

# ESG Policy for Sustainability

## Doing the right things – because it matters!

3VC partners up with teams that have the determination to drive humanity forward. With big ideas come change and responsibility. We actively evaluate and measure the impact of our work and of the companies we partner with by applying ESG principles with regard to Environmental, Social, and Governance (ESG) matters. Together, we take action creating sustainable value, and taking care of our future. Because our future matters!

### I. Scope

#### Environmental

We protect our climate and strive to reduce our emissions to combat climate change. We strongly encourage our founders to act as well and work towards sustainable operations.

We are eager to back founders that make a positive impact on our environment while building a solid and growing business.

#### Social

We create an inclusive and diverse community and welcoming environment. We do not tolerate discrimination, harassment, and other unaccepted behavior and retaliation.

We foster and encourage diversity and female leadership within 3VC and our portfolio companies.

Our code of conduct guides not only our internal interactions but also the interaction with third parties, such as company founders, advisors, other investors.

#### Governance

We set high standards in terms of business ethics, company leadership, risk controls and shareholder rights – for ourselves and the partners we work with.

We strive for transparency.

We value independence and build a safe place where everyone can share opposing and controversial opinions.

We adhere to strict conflict of interest and anti-money laundering (AML) policies.

We are a registered AIFM domiciled in Austria and EuVECA domiciled in Austria.

## II. Implementation

We implement our mission regarding ESG along with our investment process as well as within our internal organization (processes, hiring, values).

### External (Fund Investments):

As part of the investment process and our due diligence, we monitor ESG-related matters internally and with target companies using the below framework of qualitative and quantitative questions and KPIs (see III. Methodology)

We address the ESG matters in our investment memorandum. We actively engage with the community to improve the diversity when sourcing new deals. We have conversations with the management teams of our companies, discussing ESG-related issues, priorities, activities, and processes in place. We will provide annual ESG-related training to our companies if necessary.

### Internal (Fund)

We are committed to achieving Scope 1 to Scope 3 carbon neutrality working together with [LFCA](#) and [Climate Partner](#). We have joined the [#MovingForward initiative](#) to support the tech industry's efforts in creating diverse and inclusive environments. Our internal processes and policies, such as conflict management, detailed reporting to Limited Partners, ensure we are held accountable as individuals and as a firm.

Overview of our ESG related actions for each stage (internal and external):

### Pre-investment (external):

- Negative screening excluding specific sectors
- Quick scorecard evaluation as part of the scouting process focusing on sustainability, diversity, and governance; if there are yellow to red flags, we initiate an early discussion addressing the issues
- ESG clause included in the term sheet

### Fund Management (internal):

- Relevant policies and processes in place (code of conduct, AML, conflict of interest)
- Part of [#MovingForward](#), promoting the creation of external anti-harassment and anti-discrimination policies and clear reporting channels by investors
- Aiming for scope 1, 2, 3 neutrality, we focus on reduction, the remainder is offset, we are part of [LFCA](#) and [Climate Partner](#)
- Internal training (ESG focused workshops/training)
- Supporting and contributing to initiatives that promote and support diversity
- Detailed reporting to LPs

## III. Methodology

We are using a pre-investment questionnaire in the pre-investment stage as part of our internal review and DD process (before term sheet) and continuously monitor a set of metrics.

## A. Pre-Investment Questionnaire

### Pre-investment Questionnaire

1. Does the solution today and in the future impact the environment or society in a negative way?
2. Is the team aware of the importance of ESG factors and do they act on those?
3. What are the risks associated with the company's future?
4. Do we trust the team? Have there been any legal actions taken against the team or the company in the past?
5. What is the leadership style and culture of the company? Why do people join and stay?
6. What are the company values?

## B. Framework

Until further notice from the EU legislator on the details of the SFDR framework, we start to measure the ESG criteria on a smaller scope within our portfolio (soft launch) and adapt it in line with ongoing feedback from the 3VC community.

Link: [3VC ESG framework](#)