

Responsible Investing Policy

OrbiMed Capital LLC

May 2022

OrbiMed Advisors LLC (“OrbiMed”) is a global investment manager with over 20 years of investing experience in the healthcare industry. OrbiMed strives to deliver superior risk-adjusted returns for its investors while investing in innovative healthcare solutions that will help in addressing significant unmet medical needs.

Scope of this Policy

OrbiMed believes that there is a high congruence between companies that seek to act responsibly and those that succeed in building long-term shareholder value. This Responsible Investment (RI) Policy (this “Policy”) lays out OrbiMed’s approach to implementing the principles for responsible investment in its operations. OrbiMed seeks to integrate this RI Policy into its overall investment process, applying it to all of its private funds and client accounts (“Funds”) under management, in order to maximize investment returns. Other than the explicit exclusions listed below, OrbiMed is not prohibited from investing its Funds in any particular investment.

Investment Focus

OrbiMed manages a variety of Funds that collectively invest globally across many aspects of the healthcare and life sciences sectors, including biopharmaceuticals, medical devices, diagnostics, and healthcare services. Additionally, OrbiMed Funds invest across the life cycle of the industry, from start-ups to large multi-national corporations, and across the capital structure, including equity, credit and hybrid instruments.

Exclusions

A core part of this Policy is to identify, and exclude from potential investment, business sectors which objectively lead to negative impacts on public health or well-being. The current list of excluded businesses in which OrbiMed Funds will not knowingly invest include companies which engage in any of the following activities:

- production or trade of any product or activity subject to international bans, such as illegal chemicals, weapons including biological weapons, terrorism, and ozone depleting substances
- production or trade of any pharmaceutical product, recreational or otherwise, in contravention of local laws or regulations
- production or trade of products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
- manufacture or trade of tobacco and/or e-cigarettes
- utilization of child labor or forced labor
- production or trade of any product or service that results in severe environmental damage

Material ESG Considerations in Investment Due Diligence

OrbiMed makes investment decisions based on a variety of financial and non-financial company factors, including environmental, social and governance (ESG) information.

OrbiMed's due diligence process for prospective and existing investments takes into account financially material ESG factors, where relevant and applicable. ESG factors do not form the sole, or primary, set of considerations for an investment decision.

OrbiMed considers sector-specific guidance from the Sustainability Accounting Standards Board to determine material ESG factors. Depending on the investment, all or a subset of the ESG factors that are financially material and relevant are considered in OrbiMed's research. The evaluation of a company's performance on these ESG issues provide guidance for investment decisions and constitute part of the investment analysis. These factors are not exclusionary filters.

- Compliance with local laws and regulations
- Talent recruitment, development and retention
- Ethical conduct codes and practices
- Product responsibility including drug safety
- Access to medicine
- Good governance practices, including controls for corruption, bribery and other criminal or unethical conduct
- Anti-money laundering regime in accordance with international standards such as
- recommendations of the Financial Action Task Force ("FATF") on Money Laundering

ESG is a rapidly evolving field. ESG evaluation is not standardized and faces limitations due to lack of availability of accurate, timely and uniform data. As of the time of adoption of this Policy, no known universally accepted standards for ESG incorporation in investment decisions exist. It must be acknowledged that ESG evaluation carries a significant degree of subjectivity.

OrbiMed has sole discretion to determine ESG materiality and interpret performance in the context of this Policy for its investment decisions, including to determine relevance and applicability of ESG risk ratings or scores from third-party data service providers. OrbiMed is not liable to any other party with differing ESG risk interpretation or evaluation metrics for similar investments.

ESG Engagement

OrbiMed generally engages on a regular basis with its portfolio companies through meetings with management, proxy voting, and in some cases, through board representation.

Financially material ESG factors impacting valuation across OrbiMed's holdings are reviewed on a quarterly basis as part of the Valuation and Risk Committee meetings. Companies with potentially concerning ESG factors, as provided by third-party data services or as identified by OrbiMed's ESG screens, will be discussed by the Valuation and Risk Committee and may be referred to investment team members for further action. In these cases, OrbiMed may seek to engage with the portfolio company to promote changes in the relevant company conduct or policies or, ultimately, OrbiMed may determine to exit the investment. In some cases, OrbiMed may adopt an "activist" approach to advocate for change at the portfolio company, possibly including through a proxy campaign and/or through seeking representation on the company's board of directors or comparable body.

Revisions

Priya Malebennur, Vice President – ESG, is responsible for oversight, implementation, periodic review and updates of this Policy. Her role forms part of the Compliance team at OrbiMed, which is overseen by the Managing Partners of OrbiMed. This Policy will be updated and amended from time-to-time, as approved by OrbiMed’s Managing Partners.