Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Borski Fund II Cooperative U.A. **Legal entity identifier:** [complete]

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

☒ **Yes**	☐ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective:** 100%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

Borski Fund II provides capital to entrepreneurs that have a female (co)founder or market a product or service for women. The mission of the fund is to encourage female entrepreneurship and realize equal entrepreneurial opportunities with the goal of a more diverse and inclusive ecosystem combined with innovations in "unattended" segments.

Borski Fund II wants to achieve a “triple effect” in diversity:

- More female entrepreneurs
- More female investors
- More diverse innovations

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

The following sustainability indicators are used to measure the attainment of the sustainable investment objectives of Borski Fund II:

Entrepeneurs: (i) percentage (%) of female members in the management team (MT); (i) percentage (%) of female board members; and (iii) percentage (%) of equity held by female board/MT members at entry.

Investors: number of transactions with other VC funds with a female partner within the GP of such VC fund at entry (i.e. co-investments in entrepreneurs by “female” VC funds).

Innovations: number of female health and/or wellbeing propositions.

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

How have the indicators for adverse impacts on sustainability factors been taken into account?

During the due diligence phase, before the actual provision of capital to the entrepeneurs, Borski Fund II will carry out an ESG assessment including the negative side effects on sustainability factors relating to environmental, social and employee matters. These factors include all mandatory PAI questions including the following topics: greenhouse gas emissions, biodiversity, water, waste and social and employee matters such as board gender diversity and unadjeusted gender pay cap. These factors will be identified, evaluated and factored into the investment decision.

Borski Fund II intends to collect these data annually from entrepeneurs through the Novata platform (or such other platform as it deems appropriate). This is a platform that retrieves the required ESG data from entrepeneurs.

Borski Fund II shall report annually on all mandatory PAI indicators as set out Table 1 of Annex I of the Regulatory Technical Standards of SFDR. In addition, it shall report on at least one additional PAI indicator set out in Table 2 of Annex I and at least one additional PAI indicator set out in Table 3 of Annex I of the Regulatory Technical Standards of SFDR.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Borski Fund II shall ask entrepeneurs to adhere to the UN Guiding Principles on Business and Human Rights.

The investments and financing provided by Borski Fund II are mainly provided to small-sized growth companies. Given the size of the comapnies, Borski Fund II may not explicitly require entrepeneurs to commit to OECD Guidelines for Multinational Enterprises.

Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes

Borski Fund II will, in its ESG due diligence as well as in its yearly data requests to entrepeneurs, include all mandatory PAI indicators included in Table 1 of Annex 1 of the Regulatory Technical Standards of SFDR as well at least one additional PAI indicator set out in Table 2 of Annex I and at least one additional PAI indicator set out in Table 3 of Annex I of the Regulatory Technical Standards of SFDR. This is done through the Novata platform (or such other platform as it deems approproate) and on a best efforts basis. This information is updated annually by entrepeneurs. However, because of the social objective of the fund, only the questions that are applicable by the relevant entrepeneurs may be answered.

☐ No

What investment strategy does this financial product follow?

Borski Fund II focuses on female entrepeneurs in the following sectors: (i) healthcare & well-being, (ii) climate & circular economy and (iii) future societies. Its focussed geography includes Netherlands (approximately 70%) and rest of Europe/UK (approximately 30%).

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

  Number of entrepeneurs with at least one femal MT/board member that owns at least 5% of the shares in the company.

- ***What is the policy to assess good governance practices of the investee companies?***

  We perform an ESG due diligence before any investment is provided to entrepreneurs. For Borski II, good governance aims to reduce the potential impact of unconscious bias for board, supervisory board, management/senior positions and a safe non-discreminative work environment. Borski II aims that entrepreneurs

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Asset allocation describes the share of investments in specific assets.

[include note only for financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852

Taxonomy-aligned activities are expressed as a share of:

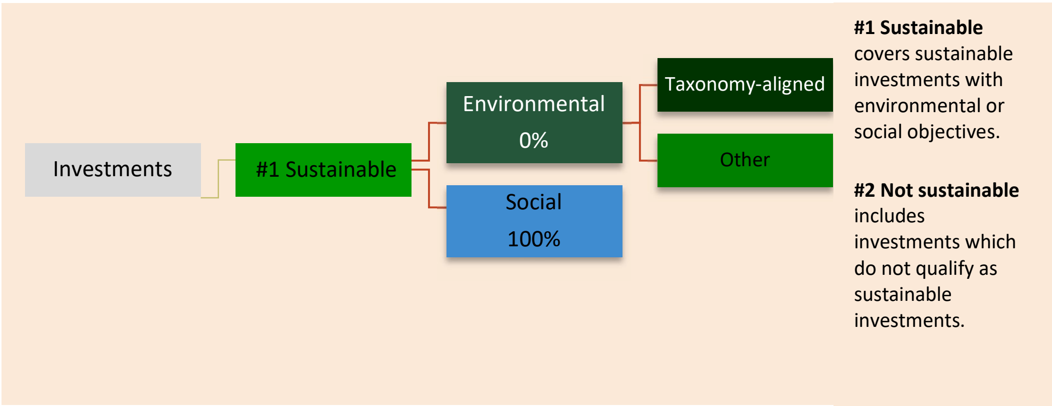
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (Capex) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

commit to include an 'inclusivity provision' in their HR policy and/or management regulations, which, among other things, identifies the aspiration that at least 30% of the above positions be held by women.

In this respect Borski II will measures (i) how many entrepreneurs commit to include such 'inclusivity provision' in their HR policy, (ii) % of female board members, (iii) % of female MT members and (iv) number of discrimination incidents reported.

What is the asset allocation and the minimum share of sustainable investments?

Borski Fund II intents to invest 100% in sustainable investments with a social objectives.



- ***How does the use of derivatives attain the sustainable investment objective?***

Use of derivaties is not applicable.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

EU Taxonomy is not applicable, since Borski Fund II has a 100% social objective for its sustainable investments and not environmental objective. The EU Taxonomy is currently solely focussed on environmental objectives.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

[include note only for financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission leels corresponding to the best performance.

✖ No

What is the minimum share of investments in transitional and enabling activities?

Borski Fund II sustainable investments have a social objective and the EU Taxonomy is solely applicable to environmental objectives. There are no social objective criteria within the EU taxonomy (transitional and enabling activities) and it is therefore not applicable.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable.

What is the minimum share of sustainable investments with a social objective?

Borski II Fund intends to make all its investments (100%) from a socially sustainable objective.

What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Not applicable, because all investments (100%) of Borski II Fund aim to have a social sustainable objective.

[include note for financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentaly sustainable economic activities under the EU Taxonomy.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

There is no reference benchmark for sustainability applicable to Borski Fund II.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

Not applicable.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Not applicable.

- ***How does the designated index differ from a relevant broad market index*?**

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

Where can I find more product specific information online?

More product-specific information can be found on the website: www.borskifund.com