



2025

ESG Annual Report

grove

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Appendix: Responsible Investment Policy



Grove Ventures

Grove Ventures invest in early-stage startups, ahead of the curve, 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.

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



\$512M

Under Management



33

Active Portfolio Companies

October
2017

Grove I

\$110M

January
2020

Grove II

\$123M

January
2022

Grove III

\$185M

August
2022

Opportunity

\$56M



Grove Ventures

Long term vision.
Early stage commitment.

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**. Our strength lies in our access, technical fluency, and ability to turn bold bets into generational companies.



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, Majestic Labs, QuantumSource, Neuroblade, Enzymit, TriEye, Ramon.Space, Tingo, 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

MANAGING PARTNER

Teramount, NoTraffic, Limitless, Niv-AI, LAVA, Protai, Vocai, FormX, Stealth Startups

Founder, VP Marketing &
Product Strategy

SolarEdge

Served 11 years in
Unit 81

Bsc Electrical Engineering
& MBA

Technion



Renana Ashkenazi

MANAGING PARTNER

Scala Bio-Design, OneLayer, Deepchecks, Opmed.ai, Nucleai, 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

MANAGING PARTNER

Alice, OnFire, Navina, Lumigo, env zero, 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



Liat Koren

PARTNER & CFO

CFO

Comsec

Served at 9700 unit

IDF intelligence
unit

MBA & BA in
accounting & finance

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 & 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



env zero



tingo



ONELAYER



TRIEYE



notraffic



nucleai



Teramount



deepchecks.



vocai



ALICE



RAMON.SPACE



navina



Protai



QUANTUM SOURCE



IAVA



MAJESTIC™



PARTICULA



Scala Biodesign



Opmed.ai



UnifabriX



CalmiGo



onfire



Jimini Health



ENZYMIT

Designing the bio-molecular machines of tomorrow



NIVA



LIMITLESSCVC



Oraqon



FormX



MUVAN AI



STEALTH STARTUP (SaaS)



STEALTH STARTUP (HealthTech)



STEALTH STARTUP (EnergyTech)



STEALTH STARTUP (Construction Tech)



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

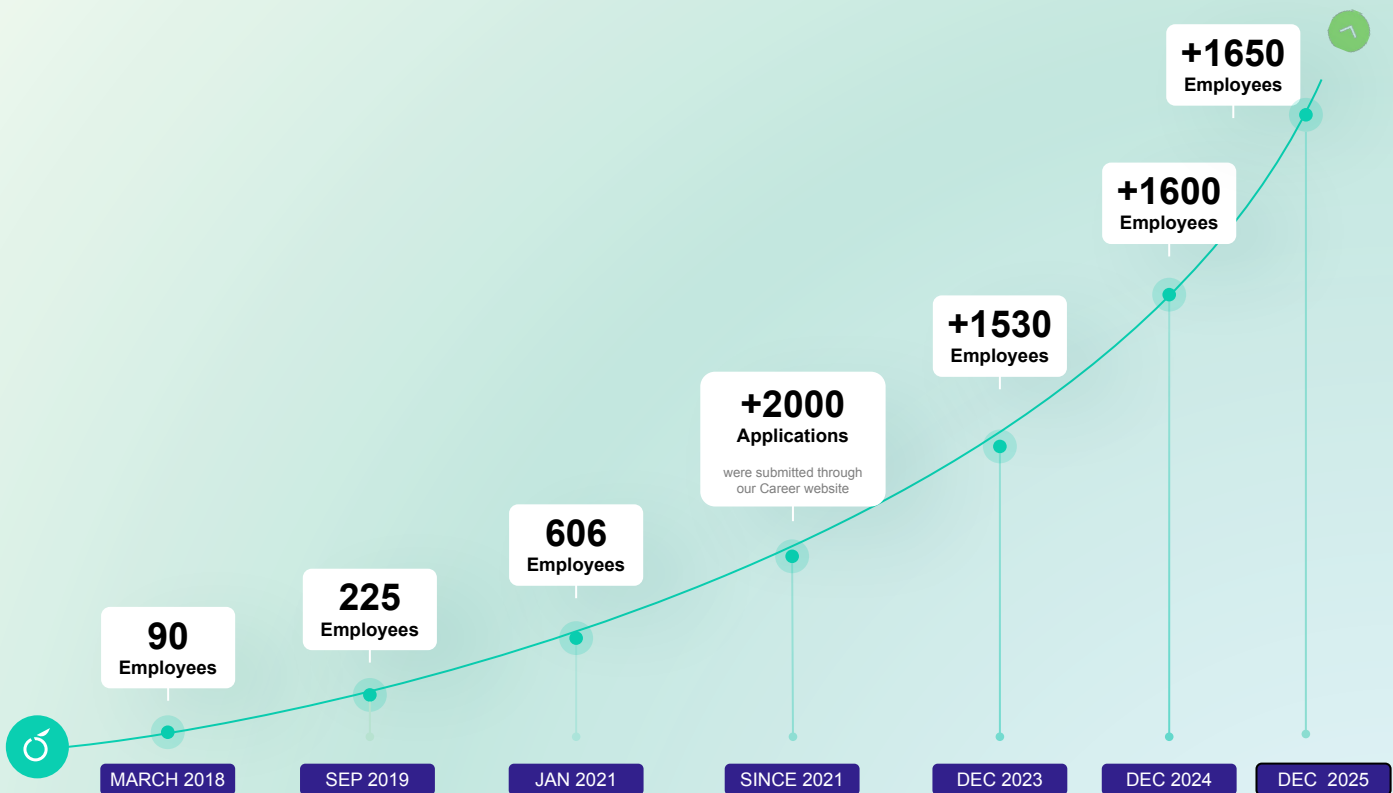


Grove Ventures in practice



+1650 Direct Jobs Created

All with full commitment to promise to superior quality of life



Grove Ventures in practice



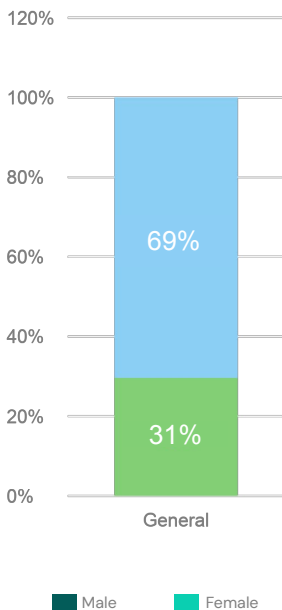
Diversity

We regularly donate to Israeli NGOs to support social causes

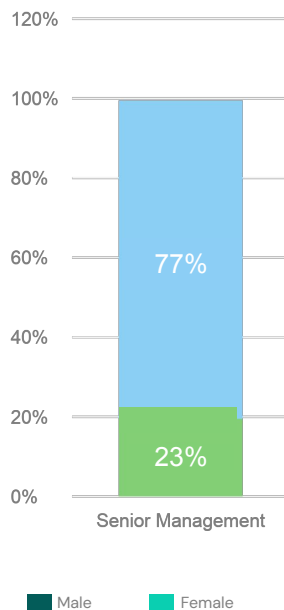
28% of companies in Grove III have female founders

Portfolio: supporting diversity in our portfolio

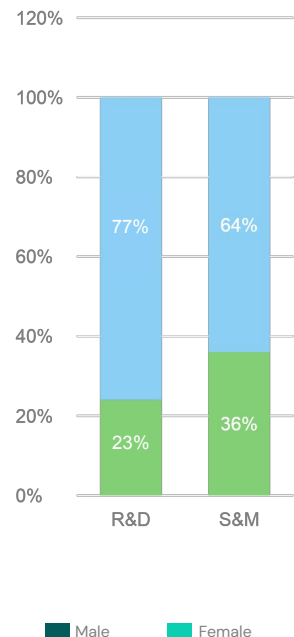
General Gender Diversity



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

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.

Grove Ventures portfolio in practice



Society

Some of the leading activities from our portfolio:



Tingo Medical advanced its impact with the "Next October" project, partnering with the family of Sgt. Gal Mishalof to create "Gal's Orchard", a living memorial space at its Modiin offices, honoring his legacy, courage, and values.



QUANTUM
SOURCE

Quantum Source joined Leket Israel to harvest and pack fresh produce for families in need.



Teramount

Teramount hosted students from the Education for Excellence Lod Naveh Center at its offices and laboratory. During the visit, the students met with the CEO to experience the technology through hands-on lab stations. The program conducted in Arabic to create an inclusive environment and inspire the students to pursue future careers in high-tech.

Grove Ventures portfolio in practice



Society

Some of the leading activities from our portfolio:



OneLayer organized a meaningful company tour in southern Israel focused on the events of October 7 and supporting the resilience of local communities. As part of the initiative, employees volunteered with a local farmer and contributed hands-on support to the agricultural communities of the Negev region.



Notraffic collaborated with QueenB to promote opportunities for young girls in tech. They hosted community events to create space for awareness & support following October 7th.



Navina volunteered at "Home Front", supporting families whose homes were damaged or who were displaced due to the war. As part of the initiative, employees planted plants,, created decorations, and refurbished furniture to help families restore a sense of comfort.



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

BUILDING MORE SUSTAINABLE, CLIMATE-FOCUSED STARTUPS

EnergyTech Week – Israeli Energies All-Star panel brought fresh perspectives and crucial overviews from various investors, and Managing Partner Lior Handelsman took the stage as a keynote speaker, brought his vision and experience to the future of energy tech. Happy to be part of a community that’s driving the future of energy innovation forward.



ADVANCING AI ADOPTION

YozmaTech: Think Scale Speak AI – Managing Partner Lotan Levkowitz joined a panel to share practical guidance with emerging tech leaders and founders on building AI-driven teams, launching strategic AI implementations, and meeting investor expectations.



SUPPORTING FEMALE FOUNDERS

Sulis – Grove has the honor to host final meetings of Sulis program. Managing Partner Lior Handelsman spoke at the Sulis event about VC fundamentals and founder & Managing Partner relationship. Sulis is part of ‘Fem for a world’ program, focusing on training and empowering young women entrepreneurs in their journey.



Women in Tech 2025 – Managing Partner Renana Ashkenazi took the stage alongside leading voices from academia, industry, and policy-making at this upcoming event, shared powerful insights during the expert panel: women bring more women. “We are the ones making it happen.”



Grove Ventures in practice



HELPING COMMUNITIES

Carpentry Workshop with Molet

At the Bat Yam Design Terminal, our team got together to built items for The Fifth Element: a nature-based body and mind treatment center at Sheba Hospital, dedicated to those wounded on October 7th.



Donations to The Loving House

We donated our previous brand swag to The Loving House in Kfar Sirkin – a home for 17 at-risk youth, many from ultra-Orthodox backgrounds who arrived after years of street life and personal struggles.

Repurposing paper use

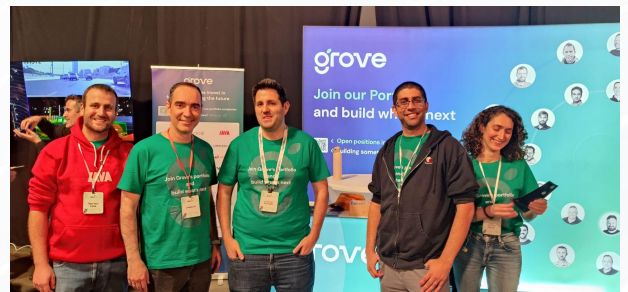
Paper materials and supplies from our old brand were donated to a local kindergarten, giving children new tools to learn and create.

NURTURING TOMORROW'S LEADERS

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

HELPING OUR PORTFOLIO COMPANIES HIRE A NEW TALENT

Grove built a booth at **81 alumnis event**, to provide our companies an opportunity to share with 81 alumnis their world-changing vision and technology and meet potential candidates..



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 Technologies Ventures III)

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:

On February 7, 2020, the Cayman Islands adopted the Private Funds Act (2021 Revision) ("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. As of December 31, 2025, the Partnership made all necessary registration and is in a good standing.

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. Enforcement of the new requirements commenced on January 1, 2025. Entities should assess their compliance requirements, including updated beneficial ownership disclosures. The Act includes nationality reporting rules and optional compliance routes for certain regulated, listed or registered fund entities. In-scope legal entities are required to identify registrable beneficial owners, maintain accurate ownership registers, and designate an eligible local contact able to respond to information requests from the Competent Authority 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 replaced the prior money laundering regulations. The Regulations, as amended and currently consolidated in the Anti-Money Laundering Regulations (2025 Revision), together with the Proceeds of Crime Act, permit the creation of guidance to assist in the implementation of procedural obligations. The Guidance Notes on the Prevention and Detection of Money Laundering, Terrorist Financing and Proliferation 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 have since been updated, with the current CIMA Guidance Notes dated February 2024 replacing the prior June 2020 Guidance Notes and related amendments.



What do the regulations require?

Essentially, Regulation 5 of the Cayman Islands Anti-Money Laundering Regulations 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 service providers – Apex Fund Services (Cayman) Ltd. and Apex Financial Services (Israel) Ltd, 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





2025

ESG Annual Report



Contact Us

esg@grovevc.com

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