



Brussels, 31.10.2022  
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ANNEXES 1 to 4

## ANNEXES

*to the*

**COMMISSION DELEGATED REGULATION (EU) .../...**

**amending and correcting the regulatory technical standards laid down in Delegated Regulation (EU) 2022/1288 as regards the content and presentation of information in relation to disclosures in precontractual documents and periodic reports for financial products investing in environmentally sustainable economic activities**

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

**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.



‘ANNEX V

**Template 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: **Shift4Good Fund I**

Legal entity identifier: **GP202168**

## Sustainable investment objective

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

<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> <b>Yes</b>	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> <b>No</b>
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective: 100%</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective: ___%</b>	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

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

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

Shift4Good fund has, as a sustainable objective, to reduce CO2 and other negative environmental contributors linked to the transportation of goods and people.

Shift4Good is committed to invest only in sustainable investments regarding SFDR requirements. The sustainability assessment methodology is composed of 3 steps:

1. Substantial contribution to one or several environmental objective assessed via the EU Taxonomy criterias;
2. Dot Not Significantly Harm (DNSH) other environmental objectives assess via the Principal Adverse Impact (PAI) indicators;
3. Governance good practices assessed by a Governance Compliance questionnaire and confirmed (if needed by an external auditor).

The two investments made in 2022 successfully passed the impact assessment. They both contribute to the Climate change mitigation objective:

- Eyelights activities contribute to climate change mitigation as it produces a less carbon intensive solution to onboard screen. Moreover, it allows to avoid road accident and thus emissions associated.
- Compredict activities contribute to climate change mitigation as it activates vehicle usage insights for a sustainable vehicle life-cycle by maximizing utilization and minimizing environmental footprint.

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

n.a. Shift4Good Fund I closed in October 2022 and the first two investments happened thereafter.

● ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

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

The sustainability assessment methodology is composed of 3 steps, of which one is the DNSH assessment performed via PAIs. If an investment opportunity declare PAIs that seems largely superior to standard ones, Shift4Good will pass on the opportunity.

Investment opportunities were assessed in regards to PAIs. The indicators are filled by the startup and reviewed by S4G in comparison with industry standards and with S4G requirements in term of impact.

**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.

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

OECD Guidelines for Multinational Enterprises are not applicable to investment opportunities analyzed by Shift4Good (the fund is focused on early stage startups) but Shift4Good Impact methodology has been constructed explicitly with references to it.

Investment opportunities are ESG compliance assessed by a third party. Recommendation measures are given by the expert auditor to the company to progress on these topics. The investment was assessed and no red flags have been raised regarding these topics.

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



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

The sustainability assessment methodology is composed of 3 steps, of which one is the DNSH assessment performed via PAIs.



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

Largest investments	Sector	% Assets	Country
<i>Eyelights</i>	<i>Head-up display</i>	85.7%	<i>France</i>
<i>Compredict</i>	<i>Vehicle predictive</i>	14.3%	<i>Germany</i>

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: *[complete]*



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

100% of Shift4Good investments are sustainable.

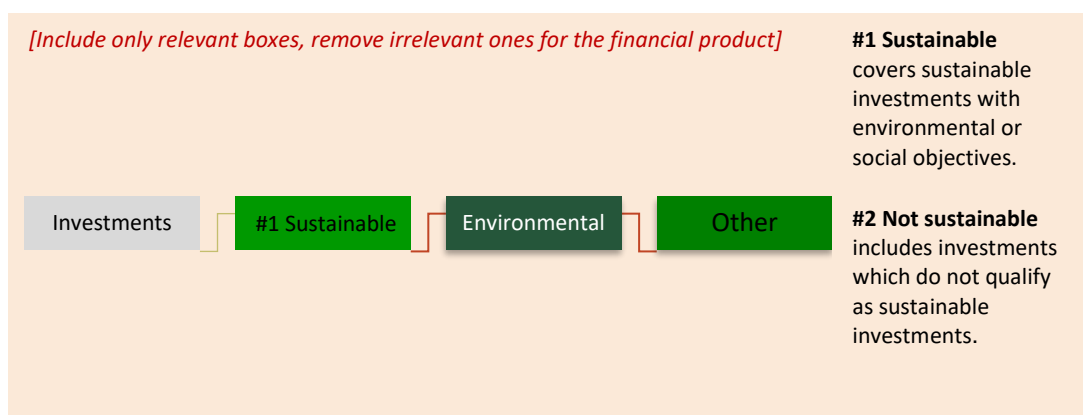
They all have been assessed by the sustainability assessment methodology of Shift4Good which comprises 3 steps before validation:

1. Substantial contribution to one or several environmental objective assessed via the EU Taxonomy criterias;

2. DNSH other environmental objectives assessed via the PAI indicators;
3. Governance good practices assessed by an external auditor.

● **What was the asset allocation?**

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



*[Include note for the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852.*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective

**Transitional activities are economic activities** for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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

Shift4Good is a Decarbonization of the transportation industry focus fund. Investments are made in startups that allow to reduce the environmental impact of the transportation of goods or people.



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

The investment performed in 2022 are aligned with the sustainable investment definition prevailing under SFDR. This definition is broader than the criteria set forth in the EU Taxonomy on sustainable activities. Further, while it may be assessed to a certain degree, the alignment to the EU Taxonomy is typically not reported by companies in scope of Shift4Good's investments.

Consequently, the fund cannot commit to a specific alignment level with the EU Taxonomy.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

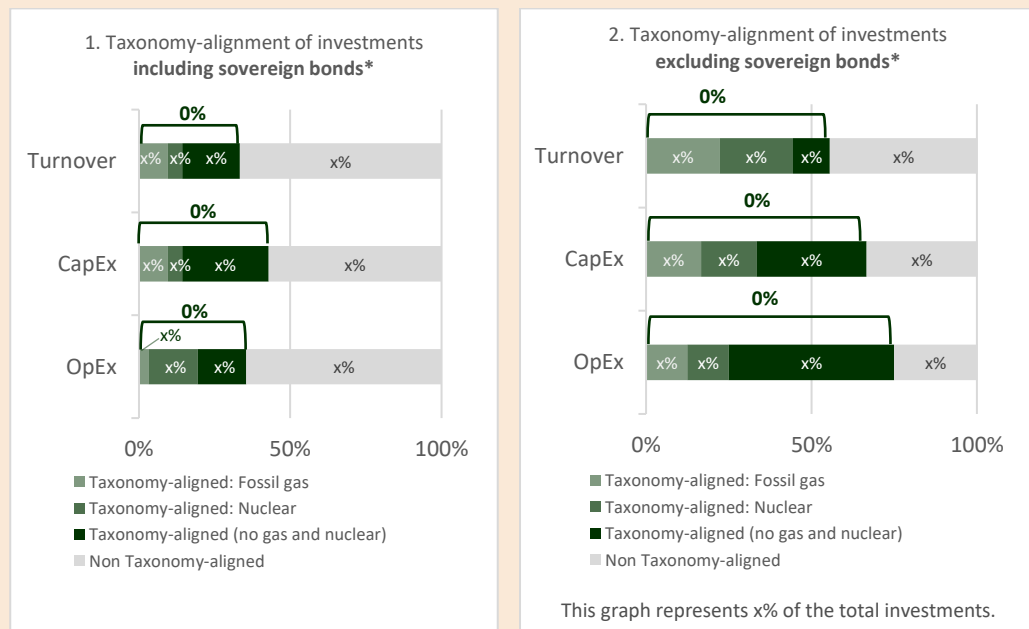
- Yes:
  - In fossil gas
  - In nuclear energy
- No

*[include note only for the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

The 0% indicated in this graph means that investments are not assessed according to the EU taxonomy.

*[include note for the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]*



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

<sup>1</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 no significant harm to 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.

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

0% - no transition or enabling activities to date.

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

n.a - The investment performed in 2022 are aligned with the sustainable investment definition prevailing under SFDR. This definition is broader than the criteria set forth in the EU Taxonomy on sustainable activities. Further, while it may be assessed to a certain degree, the alignment to the EU Taxonomy is typically not reported by companies in scope of Shift4Good's investments.

Consequently, the fund cannot commit to a specific alignment level with the EU Taxonomy.



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

n.a - cf. same answer as the previous question, the fund cannot commit to a specific level of alignment (or non-alignment) with the EU taxonomy.



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

0% - Shift4Good is a solely environmental focus fund.



- What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

0% - Indeed, 100% of Shift4Good's investments are aligned with the sustainable investment definition prevailing under SFDR.



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

Sustainability assessment methodology that screens investment opportunities to retain only those which are consistent with sustainability criterias.



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

The fund does not perform vs. a reference sustainable benchmark. It chooses specific KPIs per portfolio company.

- *How did the reference benchmark differ from a broad market index?*
- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?*
- *How did this financial product perform compared with the reference benchmark?*
- *How did this financial product perform compared with the broad market index?*

*[include note for the financial products referred to in Article 9(1) of Regulation (EU) 2019/2088]*

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.