

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Reference period: 1 April 2025 to 31 March 2026

Product name: PASSION CAPITAL IV LP (the "Fund") Legal entity identifier: 2138008ZB68UDGCW3752

## Environmental and/or social characteristics

*Passion Capital Investments II LLP ("Passion Capital") is a non-EU AIFM. As such, Passion Capital will be required to ensure compliance with Regulation (EU) 2019/2088 ("SFDR"), including the financial product related provisions, in the event that it enters the market of a given Member State by means of a National Private Placement Regime. In any event, Passion Capital has chosen to voluntarily align with SFDR because sustainability considerations are strongly embedded in the firm's strategy, culture and values at all levels.*

### Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments with an environmental objective:** \_\_\_%

- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:** \_\_\_%

No

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

*The Fund actively promotes the following E/S characteristics ("Characteristics") when investing in portfolio companies (whether or not those investments are classified as sustainable investments):*

1. Diversity within the management team
2. Diversity within the workforce
3. Having and maintaining an ESG policy

4. *Completing an annual ESG questionnaire to include carbon footprinting*
5. *ESG as a standing item at board meetings*
6. *Good governance appropriate for the size and stage of the company*

*In addition, the Fund does not invest in sectors that are contrary to progressive environmental and social norms. The excluded sectors are set out in the Investment Guidelines for the Fund, which are set out in the Limited Partnership Agreement of the Fund (the “LPA”).*

### ● **How did the sustainability indicators perform?**

*The Characteristics can be grouped into 3 categories: diversity, emissions and governance.*

*In relation to diversity, as explained the LPA, the Fund does not mandate percentage targets for D&I, but we discuss diversity with founders, especially during our due diligence and in the period immediately following our initial investment, when they are focused on spending their capital on key hires and setting the company culture. It was always recognised that we need to take founding teams as they are, but that we should encourage diversity (a) by casting our net wide during the search for new investments (and collecting statistics on that) and (b) encouraging the founding teams to think early about great culture and diversity of hiring pools and hires during their early months. In terms of gender diversity, during the reference period, the Fund took reference calls with founding teams of which 32% had at least one female founder. The private capital industry average for investments into female/mixed gender founders was 27% in 2025<sup>12</sup>. The Fund has made 13 investments, of which four companies have at least one female founder and one further company founder identifies as non-binary (therefore 38% of the current portfolio is not all-male founding teams). In terms of ethnic diversity, 7.7% of the portfolio has non-white founders. We are actively encouraging a diverse pool for early hires into all of our companies.*

*On ESG reporting, the annual EDCI reporting cycle runs from 1 January to 31 December each year, with results collated and submitted during the next quarter. As at 31 December 2025, the Fund had made 11 investments and therefore 11 companies were asked to participate in the EDCI reporting exercise (of which two had also participated last year). It has been encouraging to see these early stage companies engaged in the process and starting to track ESG data, including emissions data, from the outset.*

*On governance, as confirmed in the internally-produced “ESG tracker” documents for each new investment, all investments made during the reference period met the requirement that the companies have good governance appropriate for the size and stage of the companies, and the Passion representative is working with each company to ensure that ESG is a standing item at board meetings with no pushback.*

### ● **...and compared to previous periods?**

*The key comparison to be made with the previous period is the number of companies now in the Fund cohort (rising from 5 on 1 April 2025 to 13 on 1 April 2026). As would be expected, governance indicators continue to perform strongly with all companies falling within the realm of having good governance appropriate for the stage of the business. Emissions indicators (as primarily measured at this stage through engagement with the EDCI exercise) have performed well, in the sense that all portfolio companies have engaged with the exercise. Given the anticipated hyper growth of many of these companies, we are*

<sup>12</sup>

Source: Beahurst data in Investing in Women Code 2025 report

not requiring emissions reductions to classify these indicators as moving in the right direction: we fully expect emissions to rise across the whole portfolio for the next 5 or so years whilst those companies are in immature and hyper growth phase. In 2024-5, 27% of our screening calls were founding teams including female founders and that has marginally improved in 2025-6 (32%). In terms of gender diversity on concluded investments, in 2025-6 we are at 38% non-all-male founding teams, compared to 40% last year. We are now approximately half way through our investment period for this Fund. In terms of race and ethnicity diversity, we are delighted to have a wide range of nationalities in the portfolio, although the vast majority are European based and European heritage and only one company in the cohort is founded by non-white founders.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

As set out in the LPA, during the Investment Period, which is expected to last until Q3 2027, the Fund will continue to cast its net wide to find and invest in companies that (a) meet the Investment Guidelines set out in the LPA, (b) meet or have the capacity to meet the Characteristics (whilst always meeting the Characteristic of good governance), (c) that present outstanding founders with the ambition to build companies of scale and (d) be open to and supportive of potential sustainable investments which have an environmental or social objective (whether qualifying under the EU Taxonomy or not). The Fund has made two investments with an environmental or social objective during the reference period, namely (a) an investment into a company named Ocean Orchestra Ltd which is creating a system of traceability in supply chains for fish and seafood in order to end unethical fishing practices and to safeguard the health of the oceans. This investment is not taxonomy-aligned. And, (b) an investment into a company trading as Hansel & Gretel which aims to help consumers avoid regrettable spending.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable. The Fund has not committed to making any investments with an environmental objective (Taxonomy-aligned) or indeed any sustainable investments.



— **How were the indicators for adverse impacts on sustainability factors taken into account?**

Not applicable.

— **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

Not applicable.

**How did this financial product consider principal adverse impacts on sustainability factors?**

As explained in the LPA, the Fund has opted not to undertake PAI reporting. The Fund believes that the disclosures that it is making in accordance with, and as if it were bound by, the remaining

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

provisions of Article 8 (principally this annual reporting under Article 8, the annual reporting of core ESG metrics under the EDCI initiative and further quarterly ESG updates to investors) provide sufficient clarity to enable the investment manager of the Fund and the Fund's investors to easily and meaningfully assess the positive as well as the adverse impacts of the Fund's investments.



## What were the top investments of this financial product?

Largest investments <sup>13</sup>	Sector	% Assets <sup>14</sup>	Country
<b>Geosurge</b>	<b>AI</b>	<b>15</b>	<b>UK</b>
<b>Paypercut</b>	<b>Fintech</b>	<b>14</b>	<b>Luxembourg</b>
<b>Ocean Orchestra</b>	<b>Impact</b>	<b>8</b>	<b>UK</b>
<b>Teal</b>	<b>Fintech</b>	<b>8</b>	<b>UK</b>
<b>Anqa</b>	<b>Fintech</b>	<b>7</b>	<b>US</b>
<b>Emblematic</b>	<b>Fintech</b>	<b>7</b>	<b>US</b>
<b>Tapaya</b>	<b>Fintech</b>	<b>7</b>	<b>Czechia</b>
<b>LangWatch</b>	<b>AI</b>	<b>7</b>	<b>Netherlands</b>
<b>Aloft</b>	<b>PropTech</b>	<b>6</b>	<b>UK</b>
<b>Unyx</b>	<b>Fintech/crypto</b>	<b>6</b>	<b>UK</b>
<b>Hansel &amp; Gretel</b>	<b>Fintech</b>	<b>6</b>	<b>UK</b>
<b>Marble</b>	<b>Fintech/AML</b>	<b>4</b>	<b>France</b>
<b>Effra</b>	<b>Healthtech</b>	<b>4</b>	<b>UK</b>

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: **GEOSURGE LTD**

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



## What was the proportion of sustainability-related investments?

The Fund has invested fully in line with its Investment Guidelines and the commitments set out in the LPA disclosures. It has only made investments that are aligned with the six E/S characteristics listed above. The Fund continues to seek to make sustainable investments (which may in turn fall

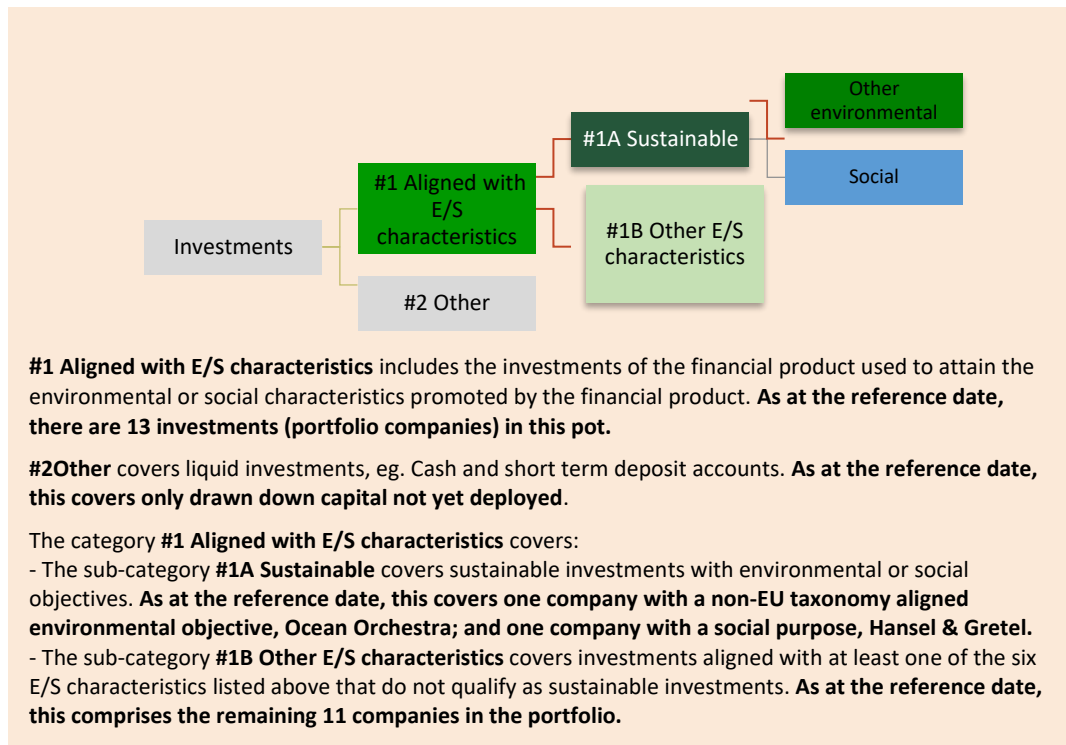
<sup>13</sup> Highlighted companies are sustainable investments (but not EU taxonomy sustainable investments).

<sup>14</sup> Interpreted to mean concentration within the fund, based on capital invested including follow on investments, regardless of actual ownership percentages within investee companies. May not add up to 100% due to rounding.

into one or more of the three sub-categories of sustainable investments) and has made two sustainable investments to date: Ocean Orchestra (a traceability platform for the fish and seafood supply chain) and Hansel & Gretel (an app to help consumers avoid regrettable spending). The former is an environmental sustainable aim and the latter has a socially sustainable aim but neither are EU Taxonomy sustainable investments. The Fund has not invested any of its capital in any other asset class, but from time to time may hold liquid investments, e.g. cash and short term deposit accounts.

● **What was the asset allocation?**

**Asset allocation** describes the share of investments in specific assets.



● **In which economic sectors were the investments made?**

None of the Fund’s investments are in or closely related to exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels.

As set out in the table above, the investments to date are all in the technology sector, predominantly fintech and AI, plus proptech, impact and healthtech.



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund has invested in Ocean Orchestra, which has an environmental objective, but we have concluded that it is not EU Taxonomy aligned.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>15</sup>?**

Yes:

In fossil gas  In nuclear energy

No

- **What was the share of investments made in transitional and enabling activities?**

*Not applicable (0%). The Fund does not make and does not intend to make investments in transitional or enabling activities.*

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

*There were no sustainable investments in the Fund at the end of the previous reference period. At the end of the current reference period, there was one environmentally sustainable investment but we have concluded that it is not EU Taxonomy aligned and therefore there remain zero EU Taxonomy-aligned investments in the Fund.*



- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

*The Fund has made one investment into a company with an environmental objective not aligned with the EU Taxonomy. This represents one of thirteen investments made by the Fund as at the reference date; or 8% of the capital committed by the Fund into portfolio investments as at the reference date.*



- **What was the share of socially sustainable investments?**

*The Fund has made one investment into a company that is a socially sustainable investment. This represents one of thirteen investments made by the Fund as at the reference date, and 6% of capital committed by the Fund into portfolio investments as at the reference date.*



- **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

*All of the Fund’s investments align with its six Characteristics, other than its liquid investments such as cash and short term deposit accounts, comprising capital drawdown and not yet deployed to investments, which are the only investments included in “#2 Other”.*



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

*All investments made during the reference period met the requirement that the companies have good governance appropriate for the size and stage of the companies. This was recorded in a bespoke “ESG tracker” that we have created for each company, and which we will revisit each time*

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<sup>15</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

*a company wishes to raise new capital, with the results of that ESG reflection exercise informing our decision whether to allocate further capital to that company. Indeed, that ESG reflection exercise has already been tested twice in the current Fund as two of the portfolio companies have already raised further capital.*

*In each of the thirteen companies in which we have invested (as at the reference date) the Fund was either the lead investor or a significant investor and we therefore either have board rights, observer rights or close and regular founder communications which allow us to press for action on the E/S Characteristics. We typically find that founders rely on us for advice on hiring strategies, which allows us to influence hiring diversity and culture.*

*It has been particularly encouraging to see each of the eleven portfolio companies in which the Fund had invested as at 31 December 2025, participating in the annual EDCI ESG reporting exercise, which has just completed.*



**How did this financial product perform compared to the reference benchmark?**

*Not applicable. The Fund did not set any reference benchmarks.*