

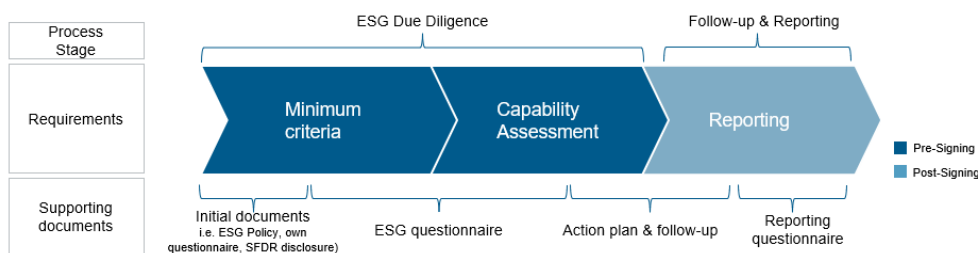
Guideline & prerequisite overview

further links & documents

Sustainability aspects are central to our investment process and subject to an ESG Due Diligence

Requirements Overview

The underlying information document gives an introduction to our process (depicted below) and advice on information provision.



Minimum Criteria

Information on fulfillment of minimum criteria need to be provided by all VC Funds in order to qualify for an investment.

ESG Policy: The fund must have a formal sustainability/ESG policy that is of satisfactory quality and accessible to all employees. To improve or implement a policy best practices and guidelines can be found in the side column. The formulated policy should be made available as one separate document.

Classification according to Sustainable Finance Disclosure Regulation (SFDR):

A first indication on the Funds classification (Article 6 /8 /8+/9) must be provided with initial information provision to the investment team in the form of the pre-contractual disclosures according to Art. 8 and 9. This will later also be addressed as part of the ESG questionnaire.

Exclusion List: KfW Capital applies restrictions to its operations in relation to certain economic sectors, which are considered not to be compatible with the ethical, social and environmental standards of KfW and KfW Capital, as an innovative start-up portfolio should only consist of sustainable future technologies. Indications on the exclusion list can be provided in the ESG questionnaire.

Capability Assessment

KfW Capital assesses the target funds using a standardised and quantified ESG questionnaire comprising the previously mentioned elements as well as questions (including those recommended by the UNPRI for limited partners in the venture capital market), using an 'ESG Capabilities House' (see below) for assessment. In addition, KfW Capital provides an ESG heatmap to support VC Funds in identifying their material ESG topics. Impact funds are subject to an additional questionnaire.

More information on all aspects can be found in a study on Sustainability in VC, published in cooperation with Boston Consulting Group.

The results of the questionnaire as well as other relevant materials will be discussed in a meeting with the fund's management.

ESG Policy:

- Topics to be covered: see annex
- [UNPRI Guidance](#)

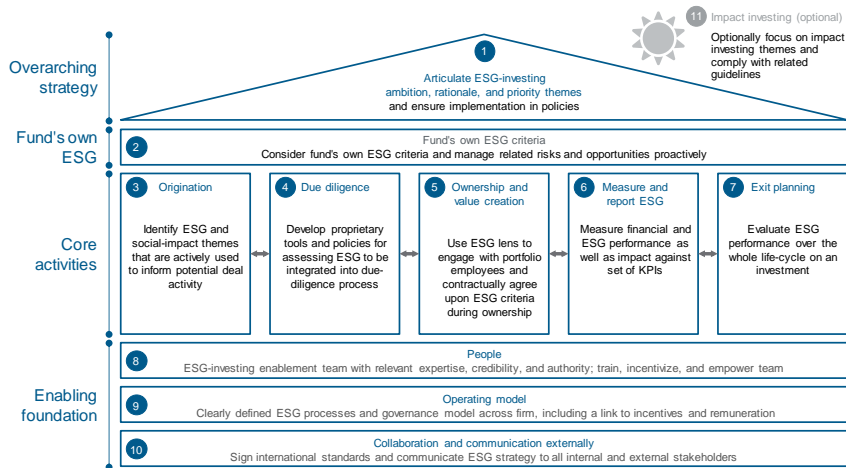
- [SFDR pre-contractual disclosure template for Art 8 funds](#)

- [KfW Capital Exclusion List](#)

- [UNPRI DDQ questions](#)

- [UNPRI Responsible Investments in VC](#)
- [ESG Study KfW Capital / BCG](#)


ESG Capabilities House



Follow-up & Reporting

Since 2023, an annual reporting on sustainability-related data on fund but also portfolio company level is implemented. For reasons of standardization, KfW Capital applies the ESG Reporting Template of Invest Europe.

- [Reporting Template Invest Europe](#)



“We aim to provide requirements and support to VCs to help guiding a sustainable development for portfolio companies and a systematic integration of ESG considerations”

Annex

Indicative Structure for ESG policy

This list of topics is only intended to provide a general overview with respect to potential aspects of an ESG policy. This list has neither taken into account any individual investment and business objectives nor the sector and stage focus of a respective fund.

1. Purpose and goal (and how to reach that goal)
2. Scope of the policy
3. Roles and responsibilities/ governance
4. Membership in associations/ applied principles (for example Principles for Responsible Investments - UNPRI)
5. Definition of ESG
6. Fund's own ESG criteria
7. ESG integration within the investment process