



2024

ESG Annual Report

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Grove Ventures

Grove Ventures invest in early-stage startups across a wide range of technologies – Enterprise SaaS, AI, Deeptech, Healthtech, and beyond – backing entrepreneurs who disrupt large markets.

Backed by a team of seasoned investors, founders and startup operators who know what it takes to build and scale a company. We are turning vision into category-defining companies.

With our hands-on approach, we help you navigate the journey from idea to industry leadership



\$520M
Under Management



35
Active Portfolio Companies

October
2017

Grove I

\$110M

January
2020

Grove II

\$123M

January
2022

Grove III

\$185M

August
2022

Opportunity

\$56M



Grove Ventures

An Early-stage Pioneer

We are
investing in
the future.

We invest early in visionary founders who are trying to change the world, and are developing technologies for the **betterment of humanity**.

Our founders are leaders who **see into the future**, and our portfolio companies are **reshaping entire industries**.





General Partners

Backed by decades of combined experience, our general partners bring hands-on strategic insight and operational expertise to empower our portfolio companies at every stage of their journey.

Our global network and domain expertise provide us with an unparalleled-and-‘unfair’ advantage in energy and climate investments, allowing us to invest in the best technology-driven sustainability companies.



Dov Moran

MANAGING PARTNER

Wiliot, Neuroblade, TriEye, Ramon.Space, Tingo, QuantumSource, Particula, Stealth Startups

Founding Partner

Grove Ventures

Founder
& CEO

M-Systems
(Inventor of the USB Flash Drive)

Chairman

Tower Semiconductor

Bsc Electrical Engineering
& Doctor of Honor

Technion



Lior Handelsman

GENERAL PARTNER

Teramount, NoTraffic, Protai, Lava, Vocai, Limitless, Stealth Startups

Founder, VP Marketing &
Product Strategy

SolarEdge

Served 11 years
in Unit 81

IDF's top
technology unit

Bsc Electrical Engineering
& MBA

Technion



Renana Ashkenazi

GENERAL PARTNER

Nucleai, OneLayer, Deepchecks, Teramount, Opmed, Calmigo, Stealth Startup

Product Group Manager,
Global Product Marketing Manager

Applied
Materials

Served
in Unit 8200

IDF's top
intelligence unit

Bsc & Msc in Electrical
Engineering

Tel Aviv University
and Northwestern



Lotan Levkowitz

GENERAL PARTNER

ActiveFence, Lumigo, Navina, env0, Stealth Startups

Founding Partner

Grove Ventures

Director BizDev

Comigo

Served in the Israeli
Airforce's elite

Technology
intelligence

LLB in Law
& BA in Business

Hebrew University



Our Investors

Grove Ventures is proud to be supported by a global network of forward-thinking investors - including financial institutions, strategic partners, and family offices - who are deeply committed to sustainable and responsible investing. Our LPs across the U.S., Europe, Asia, and EMEA align with our vision of building companies that drive both financial performance and positive global impact.

- Our LPs take great pride in supporting Grove Ventures and its portfolio companies in their efforts to drive forward sustainable solutions that address some of the world's most pressing challenges.
- Together with our investors, we demonstrate a commitment to ethical business practices and social responsibility.
- With the support of such esteemed partners, Grove Ventures is well-positioned to continue driving positive change and shaping the future of sustainable technology.

Team

With decades of collective experience, our team is deeply committed to delivering the strategic insight and hands-on operational support that drive lasting success for our portfolio companies.



- Our team is composed of highly skilled and experienced professionals, who proudly carry the fund's values and ESG commitment, both in their personal volunteering activities, as well as throughout Grove's investment activity.
- Drawing upon decades of cumulative experience, our team is committed to offering invaluable strategic counsel and hands-on assistance, essential for steering our portfolio companies forward. By marrying our extensive industry knowledge with a proactive approach to operational support, we ensure that our investments not only thrive financially but also make significant strides towards advancing sustainability and social responsibility goals.
- We are best positioned to allocate capital towards the most promising ventures poised to make a meaningful impact on both markets and society.



Grove Ventures

Mission & Key Values

People First, Creating Value



People

We strive to work with the best professionals in the world, and we view people as our biggest asset, both in the fund and in the companies in which we invest in.

Our core principle, “People First,” puts people at the center of everything we do — creating opportunities, empowering founders and our employees to reach the full personal and business and potential.



Value

We create value in three major ways:

- By investing in companies that solve real and important problems in the world
- By serving our portfolio companies and helping them to grow and prosper
- By supporting our LPs and connecting them with the most cutting-edge technologies and companies in Israel

Our Vision

We support companies that can become a key driver for profound changes in our society.

Our Mission



To maximize returns through our investments.



To attract and retain top talent in the fund, and in our portfolio companies.



To ensure compliance with best practices in ESG standards.



Grove Ventures

Mission & Key Values

In our journey to deploy our guiding principles, we have embraced international PRI standards

01



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

02



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

03



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

04



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

05



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

06



We will report on our activities and progress towards implementing the Principles.



wiliot



env0



NeuroBlade



ONELAYER



TRIEYE



lumigo



nucleaī



Teramount



deepchecks.



vocai



ActiveFence



RAMON.SPACE



navina



Protai



COMMON·GROUND



Datorios



STEALTH STARTUP (SaaS)



STEALTH STARTUP (SaaS)





STEALTH STARTUP (HealthTech)



STEALTH STARTUP (SaaS)



LIMITLESSCVC



MUVAN AI



7

RENEWABLE
ENERGY

Our commitment to ESG

ESG Policy - Our Guidelines



General guidelines for responsible investment

Exclusion of companies involved in tobacco products and controversial weapons

No investment in companies that fail to observe conventions adopted by international organizations and ratified by the jurisdiction in which investment takes place

No investment in countries subject to financial sanctions from the EU and the UN



Climate & environment policy

No investment in coal production

Commitment to reduce carbon emissions and apply best standards for responsible consumption and production



Social Policy

Commitment to seek out investment opportunities in Gender Equality and Diversity

Commitment to ensure good health and well-being, to equal opportunity and to zero-tolerance approach to discrimination of any kind



Governance & remuneration

Commitment to strong ethics in governance and against corruption and unethical behavior

Commitment to ensure remuneration and compensation packages are aligned with long-term value creation within the company

Commitment to fostering appropriate risk culture

Commitment to seeking out startups which can change the world for the better, and to provide us all a better future.

For the complete Grove Ventures ESG Policy, please refer to our website:
<https://www.grovevc.com/investing-in-the-future-grove-ventures-esg-commitment/>



Grove Ventures

ESG Policy - Our Guidelines

ESG is knitted into Grove's investment process

Before deciding to invest

ESG due diligence is a core element of every investment committee in Grove Ventures:

- Before the decision is made, we analyze the investment opportunity according to predetermined ESG criteria
- If the opportunity contradicts our core values or if it doesn't pass our minimal threshold, we will choose not to invest

In the term sheet

- We incorporate an ESG clause in each term sheet we offer to our prospective portfolio companies
- The ESG clause is fundamental to our terms

In the portfolio

- We assist each of our portfolio companies to develop an official ESG policy
- We review our portfolio companies once a year and assist them in adhering to ESG standards

ESG integration

PRE DEAL

Vision Strategy Governance

01

- Adhering to ESG principles
- Integrating ESG factors into the investment process
- Promotion of ESG standards

ESG Due Diligence

02

- Checklist to screen ESG risks
- Exclusion list
- ESG due diligence

Deal Execution

03

- Discussions of the ESG findings presented in the investment memorandum

POST DEAL

Agreement

04

- Defining impact objectives
- ESG clause in the term sheet

ESG Monitoring

05

- Annual portfolio ESG review
- Supporting portfolio companies in implementing their own ESG policy

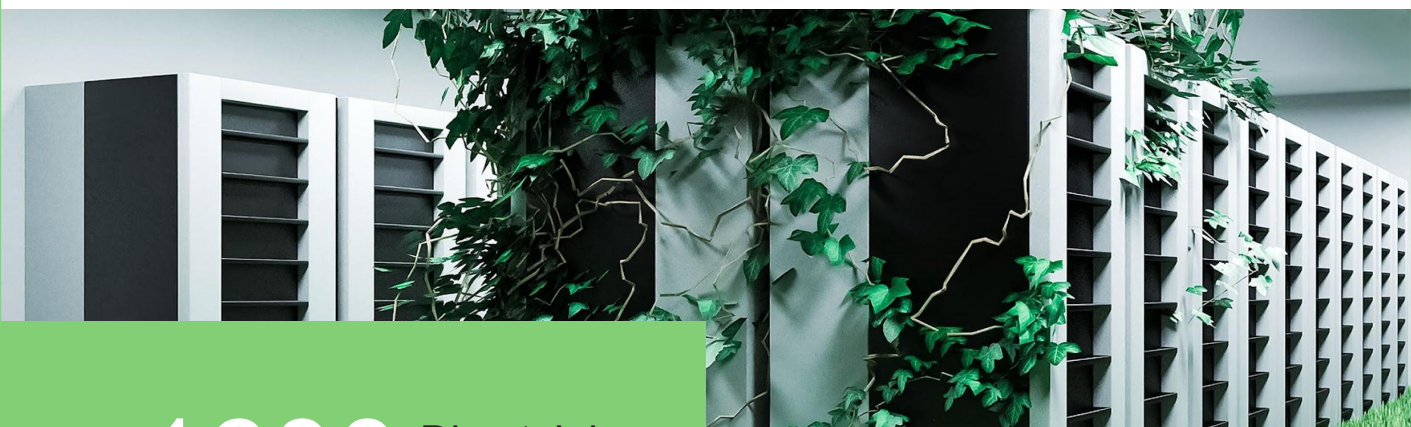
ESG Disclosure

06

- PRI signatory reporting
- Annual ESG report
- Encouraging investees to report on ESG issues

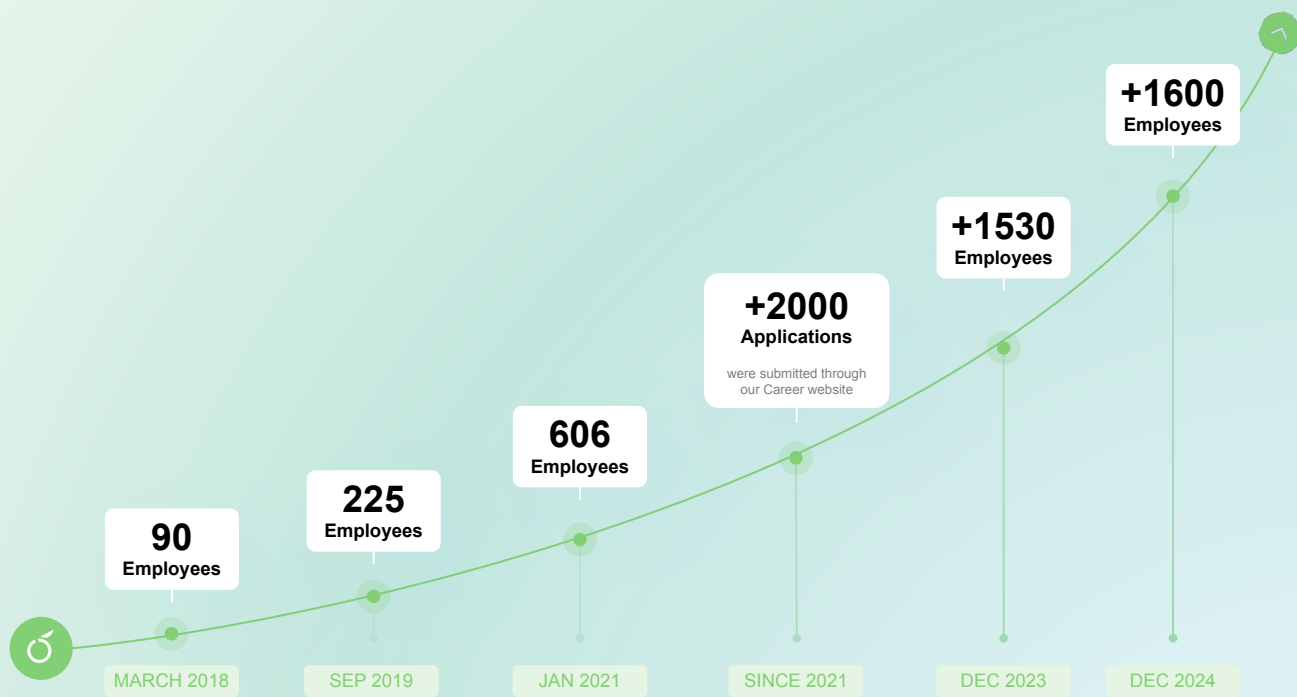


Grove Ventures in practice



+1600 Direct Jobs Created

All with full commitment to promise to superior quality of life



Grove Ventures

in practice



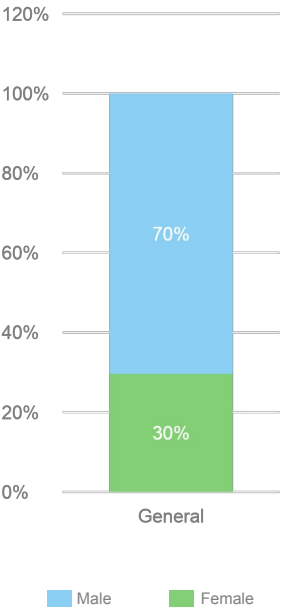
Diversity

We regularly donate to Israeli NGOs to support social causes

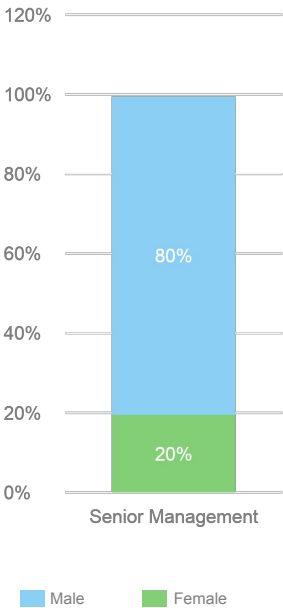
38% of companies in Grove III have **female founders**

Portfolio: supporting diversity in our portfolio

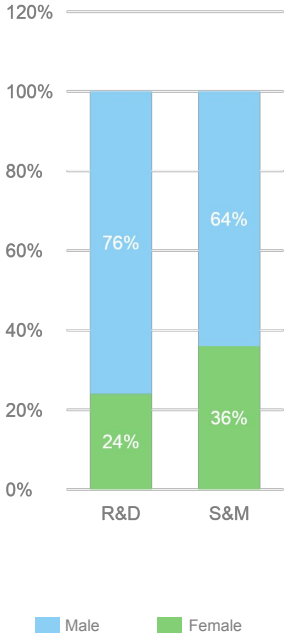
General Gender Diversity



Gender Diversity Senior Executive Level



Gender diversity by department



Grove Ventures

in practice



20%

of our investments advance Good Health principle, emphasizing mental well-being



Society

We regularly donate to Israeli NGOs to support social causes

Some of the leading programs we donate to:



Zav Menia

Zav Menia is dedicated to reducing the incidence and mortality rates of colorectal cancer through public awareness campaigns and early detection initiatives. They provide accessible medical information in Hebrew and Arabic and support patients, survivors, and their families by offering emotional support, guidance on healthcare rights, and peer-led mentorship programs.



Investing in technological education

First Israel empowers youth across diverse communities in Israel through hands-on robotics and STEM education programs, fostering innovation, teamwork, and leadership skills. It operates regional and national competitions, mentors, and aims to build a more tech-driven future by inspiring the next generation.



Grove Ventures portfolio in practice



Society

Some of the leading activities from our portfolio:



RAMON.SPACE

Ramon.Space supports community engagement through years of volunteering with the Ramon Foundation, hosting students, mentoring youth, and running programs that inspire young women to explore careers in space and technology. In addition, they support lone soldiers through both donations and volunteer efforts via the Alon and Ella Foundation.



Wiliot offsets all employee flight emissions via The Good Traveler and champions sustainable logistics, ensuring connected goods journeys carry a lighter footprint, striving to innovate responsibly, leaving a positive impact that takes flight alongside shipments.



QUANTUM
SOURCE

Quantum Source prepared and delivered Purim gift packages to the elderly, celebrating together at a festive community center event. They also joined Leket Israel to harvest and pack fresh produce for families in need.



Since October 7th, CalmiGo has donated 1,300 calming devices to soldiers, families of hostages, and children affected by war, providing critical support to those coping with trauma and anxiety.



Lumigo supports charity work through tech innovation, powering Comic Relief's donation processing with Lumigo Copilot to ensure seamless, reliable contributions during high-traffic fundraising events.

Grove Ventures portfolio in practice



Society

Some of the leading activities from our portfolio:



Teramount hosted an Arabic-speaking youth group from "Education for Excellence" in Lod, for workshops at their office, including pizza, ice cream, a talk with the CEO for an inspiring conversation. In addition, they donated to Jewish and Arab communities in need during Purim, Ramadan, and for humanitarian causes.



Trieve prepared holiday gift packages supporting families of hostages. In addition, their Tu Bishvat with "Fresh Plant" project included volunteering at "Atzitz Tari," a social enterprise employing people with developmental disabilities. Activities included planting, assembling kits, labeling, and packaging.



Lava supported southern farmers to harvest tomatoes, stepping in where labor shortages made it difficult to maintain their agricultural operations.



Tingo Medical has undertaken a meaningful role in commemorating the life and legacy of a fallen soldier: they established "Bustan Gal" (Gal's Grove), did a memorial beach cleanup and support his family. Tingo employees volunteered for a day of agricultural harvesting day at Moshav Zohar, supporting local farmers in the affected area.

Grove Ventures

in practice

VOLUNTEERING AND COMMUNITY BUILDING INITIATIVES DRIVEN BY GROVE VENTURES

Grove Ventures is a leader within the Israeli community, and we regularly initiate and participate in a variety of volunteering activities, with the intention of spreading prosperity, knowledge, inclusion and diversity.

THESE ARE JUST SOME OF THE DIFFERENT ACTIVITIES WE LED AND PARTICIPATED IN DURING 2023-24

BUILDING MORE SUSTAINABLE, CLIMATE-FOCUSED STARTUPS

PLANETech Investors Alliance – General Partner Lior Handelsman led the investor alliance to push the local climate ecosystem forward.

EnergyTech Week - Israeli Energies All-Star panel brought fresh perspectives and crucial overviews from various investors, and General Partner Lior Handelsman shared valuable insights with the audience.



ADVANCING SOCIAL AND PUBLIC WELFARE

ImpACT365 – Managing Partner Dov Moran took part as a mentor in the innovation marketplace by the Peres Center for Peace and Innovation.

Place-IL – General Partner Lotan Levkowitz volunteered at this non-profit tech initiative to promote the hiring of underrepresented populations in leading Israeli startup companies.

OCTOBER 7th RELIEF EFFORTS

Miluim Tech - sponsored this community, connecting soldiers in reserve to leading tech companies and to our portfolio companies to offer job opportunities for reservists.

SUPPORTING FEMALE FOUNDERS

Sulis - Managing Partner Renana Ashkenazi spoke at the Sulis event we hosted. Sulis is part of 'Fem for a world' program, focusing on training and empowering young women entrepreneurs in their journey.



Power in Diversity Report and Event – the fund took part in this joint venture of over 75 Israeli VC firms and over 200 Israeli start-ups, coming together to promote diversity and inclusion in the Israeli tech ecosystem.

WE – Women Entrepreneurship Flagship Program - General Partner Renana Ashkenazi took part as a keynote speaker and mentor at the WE to empower the next generation of female innovators.

NURTURING TOMORROW'S LEADERS

Student Delegations – The fund hosted young entrepreneurs' delegations of students from leading universities such as TAU, Reichman IDC, and others.

Science Abroad – Managing Partner Dov Moran and General Partners Lotan Levkowitz and Renana Ashkenazi joined the organization's mentorship program to train PhDs to the tech industry. And much more...

Grove Ventures

in practice



Corporate Governance at Grove Ventures

Good corporate governance is fundamental to Grove Ventures' business model.

In addition to implementing best-in-class corporate governance structures and mechanisms across our portfolio companies, Grove Ventures is compliant with international best practices.



Management

Grove Ventures' management team meets on a weekly and monthly basis to consider matters as required under law, and to review the operations and performance of the fund, including, but not limited to portfolio reviews; Remuneration Meeting - setting policy on Grove Ventures' overall human resources strategy and the remuneration of senior management; and an Audit Meeting - to assist with corporate governance and oversight responsibilities in relation to financial reporting, internal control and audit.



External audits

The external auditors assess the transparency, accuracy and reliability of both the firm's financials and those of its funds under management. External auditors appointed for 2024 were Ernst & Young for Grove I, Grove II, Grove Opportunity, SPV's and 2 out of 3 management firms (Mata Hightech and Mata Ventures) and PWC as the Auditors for the Grove III and 1 out of 3 management firms (Mata 3)

Auditors' Responsibility is to express an opinion on financial statements based on generally accepted auditing standards in Israel, including those prescribed by the Auditor's Regulations (Auditor's Mode of Performance), 1973. Those standards require that the audit will obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by the General Partner, as well as evaluating the overall presentation of the financial statements.



Compliance

Grove Ventures has a strong culture of compliance, based on international standards of governance and control. Grove Ventures ensures that all staff operate according to its compliance policies, which emphasize the importance of integrity, confidentiality and avoiding conflicts of interest, all in line with:

Cayman Regulations - On February 7, 2020, the Cayman Islands adopted the Private Funds Act, 2021 ("Act"). The Act sets out requirements for the registration of funds with the Cayman Islands Monetary Authority, bringing funds within the scope of a regulatory regime, effective from August 2020. Accordingly, Cayman funds are, among others, required to have its annual FS signed by a Cayman auditor.

FAR - the FAR collects year-end financial, identification and other general information on regulated funds. The data obtained from the FAR forms the basis for the information contained in the Annual Investments Statistical Digest. Operators of all funds regulated under the Private Funds Act are responsible for the completion and submission of the FAR to the Authority. Some of the information will likely come from the annual audited financial statements.

CRS & FATCA reporting - The Cayman Islands has entered into (i) a Model 1(b) (non-reciprocal) inter-governmental agreement with the United States (the "US IGA") to give effect to the US Foreign Account Tax Compliance Act ("FATCA") to improve international tax compliance, and (ii) a multilateral competent authority agreement (the "MCAA") to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the "CRS") (the US IGA and the MCAA are collectively referred to as the "IGAs"). That legislation has been passed to give effect, as a matter of Cayman Islands law, to the registration, due diligence, and reporting requirements of the IGAs (the legislation is referred to herein as the "FATCA Regulations" (which give effect to the US IGA) and the "CRS Regulations" (which give effect to the CRS and collectively are referred to as the "AEOI Regulations").

Beneficial Ownership Transparency Act, 2023 - On July 31, 2024, the Cayman Islands implemented the Beneficial Ownership Transparency Act, 2023 ("Act"), introducing enhanced reporting obligations for in-scope legal entities. While enforcement begins on January 1, 2025, entities must now assess compliance requirements, including updated beneficial ownership disclosures. The Act introduces a unified pending status, nationality reporting rules, and optional compliance routes for regulated funds. In-scope legal entities are required to identify registrable beneficial owners, maintain accurate ownership registers, and designate a local contact able to respond to information requests within 24 hours.



Compliance

For the purposes of compliance with the FATCA regulations, the fund is required to:

- a. Obtain a Global Intermediary Identification Number ("GIIN") by registering with the US Internal Revenue Service ("IRS").
- b. Authorize a person to act as the "principal point of contact" (the "Principal Point of Contact") with the TIA for the purposes of US FATCA;
- c. Notify the TIA of its status as a Reporting Financial Institution, its GIIN and the details of its Principal Point of Contact;
- d. Make self-certifications where required in accordance with the US FATCA Regulations; and
- e. Identify accounts held directly or, in certain circumstances, indirectly by "Specified U.S. Persons", and report certain information on such Specified U.S. Persons to the TIA, which will exchange such information annually with the IRS.



For the purposes of compliance with the CRS regulations, the fund is required to

- a. Notify the TIA of (i) an individual who it has authorized to act as the Principal Point of Contact for the purposes of the CRS; (ii) its status as a Cayman Islands Reporting Financial Institution including its type(s) under paragraph A of section VIII of the CRS; and (iii) an individual ("PPOC Change Notifier") who it has authorized to give change notices in relation to the Principal Point of Contact;
 - b. Make self-certifications where required in accordance with the CRS Regulations;
 - c. Identify accounts held directly or, in certain circumstances, indirectly by certain "Reportable Persons", and report certain information on such Reportable Persons to the TIA, which will exchange such information annually with the relevant foreign fiscal authorities; and
 - d. Establish written policies and procedures to comply with sub-paragraphs (a) to (c) (together, the "Written Policies and Procedures").
- a. Form ADV – the Securities and Exchange Commission (SEC) requires all professional investment advisers to submit SEC Form ADV. This form specifies the investment style, assets under management (AUM), and key officers of an advisory firm. This form must be updated annually, and it must be made available as a matter of public record for companies that manage funds in excess of \$25 million.
 - b. AML – The Anti-Money Laundering Regulations, 2017 (the "Regulations") came into force on 2 October 2017 and repealed the prior money laundering regulations. The Regulations and PCL both permit the creation of guidance in order to assist in the implementation of procedural obligations. The Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands (the "Guidance Notes") were first issued in 2001, by the Cayman Islands Monetary Authority ("CIMA") and local professional associations. The Guidance Notes were last updated in September 2015, and are currently under review to align them with the new Regulations.



What do the regulations require?

Essentially, Regulation 5 of the **Cayman Islands Anti-Money Laundering Regulation** provides that a financial services provider, carrying out relevant financial business in or from the Cayman Islands, cannot form a business relationship or carry out a oneoff transaction, with or for another person unless they:

(a) Maintain the following procedures as appropriate, having regard to money laundering and terrorist financing risks and the size of the business, including:

(i) The identification and verification ("KYC and due diligence") of the applicants for business of the Company, and where applicable and required, the beneficial owners, controlling persons, authorized persons and intermediaries acting on behalf of such applicants for business ("Customers");

(ii) The adoption of a risk-based approach to identify, assess and determine the level of money laundering and terrorist financing risks in relation to the Customers and the business relationship, including procedures for forming the business relationship prior to verification;

(iii) Record keeping in relation to the identification and verification of Customers of the Company and transactions effected, including business records and account files;

(iv) Internal controls and communication for the ongoing monitoring of business relationships with Customers of the Company, including sanctions and noncompliant jurisdiction checks, and an internal audit function to assess and test the Procedures; in order to comply with AML requirements Grove Ventures hired an external contractor – Tzur, which conduct all the required procedures



Conflict of Interests

For each fund managed by Grove Ventures, the GP appoints an advisory committee comprising a minimum of three members, all of whom will be representatives of the limited partners.

The primary role of the advisory committee for each fund, consisting entirely of LPs' representatives, is to provide counsel to the GP on potential conflicts of interest that the GP brings to their attention.

Despite this guidance, the GP maintains the ultimate legal authority for all decisions concerning the operation and management of each fund.

- Without Advisory Committee approval, the Partnership cannot invest in entities where the GP or Existing Funds have pre-existing direct ownership interests, with certain exceptions for existing Portfolio Companies or their Affiliates;
- The GP is restricted from investing in Portfolio Companies for their own accounts, except under specific circumstances;
- Without Advisory Committee approval, the Partnership cannot acquire or sell interests in entities to Existing or Successor Funds. The GP must make all investment opportunities available to the Grove III Funds within specific guidelines, except for certain exclusions or allocations determined by the GP, which must be communicated to the Advisory Committee if not allocated equally.



External Advisors And Contractors

Grove's Advisory Board will represent the interests of all the LPs in the fund. According to the Fund's terms, the advisory board will include at least three members involved in any situation where there is a potential for a conflict of interest in the fund activity.

GROVE VENTURES COMPLETE ESG POLICY





2024

ESG Annual Report



Contact Us

esg@grovevc.com

Contact us to learn more about Grove Ventures ESG and sustainable investing strategy