

ANNEX I

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Cogito Fund II SICAV-RAIF

Legal entity identifier: B288259

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of sustainable investments 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

It will make a minimum of sustainable investments with a social 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

- with an environmental objective in economic activities that 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 promotes E/S characteristics, but will not make any sustainable investments

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.



What environmental and/or social characteristics are promoted by this financial product?

The Fund promotes environmental and social characteristics. The Fund will take ESG (environmental, social and corporate governance) characteristics into consideration as part

of its due diligence process with respect to potential investment targets. Characteristics intended to be promoted by the Fund are: (i) reduction of CO2 emissions, (ii) increasing equitable treatment of employees, (iii) increasing team diversity, (iv) increasing board transparency and best governance practices. All ESG aspects will have an equal weight.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

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 each of the environmental or social characteristics promoted by this financial product?

The environmental factors analyzed and targeted are related to reducing direct and indirect CO2 emissions and increasing energy efficiency (for example, measuring and reporting company's carbon footprint, setting environmental performance targets). The social characteristics analyzed and targeted are related mainly to increasing fair and equitable treatment of employees and team diversity (for example, implementation of code of conduct and non-discrimination policies, tracking of diversity and inclusion metrics, implementing fair hiring policies, tracking gender pay gap). The governance factors considered are related to transparency and implementation of best practices (for example, tracking board diversity, inclusion of independent board members, implementing a formalised financial control system, etc.) in terms of board structure and the oversight of an investment target.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A

- **How do the sustainable investments that the financial product partially intends**

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

- to make, not cause significant harm to any environmental or social sustainable investment objective?**

N/A

- — **How have the indicators for adverse impacts on sustainability factors been taken into account**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.



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



N/A

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

N/A

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

- Yes
- No

What investment strategy does this financial product follow?

Pursuant to the Fund’s investment strategy (as described in a more detailed manner in Sec. IV of the PPM and Schedule 1 of the Legal Supplement), the purpose of the Fund is to make venture capital investments in European B2B technology companies with a CEE footprint. The Fund invests in technology scaleups (late Series-A and Series-B), taking a minority shareholding position. The target sectors are Enterprise Software, Fintech and Healthtech. The Fund intends to make 12-15 equity investments, always taking a minority position. As part of its investment strategy, the Fund has adopted an exclusion list that is designed to help the Fund meet its ESG objectives.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The integrated ESG elements of the investment strategy are concentrated on improving social and governance characteristics of the investment targets, while promoting environmental factors related to reduction of carbon footprint and increased energy efficiency. In addition, the Fund screens all potential investments against its Environmental and Social Exclusion List included in the Fund’s ESG Policy. There are certain business models and sectors the Fund does not invest in which include companies engaged in the production or trade:

- *of products or services deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pesticides/herbicides, ozone depleting substances, PCBs, wildlife or products regulated under the Convention on International Trade in Endangered Species (CITES) of Wild Fauna and Flora.*
- *produce / trade in tobacco (and other addictive substances), alcoholic beverages (excluding beer and wine), unbonded asbestos fibers, weapons/munitions, radioactive materials (this excludes purchase of medical equipment or quality*

control/measurement equipment and any other equipment where the radioactive source is trivial or adequately shielded), sex work, pornography, gambling, or casinos,

- produce fossil fuels,
- involved with marine drift net fishing,
- production or activities involving harmful or exploitative forms of forced labor/harmful/child labor.

The Fund will also exclude companies who / whose:

- founder / member of the senior management team is involved or has in the past been involved in cases of harassment, discrimination or bullying,
- do not comply with international standards and conventions regarding human rights, the environment, anti-corruption or labour laws,
- product / service / business model is rooted in / reliant on exploitative tactics, either of a certain demographic or an at-risk group,
- are subject to sanctions or raise red flags in AML checks

Adherence to the Exclusion list is monitored through a strict pre-screening ESG model. If a potential investee company falls into any of the excluded categories or conduct-related exclusion criteria, it will be disqualified from further consideration as a potential investment.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

This is considered to not be applicable to this Fund.

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

The governance practices of potential investment targets are evaluated in connection with due diligence processes. As a result of the due diligence process, the Fund will either exclude the target or if deemed feasible, will encourage the target to promote sustainability factors in the target's business. With regards to corporate governance, the factors that are analyzed are related to anti-competitive behavior, bribery and corruption, business ethics and controversies related to taxes and subsidies, board composition and independence. The Fund will also gather relevant ESG data from the targets on annual basis.

The Fund will share results of the ESG preliminary assessment with the investee companies and will set up a sound data governance model to monitor ESG factors and underlying key performance indicators. Active ownership (stewardship) from the Fund and ESG enhancement activities may include:

- Support top management of investee companies in setting up a proper ESG governance and management system,

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



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to 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 levels corresponding to the best performance.

reflecting the share of revenue from green activities of investee companies

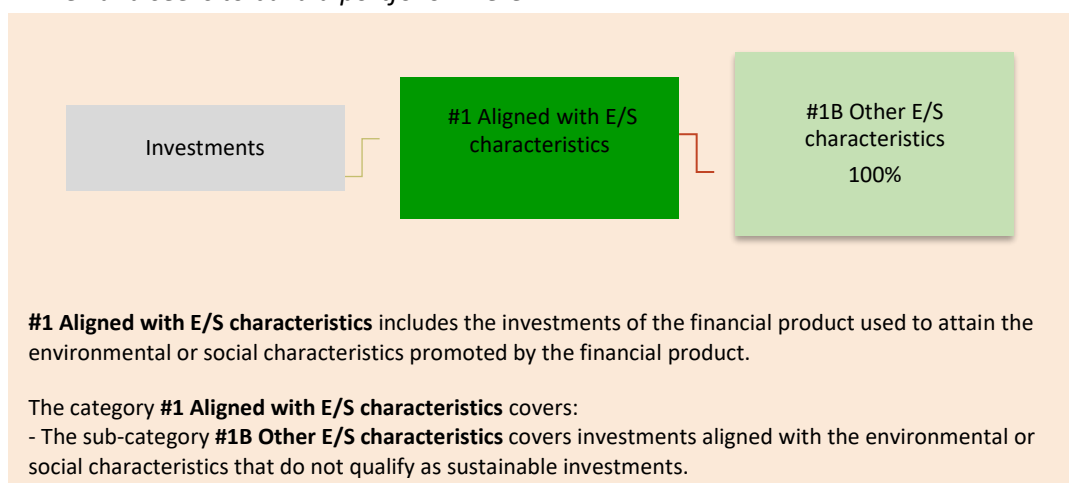
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

- *Development of action plans with the aim of mitigating ESG risks and improving sustainability performance,*
- *Periodic information and data collection on ESG and sustainability matters.*

What is the asset allocation planned for this financial product?

Please see the section above that discusses the excluded sectors and business models that the Fund will not invest in. 100% of the assets in the portfolio will be compliant with the Fund’s Environmental and Social exclusion list. The sectors the Fund will invest in are Business-to-Business technology companies (primarily software) in Enterprise Software, Fintech and Healthtech.

The Fund seeks to build a portfolio where:



- *70% of the portfolio consists of growth stage investments (Series-B)*
- *30% of the portfolio consists of early stage investments (Series-A)*

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Fund does not use derivatives in its investments.



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

The Fund does not have as its objective sustainable investments and does not commit to make investments in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

- Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?



Yes:



In fossil gas



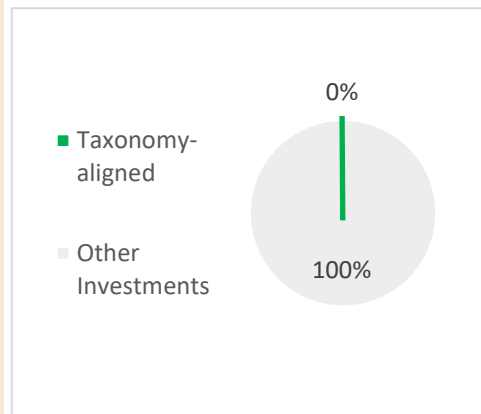
In nuclear energy



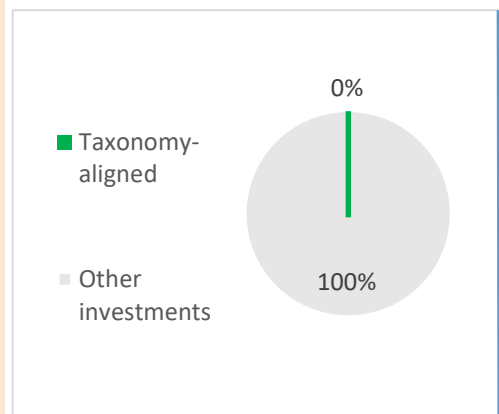
No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

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

N/A



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

N/A



- What is the minimum share of socially sustainable investments?

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 objective - 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.

N/A



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

N/A



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No index has been designated.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

N/A

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

N/A

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

N/A

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

N/A



Where can I find more product specific information online?

More product-specific information can be found on the website:

Fund specific information can be found on the website <https://cogitocap.com> and <https://jtcgroup.com>



are

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