

2023

Impact Policy



1. INTRODUCTION

Seminal Capital Holdings, LLC ("**SEMCCAP**") was founded to identify and invest in long-term seminal trends in sectors that have the greatest impact on humanity. SEMCCAP is a specialist growth equity investor, focusing on healthcare, education, and organic and natural food – three areas where access is key to improved social or environmental outcomes. SEMCCAP incorporates social and/or environmental impact considerations in all stages of its investment process and works with an independent third-party measurement and certification body, to track the impact of its investments with respect to diversity, employee welfare, governance and environmental factors like carbon and waste. In addition to tracking impact metrics, SEMCCAP takes an active and incremental approach to impact at the Board and investor level, helping our companies improve, align with, and embody social and environmental considerations.

SEMCCAP's Impact Policy (the "**Policy**") was developed to capture and reflect the firm's deep-rooted commitment to impact investing and designed to be a guide as to how we assess, diligence, invest in, partner with, grow and exit businesses that we identify as having the potential to provide both strong financial returns for our investors as well as positive social and environmental outcomes for all stakeholders.

SEMCCAP has become a signatory to the United Nations' Principles for Responsible Investment ("**UNPRI**"), a global network of investors who use the PRI framework to pursue sustainability goals and to understand the investment implications of environmental, social and governance ("**ESG**") factors.

2. SCOPE

The Policy scope includes SEMCCAP itself and all its investment funds, including associated special purpose vehicles (collectively, "**Funds**"). Regarding SEMCCAP's business, the scope will include all management committees, management of physical offices, all SEMCCAP employees and select independent contractors or consultants providing services to SEMCCAP as appropriate. It will also include any philanthropic or Corporate Social Responsibility ("**CSR**") activities undertaken by SEMCCAP. We think it of paramount importance that SEMCCAP's commitment to Impact be reflected in its own policies in this way and not just its expectations for investments, including policies relating to its hiring practices, internal governance, its participation in ESG and Impact events, and the operations of its physical offices.

3. APPROACH

SEMCCAP's Impact Policy reflects our core values with respect to running our business and managing investments for clients. Our core purpose is to invest capital and provide attractive, sustainable financial returns with a measurable improvement to humanity or the environment. For each company SEMCCAP invests in, we refine our due diligence process through a dual financial and impact lens.

Our approach to integrate Impact and ESG Metrics into our investment process for all our growth equity investments and can be broadly divided into four steps:

Deal Sourcing	Due Diligence and Deal Negotiation	Governance (SEMCAPI and Company)	Investment Tracking and Reporting
<p>We seek out companies whose growth results in measurable positive environmental and social outcomes.</p> <p>We reject investing in companies whose growth would have a negative impact on people or the planet.</p>	<p>We embed social and environmental commitments in our term-sheets when possible.</p> <p>We ask environmental, social and governance questions during due diligence and highlight impact as an important factor in our investment memos.</p>	<p>From a SEMCAPI investment committee perspective, the voting members of the IC who also sit on the impact committee have a veto right on all investments.</p> <p>At the company Board level, we raise impact considerations and when we are involved in the Compensation Committee, we tie management performance compensation and bonus goals to impact outcomes.</p>	<p>With guidance from an independent third-party impact measurement and certification body we identify key impact metrics and ESG KPIs to track over the life of our investment with the Company.</p> <p>We report to our investors on the impact of their companies with an annual impact report.</p>

4. GOVERNANCE

SEMCAPI aims to implement strong governance and oversight of processes, controls and compliance with laws and regulations throughout the firm. SEMCAPI's Group Management Committee ("GMC") has delegated authority for Impact and ESG co-ordination and development to a dedicated Impact Steering Committee ("ISC") as part of its overall governance framework. The ISC is comprised of nine senior managers representing each investment strategy, the firm's business strategy, global distribution, and legal & compliance. The ISC meets monthly – emphasizing our commitment to its principles. The ISC is responsible for the implementation and oversight of this Policy firmwide at a strategy level, whereby each of the firm's business units and respective management committees will ensure day-to-day compliance at an execution level in coordination with the Risk Management Committee ("RMC").

From an investment process standpoint, the voting members of each strategy's investment committee (healthcare, education, organic food) who also sit on the impact steering committee have a veto right on all investments. Without the strategy's ISC representatives' affirmative vote, the investment does not proceed.

ISC Members	Role	Responsibility
Buck Buckley	Managing Partner, Co-CIO	Voting member of all SEMCAPI ICs, GMC member
Bob Gray	Managing Partner, Global Distribution	Member of GMC and RMC
Kate Storey	Partner	Voting member of SEMCAPI Food & Nutrition IC
Lindsey Watson	Managing Director & Operating Impact	Member of SEMCAPI Health IC
Victor Kats	Managing Partner	Voting member of SEMCAPI Health IC
Jenny West	Managing Director, US Distribution	
Brian McNally	Managing Partner, General Counsel and COO	Member of GMC and chair of RMC
Laura Mandel	Director of Marketing	

ISC Responsibilities

- Support the investment managers' integration of Impact and ESG considerations.
- Review and make recommendations to SEMCAP's Impact Policy. Strategy IC approves and oversees.
- Provide advice to investment managers on Impact and ESG key performance indicators ("KPI") and targets that appropriately reflects the material risk and opportunity factors relevant.
- Inform GMC, RMC, and each IC of evolving Impact and ESG trends and industry developments.
- Promote awareness and conducting regular training on Impact and ESG factors throughout SEMCAP.
- Support any disclosures, reports, or submissions made, to ensure consistency and accuracy of content.
- Completion and delivery of any SEMCAP-wide disclosures, reports, or submissions.
- Assess any ESG related project proposals and supporting business cases and oversee their execution.
- Create a firmwide annual Impact report available for all stakeholders.

Corporate Responsibility

SEM CAP aims to manage all aspects of its business responsibly. Examples of this include our commitment to health and safety, our compliance procedures, our internal HR policies and practices, the oversight and assessment of third-party service providers and our engagement with communities local to our assets and operations. Each of these aspects of our business has a dedicated governance structure which is documented separately to this Policy.

SEM CAP is proud of its core business area of investing in and managing focused investment strategies, and the positive change this is making to society. Those who work at SEM CAP also have a passion for positive social change beyond investments and as such, the ISC will look to promote firmwide responsibilities.

This Policy is in effect as of March 2, 2023.

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