



Article 10 SFDR – sustainability-related information about financial products that promote environmental or social characteristics

FMV First Momentum Ventures Management GmbH (“First Momentum”) is the alternative investment fund manager of First Momentum Ventures Fund II GmbH & Co. KG (the “FMV Fund II”) within the meaning of the German Investment Code (*Kapitalanlagegesetzbuch*, KAGB) and the EuVECA-Regulation and as such publishes the following information in light of the consideration of sustainability-related aspects in accordance with Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosure requirements in the financial services sector (the “SFDR”).

Summary

This financial product promotes environmental or social characteristics but does not have as its objective a sustainable investment. The promoted characteristics are investment restrictions. 100% of the investments will be in line with its investment strategy and investment restrictions.

No reference benchmark has been designated to attain the environmental or social characteristics promoted by the financial product.

Zusammenfassung

Dieses Finanzprodukt bewirbt ökologische oder soziale Merkmale, strebt aber keine nachhaltigen Investitionen im Sinne der Definition des Article 2 Nr. 17 SFDR an. Bei den beworbenen Merkmalen handelt es sich um Ausschlusskriterien. 100 % der Investitionen werden im Einklang mit der Anlagestrategie und den Anlagebeschränkungen getätigt.

Es wurde kein Referenzwert benannt, um die mit dem Finanzprodukt beworbenen ökologischen oder sozialen Merkmale zu erreichen.



No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

The promoted characteristics of this product are investment restrictions.

The FMV Fund II may not invest, guarantee or otherwise provide financial or other support, directly or indirectly, to companies or other entities (A) whose business activity consists of an illegal economic activity (i.e., any production, trade or other activity which is illegal under the laws or regulations applicable to the Fund or the relevant company or entity, including without limitation, human cloning for reproduction purposes), or (B) which substantially focus on:

- the production of and trade in tobacco and distilled alcoholic beverages and related products;
- the production of and trade in weapons and ammunition of any kind, it being understood that this restriction does not apply to the extent such activities are part of or accessory to explicit European Union policies;
- casinos and equivalent enterprises;
- the research, development or technical applications relating to electronic data programs or solutions, which
 - (x) aim specifically at supporting any activity referred to under (i) to (iv) above; internet gambling and online casinos; or pornography; or which
 - (y) are intended to enable to illegally enter into electronic data networks; or download electronic data;

In addition, when providing support to the financing of the research, development or technical applications relating to (x) human cloning for research or therapeutic purposes or (y) genetically modified organisms (GMO), the First Momentum shall



ensure the appropriate control of legal, regulatory and ethical issues linked to such human cloning for research or therapeutic purposes and/or GMOs.

In addition, the FMV Fund II may not invest in companies where, based on information publicly available on the World Wide Web or in the national press, or based on investigations conducted with reasonable diligence prior to an investment, it is proven or there is a substantial suspicion that the respective company uses or supports child labor or forced labor, persistently discriminates against people on the basis of gender, ethnic origin, disability, nationality, political opinion, religious affiliation, social origin or sexual orientation, materially interferes with trade union activities or persistently violates employee rights or materially violates environmental requirements.

Investment strategy

The purpose of the FMV Fund II is to build, hold and manage (including, but not limited to, to divest) in its own name and for its own account a portfolio of equity and quasi-equity investments in (pre-) seed financing rounds in technology-driven start-up companies with high growth potential as well as follow-on investments in portfolio companies of the First Momentum Ventures Fonds I GmbH & Co. KG.

No investments are made in the area of exclusions. As part of the due diligence and ongoing investment management, the investment team for the FMV Fund II will initially and continuously monitor whether the investment restrictions are abided by and whether the investment falls within the investment policies.

Policy to assess good governance practices of the investee companies

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance. As part of the due diligence and ongoing investment management, the investment team will review whether a potential investee company has good governance practices in place.



Proportion of investments

FMV Fund II will invest fully in line with its investment strategy and investment restrictions. FMV Fund II will not invest a portion of its capital in any other asset class.

Monitoring of environmental or social characteristics

The investment team for FMV Fund II will initially and continuously monitor whether the investment restrictions are abided by and whether the investment falls within the investment policies. FMV Fund II will not make any investment in the excluded sectors unless previously approved by the advisory committee. Therefore, the achievement of the promoted ESG aspects – no investment within the excluded sectors – can be tracked in a simple way.

Methodologies for environmental or social characteristics

See above. The exclusion list is used to measure how the social or environmental characteristics promoted by the financial product are met. FMV Fund II ensures through corporate governance or otherwise that Portfolio Companies continue to comply with the above restriction during the term of the FMV Fund II's investment.

Data sources and processing

FMV Fund II receives data provided by the portfolio companies as part of the due diligence process and at regular intervals after the investment. Where necessary or beneficial, FMV Fund II also makes use of publicly available data. Data processing is exclusively internal and DSGVO compliant. Estimates of data are not made.



Limitations to methodologies and data

First Momentum is partly reliant on the information provided by portfolio companies during the due diligence process. Moreover, in the post-investment phase, First Momentum is reliant on the company's reported data. In both cases, complete data may not always be available due to the nature of investments. The information is verified only if and to the extent, misrepresentations are suspected.

Since FMV Fund II investments are made for a multi-year investment period, First Momentum places a high priority on establishing a trusting working relationship with the portfolio companies to ensure that data is submitted reliably and completely and that the above restrictions are met.

Due Diligence

First Momentum considers the promoted ESG aspects when sourcing new portfolio companies for FMV Fund II and during the due diligence on targeted portfolio companies. The due diligence is performed by obtaining all information relevant to FMV Fund II using a due diligence questionnaire, which is then reviewed internally. If necessary, further specific information is also obtained from the potential portfolio companies, should this still be necessary after the detailed questioning. The due diligence process is not externally monitored.

Engagement policies

FMV Fund II invests in the portfolio companies for a period of several years. Therefore, First Momentum makes it a priority to establish and maintain a trusting working relationship with the portfolio companies in order to continuously comply with the investment restrictions. First Momentum thus also intends to establish or strengthen the consideration of sustainability risks at the portfolio level. First Momentum is in constant dialogue with the portfolio companies, but as a venture capitalist without majority ownership, the influence First Momentum has on the portfolio companies is limited.



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