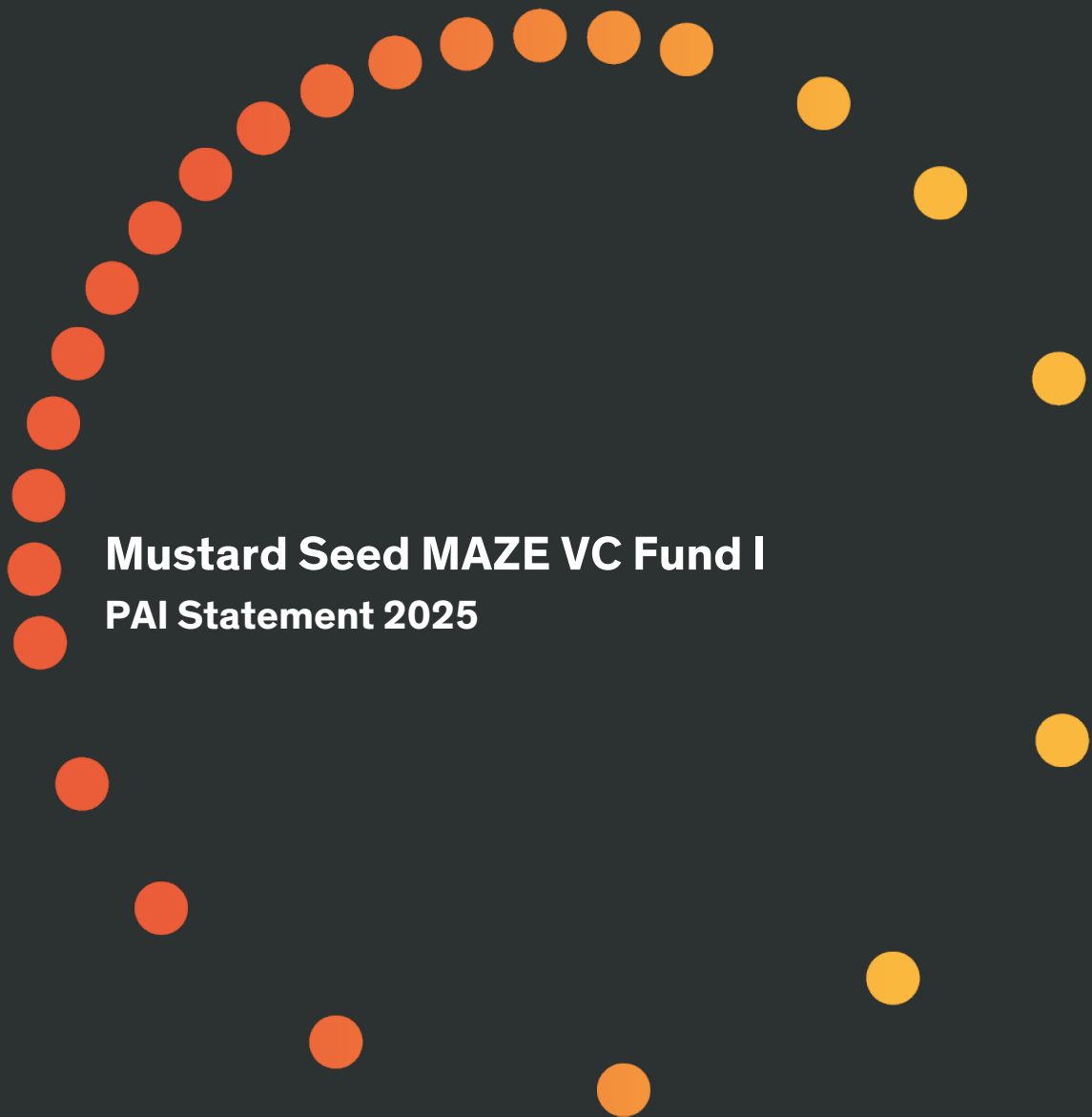




Mustard Seed MAZE VC Fund I
PAI Statement 2025



Principal Adverse Impacts

The MSM Fund does not formally consider Principal Adverse Impacts (“PAIs”) on its pre-investment sustainability factors, as it started its operations before the entry into force of SFDR. However, MSM considers overall adverse impacts as part of the IMP analysis of the Fund’s investments.

Following the entry into force of the SFDR and TR regulations, MSM has implemented additional reporting requirements from the Fund’s portfolio companies, so that we can have additional granularity on the PAIs of our existing portfolio.

Data Collection

For the year of 2025, we collected data using **Kara**. We received replies from **81,50%** of our portfolio companies. Despite our efforts sensitising our founders to the importance of this data, we were unable to replicate the higher reply rates from previous years. We believe this is mostly due to founders not seeing an upside on taking time to fill a very lengthy questionnaire, and often regarding data points they don’t collect. As we shared before, the very small scale of our portfolio companies often clashes with having them prioritise ESG-related reporting measures, when their focus is on building a solid business. We also noticed that companies who are somehow struggling or have entered insolvency processes reply the least.

Statement on Principal Adverse Impacts

See our statement on principal adverse impacts of investment decisions for 2025 below:

INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES
Table 1

Adverse sustainability indicator	Metric	Impact in 2025	Impact in 2024	Actions taken, actions planned, and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS				
Greenhouse gas emissions	Scope 1 GHG emissions	1.26 tCO₂e	53,88 tCO₂e	Metric 1: This is the set of data in which MSM struggles the most to collect accurate information. First, because most companies submit their SFDR questionnaire without GHG data (Scope 1: 4 companies reported, Scope 2: 7 companies reported, Scope 3: all companies reported); and second, because those that do often do not have an accurate method in place to calculate their real GHG emissions, relying instead on estimates. MSM considered a carbon calculator to optimize the process, but that would also require the companies' input which they do not seem available to give at length. Scope 3 seems aligned with what we expected, not only because all companies who submitted their questionnaires have replied to this question, but also because it aligns with the reply from last year, with a minimal increase of 3%. Metric 2: A significant decrease from 2024, likely due to inaccurate data being reported.
	Scope 2 GHG emissions	1.36 tCO₂e	17,52 tCO₂e	
	Scope 3 GHG emissions	606.07 tCO₂e	589,67 tCO₂e	
	Total GHG emissions	608.69 tCO₂e	661,08 tCO₂e	
	2. Carbon footprint	Carbon footprint	12,14 tCO₂e	
	3. GHG intensity of investee companies	GHG intensity of investee companies	4,36 tCO₂e	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0,00%	
	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	43,62%	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	0,00%	n/a	Metric 3: A significant decrease from 2024, likely due to inaccurate data being reported.
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 investee companies negatively affect those areas	0,00%	0,00%	Metric 4: No comments. Metric 5: The incorrect result returned by ApiDay last year was 21,61 kWh, so not comparable with the percentage of 2025. Only six companies reported this.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0 t/€	0 t/€	Metric 6 to 9: All companies reported, no comments.
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 t/€	0 t/€	

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

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	0,00%	0,00%	Metric 10: All companies reported, no comments.
-----------------------------	--	--	-------	-------	---

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	86,75%	n/a	Metric 11: This metric was not collected in 2024, but in 2025 we see a significant part of our portfolio without policies to monitor compliance with UN and OECD principles/guidelines. This is related to the small scale of our companies. Metric 12: Despite the double figure reported on this metric, we believe that it reflects the fact that all companies reported this year, whereas in 2024 only 65% of companies answered this question. We believe that the current data is accurate, and worth assessing case-by-case to find and mitigate discrepancies. Metric 13: This metric was not collected by ApiDay in 2024, but is aligned with circa 20% ratio reported in 2023. Metric 14: All companies reported, no comments.
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	15,00%	7.39%	
13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	23,33%	n/a	
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	0,00%	0,00%	

OTHER INDICATORS FOR PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS
Tables 2 and 3

Adverse sustainability impact	Adverse impact on sustainability factors (qualitative/quantitative)	Metric	Impact in 2025	Impact in 2024	Actions taken, actions planned, and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	95,49%	n/a	Table 2, Metric 4: This metric was not collected by ApiDay in 2024. The high percentage reported in 2025 is likely linked to the small scale of our companies.
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Social and employee matters	4. Lack of a supplier code of conduct	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	85,03%	n/a	Table 3, Metric 4: This metric was not collected by ApiDay in 2024. The high percentage reported in 2025 is likely linked to the small scale of our companies.
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	37,66%	n/a	Table 3, Metric 15: This metric was not collected by ApiDay in 2024. The high percentage reported in 2025 is likely linked to the small scale of our companies and also that only 12 companies answered this question – we expect the accurate figure to be higher.

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

The MSM Fund does not formally consider Principal Adverse Impacts (“PAIs”) on its pre-investment sustainability factors, as it started its operations before the entry into force of SFDR. However, MSM considers overall adverse impacts as part of the IMP analysis of the Fund’s investments, as described in the “Impact Risk” section of the Impact Fact Sheets available per company, on our website.

Engagement policies

During the Due Diligence process of pre-investment stage, the impact case of each company is thoroughly discussed based on an analysis that the investment team prepares by using the Impact Management Project. This is a set of guidelines which provides a lens to understand the impact performance of each investment against the United Nations' Sustainable Development Goals. For more information, please refer to the MSM Impact Policy and the pre-contractual disclosures published on our website.

References to international standards

The Fund does not consider any referenced index to meet its sustainability investment objectives or compare the overall sustainability-related impact of the Fund's investments against the impacts of said index or of a broad market index. The small scale of the Fund's portfolio companies and the nature of their businesses as impact start-ups refutes the existence of such an index at market-level. As stated in Section 2 of the pre-contractual disclosure published on our website, MSM defines a set of impact metrics and annual performance targets which enable, at any point in time, the calculation of an "impact multiple" of each company according to the target. These metrics include, across the portfolio, savings of CO₂ emissions, incremental utilisation of products fostering circularity, savings of plastic usage, job placements of vulnerable individuals, better health outcomes, educational content produced and accessed, quality of care outcomes, amongst others. The calculation of these metrics is agreed upon between the Fund team and the founders of each company, based on the lockstep impact their businesses generate.

Historical comparison

Overall, the 2024 SFDR campaign was impaired by lack of efficiency from our platform ApiDay. The comparable exercise with the 2025 data using a new platform, Kara, is therefore deficient. We struggle to have founder engagement in ESG reporting, and we believe that many of the answers under GHG emissions are estimates and not accurate calculations. We have considered the use of a carbon calculation module, but again this would require a level of engagement from companies that they are not willing to give at this stage.