



Brussels, 6.4.2022
C(2022) 1931 final

ANNEX 5

ANNEX

to the

Commission Delegated Regulation (EU) .../....

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

ANNEX V

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: NCAP Fund II

Legal entity identifier: Unovis Asset Management

Sustainable investment objective

Did this financial product have a sustainable investment objective?

Yes. 100% of NCAP II's investments are sustainable, with an environmental and social objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

To what extent was the sustainable investment objective of this financial product met?

NCAP II invests exclusively in innovative startups aiming to replace animal agriculture—and its detrimental effects—in global food systems. Food production is the largest consumer of land and water, the second biggest emitter of greenhouse gases, and employs the largest workforce worldwide. Animal agriculture negatively impacts public health, degrades soils, and contributes significantly to pollution. There are insufficient resources to scale up and feed Earth's growing population through animal agriculture. Novel proteins directly influence climate change mitigation and adaptation, facilitate the transition to a circular economy, and aid in pollution prevention and control, sustainable resource use, and the protection of water and marine resources, as well as the preservation and restoration of biodiversity and ecosystems. Novel proteins generate up to 92% fewer emissions than animal production, and the necessary emission reductions to meet the Paris Agreement goals would be unattainable without them.

While the companies in our portfolio are early stage, and their greatest impact will be felt when they scale, it is only dramatic system changes that can meet climate goals.

How did the sustainability indicators perform? (Including compared to previous periods)

Area	Adverse sustainability indicator	2023	2024	Explanation or actions taken
Greenhouse gas emissions	Scope 1 Emissions (Tons CO ₂ e)	6.76	5.72	More companies reported this year. Note that not yet all companies provided data on all scopes. Also not enough data was available at the time of reporting for full Scope 3 calculation.
	Scope 2 Emissions (Tons CO ₂ e)	61.9	258.7	
	Scope 3 Emissions (Tons CO ₂ e)	711.2	820.3	
	Total GHG Emissions (Tons CO ₂ e)	779.9	1084.6	
	Carbon footprint (Tons CO ₂ e)/EUR capital invested)	0.0	0.0	
	GHG Intensity of investee companies (Tons CO ₂ e)/EUR revenue)	0.0	0.0	Note that not all companies were revenue positive in 2024
	Exposure to companies active in the fossil fuel sector	0%	0%	
	Renewable energy consumption	33.3%	62.8%	
	Energy consumption intensity per high negative impact climate sector	0%	0%	
Biodiversity	Companies with a negative effect on a biodiversity-sensitive area	0%	0%	
	Investments in companies without biodiversity protection policy	17.6%	58%	More companies reported on this measure this year.
Water	Emissions to water (Tons/EUR invested)	0	0	
Waste	Hazardous waste generated (Tons/EUR invested)	0	0	
Social and employee matters	Companies which violated the UN Global Compact principles and OECD Guidelines for Multinational Enterprises	0%	0%	
	Companies that lack processes and mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	0%	0%	
	Gender pay gap (difference women & men)	5.3%	11.9%	More companies reported on this metric this year.
	Board gender representation	26.8%	22.1%	All companies reported on this metric this year.
	Exposure to controversial weapons	0%	0%	
	Companies without a human rights policy	0%	0%	

Notes

- Calculations based on data provided by the portfolio companies.
- Scope 1, 2, 3 emissions calculated based on the GHG Protocol, using activity-based methodology. Note that not all companies provided full data for Scope 1,2,3 emissions.
- Renewable energy consumed calculation was based on the data provided. If no data was provided, the location-based method was used.
- For 2024 PAI calculation, the equity-stake methodology was applied to pro-rate attributable indicator results. This methodology was retroactively applied to 2023 and will be used going forward.
- The following regulation and guidance documents were used in the calculation of these metrics:
 - o Annex 1 (6 April 2022): https://eur-lex.europa.eu/eli/reg_del/2022/1288/oj/eng
 - o Q&A released 17 Nov 2022: JC 2022 62 JC SFDR Q&As (europa.eu)

- o Consultation Paper released 12 April 2023: JC 2023 09 Joint Consultation Paper on the Review of SFDR Delegated Regulation regarding PAI and financial product disclosures (europa.eu)

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

Metrics for all required indicators were tracked, plus optional indicators: 1) Human Rights Policy (Social) and Biodiversity Protection Policy (Climate).

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

NCAP II portfolio companies broadly impact human rights by conserving natural resources. These companies also adhere to specific guidelines and principles, prioritizing international economic progress within our sector, and each company has operational policies to protect and respect human rights.

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

While Unovis is primarily interested in our companies' Scope 4 impact, for the purposes of SFDR, the PAI factors considered are listed in the table above.

What were the top investments of this financial product?

100% of fund investments are focused on sustainable alternatives to animal agriculture.

Did the financial product invest in fossil gas and/or nuclear energy-related activities, complying with the EU Taxonomy?

Not applicable

What was the share of socially sustainable investments?

100%

What actions have been taken to attain the sustainable investment objective during the reference period?

Our engagement policy for NCAP II includes quarterly investor reports, annual investor meetings, and twice-annual limited partner advisory committee meetings. The Unovis investment committee is available to meet with limited partners (LPs) or answer questions year-round.

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

No specific reference benchmark has been established for achieving the sustainable investment objective. To date, we have not identified a relevant impact benchmark for early-stage private equity impact investments.