

# 2023 Annual ESG Report

NC Growth Fund I

Munich, March 2024



# Agenda



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# **Nordwind Growth is a small-cap growth equity investor leveraging market gaps within the technology DACH sector**

In accordance with SFDR Article 8 Nordwind Growth promotes, among other characteristics, environmental or social characteristics, provided that the companies in which the investments are made follow good governance practices

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# Nordwind Growth seeks to invest in emerging and incumbent champions in the small-cap technology segment in DACH



## Our target profile

  
**SCALABLE  
BUSINESS MODEL**

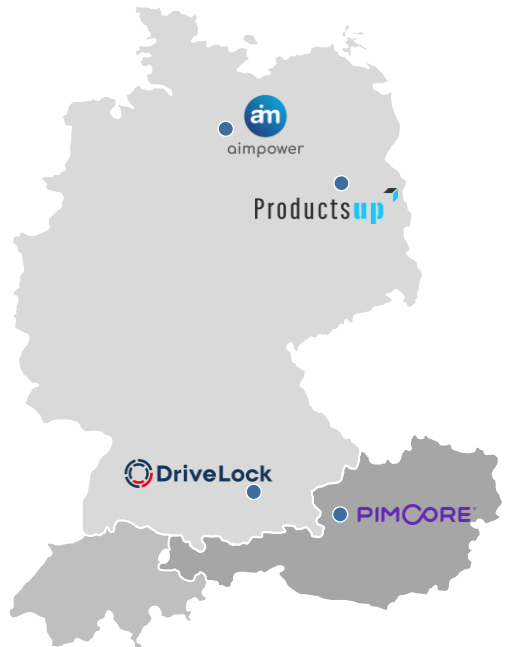
  
**DEFENDABLE  
USP**

  
**EXCELLENT  
MANAGEMENT**

  
**MARKET  
GROWTH**

  
**HEADQUARTER  
IN DACH**

  
**REVENUE OF  
MIN. € 3M WITH  
SIGNIFICANT GROWTH**



ESTABLISHED  
**2022**

SEGMENT  
**SMALL-CAP**

EQUITY TICKETS  
**€ 10-40M**

INDUSTRY  
**GROWTH EQUITY**

FOCUS  
**TECHNOLOGY**

TARGET STAKE  
**MAJORITY**  
(OR SIGNIFICANT MINORITY >30%)

PLATFORM INVESTMENTS  
**4**

REGION  
**DACH**

HOLDING PERIOD  
**LONG-TERM**

## Productsup

## PIMCORE

### Company Profile



Name: ProductsUp  
Headquarter: Berlin, Germany  
Vertical: B2B SaaS – Product 2 Consumer  
Founding date: 2010  
Number of FTE: c. 250  
Investment date: 2022

### Company Description

ProductsUp is a Berlin-based software company that helps businesses manage and optimize their product data for various sales channels. Their cloud-based platform centralizes product information, automates data distribution, and ensures consistency across different marketplaces and marketing tools. This empowers businesses to reach new audiences, increase sales, and improve marketing effectiveness. ProductsUp processes over two billion products monthly, making it the leading solution in the product-to-consumer (P2C) space.

### Company Profile



Name: Pimcore  
Headquarter: Salzburg, Austria  
Vertical: B2B SaaS – PIM  
Founding date: 2013  
Number of FTE: c. 50  
Investment date: 2022

### Company Description

Pimcore is the leading platform suite for data and experience management platform that started with an open-source software approach. Their software helps businesses manage product information (PIM), digital assets (DAM), customer data (CDP) and content (CMS) all in one place. This allows companies to centralize their data, streamline workflows, and deliver consistent customer experiences across all channels. Pimcore is popular with businesses that need a flexible and scalable solution to manage complex data needs and serves over 110,000 customers.



## Company Profile



Name: aimpower  
Headquarter: Kuddewörde, Germany  
Vertical: B2B SaaS – Marketing Technology  
Founding date: 2020  
Number of FTE: c. 26  
Investment date: 2023

## Company Description

aimpower is a German deep-tech AI company that revolutionizes brand management. Their software platform, brainsuite, analyzes marketing materials in minutes to assess their effectiveness with consumers. Trained on a massive dataset of human behavior, brainsuite helps brands develop data-driven marketing strategies and optimize their return on investment (ROI). The company was founded in 2020 by a team of neuroscientists, marketing psychologists, and digital transformation experts.



## Company Profile



Name: DriveLock  
Headquarter: Munich, Germany  
Vertical: B2B SaaS – Cyber-Security  
Founding date: 1999  
Number of FTE: c. 66  
Investment date: 2023

## Company Description

DriveLock, headquartered in Munich, Germany, is the leading provider of cloud-based IT security solutions. Their platform offers a comprehensive suite of tools designed to protect businesses from cyberattacks. DriveLock emphasizes scalability and customization, allowing companies to tailor security measures to their specific needs. Their focus on "Made in Germany" security ensures strong data privacy with no backdoors and geographically distributed data centers in Europe.

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# Nordwind Growth's ESG principles are aligned with the UN principles for responsible investment



## The UN PRI

The PRI is the world's leading independent proponent of responsible investment.

*It works to understand the investment implications of environmental, social, and governance (ESG) factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.*

## Six ESG principles

We will **incorporate ESG issues** into investment analysis and decision-making processes

We will be **active owners** and incorporate ESG issues into our ownership policies and practices

We will **promote acceptance** and implementation of the Principles within the investment industry

We will work together to **enhance our effectiveness** in implementing the Principles

We will seek appropriate **disclosure on ESG issues** by the entities in which we invest

We will each **report on our activities and progress** toward implementing the principle

## Nordwind's ESG principles

**1** ESG issues take a **relevant role in decision making** at Nordwind Growth and are **considered upon investment decisions**

**2** **Portfolio companies are proactively advised** by Nordwind Growth and its proprietary ESG framework

**3** Nordwind Growth is in **regular exchange with market companions** to evaluate ESG developments, frameworks and guidance

**4** **Best Practices** and adequate **ESG measures** are **regularly challenged** with market companions and portfolio companies

**5** Nordwind Growth owns an ever-evolving proprietary **ESG framework to monitor & report ESG progress**

**6** Nordwind Growth's ESG Framework results in **detailed ESG Monitoring & Reporting**, which will be **publicly available**

# The General ESG Framework Categories ESG Management & Organization are defined by 9 Fields of actions

## General ESG Fields of Actions

### 1 ESG Management



#### Management Awareness

*Measures the importance & prioritization perceived by the management board on the topic of ESG*



#### Employee Awareness

*Measures the importance & prioritization perceived by the employees on the topic of ESG*



#### Risk Monitoring & Reporting

*Assesses the level of ESG risk monitoring & reporting in terms of regularity, processes as well as documentation*



#### Environmental Tracking

*Assesses the level of appropriate processes, documentation as well as used methodologies to measure the business' impact on environment*

### 2 Organization



#### Travel Policy

*Measures the level of ESG consideration in travel policies by design*



#### Incident Reporting & Tracking

*Measures the maturity of adequate incident management processes and documentation*



#### Energy Supply

*Evaluates the use of environmentally friendly energy sources for the office*



#### Work Environment

*Measures the level of equal rights for all employees across all positions*



#### Employee Satisfaction Tracking & Scoring

*Measures employee satisfaction as well as the methods and processes in order to regular track satisfaction*

# The Technology ESG Framework Categories Resources, Impact & Policies are defined by 10 Fields of actions

## Technology ESG Fields of Actions

### 3 Technical Resources



#### Energy Supply

*Evaluates the use of environmentally friendly energy sources for technology related resources such as hosting*



#### Development Resources

*Measures the maturity of development related work practices in terms of developer software support*



#### Hardware Resources

*Measures the level of environmentally friendly hardware lifecycle as well as continuous hardware monitoring*

### 4 Technology Impact



#### Product Impact

*Evaluates the environmental impact of the business' product*



#### Customer Involvement

*Assesses the maturity of methods, processes and documentation of regular customer interviews & feedback, as well as measure derivation*



#### Customer Business Continuity

*Evaluates the implemented measures, methods and processes to ensure customer business continuity*

### 5 Technology Policies



#### OSS Usage

*Evaluates the usage of Open-Source Software as well as processes to track licenses and usage*



#### Quality Assurance

*Assesses the maturity of quality assurance in terms of processes, documentation as well as automation*



#### IT Security

*Measures the level of appropriate Cyber-Threat protection as well as documentation of incidents*



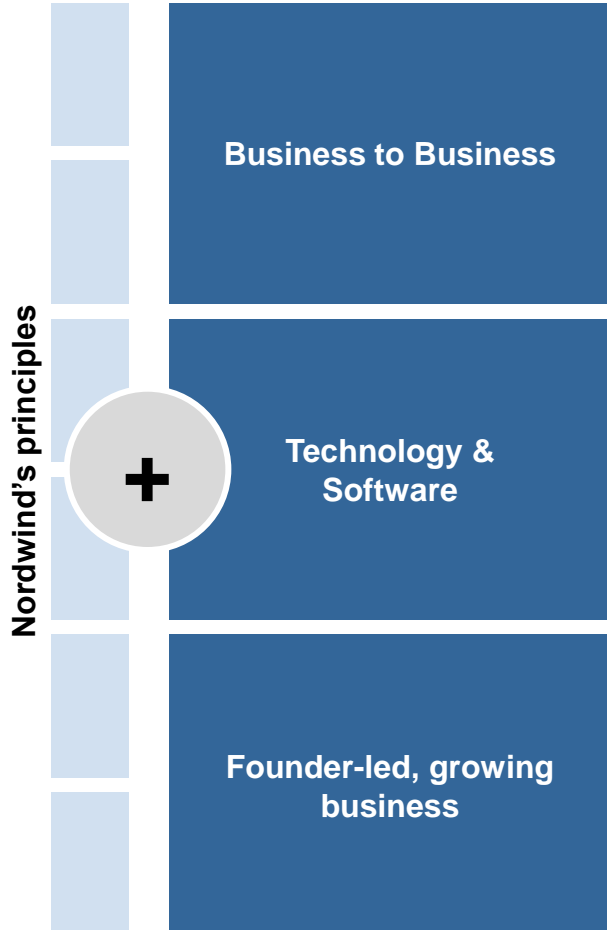
#### Penetration Testing

*Assesses the maturity of penetration testing in terms of processes, regularity as well as documentation*

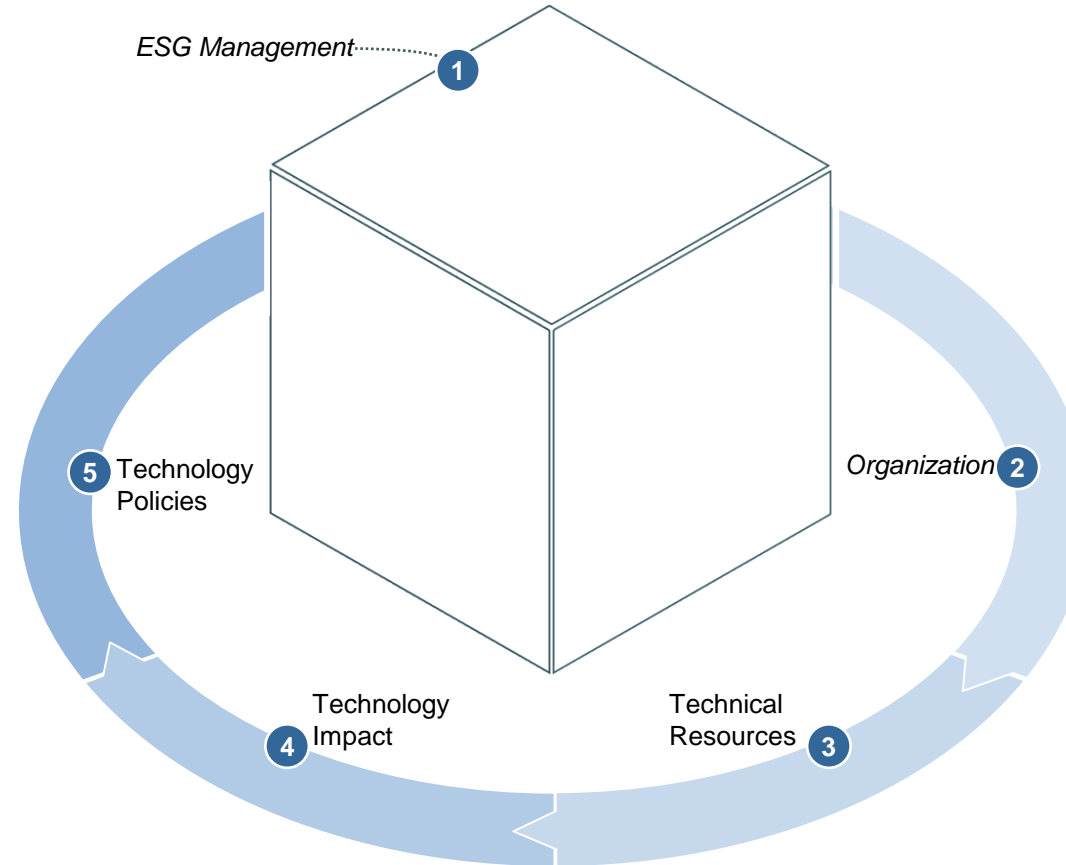
# Nordwind growth's proprietary ESG framework is a result of rigid ESG principles and a disciplined investment focus



## Nordwind's investment focus



## Nordwind's ESG Framework



“ At Nordwind Growth we strongly believe that long-term value creation and sustainability cannot be viewed independently from each other in today's world. This is true not only for our B2B portfolio companies but also for their respective customers. To take this into account, we developed our ESG framework based on the UN Principles for Responsible Investment that enables our portfolio companies to rely on well-proven guidelines and best practices and ourselves to consider ESG throughout the entire investment lifecycle.”

*Dr. Tom Harder  
Co-Founder Nordwind Growth*

# The development of nearly 100 different ESG scenarios enables an objective and comparable ESG assessment



## Nordwind's ESG Assessment Process

Progress (3/3) > Initial ESG Assessment

PROJECT LIST / AIMPOWER / INITIAL ESG ASSESSMENT / 07/24/2023

Capabilities

- Customer Business Continuity
- Customer Involvement
- Development Resources
- Employee awareness**
- Employee Satisfaction Tracking & Scoring
- Energy Supply
- Energy Supply (Hosting)
- Environmental tracking
- Hardware Resources
- Incident Reporting & Tracking
- IT Security

Question

Employee awareness

Structuring Force: General | Principle: ESG Management | Process: ESG

LEVEL 1  
Employees are not aware of ESG Policies, Assessment or Me

LEVEL 3  
Employee base is split. While some are proactively providing aware of ESG Policies, Assessments or Measures at all. Train  
Answered by: Pit Heimes

LEVEL 5  
 Employees proactively address ESG Policies, Assessments or | in an attempt for continuous improvement. Training on ESG

- 1 To assess our portfolio companies' ESG maturity and progress a sophisticated ESG framework and a complementary software platform was developed to ensure objective and comparable assessments
  - 2 For each of the 20 fields of actions 5 Scenarios were developed taking various ESG regulations and guidelines into account
  - 3 The Level 1 Scenario describes the state, where ESG is only considered at a portfolio company at all to a very limited amount
  - 4 Corresponding the Level 5 Scenario describes the best practice for a field of action, which takes ESG into full account and is guided by regulations and proven recommendations
- Scores are assigned for each field of action as to the level of scenario reached (e.g. Level 2 Scenario = 2 points)

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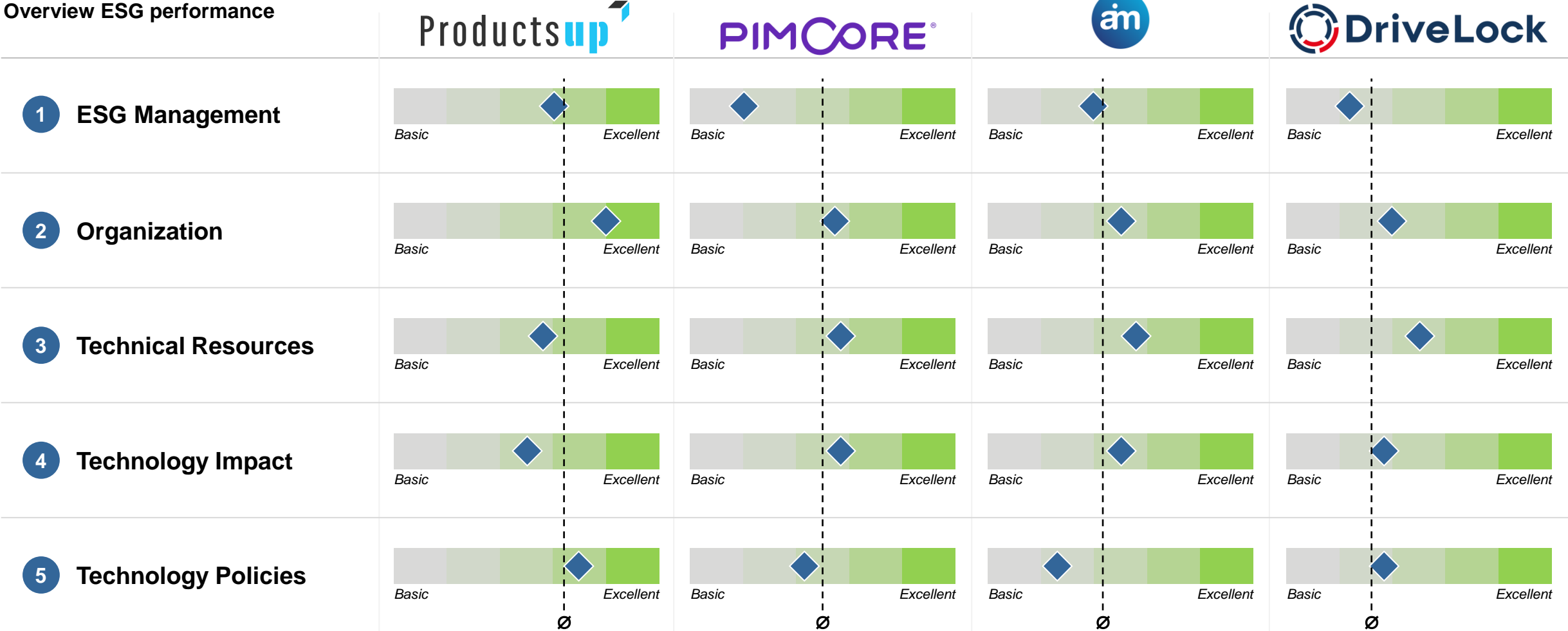


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# Overall ESG performance within the portfolio is satisfactory, with Productsup being the spearhead

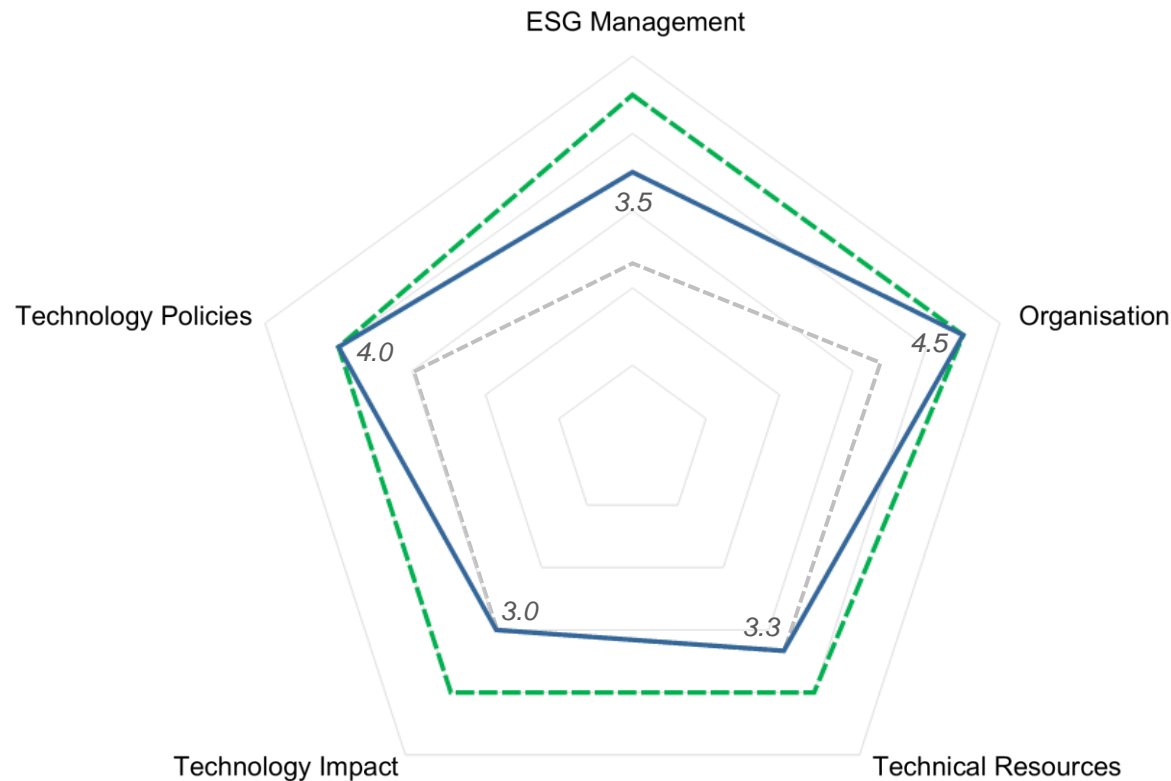


## Overview ESG performance



Score is rated between 1 and 5, with 1 stating basic ESG capabilities and 5 representing best practice across all dimensions

## Productsup's ESG performance



— Status Quo    - - - - Development path    ····◆···· Nordwind's portfolio average

- 1 ESG Management** 3,5

Productsup has a dedicated ESG & Compliance Officer in place since early 2023 and is continuously improving ESG related processes.
- 2 Organization** 4,5

The organization is well setup in terms of ESG related matters. A thorough travel policy is currently missing but is being drafted and will be implemented in Q1 2024.
- 3 Technical Resources** 3,3

Technical Resources are on portfolio average. The used hosting providers show upside potential and will be evaluated in the course of 2024.
- 4 Technology Impact** 3

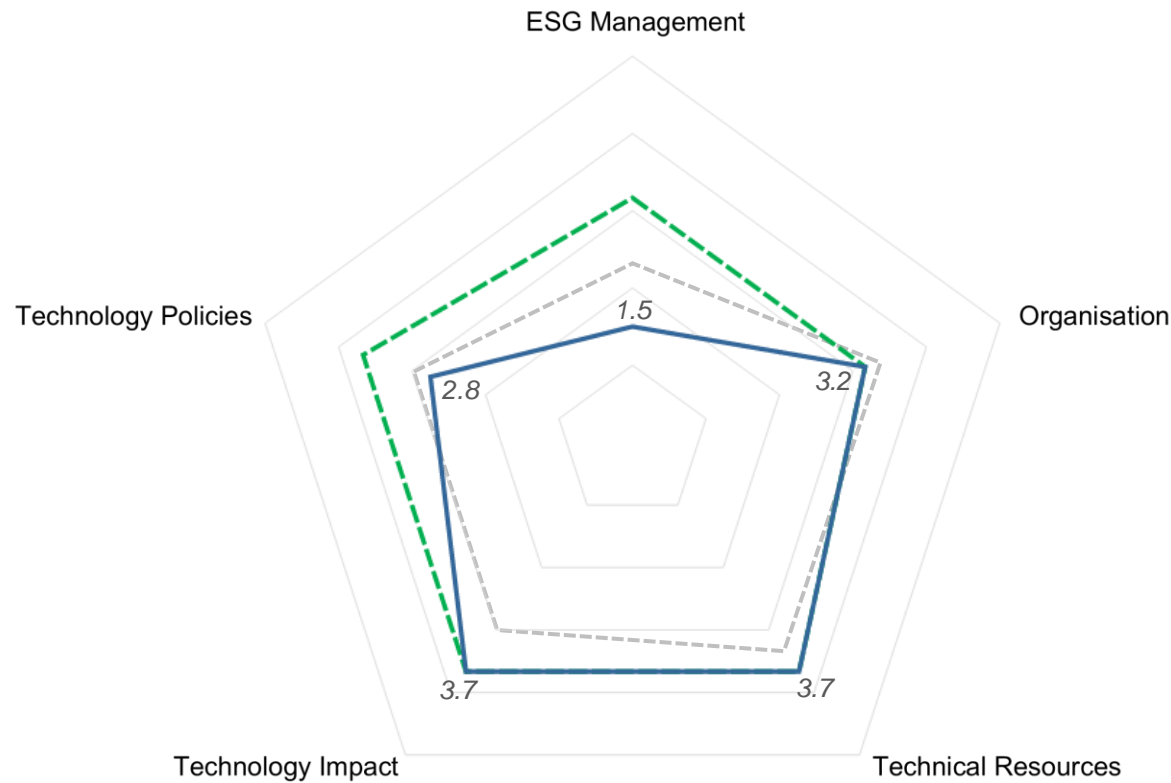
While technology impact current is limited, Productsup has identified ESG impact opportunities and work has begun on realizing these with new Product and Service offerings.
- 5 Technology Policies** 4

Technology Policies are in place, penetration tests are regularly performed and IT Security measures are regularly assessed.



# Pimcore's ESG Performance in terms of Technology is above average, while general ESG Management shows upside potential

## Pimcore's ESG performance



— Status Quo    - - - - Development path    ···◆··· Nordwind's portfolio average

- 1 ESG Management**

ESG Management is the main category to improve. Employee awareness as well as environmental tracking is missing. 2024 efforts will focus on increasing awareness.
- 2 Organization**

Structured processes are in place and well documented. Monthly employee surveys are conducted. Pimcore uses 100% green energy.
- 3 Technical Resources**

Technical resources are above average, driven by a structured and well documented software development processes.
- 4 Technology Impact**

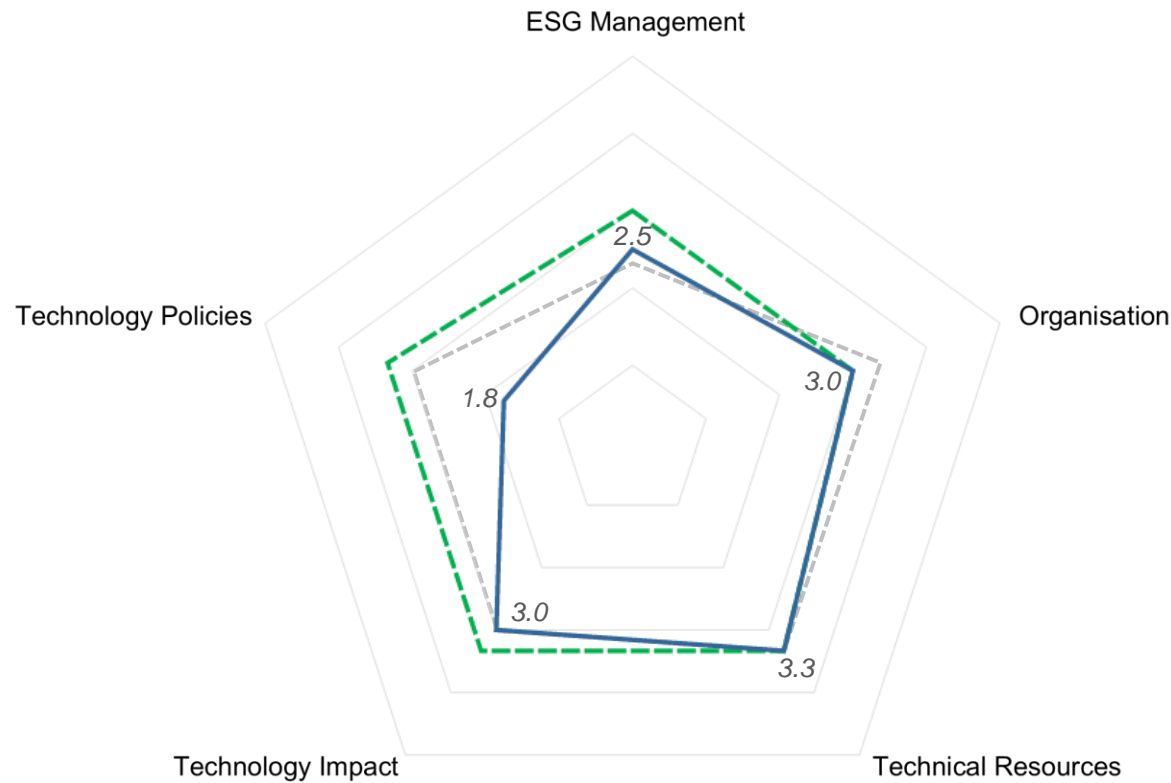
Pimcore's product's impact on ESG is significant, backup routines require restructuring and thorough implementation though.
- 5 Technology Policies**

Technology related policies score on portfolio average. Regular penetration tests needs to be implemented.

# Considering the early state of business, aimpower's ESG performance can be considered above average

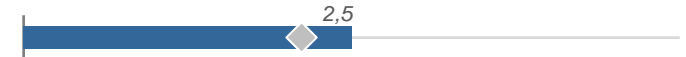


## aimpower's ESG performance



— Status Quo    - - - - Development path    ·····◆···· Nordwind's portfolio average

### 1 ESG Management



Basic guidelines are in place, but not yet structured and thoroughly documented. Improving documentation will be focused in 2024.

### 2 Organization



Organization scores on portfolio average, driven by great women empowerment and a detailed travel policy. Further policies are considered to be implemented in 2024.

### 3 Technical Resources



Technical resources again score on portfolio average, mainly driven by a thoroughly structured and well documented software development process.

### 4 Technology Impact



aimpower's product's impact on ESG is above average, backup routines require restructuring and thorough implementation though.

### 5 Technology Policies

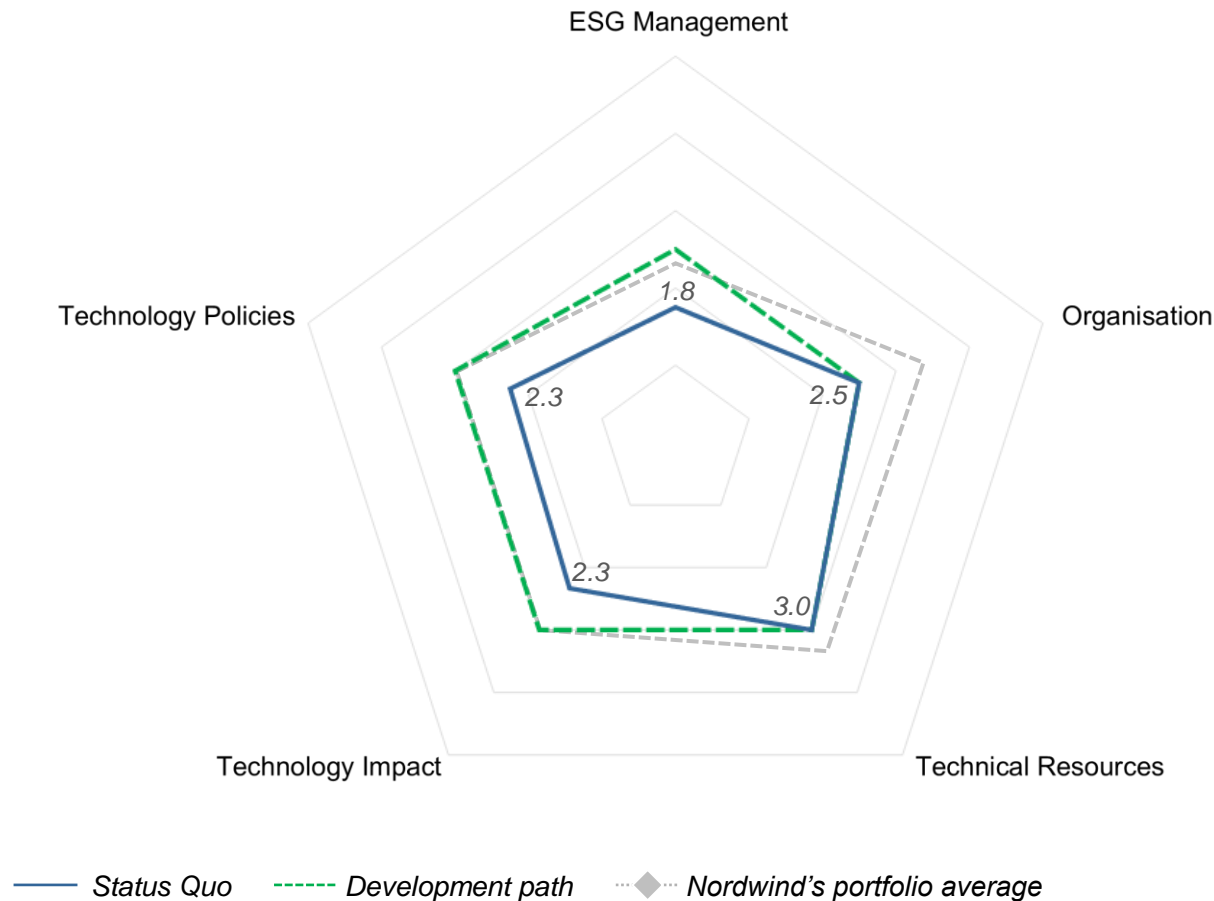


Technology policies is another category to improve. This again focuses on improving documentation of processes.

# DriveLock's ESG performance reveals upside potential in terms of general ESG management



## DriveLock's ESG performance



- 1 ESG Management** 1,8

Due to currently missing environmental tracking, the general ESG management scores below average. This is the main focus of continuous improvement in 2024.
- 2 Organization** 2,5

The basis for ESG improvements in terms of organization are set. First processes are in place and documented. A travel policy is currently being implemented.
- 3 Technical Resources** 3

Technical resources scores on average with common practices being implemented.
- 4 Technology Impact** 2,3

The basis for improvements in terms of the technology impact are set and processes are in place. A more structured approach and thorough documentation will lift potential.
- 5 Technology Policies** 2,3

Technology policies scores slightly below portfolio average, mainly due to further upside potential in standardized documentation.

**NC Management GmbH**

Residenzstraße 18

D - 80333 München

Phone: +49 (0) 89 - 29 19 58-0

Fax: +49 (0) 89 - 29 19 58-58

**Dr. Tom Harder**

Mobile: +49 (0) 172 - 9 55 09 88

Email: [harder@nordwindgrowth.com](mailto:harder@nordwindgrowth.com)

**Christian Plangger**

Mobile: +49 (0) 177 - 5 36 02 44

Email: [plangger@nordwindgrowth.com](mailto:plangger@nordwindgrowth.com)

**Ulf Schweda**

Mobile: +49 (0) 160 - 1 54 93 96

Email: [schweda@nordwindgrowth.com](mailto:schweda@nordwindgrowth.com)

