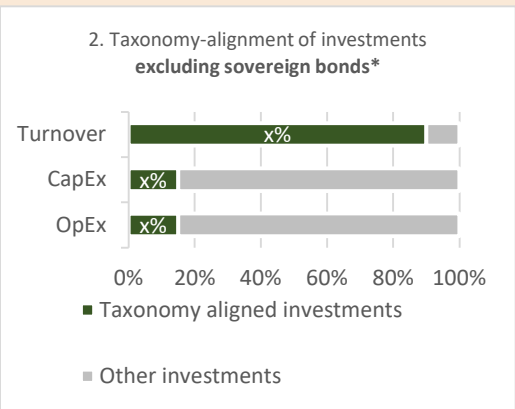
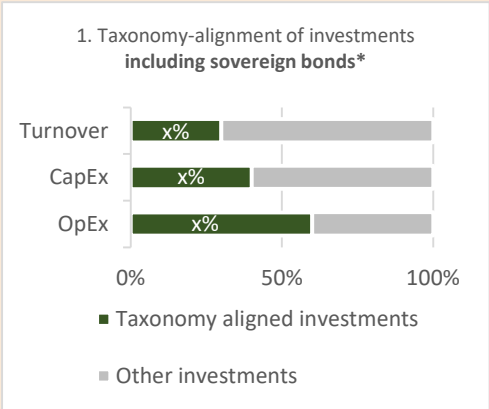


**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?** [include section for the financial products referred to in Article 6 , first paragraph, of Regulation (EU) 2020/852 and include information in accordance with Article 51 of this Regulation]

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?**

- ☐ Yes
  - ☐ In fossil gas
  - ☐ In nuclear energy
- ☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmentally sustainable economic activities that are not environmentally sustainable economic activities]



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

There were no sustainable investments made in 2022. However, we are aware of the need to implement EU taxonomy screening for our portfolio companies. As of the 2022 year end the alignment with EU taxonomy is considered at 0% due to the lack of available data. The investee companies are private start-up companies where data are not often publicly available.

We are currently working on taxonomy screening implementation and will present the results in the following reporting periods.

● **What was the share of investments made in transitional and enabling activities?** [include a breakdown of the proportions of investments during the reference period]

There were no investments in transitional and enabling activities.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?** *[include where at least one previous periodic report was provided]*

Year 2022 is the first reporting period for Sub-Fund B.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?** *[include section only for the financial products referred to in Article 6, first subparagraph, of Regulation (EU) 2020/852 where the financial product included sustainable investments with an environmental objective that invested in economic activities that are not environmentally sustainable economic activities, and explain why the financial product invested in economic activities that were not Taxonomy-aligned]*

There were no sustainable investments with an environmental objective.



**What was the share of socially sustainable investments?** *[include only where the financial product included sustainable investments with a social objective]*

There were no socially sustainable investments.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

The investments included under „other“ are investments that we did not collect data from, however, these investments have software business models and an environmental objective.



*[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**What actions have been taken to meet the environmental and/or social characteristics during the reference period?** *[list the actions taken within in the period covered by the periodic report to meet the environmental or social characteristics promoted by the financial product, including shareholder engagement as referred to in Article 3g of Directive 2007/36/EC and any other engagement relating to the environmental or social characteristics promoted by the financial product]*

Inven’s investment managers actively engaged with the portfolio companies during 2022 to introduce them our ESG strategy and examine the state of their ESG policies and activities. Inven evaluated the ESG readiness of the portfolio companies based on initial analysis using our ESG Initial Questionnaire and ESG data evaluation form filled during an interview between the investment managers and the portfolio company. Inven assisted the portfolio companies with setting up their ESG priorities and goals based on the requirements of each portfolio company.

Regular monitoring (at least annually) was set up and will happen in the first quarter of each year.

**How did this financial product perform compared to the reference benchmark?** *[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]*

We haven't designated any reference benchmark for this financial product.

- *How does the reference benchmark differ from a broad market index?*
- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*
- *How did this financial product perform compared with the reference benchmark?*
- *How did this financial product perform compared with the broad market index?*