

INVENTURE ESG & RESPONSIBLE INVESTMENT POLICY

At Inventure, our most valuable asset is our team. They are the driving force behind finding the best companies to invest in and working with founders to achieve the best possible outcomes. “Being there” for the founders is the key to being able to affect things as well.

Inventure is committed to selecting the best investment targets and delivering returns to our funds and partners. Along with the financial indicators and investment opportunity evaluation, we integrate ESG (Environmental, Social, Governance) considerations into our investment process, focusing on risk management and prevention. Our ESG and responsible investment policy guides all our investments and interactions with portfolio companies. ESG is an integral part of our investment and ownership process, from exclusion criteria to specific investment targets, to ESG due diligence and beyond.

Our most impactful asset in this respect comes with our opportunity to teach and develop our portfolio companies: As active board members and professional shareholders we can provide the founders of startups with the knowledge and tools to build good corporate governance processes in their businesses. With our work, we can support building good and safe working atmospheres throughout Inventure’s reach.

Operations throughout the investment cycle

i) Case Selection Phase

In case selection of new companies to our VC fund(s), Inventure aims to select only companies with sound business practices. We establish exclusion criteria, specific to each fund's agreement, to prohibit investments in industries like the arms industry, gambling, tobacco, human cloning, or illegal or immoral activities to name a few. Alongside these criteria, we actively support sustainable development and evaluate each company during the investment phase. Our internal investment proposal process ensures that we consider sustainability and other risks before making any investment decisions. This phase underscores our commitment to responsible investing from the outset.

ii) Engagement and Value Creation phase

Inventure actively works with portfolio companies to ensure sound business practices and sustainable operations. Our role in the engagement and value creation phase is especially important and influential as a result of Inventure’s active participation in the management of portfolio investments through board memberships and chairman positions. This empowers companies to develop in various areas, from business operations to HR. We aim to always influence the companies’ development positively, whether it’s from choosing sustainable business models when expanding, to bringing diversity and inclusion to teams. We are professional and active shareholders, enabling us to promote responsibility throughout the investment cycle.

iii) EXIT phase

During the EXIT phase, Inventure evaluates buyer profiles, transaction models, and the fair treatment of various stakeholders. Our ambition is to select EXITS that contribute to the long-term venture ecosystem. We also support founders in securing bigger financing rounds, and finally the exit phase.

All in all, our connection to ESG principles is intrinsic to our existence. We are a responsible venture capital firm, avoiding environmentally hazardous activities. Our focus is on supporting the growth of Nordic and Baltic seed and early-stage companies, fostering employment and economic development. Our investments empower companies to expand, innovate, and access additional funding. We actively engage in educational initiatives and play a vital role in nurturing the startup community.

NOTE: The likely impacts of sustainability risks on investor returns are detailed in the Regulatory Disclosures document, available for fund LPs.

BRINGING RESPONSIBILITY TO INVENTURE'S OPERATIONS

As outlined in this policy, ESG and responsibility are integral to Inventure's investment and ownership processes. Here are specific examples of our commitment to these principles:

1) Investment Criteria:

- We evaluate opportunities based on industry benchmarks.
- We prioritize companies with capable and responsible teams committed to ESG and sustainability.

2) ESG Integration:

- We assist portfolio companies in legal and governance aspects through board memberships.
- We request ESG incident reports and conduct annual ESG surveys among portfolio companies.
- We maintain a Code of Conduct and a whistleblowing channel for reporting violations.

3) Ownership and Influence:

- Inventure actively participates in portfolio companies' boards to guide corporate governance and responsibility.
- We help companies select educated and knowledgeable board members.

4) Our Investments:

- We focus on sustainable resources and healthcare & well-being domains to address pressing global issues, among other domains.
- We have and seek more investments in domains such as circular economy, healthy planet, cybersecurity, and positive social impact.

5) Reporting:

- Our ESG & responsible investment policy is available on our website.
- We regularly report ESG-related updates to limited partners.
- We publish the results of our annual ESG surveys on our website.

INVENTURE CLIMATE POLICY

We are committed to investing at least 30% of Fund IV aggregated invested amounts in companies contributing to the EIF's "Climate Action & Environmental Sustainability objectives," which encompass critical sustainability areas from climate change mitigation to circular economy, pollution prevention and restoration of biodiversity and ecosystems.

Additionally, starting in 2022, we measure our management company's GHG emissions and adjust compensation practices accordingly.

In our ongoing pursuit of sustainability, we take concrete actions to minimize our environmental impact and support responsible practices. Here are some initiatives that reflect our dedication:

- We compensated our carbon emissions from 2022 by partnering with Puuni Oy, a Finnish company dedicated to environmental sustainability, to offset our environmental footprint.
- We have taken steps to promote sustainable fashion by sourcing our company-branded clothing from environmentally responsible brands, demonstrating our commitment to conscious consumption.
- As part of our ESG efforts, we rewarded the top-performing portfolio companies in our annual ESG survey by making donations to an organization dedicated to saving the Baltic Sea, emphasizing our commitment to environmental preservation.

These actions are just a few examples of our ongoing efforts to align our operations with our commitment to a sustainable future. We will continue to explore innovative ways to reduce our environmental impact and contribute positively to the world.

In case you have any questions about Inventure's ESG and responsible investment policy or operations, please don't hesitate to reach out to us. You can contact Kristiina directly at [kristiina\(at\)inventure.vc](mailto:kristiina(at)inventure.vc).