

ESG Negative Checklist

PreSeed Ventures Tech Fund 01 does not invest in any companies whose primary operations concern the production of trade-in or other business primarily related to:

- (i) Weapons, artillery or ammunition;
- (ii) products categorised as tobacco by the Danish Health Authority;
- (iii) arctic drilling in relation to the extraction of fossil fuels;
- (iv) highly polluting extraction methods, such as the extraction of oil from tar sand;
- (v) bottom trawling fishing along the sea floor;
- (vi) exploitation of disadvantaged social groups, for instance through the use of deceptive or exploitative subscription services;
- (vii) pornography;
- (viii) enabling illegal (a) access to electronic data networks or (b) download-ing of electronic data;
- (ix) the cloning of human beings;
- (x) gambling; or
- (xi) illegal activities.

Furthermore, we will not make any investment in a Portfolio Company that, to our knowledge at the time of investment:

- (i) counteracts the transition to an economy based on renewable energy re-sources;
- (ii) in which the primary business activities are based on the use of fossil fuels or fossil fuel related activities;
- (iii) which have a substantial negative impact of the local society, people or the environment; or
- (iv) which violate human rights conventions.

In addition, we do not want to invest in any company that knowingly engage, directly or indirectly, in aggressive tax planning as defined by the EU and OECD which e.g. means doing any of the following:

- The abuse of double taxation treaties, where holding companies which do not have sufficient substance in line with the OECD Principal Purpose Test, are used for the sole purpose of reducing or avoiding withholding tax,
- transfer pricing planning where risk and income are systematically shifted to low-tax countries,
- use of financial instruments for aggressive tax planning
- use of hybrid companies for aggressive tax planning
- use of highly leveraged acquisition structures in jurisdictions without general interest limitation rules in line with OECD/US principles with the aim of reducing taxable income, not in line with international market standards.

We refrain from investing in companies that engage in tax evasion of any kind.