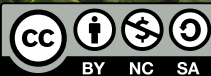


techstars



Responsible Investment & ESG Policy

Abridged | 2022



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The world is facing deeply impactful climate and human rights challenges that demand urgent action—from all of us. Techstars is uniquely positioned to make a meaningful change in the world through the scope, depth, and scale of its investment activities.

Techstars is a generalist investor that invests in companies in dozens of industries and dozens of countries, and we believe that incorporating environment, society, and corporate governance (“ESG”) into our investment decisions results in a more resilient portfolio and better long-term investment returns. It is from this position that Techstars is releasing an abridged version of our own ESG & Responsible Investment Policy to the public with the intention of helping others on their own ESG journey.

As a B-Corp and mission-driven company, Techstars took a clear stance from the beginning that our approach to ESG would be all-in and action oriented, or nothing at all. We were against greenwashing or box-checking, and committed to leading the charge for ESG. Our aim is to successfully integrate ESG into our investment decisions, capital stack, and our own business practices and those of our founders in order to: i) generate better returns for our founders and investors; ii) positively impact the planet and society; and iii) shift the tech and VC industry as a whole toward a more sustainable, equitable, and stakeholder-focused world.

In creating this Policy, we reviewed over one hundred ESG & Responsible Investment policies of other investment funds and corporations —combing the Internet for examples—and relying heavily on the United Nations Principles of Responsible Investment policy database as a resource. From those resources and our own experiences and existing practices, we culled practices and provisions that could make a real difference for early stage investors and reflected our own ambitious ESG goals. Then, we opened it up to comment from our employees. There was a large grassroots initiative inside Techstars of passionate employees, the “Green Team,” that was instrumental to the creation of this Policy and Techstars ESG initiatives. The

final Policy incorporates feedback from close to 70 members of the Techstars team.

It was critical to Techstars that our operations align with the ESG values and objectives that we prioritize in our portfolio companies. From diversity equity and inclusion initiatives and employee wellness programs to cyber security and anti-bribery policies, our Policy addresses ESG across our operations. Given how Techstars-specific these initiatives are, we have removed this ESG internal-focused portion of the Policy from the version we are sharing publicly as well as proprietary information regarding how we select our investments, manage aspects of our portfolio, and handle ESG diligence. We have kept the majority of the Policy in this abridged version in the spirit of transparency and desire to share best practices across the industry. We hope this Policy, which you can use and share under a Creative Commons license, serves as a resource or launchpad for your own journey of making the environment, society, and good governance a part of how you invest and do business.



Maëlle Gavet
Chief Executive Officer
Techstars

Introduction

This policy details how Techstars is embedding responsible investing and ESG into our fundraising, investment strategy, operations, and processes, as well as how we see our role as investors in helping founders embed ESG into their companies.

What are Responsible Investing and ESG?

Techstars defines responsible investing as incorporating environmental, social, and corporate governance considerations throughout the investment process from our relationship with limited partners (“LPs”) and the broader startup ecosystem to investment selection, entrepreneur experience, and portfolio management. This ensures our investments generate a long-term net positive return for all stakeholders involved, including the society and our planet.

ESG is an acronym for Environment, Social, and Corporate Governance. It stands for the three main standards by which a company may be measured to determine its impact on the world. By accounting for world-changing shifts in the environment and society, and ensuring good governance internally, ESG enables companies to maximize financial returns in the long run by minimizing risks and identifying opportunities for business development and positive impact. ESG also enables companies to maintain a broad stakeholder view as recommended by the 2021 Davos Agenda of the World Economic Forum and Business Roundtable in 2019. Businesses that integrate ESG considerations into their practices lower the risk of factors like climate change, social change, cyber-security threats, and governance

disruptions. These businesses can also see and act on opportunities that arise from an ESG lens. ESG generally includes three components:

Environmental factors: emissions, sustainability, carbon and water footprint, any form of pollution or degeneration to the air, land, or water - as well as related regulatory compliance, use and impact on wildlife, land, biodiversity, natural resources, travel, climate change, ‘green’ industries, as well as products, services, and markets that directly or indirectly impact the environment.

Social factors: diversity, equity, and inclusion, employee treatment, satisfaction and wellbeing, gender pay ratio, supply chain management, human rights and child labor, rights and treatment of stakeholders, employee mental health, impact and interaction in the community, philanthropy, pay equity, labor, and health and safety.

Governance factors: board oversight (structure, diversity, tenure, etc.), executive compensation, cybersecurity, CEO pay ratio, sanctions protective measures, good governance policies, anti-bribery and corruption measures, transparency, conflicts of interest, insider trading policies, whistleblower protections, accountability measures, lobbying and political spending, government policy advocacy, board composition and independence, and sustainability reporting.

Why Does Techstars Care?

Techstars aims to successfully integrate ESG into its investment decisions, capital stack, and the business practices of our founders in order to: i) generate better returns for our founders and investors; ii) positively impact the planet and society; and iii) shift the tech and VC industry as a whole toward a more sustainable, equitable, and stakeholder-focused world.

Techstars believes that ESG is a source of alpha in venture capital and therefore is a necessary investment quality consideration. We expect to generate robust long-term returns for Techstars and our investors through embedding ESG best practices in our investment decisions and accelerator programs. Investing through an ESG framework gives us a better understanding of the risk and exposure in our portfolio, and will provide a portfolio of investments that have a higher likelihood of success in our future global economy. When thinking over the long-term time horizon as a VC investor, it is necessary to consider market trends towards ESG, new disclosure requirements on the topic, and rapidly increasing restrictions in our physical world demonstrated by realities like the climate crisis. This approach will propel Techstars into the future with a portfolio of investments that will have a higher likelihood of success in our future global economy.

Incorporating ESG into our fundraising and investing process is also the ethically right thing to do for our founders, investors, employees, and fellow global citizens. Techstars is a mission-driven company and making a positive impact on the world is at the heart of that mission. Environmental and human rights challenges around the world demand urgent and meaningful action. Through being a responsible investor, Techstars aims to help make durable positive change in the world. We plan to do this by working with entrepreneurs to create new positive impacts to our global problems and by helping seed stage businesses incorporate ESG considerations into their business practices as their companies scale. We trust that one of the most effective ways Techstars can advance solutions to the world's most pressing problems is by finding, supporting, and investing in extraordinary companies that can reshape some of

the world's largest problems today for tomorrow. This includes investing in founders who are underrepresented and who have limited access to capital to uncover new perspectives to entrenched problems.

What Does This Policy Cover?

This policy applies to all Techstars employees and assets under management, including all fundraising actions, investment activities, and portfolio management. This policy's Responsible Investment guidelines apply to the following:

- Investment dollars into our funds (Limited Partners, Corporate Partners and Innovation Partners) - Capital Team and Revenue Team
- Choosing companies we invest in through our accelerator programs - Accelerator Investments Team
- Deciding whether and how to provide further investment to our companies post-program - Capital Team

Information about how Techstars aligns its own business operations outside of its investment and fundraising actions with ESG is available in an internal version of this Policy that addresses how ESG is embedded in Techstars operations. Techstars ESG Policy regarding internal operations includes, but is not limited to: i) measuring and reducing our carbon footprint in both travel and facilities use; ii) providing robust and inclusive benefits to our employees; iii) our DEI initiatives; iv) ESG diligence on vendors; v) good governance policies; vi) stakeholder reporting and board composition; and vii) cybersecurity.

Commitments & Implementation

Commitments

Techstars Code of Conduct

Techstars applies our Code of Conduct to all employees and founders which shapes how our network interacts with each other and the world at large.

Techstars Code of Code calls out four specific behavioral standards that highlight our company-wide ESG commitment:

“7. We are committed to building a safe, sustainable, long-lasting and prosperous global society through our business activities. We believe in solving environmental issues, such as climate change, to contribute to building a people- and planet-friendly future.”

“19. We are committed to diversity and inclusion. We are committed to building inclusive work environments that reflect and value the diversity of people and cultures found in the world, which we believe leads to better companies. To ensure that our commitment to diversity and inclusion are tangible, we adopt the Kapor Capital Founders’ Commitments, a set of four actions known as “G.I.V.E.” (Goals, Invest, Volunteer and Educate).”

“31. We believe good companies and good business can, and must be, synonymous. We prioritize human rights and the safety of the environment. We do not do business with parties that abuse the rights of others or the environment around us.”

“32. We ensure fair pay for equal work. We are committed to ensuring everyone receives fair compensation (to include all forms of equity and benefits). We appreciate the commitment our employees make to the success of our companies and agree to compensate them without regard to ability status, age, ancestry, civil union, class, color, ethnicity, familial status, gender, gender identity,

genetic information, marital status, military service (current or past), national origin, pregnancy, race, religion, sex, sexual orientation, or other status. As a member of the Techstars network, we are committed to eliminating all forms of pay inequality.”

B-Corp Certification

In October 2016, Techstars committed to creating social and environmental value when we became a certified B-Corp. According to B-Lab, the organization that determines B-Corp certifications, a B-Corp is a business “that meets the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.” Receiving B-Corp certification is a comprehensive process that requires a company to demonstrate that its operations and business positively impact its community, employees, the environment, and all other relevant stakeholders - from customers and members of its supply chain to charitable giving recipients.

Certification is point-based as each B-Corp applicant is measured according to its impact on E, S, and G. Techstars current B Impact Score is 95.6, out of the maximum possible score of 200. Techstars must recertify its compliance with a long list of ESG-related criteria every three years in order to maintain its status as a B-Corp. Techstars will offer education opportunities to founders about the opportunity for their companies to make this type of commitment to becoming a B-Corp via our accelerator program content library.

UN PRI

In July 2021, Techstars became a signatory to the United Nations Principles of Responsible Investment (“UN PRI”), with a goal to be more transparent and accountable around our ESG efforts. The UN PRI is the world’s leading proponent of responsible investment. The organization works to understand the investment implications of ESG

factors and supports signatories' efforts in incorporating ESG factors into investment and ownership. As a signatory, we are required to establish a publicly-released Responsible Investment Policy that outlines our own rules and standards for our investment practices. We are also required to meet comprehensive reporting obligations and implementation of baseline ESG initiatives that impact at least 50% of all of our assets under management. In other words, the UN PRI demands action and accountability from its signatories as it relates to implementing responsible investment practices and putting ESG at the core of their business.

UN Sustainable Development Goals

The United Nations' Sustainable Development Goals ("UN SDGs") are a set of seventeen interlinked global goals designed to achieve a more sustainable world for all of humanity by 2030. The UN SDGs range from clean water and sanitation to zero hunger and gender equity. They are carefully crafted global objectives that cover the fundamental improvements needed to enable the planet, and its inhabitants, to thrive.

Techstars has invested in hundreds of companies whose business models, products, or services will help humanity reach the UN SDGs. Starting in 2022, Techstars will gather more data on this topic from our portfolio companies and explore ways to explicitly provide more consideration to investment in companies that advance the UN SDGs. Please see the UN SDG Mapping section of this Policy to see more examples of how Techstars has made the UN SDGs a priority in its investment activities.

Venture Capital Industry Collaboration

Techstars believes that the VC industry must work together to build an industry-wide movement towards more responsible investing strategies, tactics, and outcomes. Starting in 2022, we intend to engage strategically with our peers through various working groups to improve the VC industry actions and outcomes related to ESG and responsible investing

Policy Implementation Accountability Mechanisms

Techstars has instituted various implementation steps and accountability mechanisms listed in this section to ensure its own adherence to this policy and the values set forth herein.

ESG Staffing & Responsible Investment Committee

To ensure the comprehensive implementation of this policy, Techstars has designated members of its staff and budget specifically to ESG and responsible investing. Additionally, Techstars Responsible Investment Committee requires time commitment from senior leadership. Techstars established a Responsible Investment Committee to make recommendations to our CEO about complex responsible investment matters.

ESG Strategy, Roadmap, and Key Performance Indicators

This Responsible Investment policy informs and is influenced by our overall ESG strategy. Techstars is currently building an ESG strategy informed by materiality assessments to guide our ESG decisions as a company. Our ESG roadmap is a collection of specific, actionable and time-bound actions across ESG categories which also tie back to the actions in this policy and the vision provided by the ESG strategy. Key performance indicators ("KPIs") are a critical means for Techstars to track and measure whether it is achieving fundamental business objectives. By actively monitoring the implementation of ESG and responsible investment initiatives through KPIs, Techstars holds itself accountable for putting the commitments set forth in this policy into action. In an added effort towards accountability, all ESG-related KPIs and their results will be made available to all Techstars employees. Most of Techstars accelerator programs already have KPIs focused on DEI.

Employee Training About This Policy and ESG

Understanding ESG is essential for effective implementation of this policy. Techstars will make available to all Techstars employees live training and other educational content on ESG and responsible investing. Specialized education opportunities will be

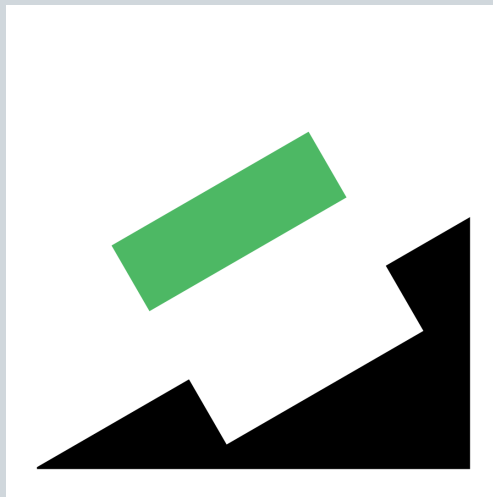
provided to Techstars investment personnel, including all Techstars program staff. Some possible topics for these educational sessions include the implementation of Techstars investment screening processes, coaching founders on ESG, and other critical learnings to ensure responsible investment is prioritized in all Techstars investments.

Policy Updating

This policy is a living document and will be updated regularly (at least annually) as Techstars expands its commitment to ESG, human rights, and responsible investing. We strongly encourage our employees to share their feedback on this policy, especially as it relates to the evolution of this policy and our commitment to the values it supports.

Techstars Values

Take actions that better society.



- Encourage our founders to integrate ESG into their businesses.
- We do the same with our own company because doing the right thing is good for our business.
- Strategically invest in companies that inspire social change and act on behalf of the planet.

Investment

Investment relates to different elements at Techstars including choosing companies we invest in through our accelerator programs; deciding whether to provide follow-on investment to our companies post-program; and investment into our funds from Limited Partners, Corporate Partners, and Innovation Partners.

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We believe an additional key aspect of Techstars being a responsible investor is the education, support, and terms we provide to our entrepreneurs and portfolio companies related to ESG during the accelerator program experience and also post-accelerator.

Since inception, Techstars has taken a strategic approach to establish our programs across geographies. We have embedded our values of ecosystem development, and taken a deliberate approach to expand globally. In doing so, we also take reasonable steps to localize our investment agreement which better allows us to invest locally.

While it would certainly be easier and cheaper to limit our investment strategy to only a few geographies, we believe this is a backwards approach to investing. We strive to invest even when founders cannot afford to be incorporated anywhere else. We do this because we believe it betters society, and positively contributes to the communities where we run our programs. It also provides a strategic “first investor” advantage, which directly contributes to superior investment returns. In being an early investor, we are able to drive positive, and fair investment terms in our portfolio. It is more important to us and the integrity of our programs that our terms

are consistent across geographies, and ensure that no company receives less favorable terms from Techstars due to their jurisdiction.

Our decision to invest and run programs in diverse geographies also positively drives internal business processes and is a cornerstone of our company. As a result, we have more diverse staff, more diverse vendors, and more diverse and inclusive services for our founders as they expand globally.

Pre-Investment Screening

Exclusion List

Techstars approach to responsible investing begins with clearly defined exclusion criteria. If an applicant company’s operations involve excluded activities, that company is not eligible for Techstars’ investment.

Following the release of this policy, Techstars will screen all potential investments in companies against its Investment Exclusion List (the “Exclusion List”) and will not knowingly invest in companies engaged in any of the industries or activities described on that List. Techstars Exclusion List is designed to ensure Techstars does not invest in companies that cause harm to the environment, human rights, society, or otherwise go against the high level of integrity Techstars requires of the businesses it brings into its portfolio. The Exclusion List incorporates principles of the United Nations Global Compact and the International Financial Corporations Exclusion List,

among other internationally recognized best practices in responsible investment.

As noted in the policy under Portfolio Management, after investment has been made, Techstars commits to regularly assessing our portfolio against our exclusion list and possibly prohibit follow-on investment in a company based on recommendations from the Responsible Investment Committee. This includes if a previously compliant company pivots to an excluded during or after program.

ESG Criteria for Accelerator Applicants

When considering applicant companies, Techstars investment teams balance many elements including how strong the team is, how good the idea is, how likely it is to succeed, and how much we can help the founders. In the current global landscape, Techstars also prioritizes the ESG risks and opportunities presented by a company.

In consultation with existing international best practices related to ESG such as the IFC Performance Standards and the UN Guiding Principles on Business and Human Rights, and the Sustainability Reporting Standards Board (SASB), Techstars plans to redefine the metrics by which it measures the success of potential investments and accelerator program applicants to include both financial and non-financial metrics. This new guidance will be used to direct Techstars ongoing assessment of potential investments and be built into accelerator program KPIs.

ESG Due Diligence

Techstars conducts ESG related due diligence on potential accelerator companies prior to investment selection. This ESG diligence process includes screening applicant companies against Techstars Investment Exclusion List in addition to requesting information from applicants to determine whether they are actively addressing UN SDGs in their business models, operations, products or service offerings. The results of this ESG diligence will be provided to the Managing Director (“MD”) of the accelerator to which the company is applying. If ESG due diligence identifies that any applicant company’s operations involve excluded activities, that company will not be eligible for Techstars investment. In addition to the due diligence provided directly by companies during the application process, respective MDs will conduct ESG diligence on potential

accelerator companies based on their conversations with the founders and intimate knowledge of the founders.

Accelerator Investment Team ESG Training

Techstars MDs are responsible for making the final investment decisions for companies that have applied to be a part of a Techstars accelerator program. Investment associates and program managers support the MDs. Starting in 2022, all Techstars managing directors and their investment teams will receive training on aforementioned areas, with an emphasis on how to help portfolio companies manage ESG issues and capture ESG data for reporting needs. Techstars is also working to ensure investment teams will be trained on how to coach founders in ESG, how to conduct a preliminary assessment of each individual company’s ESG-related risk, how to appropriately evaluate a company’s operations against the Exclusion List, including the escalation process for exceptions to the Exclusion List and reporting ESG issues or incidents.

Accelerators

ESG-Focused Accelerators

Techstars has a number of accelerators that are focused entirely, or in part, on ESG or impact investing. These accelerators range in focus from Farm-to-Fork to Social Impact including the 37+ accelerators focused on diverse founders as part of our Advancing Cities Fund. The companies that are selected for investment by these various ESG accelerator programs must have some form of ESG approach in their business model, product, or service they offer. Techstars will continue to invest in accelerators that are focused on ESG-related topics, including climate tech, social impact, and DEI, and we believe those accelerators will attract exceptional founders that are capable of driving solutions to some of the world’s most pressing challenges.

ESG Resources for Founders During Accelerators

Businesses that integrate ESG considerations into their practices lower the risk of factors like climate change, social change, cyber-security threats, and governance disruptions. Companies that implement ESG processes and procedures from the onset are more resilient and successful with financial and non-financial returns. We believe that supporting companies in integrating

ESG procedures at the start of their company is one of the keyways that Techstars can help co-create a more inclusive, regenerative, and ethical future economy. We take this responsibility seriously. Techstars aims to be known as the accelerator to attend if you want to have robust education about and assistance with integrating ESG into your startup process, procedures, and fundraising.

Training, implementation resources, and support about ESG will be made available to all entrepreneurs that receive investment from Techstars. This includes making ESG-focused mentors available to founders, incorporating ESG tools into the publicly available Techstars Entrepreneur's Toolkit, adding ESG content to our intranet and program content library, and offering ESG workshops run by Techstars ESG team, GreenTeam, program teams, or external parties. Techstars will also provide templates for ESG-related company operations. These resources will help Techstars ensure ESG integration into the short-term (100-day) plans and long-term value creation of its portfolio companies.

Techstars ESG related content is designed to give Techstars founders the tools and support they need to build ethical, empathetic, and successful businesses including making them aware of becoming a B-corp, chartering as a public benefit corporation, and the potential to list on the Long Term Stock Exchange. Techstars program teams will also receive special support and training to enable them to respond to founders' ESG needs and help them develop ESG action plans during the accelerator program.

Term Sheet Commitments

As of Q1 2022, we invest in companies in 25 different cities around the world - aligned with our commitment to seek to invest in underrepresented founders around the globe. Techstars works to unify its investment terms across all accelerators globally and for all jurisdictions. Techstars is committed to working to provide our accelerator companies the same general investment terms everywhere. This promotes equality between the accelerators and the accelerator companies. In addition, Techstars' deal terms are typically aligned with U.S. pre-seed investment terms. This means that all of our accelerator companies receive terms consistent with the strongest global market for investment and excludes

many of the limiting deal terms that can later restrict fundraising and founder rights.

Entrepreneurs must agree to the Techstars Code of Conduct, and the ESG commitments described therein, in order to receive Techstars' investment when they sign Techstars' Participation Agreement. In its investment documents with Techstars, each portfolio company represents and warrants that it has not, and will not, engage in any form of corrupt practices, do business with any sanctioned parties or other bad actors, or engage in any violation of anti-money laundering regulations.

Portfolio Management

UN SDG Mapping

Techstars is committed to advancing the UN SDGs, and to understanding which portfolio companies share that commitment. In 2022, Techstars started mapping all of our portfolio companies to one or more of the 17 UN SDGs categories.

In 2021, Techstars did an initial baseline survey of all select portfolio companies to track how many of those companies' products or services currently align with one or more UN SDGs. The survey found that an impressive number of Techstars portfolio companies already classify as ESG investments, with 420 portfolio companies, approximately 23% of Techstars active portfolio companies, reporting that they are actively addressing UN SDGs in their business models, operations, products or service offerings.

To ensure ongoing tracking of portfolio company involvement in UN SDGs, in 2022 Techstars will ask each of its new portfolio companies to self-identify with the relevant UN SDG(s) category that their business is helping to achieve, if any. This information will be used as a basis for tracking applicant data, and, more importantly, for Techstars investment professionals and portfolio services team to better understand the ESG needs of our portfolio companies. It will also be used to connect investors interested in funding companies that are working toward the UN SDGs.

For portfolio companies whose work ties into UN SDGs, Techstars aims to facilitate meaningful connections to ESG-minded mentors, corporate partners, and

investors as well as highlight the impact of those businesses through our website, social media, and other communications initiatives.

ESG Resources for Portfolio Companies

Techstars has a significant role to play in defining ESG metrics for early stage startups - we believe this is one of the ways that we can help move the needle towards a more inclusive, regenerative, and ethical future economy. This will also help us collaborate within the VC sector to co-create standard ESG metrics or expectations that are appropriate for early stage companies. Techstars recognizes that embedding ESG into our business practices, and encouraging entrepreneurs to do the same, increases both organizations' overall value proposition. As mentioned in ESG Resources for Founders during Accelerators, Techstars will offer ESG tools and training during accelerator programming that founders can leverage to excel in a financial world that prioritizes ESG criteria. In the future many similar educational resources will be offered to companies post-accelerator including ESG-focused mentors available to companies, incorporating ESG tools into the publicly available Techstars Entrepreneur's Toolkit.

Monitoring Portfolio ESG Risks, Opportunities, and Incidents

ESG risks and incidents can arise for even the most sustainability and inclusivity focused companies. In those instances, Techstars has positioned itself to be a resource and means of support for entrepreneurs facing such challenges.

Techstars is working on clarifying and implementing ongoing ESG reporting expectations for its portfolio companies that would enable Techstars to simultaneously review the existing compliance of its portfolio companies with sustainability and ethical business standards as well as be a useful source of ongoing mentorship for those companies to help contribute to their management of ESG factors.

Fundraising and Limited Partners

ESG Diligence of Limited Partners and Corporate Partners

Techstars receives ESG diligence questions from our LPs. We endeavor to increase our transparency and data collection about ESG in order to demonstrate to our LPs how committed we are to being responsible investors.

Techstars conducts ESG diligence on all new material partners, including both corporate partners and prospective investors in Techstars-managed funds. Techstars ESG diligence includes a set of mandatory questions addressing a potential partners' sustainability practices/environmental impact, labor practices (specifically, whether they engage in or rely on a supply chain that engages in child labor), legal history regarding the environment and human rights, establishment of good governance policies (sanctions, anti-bribery, etc.) and their internal policies with respect to fostering a diverse workforce. Potential partners who do not provide satisfactory responses to the ESG diligence questions will either not be eligible to do business with Techstars, or will be asked to provide a plan that addresses how they will improve their ESG-related practices during their partnership with Techstars.

ESG Review of Existing Limited Partners and Corporate Partners

In 2022, Techstars will conduct a review of its existing material limited partners to assess their respective ESG risks and opportunities. The ultimate goal of this assessment is to determine each partner's individual alignment with Techstars responsible investment commitments. It is contrary to Techstars commitments to positively impact the environment and society if our funds, or operations, are financed by entities that engage in harmful practices or known abuses of human rights and have not made commitments to engage in more net positive behavior. This review is necessary because Techstars existing limited partners have not gone through the ESG diligence process described above and therefore have not been evaluated on the basis of their environmental or social risks. Any partners that are found to misalign with Techstars ESG statements in the Code of

Conduct will be discussed in the Responsible Investment Committee to determine whether the ESG risks related to the investor in question are too great or are not capable of being sufficiently mitigated in a reasonable period of time such that they will be barred from making any future investments in a Techstars-managed fund.

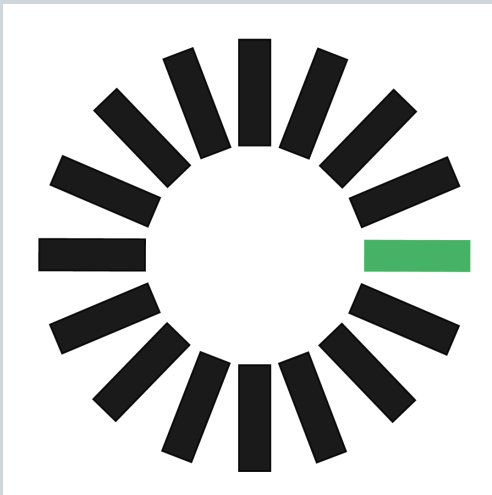
ESG in Limited Partner Agreements

Starting with any new Techstars funds formed in or after H2 2022, Techstars will endeavor to incorporate responsible investment commitments in our limited partner agreements (“LPAs”) is to provide greater

contractual certainty to our limited partners around Techstars UN PRI obligations and our commitment to incorporate ESG into our diligence and investment practices. Based on suggested best practices from the UN PRI and Institutional Limited Partners Association, Techstars will codify its own ESG obligations to its investors in future LPAs, and through side letters with existing limited partners.

Techstars Values

Invest in people & ideas worldwide.



- Great entrepreneurs make great companies which can come from anywhere.
- Techstars’ scalable model allows us to expand into new cities and under-served markets worldwide.

Reporting

Annual Reporting

Transparency is a powerful tool for accountability and a means to share the lessons Techstars is learning on its ESG journey with interested stakeholders. In 2021, Techstars included ESG reporting in updates to its Board and the Limited Partner Advisory Committee of select Techstars-managed funds. As of 2022, Techstars will report its ESG progress, plans, and any critical updates to its key stakeholders on an annual basis.

In addition to the annual reporting discussed above, Techstars will voluntarily report its ESG and responsible investment activities to the UN PRI in the spring of 2023 - the first period in which it is eligible to report. UN PRI reporting requires that Techstars publicly release its ESG and Responsible Investment policy as well as a senior leadership statement from Techstars CEO that gives an in-depth overview of our ESG progress at the time of reporting.

ESG-related Reporting Concerns

As our Code of Conduct states and this Policy underscores, if you see something, say something. If any member of Techstars network becomes aware of or suspects that a Techstars employee, or key stakeholder in our network (investor, portfolio company, mentor, etc.) has engaged in activities that go against the established requirements or ESG values described throughout this Policy, we ask that you submit a SaySomething Form where your concerns will be handled by Techstars Compliance Team.

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Techstars is the worldwide network that helps entrepreneurs succeed.

techstars.com