



SUSTAINABILITY-RELATED DISCLOSURES

CONCERNING: *Lifeline Ventures Fund V Ky*

a) Summary

SFDR classification: article 8. The Fund promotes, among other characteristics, environmental or social characteristics but does not have as its objective sustainable investment.

The Fund will make, manage and dispose of equity, equity-related and debt investments mainly in software focused companies and companies engaged in advanced technology. The Fund will make investments in angel, seed and later stage companies.

The Fund promotes (i) gender and cultural diversity in the portfolio companies' leadership and recruitment and (ii) employee wellbeing within portfolio companies. Through active ownership (including holding a board seat) in the portfolio companies, the Fund aims to promote diversity of the personnel of the portfolio companies.

Good governance practices of the portfolio companies are assessed in the legal due diligence as a part of the due diligence and investment decision-making. Good governance is promoted through active board participation.

Environmental, social and governance (ESG) topics (including diversity) will be addressed by the board of each portfolio company at least on an annual basis and each portfolio company's ESG status will be evaluated on an annual basis.

b) No sustainable investment objective

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



c) Investment strategy

The Fund will make, manage and dispose of equity, equity-related and debt investments mainly in software focused companies and companies engaged in advanced technology. The Fund will make investments in angel, seed and later stage companies. Initial investments will primarily be lead investments in angel and seed funding rounds of early-stage companies but may also include investments in later stage companies. Follow-on investments will include pro rata-based investments in later stage funding rounds (including secondary rounds).

Through active ownership (including holding a board seat) in the portfolio companies, the Fund aims to promote diversity of the personnel of the portfolio companies.

Environmental, social and governance (ESG) topics (including diversity) will be addressed by the board of each portfolio company at least on an annual basis and each portfolio company's ESG status will be evaluated on an annual basis.

Good governance practices of the portfolio companies are assessed in the legal due diligence as a part of the due diligence and investment decision-making. Good governance is promoted through active board participation and annual evaluation by the investment manager.

d) Proportion of investments

The Fund's investments promote social characteristics. The Fund is not committed to making sustainable investments.

70 % of the Fund's investments are aimed to promote social characteristics, while 30 % may be investments that otherwise fall within the investment strategy of the Fund.

e) Monitoring of environmental or social characteristics

The Fund uses the following sustainability indicators to measure the sustainability of the Fund:

- Share of female board members;
- Share of females in the management team;
- Having diversity enhancing recruitment policy or guidelines and for later stage companies conformity of recruitments with the portfolio company's recruitment policy (that promotes diversity);
- Completion of regular employee wellbeing surveys.

ESG matters of the portfolio companies are assessed annually and the findings are reported to the investors and the board of directors. The assessment is based on the Lifeline team's evaluation of the ESG performance of these companies, taking into account their maturity and the Lifeline team's ESG expectations. Furthermore, engaging with the board of the portfolio companies helps to manage ESG risks and opportunities after the investment has been made. SFDR reporting is done in connection with the Fund Annual report.

f) Methodologies

The development of the social characteristics promoted by the Fund is measured by following the development of the sustainability indicators.

g) Data sources and processing

The analysis, follow-up and reporting of the social characteristics promoted by the Fund is based primarily on information gathered from the portfolio companies.

Information gathered from the portfolio companies is handled and assessed carefully by the AIFM.



The proportion of data estimated is zero, as we receive all processed data from the portfolio companies.

h) Limitations to methodologies and data

Part of the data we collect, and process is not verified. Early-stage start-up companies typically have limited resources available, and this also limits their ability to use external verification to data. By way of active ownership and participation in the governance of the portfolio companies we can also proactively promote and ensure the attainment of sustainability in the portfolio companies.

i) Due diligence

When the AIFM contemplates an investment by the Fund in a portfolio company, the AIFM will carry out (or cause to be carried out) due diligence, inter alia, on ESG topics, and each portfolio company where the selected social characteristics are promoted, the AIFM will require the portfolio company to create (in co-operation with the AIFM) recruitment policy that promotes diversity (in respect of gender and otherwise). In addition, the Fund requires that after the investment the portfolio company commits to carrying out employee wellbeing surveys on a regular basis, reporting the key results to the Board of directors.

j) Engagement policies

The Fund invests in early-stage companies, and through active ownership (including holding a board seat) in the portfolio companies, the Fund aims to promote diversity of the personnel of the portfolio companies. Good governance is promoted through active board participation and annual evaluation by the investment manager.

Version control		
Version	Reason for amendment	Date
1.0	New policy	13.11.2023

Applicable legislation	Last updated
Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector	12.07.2020
Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports	25.7.2022