

## Environmental and Social Data Sheet

### Overview

Project Name: INVEN CAPITAL  
Project Number: 2017-0616  
Country: Czech Republic  
Project Description: Equity co-investment platform alongside Inven Capital Fund for investments in early-stage cleantech SMEs and innovative midcaps in the EU

EIA required: N.A.

Project included in Carbon Footprint Exercise<sup>1</sup>: N.A.

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

### Environmental and Social Assessment

The operation concerns the development of a co-investment facility between the EIB and the Czech Republic Inven Capital Fund, focused on supporting the growth of European early-stage clean technology ("cleantech") SMEs and MidCaps. The operation aims at strengthening the capital base of early-stage cleantech companies. It is therefore expected to support the mobilisation and deployment of private sector investments into innovation, sustainable development and employment generation in Europe in the field of cleantech. Hence the operator will also support the transition to sustainable and low-carbon energy in Europe. The EIB would channel indirect equity investments to eligible SMEs and innovative MidCaps by way of this arrangement along Inven and enable to close the market gap for investments in the European cleantech/smart energy sector.

At this stage it is not possible to assess what type of investments the investee companies will be carrying out exactly as they remain to be identified, although it is likely that growth and expansion opportunities will be pursued through investments in innovative production capacity, working capital expansion, improved products and processes, including for manufacturing, logistics and distribution, service and IT systems, all in the area of cleantech.

In accordance with the Bank's policy to ensure that the investments comply with the EU acquis in the field of environment, the Bank will require Inven Capital to take all the requisite measures, including by obtaining a contractual obligation, to ensure that the environmental procedures carried out by the final beneficiaries (the investee companies) in which the co-investment platform will invest will comply with the relevant EU legislation and the applicable

<sup>1</sup> Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.



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national legislation, provided that it is in conformity with EU rules, as well as with the EIB's environmental and social standards.

The main E&S risks and impacts of this investment relate to Inven Capital having adequate systems and capacity in place to assess and ensure that the underlying operations at the investee companies are in accordance with applicable EU E&S requirements, including compliance with EIB's List of Excluded Activities, host country laws and regulations and EIB E&S Standards.

## **Conclusions and Recommendations**

For the purpose of the this co-investment Inven Capital will integrate into its existing E&S procedures EIB E&S requirements, including its exclusion list and list of sensitive sectors. With these conditions in place, the Co-investment is acceptable for financing in environmental and social terms

PJ/SQM/ECSO