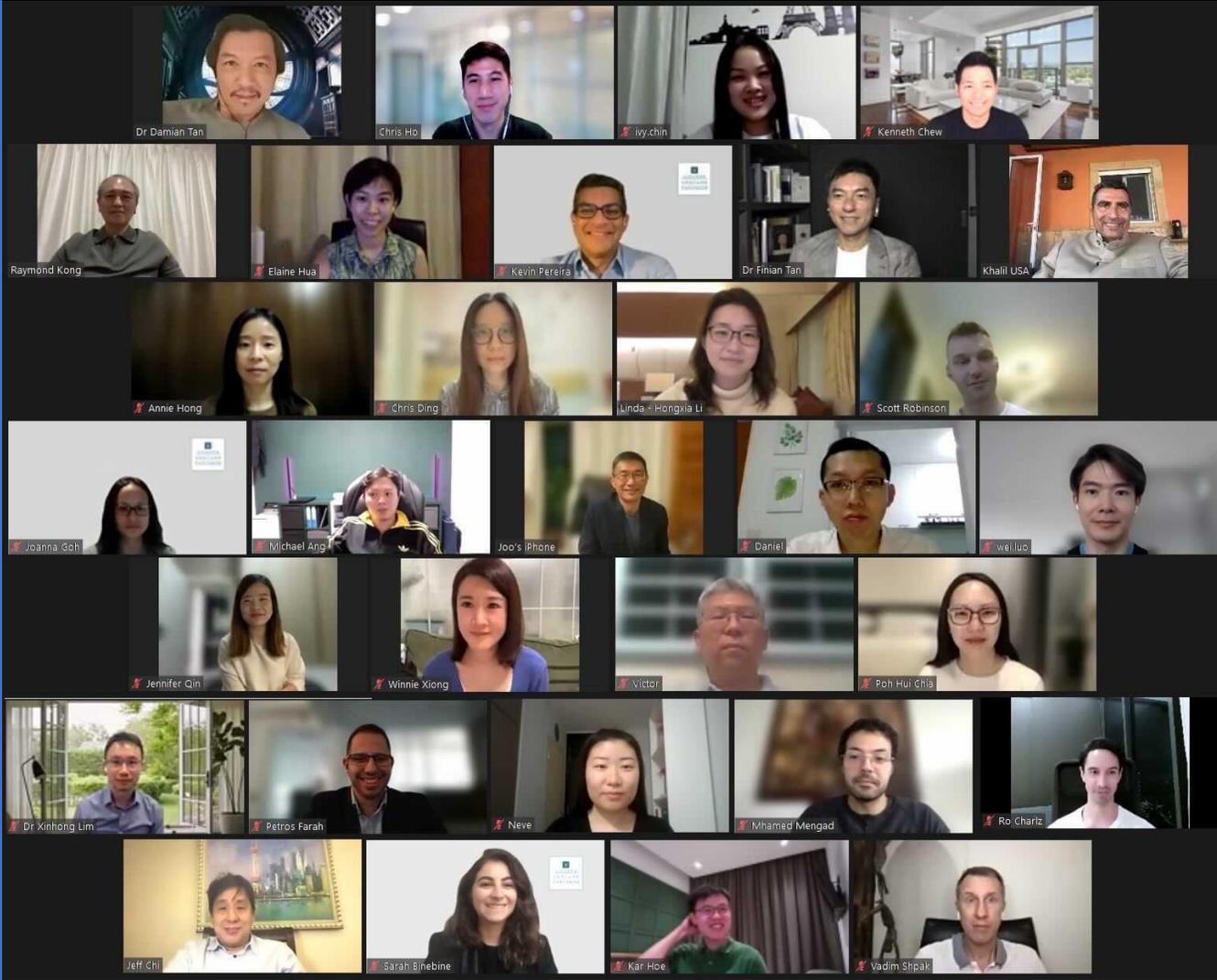




# 2021 Environmental, Social and Governance Report

## *Funding a Better World*



# About Vickers Venture Partners

Vickers is a global deep tech venture capital firm. Since our inception in 2005, Vickers has invested \$1B from five funds and affiliated co-investments, and the value of the portfolio has grown to just over \$3 billion. Vickers consistently ranks among the world's top-performing VC fund managers.

Our investment focus is on companies with breakthrough innovations that solve major global problems, addressing a large and known market that provides the financial returns our investors seek. We have a strong technical team of over 30 professionals, operating out of hubs in the United States, China and Southeast Asia.

Our portfolio consists of cutting-edge technologies in deep-tech sectors, including regenerative medicine therapeutics, a T-cell vaccine system, portable dialysis machines, fully biodegradable plastic alternatives, an electric motor and drivetrain manufacturer, clean baseload geothermal power, and more.



*Vickers offices around the world*

## **MISSION STATEMENT**

We deliver extraordinary financial returns by investing capital in a sustainable, compliant and impactful manner.

We seek to back entrepreneurs with revolutionary technologies committed to solving major global problems.

# Foreword

The year 2021 is turning out to be a rather eventful year for Vickers' ESG efforts. As this 2021 report is going to print, we are preparing our ESG & Sustainability efforts around the theme of *Funding a Better World*. This is in line with the efforts we have taken since 2019 to incorporate the assessment of impact (along the lines of the UN SDGs) in addition to the assessment of sustainability risks and other material ESG factors. This year's report will cover 36 portfolio companies and is a key element of the firm's larger ESG due diligence, monitoring and portfolio company engagement process.

2021 saw a spike in the emphasis towards climate change and a better tomorrow – China's announcement to achieve carbon neutrality by 2060, the Biden-Harris Administration's commitment towards climate change, China and the US joint announcement at COP26 and the current global emphasis on Green Finance. Financial regulators are taking a more serious stance on sustainability, environmental and governance risks, specifically requiring more disclosures and environmental

risk management initiatives. The EU and the Monetary Authority of Singapore are at the forefront of guidance as they aim to create a harmonized understanding of what constitutes 'green activities'. Vickers' ESG strategy is crafted largely with the guidance of EU's Sustainable Finance Disclosure Regulation (SFDR) criteria as a backdrop.

The SFDR imposes mandatory ESG disclosure obligations for asset managers and other financial participants with substantive provisions of the regulations effective from March 10, 2021. This dovetails nicely with the strategy that we devised a few years ago that emphasizes the need for evaluation, collection and analysis of ESG risks not only for Vickers as a firm, but by extension also the assessment of our portfolio companies.

We believe that our leadership position in this aspect of the asset management process enables us to not only establish metrics by which we can positively contribute to key themes that affect all our lives, but also to build a

# Foreword (cont'd)

foundation that will encourage others to join us in Funding a Better World.

In 2020, we had identified several initiatives for Vickers' ESG efforts. We trust that this report will demonstrate that we have made progress along the goals outlined. Specifically:

- With the 2020 report as our foundation, we set out to delve deeper into our engagement with our internal processes and how we engage with our portfolio companies.
- We have commenced implementation of an IT platform to assist in the setting of criteria with which we will be able to set clear metrics, collect data and monitor progress both internally and to our portfolio investments.
- We improved our investment scorecard and risk framework and bolstered internal IT security.

- We worked to incorporate new requirements arising from new sustainability risk management and disclosure regulations into our plans for 2022 on the way to delivering on our 2022 workflow goals.

In the coming year, we hope to communicate more about our “Funding a Better World” initiative and how on top of generating attractive returns to our investors that their money is making a difference in this world. Finally, good ESG practices are always a team effort, and this committee would like to thank all our stakeholders for their efforts.

*Jeffrey Chi (Chair), Joanna Goh, Chris Ho, Kevin Pereira  
ESG Committee*

# This Year's Highlights

2021 was a busy year, and the firm has delivered on the following initiatives:



Implemented an advisory service and data collection platform to assess various aspects of the firm's and our portfolio companies' ESG state to be able to collect, monitor and assess progress in our journey



Enhanced the firm's IT systems, covering (i) patch management; (ii) data backup and back up testing; (iii) data access management; (iv) device management; (v) multifactor authentication; and (vi) cybersecurity



Engaged an independent consultant to review our AML/CFT and enterprise-wide risk management policies and procedures, and are implementing their recommendations



Adopted a more robust staff investment policy to prevent conflicts of interest



Implemented ESG questionnaire for prospective investments, in addition to existing ESG frameworks



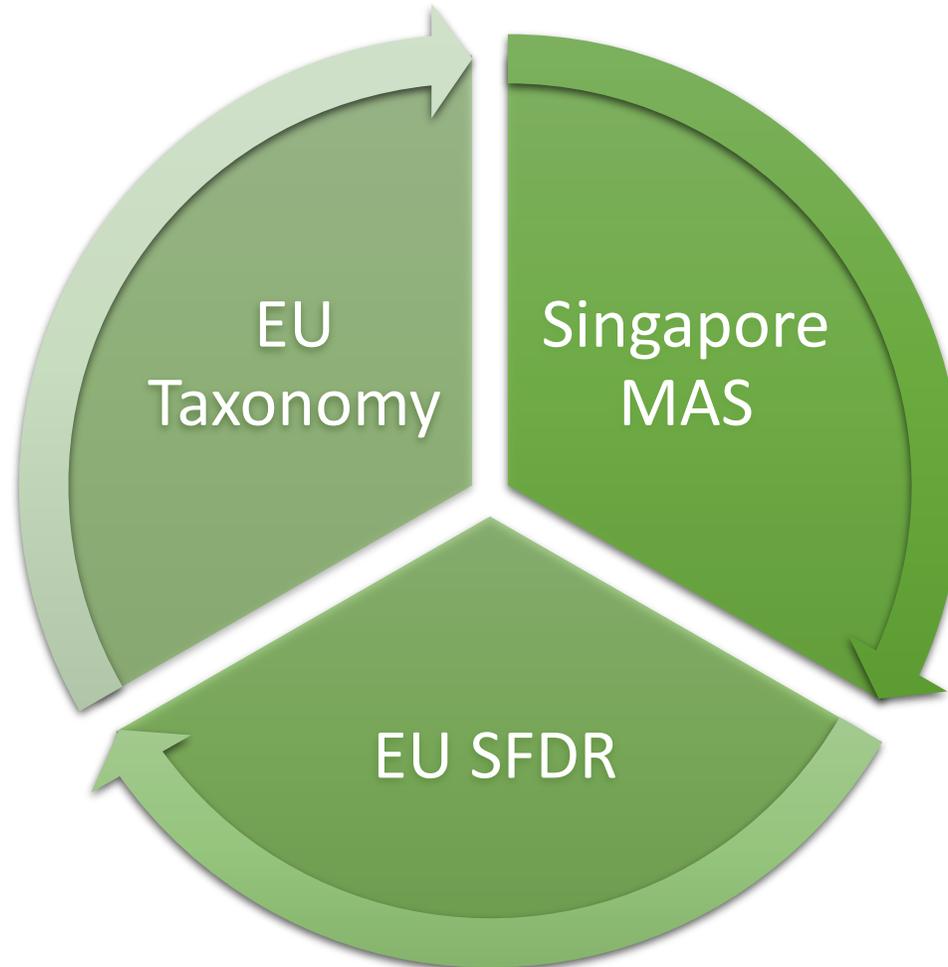
Taking a proactive stance and making disclosures in accordance with MAS guidelines and SFDR Article 6.

# Interplay of Various New Regulations

Vickers is following all developments in the new regulatory regimes, and will be compliant with MAS guidelines and EU SFDR as they continue to evolve.

The **EU taxonomy** is a classification system, establishing a list of environmentally sustainable economic activities. It would provide companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable.

The **EU Sustainable Finance Disclosure Regulation (SFDR)** imposes mandatory ESG disclosure obligations for *all* asset managers and other financial markets participants with substantive provisions of the regulation effective from 10 March 2021. While the SFDR is framed as setting out rules on disclosures, it effectively requires firms to make strategic business and policy decisions, which the firm must then disclose.



The **Monetary Authority of Singapore (MAS)** issued guidelines to ensure that financial institutions manage environment risks with adequate risk management practices and cover (i) Governance and Strategy; (ii) Research & Portfolio Construction; (iii) Portfolio Risk Management; (iv) Stewardship; and (v) Disclosure.

The MAS has given financial institutions 18 months from the date of publishing to fulfil the requirements in the guidelines (the “*Transition Period*”) and has clarified that asset managers should apply the guidelines in a manner that is commensurate with their capacities and investment focus, strategy and mandates.

# **INTERNAL REVIEW**

# Our Internal Processes

We believe in leading by example, and our internal ESG processes apply the same rigor we expect from our portfolio.

Below are the processes we have implemented:

GENERAL	<ul style="list-style-type: none"> <li>• Integrated ESG considerations into deal process since 2012</li> <li>• Setting up of Vickers ESG Committee in 2018 to incorporate ESG processes and the refinement of policies and procedures</li> <li>• A written ESG Policy is reviewed annually by the partners</li> <li>• The ESG policy is disseminated to all employees annually</li> <li>• ESG training is provided firm-wide at least once a year</li> <li>• ESG metrics are tracked on a regular cadence both internally and for our portfolio companies in order to provide reporting transparency</li> <li>• Reporting and disclosures in accordance with MAS requirements and SFDR <i>[Added 2021]</i></li> </ul>
ENVIRONMENTAL	<ul style="list-style-type: none"> <li>• All office locations emphasize green practices such as recycling and waste management</li> <li>• An internal review on climate impact and pollution is conducted regularly. Given the nature of the business, this is primarily from travel</li> <li>• Climate risk management framework designed and reported in accordance with MAS requirements <i>[Added 2021]</i></li> </ul>

SOCIAL	<ul style="list-style-type: none"> <li>• Qualified candidates are reviewed based on merit, and not on arbitrary factors like race, gender or belief</li> <li>• Diversity initiatives are in place</li> <li>• Safe internal channels are provided for all employees to voice any grievance or harassment issues</li> <li>• Professional development programs offered for all staff</li> <li>• Fitness benefits, compassionate, parental and marriage leave</li> <li>• Regular staff evaluations via firm survey and one-on-one partner assessments</li> <li>• Provision of full IT services</li> </ul>
GOVERNANCE	<ul style="list-style-type: none"> <li>• The firm has adopted the CFA Institute's Code of Ethics and Standards of Professional Conduct</li> <li>• We are also subject to regulations as stipulated by the Monetary Authority of Singapore</li> <li>• Vickers' code of conduct also stipulates non-discrimination, anti-bribery, and proper internet use</li> <li>• No investment is made without first being affirmatively voted by the Investment Committee</li> <li>• Each fund has an advisory committee to deal with and resolve any conflicts of interest identified in investment decisions</li> <li>• Annual audits are conducted with internal and external auditors</li> <li>• An enhanced staff personal investments policy has been incorporated into the Staff Handbook</li> <li>• Review of AML policy and procedure by third party consultant</li> </ul>

# Our Internal Progress

	Factor	2021 Analysis	Changes from 2020		Remarks
Env.	Resource Usage	Generally not applicable for Vickers. However, some areas for improvement include travel miles, energy usage, printing and general waste management.	Due to COVID-19, staff worked from home. Air travel, waste management and printing were reduced. However, this improvement was incidental and should not be marked as a substantive one.		Need to establish and track metrics. Consider whether able to implement the FCDD's disclosure targets, as considerable resources will be needed to track env. factors incl. GHG.
	Hiring and Retention Practices	Hiring, retention and bonus payments are based on merit and performance.	Attrition increased.		The pandemic challenges of 2020 persisted in 2021 and contributed to increased burnout. The firm continues to adapt to a hybrid work environment moving forward.
Social	Diversity	Some gender and racial diversity in the firm. <u>Firmwide</u> <ul style="list-style-type: none"> <li>• 33% are women</li> <li>• 25% are of non-Asian descent</li> </ul> <u>Senior Staff</u> <ul style="list-style-type: none"> <li>• 15% are women</li> <li>• 21% are of non-Asian descent</li> </ul> <u>Front Office</u> <ul style="list-style-type: none"> <li>• 23% are women</li> <li>• 36% are of non-Asian descent</li> </ul> <u>Back Office</u> <ul style="list-style-type: none"> <li>• 50% are women</li> </ul>	No significant changes.		It is difficult for a small firm to make quick changes in employee diversity without either high employee growth or high employee turnover. The increased attrition, though slight, provides such an opportunity. Broadening the recruitment funnel will be an important element to capture more diversity.
	Grievance	Employee Handbook contains grievance procedures for staff who feel that there is a grievance to escalate to management.	No change.		

# Our Internal Progress (cont'd)

	Factor	2021 Analysis	Changes from 2020		Remarks
Social	Employee Commitment to ESG	Employee Handbook contains guidance to staff on incorporating ESG into their work. This includes encouraging staff to conserve material and energy and recycle, treating one another and third parties with mutual respect, proper use of information and communication channels and transparency (e.g. in reporting ESG incidences).	No change.		
	Employee Satisfaction	<p>The staff were surveyed to gauge whether they received sufficient resources, were treated fairly, felt that their work was meaningful and fulfilling, and that the firm supported continuous professional development.</p> <p>The majority of the staff generally answered in the affirmative for these questions.</p>	There was a decline in the level of satisfaction for most questions relative to the previous survey conducted in 2018.		Due to COVID, staff were required to work from home in 2020 and 2021. This greatly reduced face time among staff and with the firm's partners, which could have led to feeling isolated and overwhelmed. We will need to adopt hybrid workplace practices as we foresee work from home continuing for at least some time.
	Training and Professional Development	The firm conducts annual staff training and ad hoc ESG training. The firm also provides reimbursements for approved courses.	Lack of facetime due to COVID has hampered our ability to deliver training. However, regular Zoom meetings were held in which all staff convened, which were focused on operational matters such as deals discussions, fund management and other aspects.		Given the results of our employee survey and the continued challenges of COVID, we are redesigning our training processes and modalities.
Gov.	Updating of AML Policy		The replacement Compliance Officer who has extensive experience in compliance consulting and auditing worked with a third party to update the Compliance and AML/CFT Policy and procedure of the firm.		We are still working with the third party consultant to implement their recommendations.

# Our Internal Progress (cont'd)

	Factor	2021 Analysis	Changes from 2020		Remarks
Governance	Regulatory Compliance	Vickers Venture Partners (S) Pte Ltd is regulated by the Monetary Authority of Singapore and has a Capital Markets Services License. The Compliance Officer handles these regulatory compliance obligations. These obligations are reviewed by the internal auditors on a quarterly basis and audited by the external Auditors on an annual basis. In relation to ESG, Vickers is subject to disclosure requirements of MAS and the EU SFDR.	Increased emphasis on compliance from regulators. Review of processes showed that we are robust. New Compliance Officer.		The fund is also SFDR Article 6 compliant.
	Staff Investments	Staff Handbook contains staff investment policy which only applied to front office and which required staff to first offer any opportunity to invest in an unlisted company to the Vickers funds. Staff to also inform the Compliance Officer of any purchase or sale of listed securities.	An enhanced staff investment policy has been incorporated into the Staff Handbook which includes a list of restricted securities and a requirement to disclose investments (including those made by family) to the company.		
	Advisory Committee ("AC") Meetings	The AC is tasked with resolving conflict in any Vickers fund's operations. Any investment activity with a cross fund element must be approved by the relevant fund's AC pursuant to the stipulations of the relevant Limited Partnership Agreement.			
	IT Solutions	A third-party IT service provider was engaged to provide a fully managed IT service that includes (i) patch management; (ii) data backup and back up testing; (iii) data access management; (iv) device management; (v) multifactor authentication; and (vi) cybersecurity.	New initiative, ongoing.		

# PORTFOLIO REVIEW

# Our External ESG Approach

## PRE-INVESTMENT

We have developed a scorecard to systematically screen for ESG risks and value-adding factors when assessing deals. These factors are detailed in the risk assessment framework slide. This adds an assessment of ESG risks, which includes job quality, gender diversity/pay gap, supply chain risks, data privacy/ethical use, and data security, on top of our assessment of any commercial risks. We also use a sector-specific watchlist of risks.

## INVESTMENT STAGE

During deal execution, we require the company to adopt our ESG policy, and update us on their ESG framework. We have added a standard ESG questionnaire to establish baselines and identify key metrics/risks. Management is asked to commit to adhere to practices consistent with our ESG policy and all applicable ESG laws and regulations. We also look to engage with management to establish an ESG action plan and define RREs.

## POST-INVESTMENT

We are assessing ESG reporting software with which to better track ESG issues, compliance and mitigation. Ongoing engagement with the company reviews whether sufficient resources are committed to ESG risk mitigation. Any issue escalation first goes through senior management, then to the board. We are exploring criteria to define what matters require immediate disclosures to LPs to improve transparency. A re-assessment is conducted during any follow-ons.

We conduct company reviews following a risk-based approach, taking into the account the stage of the company and the ESG risks inherent to its sector. We seek to balance a start-up's need for room to maneuver with the need to institutionalize governance structures and formalize processes.

# Evaluation of ESG assessment process

	Factor	2021 Analysis	Changes from 2020		Remarks
Governance	Documentation	The firm has plenty of materials regarding the ESG assessment framework and process, but they are not consolidated.	A sector-specific risk framework and a pre-investment company questionnaire were drafted for the knowledge base.		To consolidate ESG materials into single manual
	Staff training and guidance	The firm does not have an institutionalized and rigorous process for training staff. No training was conducted in 2021.	The staff survey shows that more transparency and resources are needed to facilitate development, especially given reduced facetime due to COVID-19.		In the process of creating a training plan and manual, with the support of a consultant
Pre-investment stage	Risk factors	All investments are reviewed in accordance with a comprehensive risk review framework.	A sector-specific framework was added to the risk review process to ensure factors were not missed.		
	Company values	The diligence process includes spending time with management to ascertain their vision, character and ethics.	No significant changes.		
	Company operations	The diligence process includes a review of company operations and potential sensitivities	No significant changes.		

# Evaluation of ESG assessment process (cont'd)

	Factor	2021 Analysis	Changes from 2020		Remarks
Investment stage	ESG policy	All companies are required to sign the Vickers ESG policy upon investment.	No significant changes.		
	ESG commitment	Vickers reviews the ESG action plan with management to ensure adherence to local laws and regulations, establish regular reporting, and manage RREs.	Future term sheets will include more binding language to improve enforceability.		
Post-investment stage	ESG issue tracking	The firm monitors and tracks ESG issues across the portfolio.	Implementing an ESG platform to collect, analyse, and monitor relevant data.		Anticipated completion in 2022 H1
	ESG issue escalation	When issues arise, the firm works with management to address them. If unsuccessful, the issue may be raised to the board.	No significant changes.		The current policy is ad hoc and varies by company
	ESG reporting	The firm currently drafts an annual ESG report, and is evaluating the criteria for more urgent disclosures.	The ESG platform mentioned above under "ESG issue tracking" will also be instrumental for reporting.		Different portfolio companies will have different expectations on reporting cadence based on their size and stage

# General Risk Review Framework

All investments are reviewed in accordance with a comprehensive risk review framework, which covers:

## Environment

- Fuel use, emissions and resource management
- Waste disposal and treatment, particularly hazardous materials
- Health risks and regulatory exposure
- Environmental and ecological damage assessment and mitigation
- Human displacement and resettlement risk
- Review of responsible supply chain

## Social

- Diversity and anti-discrimination
- Apprenticeships, internships and anti-exploitation
- Grievance procedures and anti-harassment
- Fair hiring policies and labor management – contracts, housing and sanitation, hours, workplace safety, training
- Fair wages and leave policies
- Customer/patient protections and data privacy

## Governance - Commitment

- Board formalities – charter, articles, bylaws
- Division of responsibilities between management and board
- Board meetings cadence and regularity
- Definition of core functions – admin, legal, accounting, IT

- Documentation of strategic plans, budgets and minutes
- Establishment of code of ethics, code of conduct, compliance procedures and calendar of corporate events
- Succession planning

## Governance - Decision making

- Agenda and supporting materials provided in advance of board meetings
- Discussion of long-term strategy and material risks at board meetings
- Management risk identification, assessment and management processes and reports
- Mix of skills on board, with process to refresh as needed
- Board roles and responsibilities
- Nomination process and eligibility criteria, and induction and training
- Minutes preparation, distribution and communication
- Board performance review process and reports
- Independence of audit and risk committees, and selection policies
- Third party review of internal controls and audits
- Conflict of interest management

## Governance - Transparency

- Adequacy of accounting systems and auditing systems
- Financial reporting - preparation in accordance with recognized accounting system, on regular cadence with sufficient distribution
- Audit by independent and reputable firm, and rotation requirement as needed
- Review of audit opinions
- Management discussion letter(s) discussing forward-looking issues and performance analysis
- Disclosure of material events and related-party transactions
- Confidentiality policies and data security
- Compliance reports with applicable regulatory or licensing requirements

## Governance - Shareholders

- Disclosure of ultimate beneficial ownership of shareholders
- Shareholder agreements and distribution of voting/control rights
- Review of special rights to lenders or share classes
- AGM processes – regularity, agenda items, limitations (if any)
- Mechanism for dispute resolution

# Sector-Specific Considerations

In addition, we are developing sector-specific considerations for our target industries. This will remain a living framework that will be updated with learnings from new deals.

	Factor	Biotech	Cleantech	Manufacturing	AI
<b>Environmental</b>	Resource efficiency		✓	✓	
	Climate change		✓	✓	
	Waste management	✓	✓	✓	
	Air, noise and water emissions		✓	✓	
	Materials and packaging	✓		✓	
<b>Social</b>	Product safety	✓		✓	✓
	Consumer protection	✓ (Patients)		✓	✓
	Data security and privacy	✓			✓
	Supply chain	✓	✓	✓	
	Land acquisition		✓	✓	
	Animal welfare	✓			
	Occupational health and safety	✓	✓	✓	
	Community health and safety	✓		✓	✓
	Labor compliance	✓	✓	✓	✓

# Company Questionnaire

A new ESG questionnaire was created for prospective companies to complete prior to investment.

This 15-question form collects information on a variety of ESG-related topics, including:

- Who has overall responsibility and oversight for ESG
- What processes/systems are in place to identify and manage ESG risks
- What monitoring processes are in place to assess management of ESG risks
- What data security processes are in place to protect sensitive data
- What disclosure policies are in place for material ESG incidents
- What potential health and safety risks are present
- What HR policies are in place to protect employees

9. Do all employees have a formal contract in place? What employee benefits does the company offer, and are they available to all employees?

10. Describe the company's fair hiring and anti-discrimination practices. How does the company ensure diversity in hiring practices? Does the company provide any training or support tools for employees relating to D&I, U

11. Describe the company's path for promotion

12. Describe the company's policies on these topics

13. Does the company understand and monitor the level of training in the industry?

14. What corporate governance issues often do they meet?

15. What monitoring factors? What are they collecting?

**Portfolio Company ESG Questionnaire**  
Vickers Venture Partners

Name of company	
Name and title of person filling in questionnaire	
Reporting period	
Reporting date	
Country of incorporation	
Country of operation	
Sector of operation	
Primary company products	
Company website	

1. Does the company have a published values and/or ethics statement? If so, please provide relevant documentation.

2. Who has overall responsibility and oversight for ESG? How are ESG targets set, and what resources are available for day-to-day management of ESG issues?

3. Does the company have any processes or systems in place to identify and manage ESG risks and opportunities, including those associated with its supply chain? If so, please provide relevant documentation.

4. What processes does the company have in place to protect sensitive data, such as customer and employee information? Has the company implemented an IT security management system and/or a data security policy? If so, please provide relevant documentation.

5. Describe the company's approach to disclosing and following up on material ESG incidents to key stakeholders, including the board, shareholders, customers, or supply chain partners. What is the company's definition of a material ESG incident? Please give examples.

6. Has the company experienced any ESG-related incidents or regulatory non-compliances? If yes, please give details on the root causes and corrective actions.

7. Is the company aware of any potential health and safety risks for its staff, customers and/or supply chain partners? If yes, how are these risks managed?

8. How does the company ensure compliance with national employment regulations? Does the company have an HR policy in place and/or an employee handbook? If so, please provide relevant documentation.

# Portfolio ESG Review

Company	ESG risks	E	S	G	Changes from 2020	Remarks
Aardvark	Lack of gender diversity on the board					Company is preparing to list, and will need to comply with exchange rules on board diversity
AgilePQ	Regulatory risks due to the nature of cybersecurity and current political climate				Company ran out of funding and furloughed all staff	
Alice Live	Lack of transparency in business transformation process					Company is transitioning from e-commerce to blockchain
Alo7	Government policy of reducing K12 afterschool training has negatively impacted core business				Regulatory shifts from Chinese government	
Atomwise	Lack of gender diversity, and limited informational rights					
AWAK	Potential for waste generation from cartridges, lack of gender diversity					Sorbent technology significantly reduces water use for dialysate
Biosplice (fka Samumed)	Lack of gender diversity in senior team				New female board members	
Blinkware	Infrequent communication with management					
Chooch	Lack of gender diversity, potential for regulatory risks given security contracts					Technology has been deployed for monitoring environment (e.g. wildfire detection, leak detection)

# Portfolio ESG Review (cont'd)

Company	ESG risks	E	S	G	Changes from 2020	Remarks
CIU	Company is controlled by single shareholder (Vickers), and also subject to government and accreditor regulations					Company should also review diversity in student population
Drugarray	Waste generation from disposable lab equipment				Additional female engineers hired	Disposable lab waste is offset by the smaller volumes used in their processes
Eavor	Risk of working fluid spillage and possible complications from intensive drilling				Company established DEI committee	Their working fluid is benign, and the drilling technology specifically developed to avoid potential seismicity
Emergex	Regulatory and commercial risks for vaccines in current political climate, lack of transparency in hiring and performance analysis, CEO bottleneck in decision-making					Vickers has increased board engagement
entomo (fka KPISoft)	Lack of gender diversity					
Everledger						
Fincomm						Investment company with no operations
Idealz	Lack of gender diversity					
JJE	No formal ESG policies in place, unclear if manufacturing process is clean				Listed on STAR exchange	

# Portfolio ESG Review (cont'd)

Company	ESG risks	E	S	G	Changes from 2020	Remarks
Joyberry	Lack of transparency in decision making, risks in product control, labeling and marketing, consumer risks in data privacy and collection					
Kuyun	Need for data privacy and security, regulatory risk due to nature of Chinese media sector					
Lebao	Waste generation from disposable equipment, regulatory risk due to restrictions in Chinese educations sector				Regulatory shifts from Chinese government	
Lumina Looque / Retech						
Lumitron	Lack of gender diversity, regulatory risk due to nature of nuclear security and current political volatility					
Mainspring	Need for data privacy and security, infrequent communication with management					
Matchmove	Lack of gender diversity, consumer risks in data privacy and collection					
M-DAQ	Need for data privacy and security					
Migo	Need for data privacy and security					

# Portfolio ESG Review (cont'd)

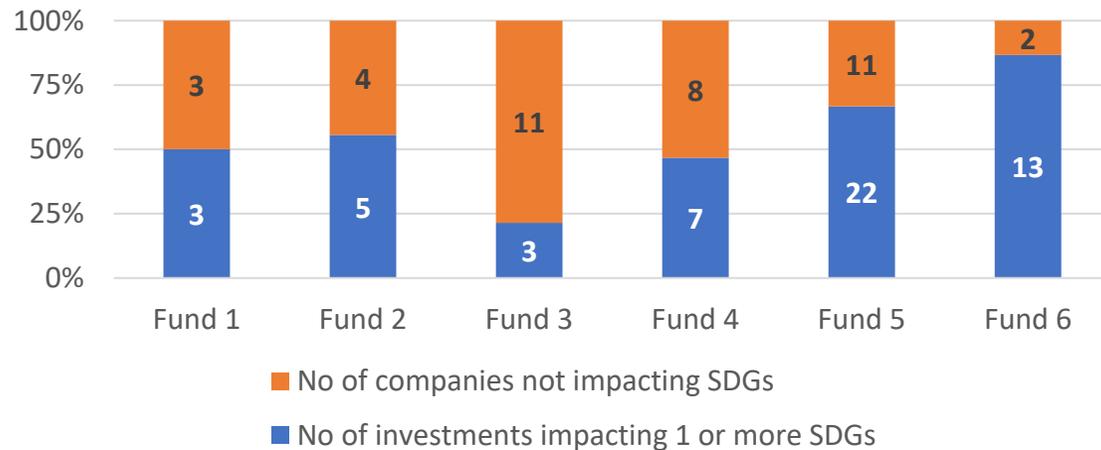
Company	ESG risks	E	S	G	Changes from 2020	Remarks
RWDC	Potential GHG emissions from power use, need to review supply chain sustainability of feedstocks, limited gender diversity					Site evaluation to include ESG criteria
Simo	Waste generation from disposable equipment, need for data privacy, some political risk for cross-border tech transfer					
Sisaf	Limited gender diversity					
Snapcart	Need for data privacy and security					
Spark Systems	Limited gender diversity					
Tenfen						
TWG	Tea is an intensive monoculture which may degrade arable land, limited oversight over decision-making process					Environmental impact mitigated by commitment to sustainability
VCKA						Holding company with no operations
Zanbato						

# Sustainable Development Goals (SDGs)

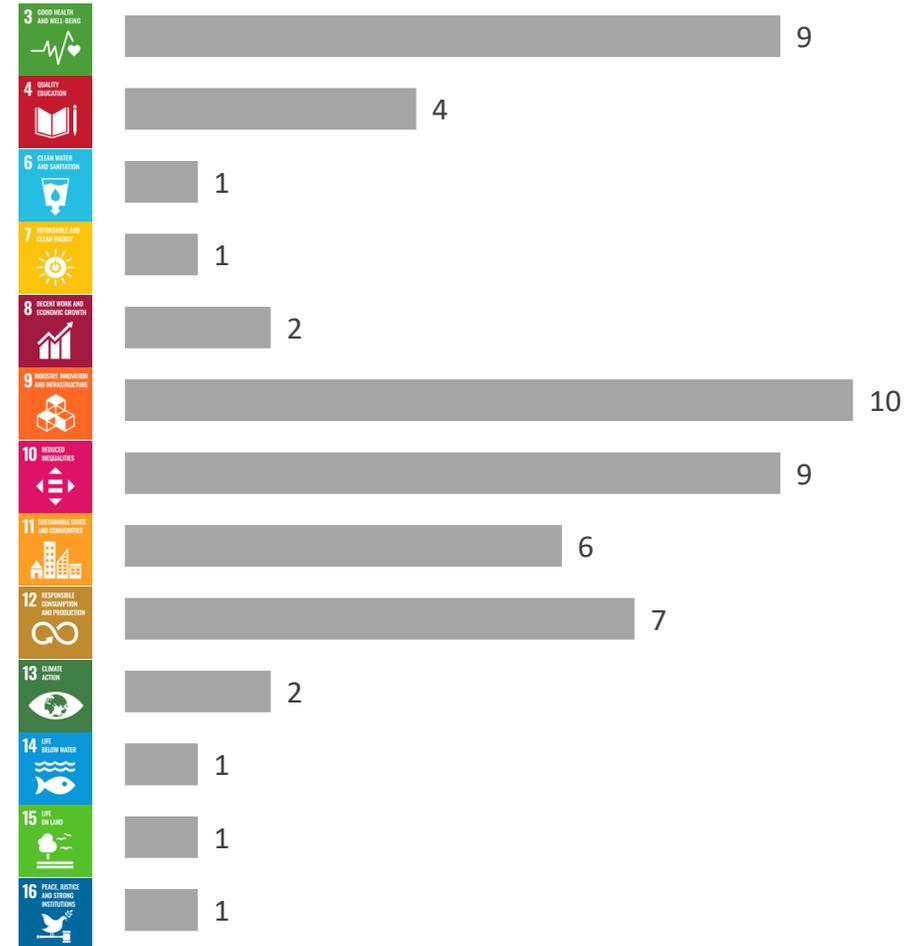
SDGs are outcome-oriented, created as a blueprint to align the world towards a better and more sustainable future. They address global challenges, including poverty, inequality, climate change, peace and justice.

Our strategy focuses on deep-tech companies, with breakthrough solutions that target global problems. Many of them may align with some of the SDGs, as is the case with RWDC tackling plastic pollution, Emergex solving the infectious disease problem, and Eavor providing clean energy.

Our role is to ensure that our companies maintain ESG policies consistent with our values while pursuing their noble goals against their respective SDGs.



## No. of companies affecting each SDG\*



Other SDGs:



\* The 17 UN SDGs and their descriptions are listed in the appendix for reference.

# Portfolio SDGs

Company	SDGs
Aardvark	 <p>Aardvark is focused on creating small molecule therapies to treat obesity and metabolic diseases.</p>
Agile PQ	  <p>Agile PQ's cryptography aims to provide a more secure environment for IOT devices.</p>
Alice Live	
Alo7	  <p>Alo7 creates course materials in a virtual environment for children to learn English.</p>
Atomwise	  <p>Atomwise's AI drug discovery platform accelerates and lowers the cost of discovering new small molecule drugs.</p>
AWAK	   <p>AWAK is building a portable kidney dialysis device for the millions worldwide on dialysis.</p>
Biosplice (fka Samumed)	 <p>Biosplice is creating small molecule drugs to treat oncological and degenerative diseases.</p>
Blinkware	
Chooch	  <p>Chooch provides Visual AI for many industries, including media, e-commerce, security and medicine.</p>
CIU	   <p>CIU provides affordable, online undergraduate and post-graduate education for students worldwide.</p>

# Portfolio SDGs (cont'd)

Company	SDGs				
Drugarray	 <p>Drugarray provides solutions to improve efficiency and productivity in pharmaceutical research.</p>				
Eavor	      <p>Eavor enables clean, baseload, sustainable geothermal power.</p>				
Emergex	  <p>Emergex develops synthetic vaccines to address the most acute infectious diseases like Dengue, Zika and Ebola.</p>				
entomo (fka KPISoft)	   <p>Entomo's SaaS platform democratizes data and helps manage enterprise performance and state vaccine tracking.</p>				
Everledger	   <p>Everledger provides an immutable blockchain ledger to manage conflict diamonds.</p>				
Fincomm					
Idealz					
JJE	    <p>JJE produces motors and drivetrains for electric vehicles.</p>				
Joyberry	 <p>Joyberry is a yoga apparel company in China.</p>				
Kuyun					

# Portfolio SDGs (cont'd)

Company	SDGs
Lebao	 <p>Lebao builds multimedia platforms for preschool education in China.</p>
Lumina Looque / Retech	 <p>Retech provides corporate training for executives.</p>
Lumitron	   <p>Lumitron provides next-gen X-ray systems for industrial and medical use.</p>
Mainspring	
Matchmove	  <p>Matchmove is an e-payments company, providing mobile wallets and e-payment cards in Asia.</p>
M-DAQ	 <p>M-DAQ is a fintech platform to blend FX rates to facilitate trading.</p>
Migo	 <p>Migo's digital platform democratizes access for entertainment and they are planning to expand to education.</p>
RWDC	     <p>RWDC produces a biodegradable material to replace plastics.</p>
Simo	 <p>Simo uses virtual SIM technology to provide low-cost data connectivity.</p>
Sisaf	 <p>Sisaf uses nanosilicon technology to deliver drugs safely and effectively.</p>

# Portfolio SDGs (cont'd)

Company	SDGs	
Snapcart		Snapcart provides real-time shopper behavior and brand performance indicators to improve sales efficiency.
Spark Systems		Spark develops an FX platform to improve FX liquidity and reduce trading costs.
Tenfen		
TWG		
VCKA		
Zanbato		Zanbato is a secondaries trading platform, improving access to private securities.

**LOOKING FORWARD**

# Conclusion and Our Goals Moving Forward

The year was a productive one from an ESG point of view. Following on the heels of last year's well received report, the team set out to further our engagement with better processes and systems. The key highlights are as follows:

1. Engaged an independent advisory firm to evaluate both the firm and our portfolio companies and formulate material tracking metrics; the assessment will cover both ESG risks relevant to our portfolio companies' operations and the sustainability factors that they impact.
2. Engaged a data platform to leverage their capabilities for collection, analysis and improvement; this platform will be rolled out to the portfolio companies for their periodic submissions.
3. Engaged an independent consultant to review our AML/CFT and enterprise-wide risk management policies and procedures.
4. Enhanced and implemented our investment scorecards and questionnaires to improve the rigor with which we assess risks.
5. Enhanced the firm's IT systems to improve data security.
6. Updated our policies to remain current with the changes in the regulatory requirements.

2022 promises to be another busy year as we have several key goals:

- Adapt to hybrid work environments and preserve employee morale and engagement
- Consolidate an ESG manual and implement a more rigorous training process
- Complete implementation of AML/CFT and risk management recommendations
- Complete implementation of ESG data platform and collect data
- Establish internal ESG metrics for the fund and set goals
- Codify the risk-based approach for portfolio companies, accounting for both our internal capacity and the size and stage of the company.

We look forward to sharing our progress in our next report.

# APPENDIX

# The 17 UN Sustainable Development Goals



End poverty in all forms



End hunger, achieve food security and improved nutrition and promote sustainable agriculture



Ensure healthy lives and promote well-being for all at all ages



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



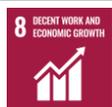
Achieve gender equality and empower all women and girls



Ensure availability and sustainable management of water and sanitation for all



Ensure access to affordable, reliable, sustainable and modern energy for all



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Reduced inequality within and among countries



Make cities and human settlements inclusive, safe, resilient and sustainable



Ensure sustainable consumption and production patterns



Take urgent action to combat climate change and its impacts



Conserve and sustainably use the oceans, seas and marine resources for sustainable development



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Strengthen the means of implementation and revitalize the global partnership for sustainable development