Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the **„SFDR"**) establishes harmonised rules for financial market participants and financial advisers regarding transparency in the integration of sustainability risks into their decision-making processes, the consideration of principal adverse impacts on sustainability factors, and the provision of sustainability-related disclosures in relation to financial products.

Under the SFDR, Cofounder VC Spółka z ograniczoną odpowiedzialnością („**ZASI 1**") and CofounderZone Spółka z ograniczoną odpowiedzialnością („**ZASI 2**") each qualify as a financial market participant, and the alternative investment companies manage by them – Cofounder VC Spółka z ograniczoną odpowiedzialnością Early Growth Fund Alternatywna Spółka Inwestycyjna Spółka komandytowo-akcyjna („**ASI 1**") and CofounderZone Spółka z ograniczoną odpowiedzialnością Corporate Angel Fund Alternatywna Spółka Inwestycyjna Spółka komandytowo-akcyjna („**ASI 2**") – constitute a financial product.

ASI 1 and ASI 2 are hereinafter jointly referred to as the „**Companies**".

Pursuant to Article 3 of the SFDR, the Companies have adopted a strategy for integrating sustainability risks into their investment decision-making process. The strategy sets out how environmental, social and governance („**ESG**") events or conditions that, if they occur, could have an actual or potential material adverse impact on the value of an investment are taken into account (the „**ESG Strategy**").

The identification of sustainability risks does not, in principle, preclude the Companies from making an investment. The ESG Strategy is published on the Companies' website and may be supplemented or amended from time to time, including to reflect evolving market practices or regulatory standards.

Article 6(1) SFDR

The Companies do not integrate sustainability risks into their investment decisions, as such risks are considered to be immaterial. Nevertheless, environmental, social and governance considerations are taken into account during the investment selection process. The identification of sustainability risks does not necessarily preclude the Companies from making an investment.

The Companies generally invest in early-stage companies. These portfolio companies primarily engage in research, analytical activities and product development, offering products or services based on the outcomes of those activities. Most of these companies conduct little or no traditional manufacturing, processing or other operations that could have a significant impact on the climate or the environment.

Furthermore, because these companies generally operate with small, highly specialised teams possessing specific expertise, their activities are unlikely to have a material impact on the communities in which they operate. Accordingly, the risk of adverse social impacts is considered to be limited.

For these reasons, the impact of sustainability risks on the returns generated by the Companies' investments is expected to be immaterial.

Article 7(2) SFDR

When making investment decisions, the Companies do not consider the principal adverse impacts of their investment decisions on sustainability factors.

The Companies invest in early-stage companies whose activities are limited in both scale and scope. Consequently, the impact of the Companies' investments on sustainability factors is expected to be negligible. Accordingly, the application of detailed metrics for measuring adverse environmental or social impacts would not be appropriate or proportionate given the Companies' current investment strategy.

Articles 8, 9 and 10 SFDR

The Companies do not offer financial products that promote environmental or social characteristics (or a combination of those characteristics) within the meaning of Article 8 SFDR, nor do they offer financial products that have sustainable investment as their objective within the meaning of Article 9 SFDR.

The investments made under this financial product (i.e. ASI 1 and ASI 2) do not take into account the EU criteria for environmentally sustainable economic activities as set out in the EU Taxonomy Regulation.