

## **Project A Ventures V GmbH & Co. KG**

Information in accordance with Art. 10 of the Disclosure Ordinance

*Status: January 8, 2025*

Project A Ventures V GmbH & Co. KG, below referred to as “the Fund” (LEI: 391200NZ0D36JR1U7L07), is a venture capital fund promoting, among other characteristics, environmental or social characteristics, and following good governance practices as defined under Article 8 of the SFDR.

The Fund discloses the following information in accordance with Art. 10 SFDR and Art. 24-36 Commission Delegated Regulation (EU) 2022/1288 of April 6, 2022.

### *Summary*

This financial product promotes environmental and/or social characteristics but does not aim for sustainable investment. The consideration of environmental, social and governance characteristics is carried out before the investment process through the incorporation of exclusion (negative screening) aspects and a materiality analysis to identify key risks and opportunities. The Fund focuses on equity-related investments in companies with digital business models and does not allocate a fixed percentage of investments to environmentally or socially aligned companies, nor does it pursue taxonomy-aligned investments. Yearly monitoring is performed through data collection from the portfolio companies and monitoring of public sources, without routine external verification unless misrepresentation is suspected. Thus, it cannot be ruled out completely that false information may remain undetected in certain cases. Project A engages portfolio companies in ongoing ESG dialogues to address and reduce potential adverse impacts when feasible and hereby concludes that the aforementioned limitations do not affect how the environmental or social characteristics promoted by the Fund are met. There has been no index designated as a reference benchmark to meet the environmental or social characteristics promoted by the Fund.

The actions and decisions described in the following sections are each made by Project A Ventures Management GmbH for and on behalf of the Fund.

### *Zusammenfassung*

Dieses Finanzprodukt fördert ökologische und/oder soziale Merkmale, zielt aber nicht auf nachhaltige Investitionen ab. Die Berücksichtigung von Umwelt-, Sozial- und Governance-Merkmalen erfolgt vor dem Investitionsprozess. Durch die

Einbeziehung von Ausschlussaspekten (Negativscreening) wird eine Wesentlichkeitsanalyse durchgeführt, um wesentliche Risiken und Opportunitäten zu identifizieren. Der Fonds konzentriert sich auf aktienbezogene Investitionen in Unternehmen mit digitalen Geschäftsmodellen und weist weder einen festen Prozentsatz an Investitionen in ökologisch oder sozial ausgerichtete Unternehmen zu, noch verfolgt er Taxonomie konforme Investitionen. Die regelmäßige Überwachung erfolgt durch die jährliche Erhebung von Daten bei den Portfoliounternehmen und die Überwachung öffentlicher Quellen, ohne routinemäßige externe Überprüfung, es sei denn, es besteht der Verdacht auf falsche Angaben. Daher kann nicht vollständig ausgeschlossen werden, dass in bestimmten Fällen falsche Informationen unentdeckt bleiben. Projekt A bindet die Portfoliounternehmen in laufende ESG-Dialoge ein, um potenzielle negative Auswirkungen anzusprechen und zu verringern, sofern dies möglich ist und stellt hierdurch fest, dass die oben genannten Einschränkungen keinen Einfluss darauf haben, wie die vom Fonds geförderten ökologischen oder sozialen Merkmale erfüllt werden. Es wurde kein Index als Referenzwert festgelegt, um die vom Fonds geförderten ökologischen oder sozialen Merkmale zu erfüllen.

Die in den folgenden Abschnitten beschriebenen Handlungen und Entscheidungen erfolgen jeweils durch die Project A Ventures Management GmbH für und im Namen des Fonds.

#### *No sustainable investment objective*

This financial product promotes environmental and/or social characteristics but does not have as its objective sustainable investment.

#### *Environmental or social characteristics of the financial product*

The Fund promotes environmental and/or social characteristics by implementing certain investment exclusions as sustainability indicators (*cf.* below to *investment strategy* section). However, no reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Fund.

#### *Investment Strategy*

The purpose of the Fund is to build, hold and manage (including to divest) a portfolio of equity and equity-related investments in portfolio companies.

The Fund pursues an operational value-add investment strategy. This means that investments in Portfolio Companies are generally accompanied by the provision of

additional services to the relevant Portfolio Company. The Fund's investment strategy is implemented in the investment process on a continuous basis. The investment strategy is industry agnostic, with particular emphasis on pan-European companies that offer digital business models.

The Fund is bound by the investment restrictions and limitations set out in the Fund's limited partnership agreement and shall procure that such requirements, restrictions and limitations are complied with at all times. In particular, the Fund will screen each investment opportunity against its investment exclusions and no investments will be made in the area of such exclusions.

The Fund does not invest, guarantee or otherwise provide financial or other support, directly or indirectly, to companies, including portfolio companies, or other entities whose business activity consists of or substantially focus on:

- Performing research and innovation activities considered as illegal according to the applicable legislation in the country of the Portfolio Company
- Any illegal economic activity including without limitation, human cloning for reproduction purposes
- Tobacco
- Distilled alcohol
- Weapons and ammunition
- Casinos and equivalent enterprises
- Internet gambling and online casinos
- Specific electronic data programs or solutions relating to the aforementioned activities or pornography
- Fossil fuel-based energy production and related activities
- Energy-intensive and/or high CO<sub>2</sub>-emitting industries (e.g., chemicals, cement, iron and steel, etc.) unless qualified in the EU taxonomy for sustainable activities (Regulation (EU) 2020/852) and supplemented by the EU Taxonomy Delegated Acts

Moreover, the ESG materiality analysis performed prior to any investment seeks to assess whether the prospective investee company and the industry within which it operates have a good track record with regards to governance, including with respect to sound management structures – which tend to be negotiated to conclude our longform (IA/ SHA; CLA) –, employee relations and remuneration of staff. In addition to the ESG materiality analysis, the legal due diligence and KYC relevant checks done before the closing of the investment ensure those governance aspects are adequately addressed. Further, and as part of our legal due diligence, Project A

implements proprietary Side Letters leading to compliance and reporting obligations.

The Fund will conduct regular monitoring of the good governance practices in its portfolio companies during the holding period through yearly questionnaires which are adapted to the maturity and size of the company. If the Fund becomes aware of severe governance issues through this channel or elsewhere, it will investigate them and work with all parties involved to find an appropriate solution.

#### *Proportion of investments*

The Fund will invest fully in line with its investment strategy and investment restrictions, i.e., will only make investments which are aligned with environmental and/or social characteristics. The Fund does not make sustainable investments within the meaning of Art. 2 No. 17 SFDR or environmentally sustainable investments within the meaning of Art. 3 EU Taxonomy; hence, no portion of its investments will be aligned with the Taxonomy. All investments made by the Fund have direct exposure in investee companies.

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

Project A has a standardized proactive approach to monitor the environmental and social characteristics of portfolio companies through InvestEurope's yearly questionnaire. Further, Project A usually obtains a board seat within the Portfolio companies it invests in. Board members meet regularly to discuss the status, growth and other topics that arise as part of the operation of the business. Should an issue related to environmental, social or governance arise, they will engage with the respective portfolio company to resolve or reduce such issues, provided that such efforts will always remain within a scope considered by Project A in its absolute discretion to be proportionate in light of its respective bargaining positions and transactional context.

#### *Methodologies*

Sustainability indicators measure how the environmental and/or social characteristics promoted by the financial product are attained. The Fund leverages its investment exclusions (cf. above to *investment strategy* section) as sustainability indicators, by which it is bound and shall procure that no investments in areas of investment exclusions are made.

#### *Data Sources and Processing*

The ESG Due Diligence and materiality analysis are performed through a

collaboration between the investment and ESG teams for each of the targeted portfolio companies of the Fund. Data is obtained directly from the (potential) portfolio companies and publicly available information. No (proportion of) data is estimated. Unless misrepresentations are suspected, further research and investigation by Project A or external verification are not being conducted regularly.

#### *Limitations to methodologies and data*

The ESG information collected via interviews with the founding team and public information is externally verified only if and to the extent that misrepresentations are suspected. Thus, it cannot be ruled out completely that false information may remain undetected in certain cases. As the Fund's investment is made for several years, Project A considers it a priority to establish and maintain trust within a good working relationship with the Fund's portfolio companies as a safeguard considering the limitations described in this section. Through active portfolio management and, in many cases, a seat on the Board of investee companies, Project A continues to survey that the limitations above do not affect how the environmental or social characteristics promoted by the financial product are met.

#### *Due Diligence*

As a starting point, the assessment of how the Fund's investment in the portfolio company relates to the environmental and social characteristics mentioned above is carried out as part of the due diligence process through a stage-appropriate materiality analysis, enabling a screening for ESG-related risks prior to any financial commitment. Should a material issue be identified, the investment manager provides further insights into the investment committee briefing to consider during the decision-making process. Consequently, the focus of each ESG due diligence may differ. However, in all instances, Project A will examine the areas that it regards as central to understanding the ESG profile of the business in which Project A is considering an investment. This also includes good governance characteristics. Currently there are no external controls over the due diligence process.

#### *Engagement Policies*

Project A aims to promote the pursuit of ESG considerations among the Fund's portfolio companies by sharing its views – in an ongoing and constructive dialogue, on matters such as adverse social and environmental impacts, as well as corporate governance. Should Project A determine any potential issues relating the ESG characteristics, it will engage with the respective portfolio company to resolve or reduce such issues, provided that such efforts will always remain within a scope

considered by Project A in its absolute discretion to be proportionate considering its respective bargaining positions and transactional context.

*Designated reference benchmark*

No index has been designated as a reference benchmark to determine the Fund's alignment with the environmental and/or social characteristics promoted by the Fund (i.e., its investment exclusions, cf. above to *investment strategy* section).