

# **Mandatory disclosures under Regulation of the European Parliament and of the Council on sustainable-related disclosures in the financial services sector (EU) 2019/2088 (“SFDR”)**

## **I. Qualification of the Fund under the SFDR**

In accordance with the Sustainable Finance Disclosure Regulation (SFDR), SCV Fund Management B.V. (SCV) is the manager of financial products classified as Article 6. Accordingly, SCV complies with the disclosure requirements under Article 6 of the SFDR. The Fund does not promote environmental or social characteristics as defined under Article 8, nor does it have a sustainable investment objective within the meaning of Article 9 SFDR.

## **II. Principle adverse sustainability impact statement (PAI)**

### **No consideration of sustainability adverse impacts**

In line with Article 4 of SFDR, SCV and the funds under its management currently do not consider principal adverse impacts (PAI) of investment decisions on sustainability factors.

SCV has chosen not to consider PAI for the following reasons:

- Low likelihood of material adverse impacts on sustainability factors in the digital economy, in which SCV predominantly invests: Given their low likelihood, SCV (including the funds under its management) does not formally consider principal adverse impacts of investment decisions on sustainability factors.
- Nature and size of portfolio companies: Portfolio companies are typically in the pre-seed or seed stage, and are generally not obligated or do not have the capacity to report sustainability metrics in the format required by SFDR, making the formal assessment of PAI impractical at this stage.
- Lack of readily available data to comply with many of the reporting requirements of the PAI regime: The information provided by the portfolio companies in relation to the sustainability risks of the investments is not yet sufficient to take into account any principle adverse impact of investment decisions on sustainability factors as specified in the SFDR.

However, prior to any investment, due care is given to identifying any potential adverse impact during a due diligence stage. Should adverse impact be identified, SCV would thoroughly assess such adverse impacts and could either refrain from an investment or apply measures to reduce or mitigate such risks.

Notwithstanding SCV's decision not to consider the principal adverse impacts, SCV has a strong commitment towards ESG matters, has implemented positive ESG-related initiatives and policies and continuously monitors the developments regarding available information and trends in the economy sector in which the investee companies are operating.

This principal adverse impact statement dates as of November 2025.

### **III. Integration of sustainability risks in investment decision-making process**

#### **a. Enterprise Innovation Fund (ENIF)**

ENIF operates as closed investment fund with primary activity of making active equity investments in companies from the ICT sector, with a tenure of 10 years with possible extensions. The fund integrates the consideration of ESG factors into its investment strategy and monitoring process with the aim of improving investment returns and ensure long-term value creation. However, it does not promote environmental or social characteristics as defined under Article 8 of SFDR, nor does it have sustainable investment as its objective within the meaning of Article 9 of SFDR.

Nevertheless, ENIF acknowledges that sustainability risks could, if they materialize, have a real or potentially significant negative impact on the value of the investments made by the Fund. ENIF considers these sustainability risks when assessing investment opportunities in potential portfolio companies and, in accordance with Article 3 of SFDR, provides information on how these risks are integrated into its investment decision-making process.

#### **Investment restrictions**

Certain sectors are completely excluded from investment on environmental, social or governance grounds. The Fund does not invest, guarantee, or otherwise provide financial or other support, directly or indirectly, to companies, whose business activity consists of:

- illegal economic activity,
- the production of and trade in tobacco and alcoholic beverages,
- the production and trade in weapons and ammunition,
- casinos and equivalent enterprises,
- speculative investment activities such as real estate, commodities, commodity contracts and forward currency contracts, or
- any other activity listed in EBRD's Environmental and Social Exclusion List and / or in EBRD's List of Ineligible Entities.

The Fund applies these restrictions as part of its investment process to manage sustainability-related risks and ensure responsible investment practices, without actively promoting environmental or social characteristics.

#### **Investment strategy**

ENIF invests in companies that are in an early stage of development (pre-seed, seed and series A rounds) with sufficient innovation capacity and growth potential, that are primarily active in information technology applied across industries. All companies are expected to manage their business responsibly, taking into account the interests of employees, customers, suppliers, shareholders, and relevant environmental considerations.

When evaluating a potential investment, our investment professionals identify and assess any material risks related to ESG matters. Reasonable steps are taken to mitigate ESG related risks.

## **Proportion of investments**

The Fund does not invest a fixed percentage of its assets in portfolio companies aligned with environmental and/or social characteristics. The Fund invests fully in line with its investment strategy.

## **Monitoring of environmental and/or social characteristics**

Monitoring is performed on an ongoing basis by implementing the E&S risk management system aiming to identify any material E&S risks which arise during the investment period. Portfolio companies are highly encouraged to comply with EBRD's PR 2 – Labor and Working Conditions and PR 4 – Occupational Health and Safety. Having in mind sector within which portfolio companies predominantly operate, occupational health and safety risks are relatively low. On the other hand, portfolio companies are highly encouraged to introduce and further maintain human resource policy, management system and practices as well as to address all labor issues outlined in PR 2.

Monitoring is performed continuously throughout the year in regular meetings with portfolio companies / accountants / consultants and ESG report is prepared annually.

## **Applied Methodologies and data sources**

The methodologies applied comprise collecting information via a questionnaire from the portfolio companies prior to the investment, i.e., within the due diligence process, and on an annual basis following the investment. The questionnaire, among other, gives an overview of how portfolio companies address diversity, gender equality, equal pay, engagement of employees, environmental aspects and good governance practices as well as the notion of cyber security. SCV follows Invest Europe's ESG Reporting Guidelines and in addition, uses the EBRD Responsible Investment Index and EBRD E&S Risk Management Toolkit for financial intermediaries.

Currently, no quantitative measurement regarding environmental characteristics and no sustainability indicators are in use.

## **Limitations to methodologies and data**

The information collected via the questionnaire from portfolio companies as part of the due diligence is not externally verified. SCV monitors the portfolio companies' development, management, and growth on a continuous basis, while good collaboration and trust are set as priority for a good trustworthy working relationship.

## **Due diligence**

An assessment of how a potential investee company relates to environmental and social matters is an integral part of the due diligence process. A potential investee is assessed on the basis of a questionnaire, with which qualitative statements of an environmental or social nature or relating to corporate governance are requested and then considered in the investment decision-making process. All findings are examined while taking into account all circumstances including the size of the investment, its strategic importance, and its transactional context.

## **Engagement policies**

Should SCV on behalf of the Fund determine any potential issues relating to the environmental or social characteristics, it will engage the portfolio company's manager in discussions (e.g. in board meetings) with a view to resolving, reducing or mitigating such effects, provided that such efforts will always be proportionate to the size and strategic importance of the respective investment in the portfolio company.

**b. SCV Technology Fund III**

The disclosure relating to Enterprise Innovation Fund (ENIF) fully applies to SCV Technology Fund III.

**IV. Remuneration policy in relation to the integration of sustainability risks**

In accordance with Article 5 of the Sustainable Finance Disclosure Regulation (SFDR), SCV provides the following information regarding its approach to remuneration policy.

SCV's remuneration practices are designed to promote sound and effective risk management and to avoid excessive risk-taking, including with respect to sustainability risks. Remuneration within SCV depends on employees' roles, experience, and personal development. During the annual performance review, the compliance with the applicable ESG policy is duly considered, which includes the integration of sustainability risks in respect of investments and day to day activities.