



BALTIC SEA  
GROWTH FUND



# Annual ESG Report 2024

May 2025



# INVL Baltic Sea Growth Fund: overview

GENERAL			INVESTMENT STRATEGY FOCUS			
€164.7m TOTAL COMMITMENTS	2019 VINTAGE YEAR	Lithuania DOMICILE	<div><div>GEOGRAPHY</div><div></div><div>Focus: Baltic Sea region Opportunistically: selected investments in other EU countries</div></div>	<div><div>INDUSTRIES</div><div></div><div>Industry-agnostic and diversified</div></div>	<div><div>COMPANY SIZE</div><div></div><div>Late-stage SME, Small-Cap and Mid-Cap companies</div></div>	<div><div>EQUITY TICKET SIZE</div><div></div><div>€10m – €30m Larger deals with co-investment</div></div>
MANAGEMENT COMPANY			Starting from the Baltics as a steppingstone we strive to develop regional market leaders			
<div><div></div><div>INVL Asset Management</div></div> <div><ul style="list-style-type: none"><li>100% subsidiary of the leading Baltic asset management group Invalda INVL.</li><li>Active since 1991 and with a solid track record, Invalda INVL group boasts 30+ years of experience in managing private equity assets in the Baltic countries and CEE landscape while developing companies into best-in-class market leaders.</li></ul></div>	65 INVESTMENT PROFESSIONALS	>€1.6 billion ASSETS UNDER MANAGEMENT				
INVESTMENT COMMITTEE						
<div></div> <div>Darius Šulnis MANAGING PARTNER</div>	<div></div> <div>Deimantė Korsakaitė MANAGING PARTNER</div>	<div></div> <div>Nerijus Drobavičius PARTNER</div>	<div></div> <div>Vytautas Plunksnis PARTNER</div>	<div></div> <div>Vidas Venckus PARTNER</div>	<div></div> <div>Ashwin Roy NON-EXECUTIVE PARTNER</div>	<div></div> <div>Alvydas Banys SENIOR ADVISOR</div>
SUPERVISION						
REGULATOR		AUDITOR		DEPOSITORY		
<div><div>LB</div><div>LIETUVOS BANKAS</div></div>		<div><div></div><div>KPMG</div></div>		<div><div>SEB</div></div>		



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Dear Investors,

In 2024, we took meaningful steps to further evolve our ESG framework and embed it into our investment process and portfolio company operations. Building on our existing foundation, we introduced new tools and practices to improve ESG accountability, standardization, and long-term planning across the portfolio.

Key initiatives aimed at institutionalizing ESG further within our Fund included the rollout of standardized ESG-related policy templates, implementation of a new monitoring tool to help track ESG progress, and a more structured approach to setting and incentivizing ESG targets. The overall framework being embedded into portfolio governance ensures that sustainability remains integral to value creation.

We remain committed to helping our portfolio companies grow sustainably, while driving positive impact and strong financial performance. The fourth edition of our annual ESG report highlights the evolving dynamics of key portfolio company level ESG KPIs, notable ESG initiatives undertaken in 2024, and includes sustainability-related disclosures in accordance with the Sustainable Finance Disclosure Regulation (SFDR) for FY2024.

Please note that due to the new regulation on ESG ratings (Regulation (EU) 2024/3005), the Fund no longer discloses its ESG Index to investors. It will continue to be used internally to support the Fund in tracking portfolio companies' ESG development.

















**Deimantė Korsakaitė**  
MANAGING PARTNER













# Portfolio overview

PORTFOLIO AS OF 31 DECEMBER 2024								
9 PORTFOLIO INVESTMENTS		€642m REVENUE 2024		€106m REPORTED EBITDA 2024		>9 400 EMPLOYEES		
<div><div></div><div></div><div></div><div><div></div><div></div><div></div><div></div><div></div></div><div></div><div></div></div>		<ul style="list-style-type: none"><li>• Largest healthcare clinics chain in Lithuania.</li><li>• <b>Fund's first exit in Q1 2025.</b></li><li>• Leading civil engineering company in Lithuania.</li><li>• Largest environmental management group in the Baltics by sales, based in Latvia, expanded to Lithuania and Czech Republic.</li><li>• Leading European manufacturer of medical mobility devices. HQ in Denmark and facilities in Poland and China.</li><li>• Producer of natural cosmetics and hygiene products in Latvia.</li></ul>		<div></div> <div></div> <div></div> <div></div>		<ul style="list-style-type: none"><li>• Chain of 9 veterinary clinics in Lithuania, acquired as steppingstone for veterinary care industry consolidation. Minority investor in Polish consolidation platform LuxVet.</li><li>• Largest post-acute, recovery treatment and medical rehabilitation service provider in the Baltics.</li><li>• Largest PVC windows and door profiles recycler in Poland.</li><li>• Leading buckwheat processing company in the Baltics, based in Lithuania.</li></ul>		
HEALTHCARE SERVICES	ENGINEERING / CIVIL CONSTRUCTION	WASTE MANAGEMENT & PLASTIC RECYCLING	HEALTHCARE APPLIANCES	BEAUTY & COSMETICS	VETERINARY CARE	REHABILITATION / HEALTHCARE	PVC RECYCLING	FOOD PROCESSING






Portfolio companies (1/3)

<div>   <b>InMedica</b></div>	<ul style="list-style-type: none"><li>• The largest and leading private healthcare provider in Lithuania, operating 84 clinics and 5 labs in 27 cities across the country at the end of Q4 2024.</li><li>• Provides services in all three levels of medical care, including general practice, specialist consultations, outpatient and inpatient surgery, odontology, laboratory checks, vaccinations, health check-ups and more.</li><li>• The largest merger in Lithuanian healthcare clinic history to date completed with MediCA Group in March 2022.</li><li>• <b>Fund’s first exit completed in Q1 2025 to Mehilainen, Finland's largest social and healthcare provider.</b></li></ul>					
	INDUSTRY <b>Healthcare services</b>		COUNTRY <b>Lithuania</b>		ENTRY <b>February 2019</b>	EXIT <b>March 2025</b>
	ANNUAL REVENUES (2024) <b>€152 million</b>			EMPLOYEES (2024) <b>3 638</b>		
<div>  <b>FERN Group</b></div>	<ul style="list-style-type: none"><li>• Leading steel based industrial equipment manufacturing and assembly, civil engineering company in Lithuania.</li><li>• Engaged in large and complex industrial facilities installation and repairs projects, particularly in chemical, energy generation, pipeline transportation, bulk and liquid products stevedoring industries. It also provides steel structures manufacturing and assembly services to general construction industry.</li></ul>					
	INDUSTRY <b>Engineering / Civil construction</b>		COUNTRY <b>Lithuania</b>		ENTRY <b>June 2019</b>	
	ANNUAL REVENUES (2024) <b>€35 million</b>			EMPLOYEES (2024) <b>281</b>		
<div> <div></div> <b>Eco Baltia</b></div>	<ul style="list-style-type: none"><li>• The largest environmental management group in the Baltics, providing the full cycle of waste management and plastic recycling.</li><li>• #1 PET and PE/PP recycler in the Baltics, #2 privately-owned municipal waste collection business in Latvia and #1 player in Lithuania (Eco Baltia acquired add-on Ecoservice in August 2021) as well as #1 in organization of waste recovery (“green-dot”) in Latvia.</li><li>• Expanded outside of the Baltics by acquiring a leading Czech polyester fibre producer TESIL Fibres (September 2022).</li><li>• Since November 2023, owns a stake in Metal-Plast, the largest PVC recycler in Poland, in 55%/45% partnership with INVL Baltic Sea Growth Fund.</li></ul>					
	INDUSTRY <b>Environmental services &amp; Plastic recycling</b>		COUNTRY <b>Latvia / Lithuania / Czechia</b>		ENTRY <b>June 2020</b>	
	ANNUAL REVENUES (2024) <b>€236 million</b> pro-forma			EMPLOYEES (2024) <b>2 515</b>		






Portfolio companies (2/3)


<div></div> <div>MBL</div>	<ul style="list-style-type: none"><li>• Leading European manufacturer of medical mobility devices, specializing in wheelchairs, rollators, aged care beds and other rehabilitation equipment.</li><li>• Headquartered in Denmark with manufacturing facilities in Poland and China.</li></ul>		
	INDUSTRY Healthcare appliances manufacturing	COUNTRY Denmark / Poland / China	DATE OF ENTRY August / September 2020
	ANNUAL REVENUES (2024) €117 million		EMPLOYEES (2024) 1 704
<div></div> <div>B2Y</div>	<ul style="list-style-type: none"><li>• Growth-stage Latvian-based beauty and cosmetic manufacturer and brand owner.</li><li>• Develops and manufactures natural skincare, oral care, hair care, other bath and shower products.</li></ul>		
	INDUSTRY Beauty and cosmetics manufacturing	COUNTRY Latvia	DATE OF ENTRY February 2022
	ANNUAL REVENUES (2024) €0.7 million		EMPLOYEES (2024) 19
<div></div> <div>MiniVet</div>	<ul style="list-style-type: none"><li>• Boutique Lithuanian veterinary chain, currently operating in 9 locations in Lithuania.</li><li>• In October 2022, became a minority shareholder in LuxVet Group, one of the largest networks of veterinary care providers in Poland, operating more than 50 veterinary clinics as well as offering such services as pet health plans, telemedicine platform and a vet training centre business.</li></ul>		
	INDUSTRY Veterinary care	COUNTRY Lithuania / Poland	DATE OF ENTRY June 2022
	ANNUAL REVENUES (2024) €1.1 million / €40 million <small>Lithuanian business   Polish business (pro-forma)</small>		EMPLOYEES (2024) 31



Portfolio companies (3/3)

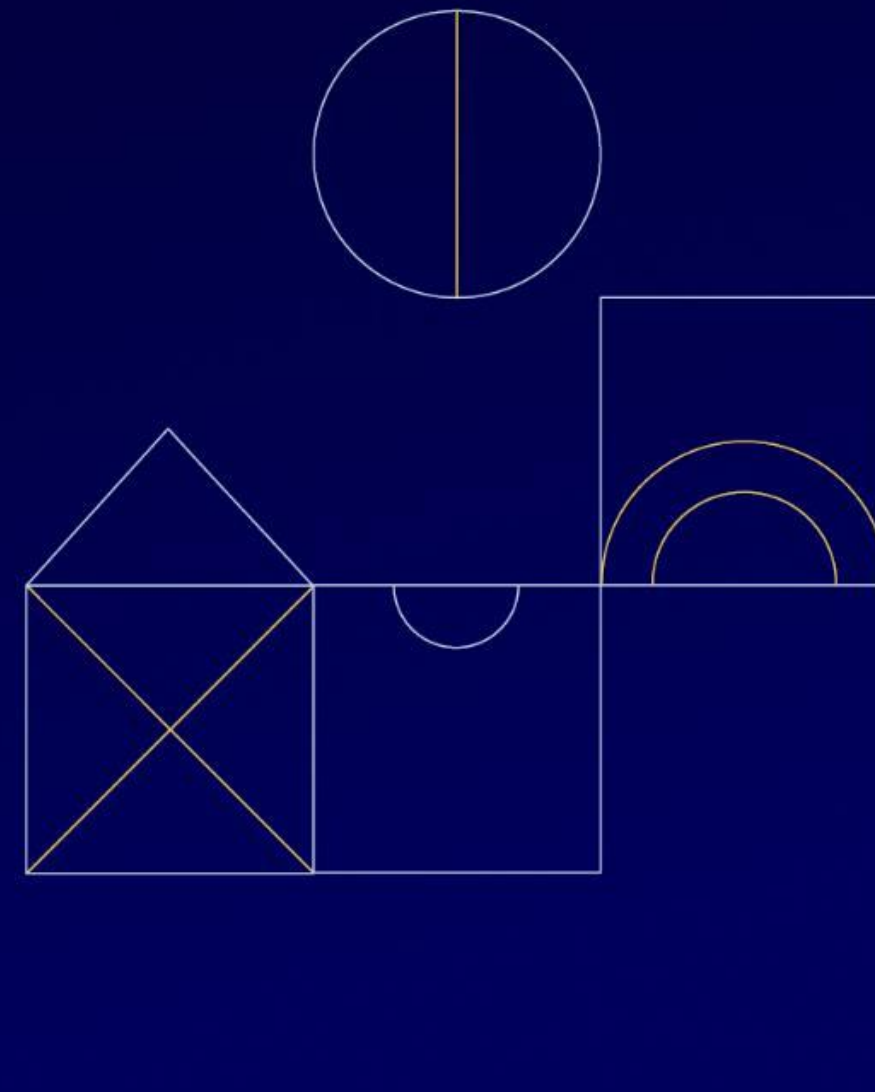
<div></div> <div>Eglės sanatorija</div>	<ul style="list-style-type: none"><li>• Largest post-acute, recovery treatment and medical rehabilitation service provider in the Baltics.</li><li>• Accommodates up to 2,000 guests in 2 resorts located in Druskininkai and Birštonas.</li><li>• Guests are offered a wide variety of therapeutic and wellness procedures, from traditional mud and mineral water practices to innovative physiotherapy and kinesitherapy procedures.</li></ul>		
	INDUSTRY Post-acute treatment / Healthcare	COUNTRY Lithuania	DATE OF ENTRY December 2022
	ANNUAL REVENUES (2024) €47 million		EMPLOYEES (2024) 948
<div></div> <div>Metal-Plast</div>	<ul style="list-style-type: none"><li>• Leading pan-European player in PVC windows and door systems waste recycling market.</li><li>• The Company cooperates with a network of over 700 window joinery producers that supply plastic waste for recycling.</li><li>• Plastic waste is recycled into highest quality and customer-tailored PVC regranulate that is sold to, among others, producers of plastic window systems, windowsills, PVC pipes; manufacturers of furniture and electrical hardware.</li></ul>		
	INDUSTRY PVC recycling	COUNTRY Poland	DATE OF ENTRY November 2023
	ANNUAL REVENUES (2024) €31 million		EMPLOYEES (2024) 196
<div></div> <div>Galinta</div>	<ul style="list-style-type: none"><li>• One of the largest producers of buckwheat in Europe.</li><li>• Leading producer of flakes, rice, and other groats in the Baltic region with a well-known brand name.</li></ul>		
	INDUSTRY Food processing	COUNTRY Lithuania	DATE OF ENTRY February 2024
	ANNUAL REVENUES (2024) €26 million		EMPLOYEES (2024) 112



INVL BALTIC SEA GROWTH FUND PORTFOLIO IN 2024		
		
TOTAL REVENUE	TOTAL REPORTED EBITDA	TOTAL EMPLOYEES
€642 million	€106 million	>9 400
Change vs 2023		
+€80.4m	+€21.1m	+643



# ESG KPIs & Featured ESG Initiatives





## BACKGROUND

- As part of our aim of ESG development progress, we set individual ESG KPIs for each portfolio company based on its identified ESG profile given the ESG assessment carried out during the pre-investment stage.
- The KPIs stem from global ESG frameworks (such as SASB, GRI) and take into account both industry specifics as well as are adapted to individual company characteristics.
- Each portfolio company has 3 to 5 ESG KPIs designated to be reported annually as part of INV L Baltic Sea Growth Fund’s ESG reporting, while a set of other ESG KPIs are monitored internally.
- The provided annual KPI values stand as a reference for future periods, with a goal of aiming to improve the relevant indicators (or ensure the highest standards are maintained) throughout our holding period.





# 2024 ESG KPIs & Featured ESG Initiatives: InMedica

ESG KPIs													
		CUSTOMER WELFARE			WASTE MANAGEMENT			BUSINESS ETHICS					
2024		95 CSAT customer satisfaction score			80 NPS net promoter score			30.9 g/IPDA Waste generated per inpatient and day patient admissions			0 Number of faced legal proceedings		
2023^		95	93	94	76	77	78	41.9	57.0	40.1	0	0	0
2022													
2021													
FEATURED ESG INITIATIVE													
Engaging communities for cancer awareness													
<ul style="list-style-type: none"><li>InMedica group continued its <b>commitment to social responsibility</b>, promoting <b>health awareness</b> and <b>disease prevention</b>.</li><li>As part of its broader CSR initiatives, in 2024, InMedica supported events aimed at <b>helping people with cancer</b>.</li><li>On <b>World Cancer Day</b> (3 February), InMedica was the <b>main sponsor of a charity tennis doubles tournament, raising funds for the “Patients for Patients” project</b> run by the Association for Cancer Patient Assistance.</li><li>In <b>October</b>, InMedica sponsored the <b>Pink Ribbon Padel Tournament</b> in Kaunas and the <b>Women's Tennis Tournament</b> in Klaipėda, uniting participants to <b>raise breast cancer awareness</b> and support the affected women.</li></ul>													
240 Participants													



^ Recalculated following revisions of underlying data



# 2024 ESG KPIs & Featured ESG Initiatives: FERN group

ESG KPIs	
<div>2024</div> <div>2023^</div> <div>2022</div> <div>2021</div>	HEALTH & SAFETY
	<div>3.9</div> <div>Lost Time Injury Incidence Rate (LTIR) no. of injuries per 1 million of man-hours</div>
	<div>6.3</div> <div>16.0</div> <div>10.5</div>
	WORK QUALITY
	<div>2.60%</div> <div>Work defects as % from total inspections</div>
	<div>n/a</div> <div>1.97%</div> <div>1.60%</div>
	STRUCTURAL INTEGRITY
	<div>0.32% of sales</div> <div>Monetary losses due to defect and safety-related rework costs</div>
	<div>0.60%</div> <div>0.49%</div> <div>0.38%</div>
FEATURED ESG INITIATIVE	
Structured employee goal-setting and performance evaluation system	
<div></div> <div><ul style="list-style-type: none"><li>To support key ESG objectives, FERN group is introducing a <b>structured annual goal-setting and performance evaluation system</b>, helping build a transparent, fair, and motivating performance culture, aligning closely with ESG priorities.</li><li>The system supports ESG goals related to <b>professional development of employees</b>, with individual goals and feedback enabling <b>skills tracking and improvement of the training effectiveness</b>, as well as <b>employee satisfaction and retention</b>, with the link between performance, salary review, and development fostering employee engagement and motivation.</li></ul></div>	
<div>2025 TARGET</div> <div>+10%</div> <div>Professional development hours per FTE</div>	
<div>2025 TARGET</div> <div>2.4% → 2.0%</div> <div>Employee turnover rate</div>	
	

^ Recalculated following revisions of underlying data



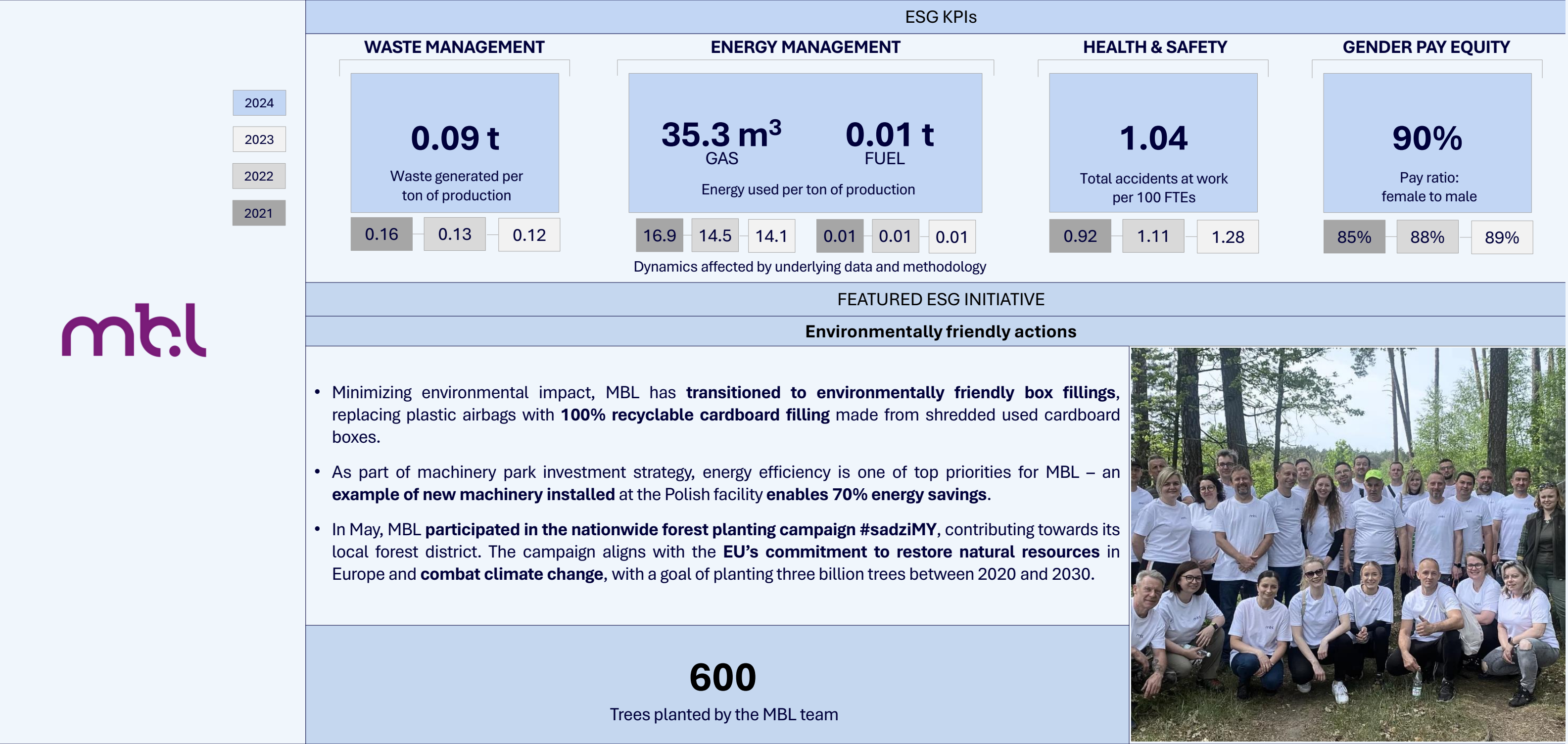
2024 ESG KPIs & Featured ESG Initiatives: Eco Baltia

ESG KPIs	
GHG EMISSIONS	ENERGY MANAGEMENT
<div>2024^</div> <div>2023^</div> <div>2022^</div> <div>2021</div> <div>-179 122 t</div> <div>Net of CO<sub>2</sub> equivalent avoided</div> <div><div>-21 866</div><div>-166 569</div><div>-196 496</div></div>	<div>84 kWh/t</div> <div>ENVIRONMENTAL SERVICES</div> <div>530 kWh/t</div> <div>PLASTIC RECYCLING</div> <div>Energy used per ton of collected and/or recycled material</div> <div><div>66</div><div>69</div><div>77</div><div>535</div><div>455</div><div>482</div></div>
RECOVERY	HEALTH & SAFETY
<div>18.5%</div> <div>Share of waste collected by fleet on green fuel</div> <div><div>6.0%</div><div>10.0%</div><div>13.6%</div></div>	<div>20.3%</div> <div>Share of recovered waste from all collected waste</div> <div><div>17.3%</div><div>18.8%</div><div>19.4%</div></div>
<div>2.87</div> <div>Total accidents at work per 100 FTEs</div> <div><div>1.55</div><div>2.90</div><div>1.42</div></div>	
<p>In 2024, avoided GHG emissions and energy efficiency KPIs were negatively affected by relocations carried out by the group's PET and PE/PP recycling companies during the year which led to lower production outputs.</p> <p>While increased, the rate is within past benchmarks and is closely monitored.</p>	
FEATURED ESG INITIATIVE	
Tobacco waste disposal awareness campaign	
<ul style="list-style-type: none"><li>To raise awareness on the long-term negative environmental impact of cigarette butt pollution, Eco Baltia <b>launched a campaign and a travelling environmental installation “Cīgmīnas”</b>.</li><li>According to a carried-out survey, <b>while 85% of Latvian smokers acknowledge cigarette butts as harmful waste, only 56% discard them improperly</b>, often due to indifference or misconceptions in terms of how harmful any careless disposal may really be.</li><li><b>Cigarette butts contain hazardous substances and spreads toxic chemicals</b> which <b>pollute water and wildlife</b>. Most regular filters contain fibres that are not biodegradable and therefore <b>do not decompose naturally</b>.</li><li>As part of the attention driving campaign, <b>specially branded public waste bins were installed across Latvian municipalities</b> to encourage proper disposal. The initiative featured <b>expert discussions, collaborations, and a comprehensive educational media campaign</b>.</li></ul>	
<div>172</div> <div>Public waste bins installed across Latvian municipalities</div>	<div>4.4 million</div> <div>Total media impressions</div>


^ GHG calculations revised 2022 onwards following revisions of underlying data and calibrating internal methodologies.



# 2024 ESG KPIs & Featured ESG Initiatives: MBL







ESG KPIs	
<div>2024</div> <div>2023</div> <div>2022</div>	<div>ENERGY MANAGEMENT</div> <div><div>7.83 m<sup>3</sup></div><div>Water consumed per ton of production</div><div>3.34 m<sup>3</sup> — 3.46 m<sup>3</sup></div></div> <div><div>457 kWh</div><div>Energy consumed per ton of production</div><div>241 kWh — 271 kWh</div></div> <div>KPIs affected by production portfolio dynamics.</div>
	<div>RESOURCE MANAGEMENT</div> <div><div>21.7%</div><div>Ratio of packaging weight as % of total production volume</div><div>8.9% — 12.1%</div></div>
	FEATURED ESG INITIATIVE
	Focus on employee well-being
<div>BIO<sub>2</sub>YOU</div>	<div><ul style="list-style-type: none"><li>As a <b>small company with a tight-knit team</b>, in 2024 <b>B2Y</b> focused on <b>simple yet meaningful ways to support well-being and work-life balance</b> across the organization.</li><li><b>Annual team event</b> dedicated to promoting and practicing healthy habits was introduced. To further enhance this initiative, B2Y organized a <b>company-wide meditation session</b>, encouraging mindfulness and relaxation among employees.</li><li>As well, a <b>pilot program offering hybrid work options and flexible hours for back-office positions</b> was introduced with the goal of <b>providing employees with greater flexibility in managing their professional and personal lives</b>, ultimately improving overall work-life balance and job satisfaction.</li></ul></div>
	





# 2024 ESG KPIs & Featured ESG Initiatives: MiniVet

ESG KPIs	
<div>2024</div> <div>2023</div> <div>2022</div> <div> <b>LUXVET</b> GRUPA</div>	<div><b>WASTE MANAGEMENT</b></div> <div><div>15.4 g/IPDA</div><div>Waste generated per inpatient and day patient admissions (IPDA)</div><div>8.6 g/IPDA — 11.7 g/IPDA</div><div>While increasing, believed to be under acceptable levels, as well affected by company's ongoing expansion.</div></div>
	<div><b>CUSTOMER WELFARE</b></div> <div><div>0</div><div>Number of customer complaints</div><div>1 — 0</div></div>
	<div><b>BUSINESS ETHICS</b></div> <div><div>0</div><div>Number of faced legal proceedings</div><div>0 — 0</div></div>
	<div><b>FEATURED ESG INITIATIVE</b></div> <div><div><b>Educational collaboration with young students</b></div><div><ul style="list-style-type: none"><li>MiniVet, having recently inaugurated its cutting-edge Hačiko clinic in the Riešė district of Vilnius, has embarked on an exciting <b>collaboration with the local “Vitlio” lyceum</b>.</li><li>This <b>partnership aims to engage younger students</b> by inviting them to participate in educational excursions within the clinic's premises and having opportunity to <b>directly interact with veterinary doctors</b>.</li><li>These interactions allowed the students to explore the joys and challenges associated with the veterinary profession. They also discussed the general well-being and care of pets, providing the children with valuable insights into the world of animal healthcare.</li></ul></div><div><div>2</div><div>On-site visits organized in 2024</div><div>40</div><div>School students welcomed to clinic premises</div></div><div></div></div>



# 2024 ESG KPIs & Featured ESG Initiatives: Eglės sanatorija




ESG KPIs	
<div>2024</div> <div>2023^</div> <div>2022^</div> <div></div>	<div><div>WASTE MANAGEMENT</div><div>81%</div><div>Share of waste diverted to recycling</div><div>72%83%</div></div>
	<div><div>ENERGY MANAGEMENT</div><div>0.06 MWh</div><div>Total energy consumed per bed day</div><div>0.07 MWh0.06 MWh</div></div>
	<div><div>CUSTOMER WELFARE</div><div>63</div><div>NPS net promoter score</div><div>7066</div></div>
	<div><div>DATA SECURITY</div><div>0</div><div>Number of data breaches</div><div>1^^0</div></div>
<div>HEALTH &amp; SAFETY</div> <div>210</div> <div>Number of lost workdays due to incidents per 500 FTEs</div> <div>60306</div>	
<div>Lower NPS may be affected by the ongoing expansion of the Day Centre segment, higher client flows, as well as limitations of Druskininkai facility (where major renovation is planned).</div>	
FEATURED ESG INITIATIVE	
Acknowledgement at the 2024 National Responsible Business Awards	
<div><ul style="list-style-type: none"><li>Eglės Sanatorija was <b>honored at the 2024 National Responsible Business Awards with a certificate of appreciation</b> by the Ministry of Social Security and Labour <b>for its active engagement and achievements in the social responsibility category</b>.</li><li>Being recognized at the national level reinforces Eglės Sanatorija’s commitment to social impact and inspires the company to continue <b>developing initiatives that serve both the organization and the broader community</b>.</li><li>National Responsible Business Awards, held annually since 2008, highlight leading companies that integrate environmental, social, and governance (ESG) values into their operations, promoting a culture of responsible business in Lithuania.</li></ul></div>	
<div>6</div> <div>Award categories</div>	<div>51</div> <div>Companies entered in 2024</div>
	

^ Recalculated following revisions of internal methodologies.

^^ In 2022, there was a technical breach related to cookies selection on the website. No breaches of personal data.





# 2024 ESG KPIs & Featured ESG Initiatives: Metal-Plast

<div>2024</div> <div>2023^</div> <div></div>	ESG KPIs		
	GHG EMISSIONS	ENERGY MANAGEMENT	HEALTH & SAFETY
	<div><div>-61 242 t</div><div><div>-61 728 t</div><div>Net of CO<sub>2</sub> equivalent avoided</div></div></div>	<div><div>474 kWh/t</div><div><div>497 kWh/t</div><div>Energy used per ton of collected and/or recycled material</div></div></div>	<div><div>3.29</div><div><div>2.57</div><div>Total accidents at work per 100 FTEs</div></div></div>
	FEATURED ESG INITIATIVE		
	Spearheading environmental compliance		
<div><ul style="list-style-type: none"><li>• Metal-Plast proactively positions itself as a leader in sustainable PVC recycling. Although the PVC profile industry phased out lead stabilizers by 2003, legacy materials in windows with recycled content could still push lead content above 1.5%. <b>Under the REACH framework, effective since November 2024, PVC with over 0.1% lead is restricted</b> (though a 10-year derogation permits up to 1.5% for windows).</li><li>• By <b>offering REACH-compliant regranulate</b>, Metal-Plast reduces health risks linked to lead exposure, as well as provides sustainable alternative to naphtha-based PVC materials.</li><li>• Metal-Plast also bolstered its sustainability credentials by attaining <b>RecyClass certification</b>, ensuring adherence to stringent traceability standards and responsible production.</li></ul></div>		<div><div></div></div>	
<div><div>2 516 t</div><div>0.1% REACH compliant regranulate sold to company's customers in 2024</div></div>			

^ Recalculated following revisions of underlying data.



# 2024 ESG KPIs & Featured ESG Initiatives: Galinta

	ESG KPIs		
	ENERGY MANAGEMENT		WASTE MANAGEMENT
	56 kWh/t	28%	0.026
	Total energy consumed per ton of production output	Percentage of renewable electricity used	Primary + secondary package waste per ton of production sold
	FEATURED ESG INITIATIVE		
IFS Food certification			
<ul style="list-style-type: none"><li>Galinta successfully achieved the <b>IFS Food certification</b>, an internationally recognized standard that ensures food safety, quality, and legal compliance throughout the entire production process.</li><li>The certification process involved a detailed and rigorous audit, confirming Galinta's commitment to continuous improvement and <b>responsible production practices</b>.</li><li>Achieved score reflects a <b>high level of adherence to global food safety and quality requirements</b>.</li></ul>			
97.54%			
Audit score achieved			



- We believe that good ESG practices go hand-in-hand with long-term value creation.
- We aim to build lasting value in the businesses we invest in by fostering fundamental performance improvements through our active engagement in portfolio companies. By taking into account environmental, social and governance factors in our investment process and ownership practice, we strive to create sustainable value for all our stakeholders.
- Our ESG policy adopts the internationally recognized standards for ESG risk management. The assessment of the performance standards is integrated into our investment analysis with the aim of improving portfolio performance.



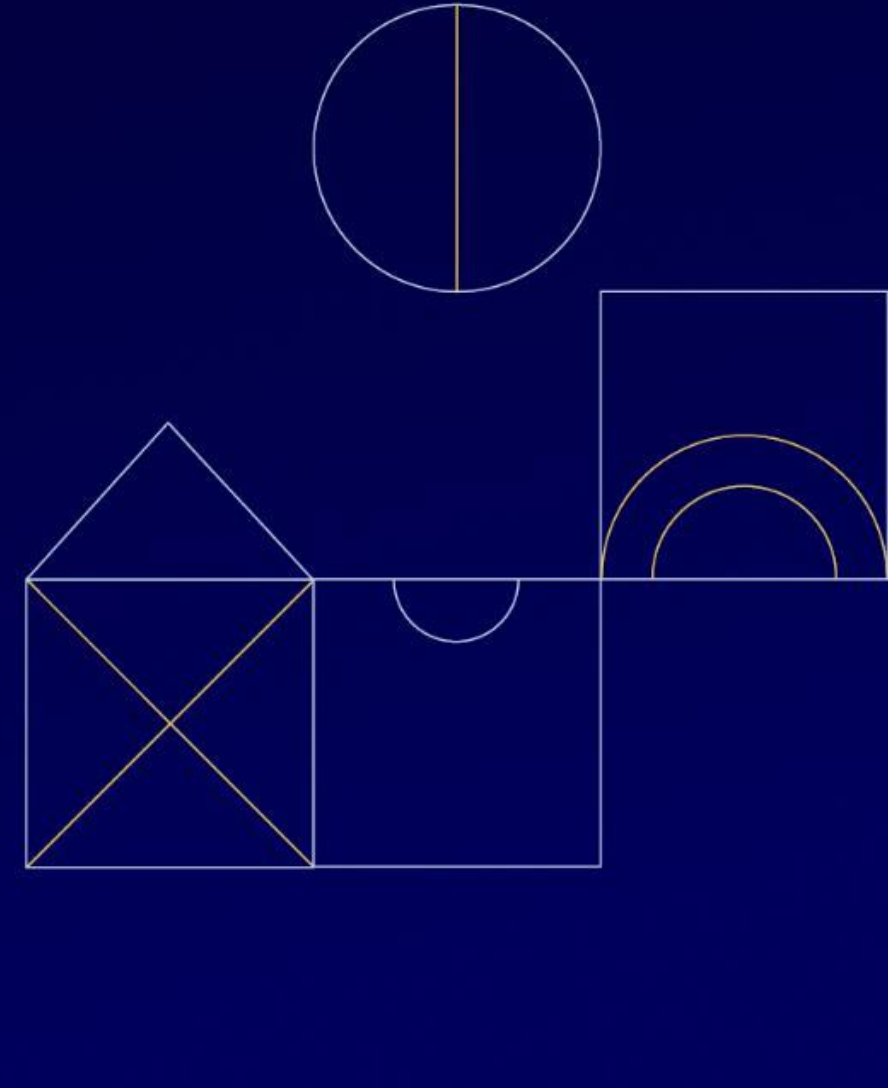


MEMBERSHIPS			
 Invalda INVL signed up in 2017  Signatory of <b>Principles for Responsible Investment</b>	  Member of <b>Invest Europe</b>	  Member of <b>Lithuanian Private Equity and Venture Capital Association</b>	  Member of <b>Investors' Association</b>

More information about INVL Baltic Sea Growth Fund’s ESG practices as well as further regulatory disclosures can be found on our website:  
<https://www.invl.com/en/investments/invl-baltic-sea-growth-fund>



# Annex: SFDR





## Principal adverse sustainability impacts statement

### Statement on principal adverse impacts of investment decisions on sustainability factors

<b>Financial product: Closed-end private equity investment fund for professional investors INVL Baltic Sea Growth Fund</b>						
<p><b>Summary</b></p> <p>Closed-end private equity investment fund for professional investors INVL Baltic Sea Growth Fund (hereinafter – the “<b>Fund</b>”) considers principal adverse impacts (hereinafter – “<b>PAI</b>”) of its investment decisions on sustainability factors. The present statement is the consolidated statement on PAIs on sustainability factors of the Fund’s portfolio companies.</p> <p>This statement on PAIs on sustainability factors covers the reference period from 1 January to 31 December 2024.</p>						
<b>Description of the PAIs on sustainability factors</b>						
<b>Indicators applicable to investments in investee companies</b>						
<b>Adverse sustainability indicator</b>		<b>Metric</b>	<b>Impact 2024</b>	<b>Impact 2023</b>	<b>Explanation</b>	<b>Actions taken, and actions planned and targets set for the next reference period</b>
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	7 748	7 637	Coverage 100% Eligible Assets 100% Tonnes of CO2 equivalent	The Fund ensures monitoring of climate change / energy efficiency related indicators in the portfolio companies through the relevant PAIs listed here as well as company-specific KPIs (as applicable) and aims to
		Scope 2 GHG emissions	8 538	10 091	Coverage 100%	



					Eligible Assets 100% Tonnes of CO2 equivalent	seek for positive dynamics during its holding periods in individual portfolio companies.
		Scope 3 GHG emissions	N/A	N/A	Scope 3 GHG emissions not reported due to limited data availability	
		Total GHG emissions (1 + 2 scopes)	16 286	17 729	Coverage 100% Eligible Assets 100% Tonnes of CO2 equivalent	
	2. Carbon footprint	Carbon footprint	49.44	71.08	Coverage 100% Eligible Assets 100%	
	3. GHG intensity of investee companies	GHG intensity of investee companies	67.57	90.36	Coverage 100% Eligible Assets 100%	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	Coverage 100% Eligible Assets 100%	
	5. Share of non- renewable					



	energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources			Coverage 100%	
	Consumption		87.5%	94.2%	Eligible Assets 100%	
	Production		N/A	N/A		
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	0.375	0.409	The indicator is calculated for investee companies which are involved in activities under 'high impact climate sector' (6 of 9 investee companies as of 31 December 2024)  Coverage 100%  Eligible Assets 100%	
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those	0%	0%	Coverage 100%  Eligible Assets 100%	No such investments



		investee companies negatively affect those areas				
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	N/A	N/A	Coverage 100% Eligible Assets 100%	Not reported due to limited data availability
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0.16	0.24	Coverage 100% Eligible Assets 100%	The Fund ensures monitoring of waste generation related indicators in the portfolio companies through the relevant PAI as well as company-specific KPIs (as applicable) and aims to seek for positive dynamics during its holding periods in individual portfolio companies.
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>						
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	0%	Coverage 100% Eligible Assets 100%	No such investments.



	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	0%	Coverage 100% Eligible Assets 100%	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	2.0%	4.9%	Coverage 100% Eligible Assets 100%	Please note that as per the regulatory definition, the indicator has been calculated on unadjusted basis, i.e. comparing all male and female employees, rather than males and females in directly comparable positions.  The Fund aims to ensure full wage equality in comparable positions.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	24.4%	27.6%	Coverage 100% Eligible Assets 100%	The Fund aims to ensure proper representation of women at both board-level and management positions. There are female board members at the majority of



						portfolio companies with the only exceptions being where boards are represented by Fund representatives only.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	0%	Coverage 100% Eligible Assets 100%	No such investments
Indicators applicable to investments in sovereigns and supranationals: not applicable as the Fund has no investments in sovereigns and supranationals.						
Indicators applicable to investments in real estate assets: not applicable as the Fund has no investments in real estate assets.						
<b>Other indicators for PAIs sustainability factors</b>						
<b>Additional climate and other environment-related indicators</b>						
Water, waste and material emissions	15. Water usage and recycling	1. Average amount of water consumed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	751.09	907.56	Coverage 100% Eligible Assets 100%	The Fund ensures monitoring of energy efficiency related indicators in the portfolio companies through the relevant PAIs listed here as well as company-specific KPIs (as applicable) and aims to seek for positive energy efficiency dynamics during its
		2. Weighted average percentage of water recycled and reused by investee companies	0%	0%	Coverage 100% Eligible Assets 100%	



						holding periods in individual portfolio companies.
<b>Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters</b>						
Social and employee matters	16. Rate of accidents	Rate of accidents in investee companies expressed as a weighted average	0.33	0.59	Expressed as a weighted average number of accidents per 100 FTEs. Coverage 100% Eligible Assets 100%	The Fund aims to minimize the rate of accidents in investee companies by promoting work safety practices, employee training, implementation of risk management procedures.

#### **Description of policies to identify and prioritise PAIs on sustainability factors**

The Fund has integrated the consideration of the PAIs on sustainability factors throughout the investment process based on the Fund's internal ESG procedure which consists of an ESG Assessment document prepared (either fully or in part) during the pre-investment phase (substantially based upon a market-standard ESG DD questionnaire) to evaluate the companies' ESG profile which lays out the key findings in each of the E/S/G parameters (prioritizing as deemed relevant and applicable given the particularities of the portfolio company itself and the industry it operates in), sets out company-specific ESG KPIs to be tracked over the investment cycle and discusses potential improvement plans. In addition to company-specific ESG KPIs, all portfolio companies are monitored annually against a proprietary ESG toolkit (questionnaire) which quantifies the portfolio companies' ESG status in a universal way.

The level of materiality of PAI indicators takes into consideration both industry as well as company specifics. PAI-related data is collected from the portfolio companies on a quarterly basis. The indicators are gathered at the investee level and aggregated at the Fund level.

#### **Engagement policies**

The Fund's management company, INVL Asset Management, has an approved Engagement Policy.

The Fund's management company is subsidiary of Invalda INVL which is a signatory to the UN PRI since 2017 and commits to investing according to its principles (one of which is to be active owners and incorporate ESG issues into ownership policies and practices).

Engagement with parties involved in the investment process is an important element of the Fund's approach and is a useful risk mitigation tool. The Fund invests in a variety of companies and in most cases the Fund has control positions either by itself or with like-minded partners. The Fund seeks to acquire control or



significant minority stakes in portfolio companies and thereafter take an active role to influence their operations and management with the objective of achieving superior long-term capital appreciation and positive contribution on ESG factors.

#### **References to international standards**

The Fund's proprietary ESG toolkit and company-specific KPIs that are set stem from global ESG frameworks such as SASB, GRI.

#### **Historical comparison**

Provided in the Indicators section for years 2024 and 2023 (which was the first reporting period for the Fund). FY2023 Indicator values have been updated, where relevant, following revisions of underlying data (including updated revenues of portfolio companies after audits for FY2023 were finalized after the 2023 statement was released).

FY2024 Indicator values include the 9<sup>th</sup> portfolio company of the Fund (Galinta) which was acquired in February 2024 and thus not part of FY2023 Indicators.