

This document is issued by The Biotech Growth Trust PLC solely in order to make certain particular information available to investors in The Biotech Growth Trust PLC (the “Company”) before they invest, in accordance with the requirements of the United Kingdom Financial Conduct Authority (“FCA”) Handbook rules implementing in the United Kingdom the UK version of the Alternative Investment Fund Managers Directive (2011/61/EU) as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended, as further amended by UK legislation (“AIFM Directive”) and the EU Regulation on Sustainability-related Disclosures in the Financial Services Sector (2019/2088). It is made available to investors in the Company by being made available at www.biotechgt.com.

Potential investors in the ordinary shares of 25p each in the Company (the “Ordinary Shares”) should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

THE BIOTECH GROWTH TRUST PLC

INVESTOR DISCLOSURE DOCUMENT

IMPORTANT INFORMATION

Name of Alternative Investment Fund (“AIF”):	The Biotech Growth Trust PLC
Name of Alternative Investment Fund Manager (“AIFM”):	Frostrow Capital LLP
Name of Portfolio Manager:	OrbiMed Capital LLC
Name of Depositary:	J.P. Morgan Europe Limited
Name of Custodian and Prime Broker:	J.P. Morgan Securities LLC
Name of Auditor:	BDO LLP
Date of Investor Disclosure Document:	September 2021
Latest share price and Net Asset Value per Ordinary Share of the AIF:	This can be found on the AIF’s website: www.biotechgt.com

Regulatory status of the Company and its Alternative Investment Fund Manager (“AIFM”)

The Biotech Growth Trust PLC is an “alternative investment fund” (“AIF”) for the purposes of the AIFM Directive and the Company has appointed Frostrow Capital LLP (“Frostrow”), to act as its AIFM. Frostrow is authorised and regulated by the FCA as a “full scope UK AIFM” for the purposes of the AIFM Directive.

The Ordinary Shares are listed on the premium segment of the Official List of the FCA and are admitted to trading on the main market of the London Stock Exchange. The Company is subject to its articles of association, the Listing Rules of the FCA (“Listing Rules”), the Disclosure Guidance and Transparency Rules, the Companies Act 2006 and the Financial Services and Markets Act 2000.

The provisions of the Company’s articles of association are binding on the Company and its shareholders (“Shareholders”). The articles of association set out the respective rights and restrictions attaching to the Ordinary Shares. These rights and restrictions apply equally to all Shareholders. All Shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the Company’s articles of association. The Company’s articles of association are governed by English law.

Limited purpose of this document

This document is not being issued for any purpose other than to make certain, required regulatory disclosures to investors and, to the fullest extent permitted under applicable law and regulations, the Company and its AIFM, Frostrow and their directors and members will not be responsible to persons other than the Shareholders for their use of this document, nor will they be responsible to any person (including the shareholders) for any use which they may make of this document other than to provide information to invest in the Ordinary Shares.

This document does not purport to provide complete details of the Company and potential investors should not solely rely upon this document when determining whether to make an investment. Furthermore, investors should refer to the risks and disclaimers contained within the Company's latest annual report.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Ordinary Shares.

This document is not a prospectus and it is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and it is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in the Company and the Ordinary Shares.

No advice

The Company and its AIFM, Frostrow, and their directors and members are not advising any person in relation to any investment or other transaction involving the Ordinary Shares. Recipients must not treat the contents of this document or any subsequent communications from the Company, the AIFM or any of their subsidiaries, affiliates, officers, directors, members, employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment in the Ordinary Shares.

Overseas investors

The distribution of this document in certain jurisdictions may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions. No action has been taken by the Company that would permit an offer of the Ordinary Shares or distribution of any offering or publicity material in any jurisdiction where action for that purpose is required, other than the United Kingdom and the Republic of Ireland, where the Company may market to professional investors. The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under any of the relevant securities laws of Canada, Australia, the Republic of South Africa or Japan or their respective territories or possessions. Accordingly, the Ordinary Shares may not (unless an exemption from such legislation or laws is available) be offered, sold or delivered, directly or indirectly, in or into the USA, Canada, Australia, the Republic of South Africa or Japan or their respective territories or possessions. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of such legislation.

Prospective investors must inform themselves as to (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Ordinary Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Ordinary Shares.

THE COMPANY

Investment objective and policy

To seek capital appreciation through investment in the worldwide biotechnology industry. In order to achieve its investment objective, the Company invests in a diversified portfolio of shares and related securities in biotechnology companies on a worldwide basis. Performance is measured against the NASDAQ Biotechnology Index (sterling adjusted) (the "Benchmark").

Investment strategy and techniques

The implementation of the Company's Investment Objective has been delegated to OrbiMed Capital LLC ("OrbiMed"), the Company's Portfolio Manager, by Frostrow (as AIFM) under the Board's and Frostrow's supervision and guidance.

Details of OrbiMed's investment strategy and approach are set out in the Company's annual report, which can be found on the Company's website: www.biotechgt.com While performance is measured against the Company's Benchmark, the Board encourages OrbiMed to manage the portfolio without regard to the Benchmark and its make-up.

While the Board's strategy is to allow flexibility in managing the investments, in order to manage investment risk it has imposed various investment, gearing and derivative guidelines and limits, within which Frostrow and OrbiMed are required to manage the investments, as set out below under "Investment Limitations and Guidelines".

Investment limitations and guidelines

The Board seeks to manage the Company's risk by imposing various investment limits and restrictions as follows:

- The Company will not invest more than 10%, in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange, except where the investment companies themselves have stated investment policies to invest no more than 15% of their gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.
- The Company will not invest more than 15%, in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.
- The Company will not invest more than 10% of the value of its gross assets in unquoted investments at the time of acquisition. This limit includes any investment in private equity funds managed by the Company's portfolio manager, OrbiMed Capital LLC ("OrbiMed" or the "Portfolio Manager"), or any affiliates of such entity. Investments in such private equity funds will be limited to US\$15 million, after the deduction of proceeds of disposal and other returns of capital.
- The Company may be unable to invest directly in certain countries. In these circumstances, the Company may gain exposure to companies in such countries by investing indirectly through swaps. Where the Company invests in swaps, exposure to underlying assets will not exceed 5% of the gross assets of the Company at the time of entering into the contract.

In accordance with the requirements of the UK Listing Authority, any material change to the investment policy will only be made with the approval of shareholders by ordinary resolution.

Leverage limits

The AIFM Directive prescribes two methods of measuring and expressing leverage (as opposed to gearing) and requires disclosure of the maximum amount of 'leverage' the Company might be subject to. The definition of leverage is wider than that of gearing and includes exposures that are not considered to contribute to gearing, such as the borrowing of cash and the use of derivatives.

In accordance with the AIFM Directive the Board has set leverage limits of 130% under both the Gross and Commitment Method.

The Company's borrowing policy is that borrowings will not exceed 20% of the Company's net assets. The Company's borrowing requirements are met through the utilisation of a loan facility, repayable on demand, provided by the Company's Custodian and Prime Broker, J.P. Morgan Securities LLC. This facility can be drawn by the Portfolio Manager, overseen by the AIFM.

The Company will ensure that any change to the maximum level of leverage which the AIFM and Portfolio Manager may employ on behalf of the Company, as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement and the total amount of leveraged employed by the Company, is published in the Company's annual report, which can be found on the Company's website: www.biotechgt.com. In addition, the Company will notify shareholders of any such changes, rights or guarantees without undue delay by issuing an announcement via a Regulatory Information Service ("RIS").

Changes to the investment policy

In accordance with the Listing Rules, the Company can only make a material change to its published investment policy with the approval of its shareholders.

Any change in investment strategy or investment policy which does not amount to a material change to the Company's published investment policy may be made by the Company without shareholder approval.

Frostrow may amend the information set out in this document from time to time.

ADMINISTRATION AND MANAGEMENT OF THE COMPANY

The AIFM

Frostrow Capital LLP

Frostrow Capital LLP ("Frostrow") has been appointed to act as the Company's AIFM for the purposes of the AIFM Directive and has also been appointed as the Company's administrator and company secretary under a Management Agreement. Frostrow has been authorised by the FCA to act as an AIFM and is responsible for ensuring compliance with the AIFM Directive.

Frostrow has overall responsibility to perform risk management, company secretarial and administration functions for the Company and to advise the Company on a day-to-day basis in accordance with the investment policy of the Company, subject to the supervision, review and control by the Company's Board.

As described elsewhere in this document, the AIFM has delegated a function with respect to its duties to a third party in accordance with the delegation arrangements of the AIFM Directive and has delegated the day-to-day management of the Company's portfolio to the Portfolio Manager. Notwithstanding any delegation, the AIFM shall remain liable to the Company for the proper performance of the portfolio management, risk management and valuation. The Portfolio Manager will be responsible to the AIFM in respect of the management of the investment of the Company's assets in accordance with its investment objectives and policies, subject always to the supervision and direction of the AIFM.

The AIFM does not consider that any conflicts of interest arise from the delegation of its portfolio management function to OrbiMed.

AIFM fees

A fee is payable by the Company to Frostrow, as AIFM, of 0.30% per annum of the Company's market capitalisation up to £500m; 0.20% per annum of the Company's market capitalisation between £500m and £1b; and 0.10% per annum of the Company's market capitalisation thereafter.

Frostrow is no longer entitled to a performance fee, however it is entitled to receive any performance fee that crystallises during the year ending 31 March 2022 in respect of cumulative outperformance attained by 31 March 2021.

The Portfolio Manager

OrbiMed Capital LLC

The Company and the AIFM have appointed the Portfolio Manager to provide portfolio management and related services in respect of the Company pursuant to the Portfolio Management Agreement.

OrbiMed, based in New York, is an investment manager focused exclusively on the healthcare sector. OrbiMed's investment management activities were founded in 1989 and now ranks as one of the world's

largest healthcare-dedicated investment firms. OrbiMed's investment professionals possess a combination of extensive scientific, medical and financial expertise.

The Portfolio Management Agreement is terminable on 12 months' notice given by either party. The Portfolio Management Agreement can be terminated at any time in certain standard circumstances. The Portfolio Management Agreement is governed by the law of England and Wales.

Portfolio Management fees

An annual fee is payable by the Company to OrbiMed, of 0.65% per annum of the Company's net asset value.

Dependent on the level of long-term outperformance of the Company, OrbiMed is entitled to the payment of a performance fee. The performance fee is calculated by reference to the amount by which the Company's net asset value ("NAV") performance has outperformed the Benchmark. The fee is calculated quarterly by comparing the cumulative performance of the Company's NAV with the cumulative performance of the Benchmark since the commencement of the performance fee arrangement on 30 June 2005. The performance fee payable to the Portfolio Manager, amounts to 15% of any outperformance over the Benchmark.

Further details on the performance fee are set out in the Company's annual report which is published on the Company's website www.biotechgt.com.

The Depositary

J.P. Morgan Europe Limited

J.P. Morgan Europe Limited has been appointed as the Company's Depositary, as required by the AIFM Directive. The Depositary carries out the core duties under Article 21(7), (8) and (9) of the AIFM Directive, which include cash flow monitoring, asset verification and general oversight of the Company's portfolio, in accordance with the provision of depositary services, as set out in the Depositary Agreement between the AIFM, the Company and the Depositary. The notice period in the Depositary Agreement is 6 months on termination by a party to the Depositary Agreement.

The responsibility of the custody and safekeeping of the Company's assets has been delegated to J.P. Morgan Securities LLC, the Company's Custodian and Prime Broker in accordance with AIFM Directive. The Custodian and Prime Broker has further been authorised by the Depositary to delegate custody of the Company's assets to its sub-custodians in accordance with the AIFM Directive.

In relation to the responsibilities performed by the Depositary, the Depositary is liable to the Company or the shareholders for any loss suffered by them arising from the negligent or intentional failure to fulfil its obligations.

The AIFM does not consider that any conflicts of interest arise from the delegation of the Depositary's safekeeping responsibilities.

Depositary fees

The Depositary receives 1.75 basis points (0.0175%) up to £150,000,000 of the value of assets held by the Depositary; 1.50 basis points (0.015%) from £150,000,000 to £300,000,000; 1.00 basis point (0.01%) from £300,000,000 to £500,000,000, 0.5 basis points (0.005%) above £500,000,000; or a minimum of £40,000 per annum.

The fees for the delegated custody component of the Depositary's role are dependent on the value of assets under management and the number and nature of transactions undertaken by the Company.

The Custodian and Prime Broker

J.P. Morgan Securities LLC

The services provided by J.P. Morgan Securities LLC as Custodian and Prime Broker to the Company include:

- (a) safekeeping of the assets of the Company that can be held in custody (including book entry securities);
- (b) the processing of transactions on behalf of the Company; and
- (c) the provision to the Company of a loan facility which is repayable on demand. Up to 140% of the value of the loan drawn down can be taken as collateral by the Custodian and Prime Broker. Such assets may be used by the Custodian and Prime Broker and such use may include their being loaned, sold, rehypothecated or transferred by the Custodian and Prime Broker.

Under the terms of the Delegation Agreement, liability has been transferred under Article 21(12) of the AIFM Directive for the loss of the Company's financial instruments held in custody by the Custodian and Prime Broker from the Depositary to the Custodian and Prime Broker in accordance with Article 21(13) of the AIFM Directive.

In accordance with the AIFM Directive, the AIFM will inform investors before they invest in the AIF of any arrangement made by the Depositary to contractually discharge itself of liability. The AIFM will also inform investors without delay of any changes with respect to Depositary liability.

While the Depositary Agreement prohibits the re-use of the Company's assets by the Depositary or the Custodian and Prime Broker without the prior consent of the Company or Frostrow, the Company has consented to the transfer and re-use of its assets by the Custodian and Prime Broker (known as "rehypothecation"). This activity is undertaken in order to take advantage of lower financing costs on the Company's loan borrowings and also lower custody charges. Further information on rehypothecation can be found in the Company's annual report which is published on the Company's website www.biotechgt.com.

The Auditor

BDO LLP

The Auditor provides audit-related services to the Company.

The Auditor has a statutory responsibility to report to the members of the Company as a whole in relation to the truth and fairness of the Company's state of affairs and profit or loss as well as confirming that the Company accounts have been prepared in accordance with the Company's articles of association. The Auditor is also required to report by exception if there are certain matters on which they are not satisfied, including if adequate accounting records have not been kept by the Company or it has not received all the information and explanations required in order to carry out the audit.

Audit fees

Details of the fees paid to the Auditor are set out in the Company's annual report which is published on the Company's website www.biotechgt.com.

The Registrar

Link Group

The Registrar maintains the Company's register of members.

Registrar fees

Details of the fees paid to the Registrar are set out in the Company's Annual Report which is published on the Company's website: www.biotechgt.com.

Other fees, charges and expenses

Additional fees payable by the Company to those set out above include: legal fees, broker commissions, directors' fees, professional services fees and expected expenses. Details can be found the Company's annual report published on the Company's website: www.biotechgt.com.

Shareholders do not bear any fees, charges and expenses directly, other than any fees, charges and expenses incurred as a consequence of acquiring, transferring, redeeming or otherwise selling Ordinary Shares.

SHAREHOLDER INFORMATION

Annual report and accounts

Copies of the Company's latest annual and half year reports may be accessed on the Company's website: www.biotechgt.com or by writing to the Company Secretary at 25 Southampton Buildings, London WC2A 1AL.

Publication of Net Asset Values

The latest unaudited Net Asset Value per Ordinary Share of the Company may be accessed on the Company's website: www.biotechgt.com

Valuation policy

The Company's portfolio of assets will be valued on each day (a "Dealing Day") on which the London Stock Exchange is open for business (the "Valuation Date"). All instructions to issue or cancel shares in the Company given for a prior Dealing Day shall be assumed to have been carried out (and any cash paid or received).

The valuation will be based on the following:

- (a) Cash and amounts held in current and deposit accounts and in other time-related deposits will be valued at their nominal value.
- (b) All transferable securities will be valued at fair value:
 - (i) fair value for quoted investments is deemed to be bid market prices, or last traded price, depending on the convention of the exchange on which they are quoted;

- (ii) where the AIF trades in investments where prices are not available on an exchange, quotations from brokers are utilised as follows:

- Where possible, at least two quotations will be obtained.
- The quotation should come from active participants in the market.

Where only one quotation can be obtained, the valuation will be considered in conjunction with other market-based observations such as comparable sources.

- (iii) In respect of unquoted investments, or where the market for a financial instrument is not active, fair value is established by using valuation techniques which may include using weighted expected returns, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised.

The Board and the Frostrow Valuation Committee will review and approve the valuation and methodology applied to each unquoted investment on a quarterly basis.

- (c) All other property contained within the Company's portfolio of assets will be priced at a value which, in the opinion of the AIFM, represents a fair and reasonable price.
- (d) If there are any outstanding agreements to purchase or sell any of the Company's portfolio of assets which are incomplete, then the valuation will assume completion of the agreement.

(e) Added to the valuation will be:

- (i) any accrued and anticipated tax repayments of the Company;
- (ii) any money due to the Company because of Ordinary Shares issued prior to the relevant Dealing Day;
- (ii) income due and attributed to the Company but not received; and
- (iii) any other credit of the Company due to be received by the Company.

Amounts which are *de minimis* may be omitted from the valuation.

(f) Deducted from the valuation will be:

- (i) any anticipated tax liabilities of the Company;
- (ii) any money due to be paid out by the Company because of Ordinary Shares bought back by the Company prior to the valuation;
- (iii) the principal amount and any accrued but unpaid interest on any borrowings; and
- (iv) any other liabilities of the Company, with periodic items accruing on a daily basis.

Amounts which are *de minimis* may be omitted from the valuation.

Where the Company trades in investments where prices are not available on an exchange, quotations from brokers are utilised as follows:

- (i) where possible at least two quotations will be obtained; and
- (ii) the quotations should come from active participants in the market

Where only one quotation can be obtained the valuation will be considered in conjunction with other market-based observations such as comparable sources.

Valuations of Net Asset Value per Ordinary Share will be suspended only in any circumstances in which the underlying data necessary to value the investments of the Company cannot readily or without undue expenditure be obtained. Any such suspension will be announced to a Regulatory Information Service.

Historical performance of the Company

Details of the Company's historical financial performance are provided in the Company's annual reports and monthly factsheets, which are available on the Company's website: www.biotechgt.com.

Investors should note that past performance of the Company is not necessarily indicative of future performance. Investors may not get back the amount invested.

Purchases and sales of Ordinary Shares by investors

The issue of new Ordinary Shares by the Company, by way of a fresh issue of Ordinary Shares, is subject to the requisite shareholder authorities being in place and all Listing Rule requirements having been met. Ordinary Shares can also be bought in the open market through a stockbroker or other financial intermediary. Ordinary Shares qualify fully for inclusion within tax-efficient ISA wrappers. Further information on how the Company's Ordinary Shares may be purchased is set out in the section headed "How to Invest" on the Company's website: www.biotechgt.com.

The agreement between the Shareholders and the Company for the acquisition of Ordinary Shares in the Company is governed by English law and, by purchasing Ordinary Shares in the Company, Shareholders agree that the courts of England have exclusive jurisdiction to settle any disputes. All communications in connection with the purchase of Ordinary Shares will be in English.

Ordinary Shares may be issued only at a premium to Net Asset Value, at the Board's discretion. While the Company will typically have shareholder authority to buy back shares, Shareholders do not have the right to have their shares purchased by the Company.

The UK has acceded to the Hague Convention on Choice of Courts Agreements 2005 (the "Hague Convention") which applies between the EU member states, Montenegro, Denmark, Mexico, Singapore and the UK and provides for the recognition of foreign judgments in respect of contracts which contain an exclusive jurisdiction clause. The UK has also applied to re-join the Lugano Convention 2007 which would permit for the recognition of judgments based on contracts under the laws of member states regardless of whether the contract contains an exclusive or a non-exclusive choice of law clause in the states that are parties to that convention (i.e. EU member states and Iceland, Norway and Switzerland). However, each member of the Lugano Convention (EU, Iceland, Norway and Switzerland) has a veto on the accession of new members and UK accession may not occur.

Fair treatment of investors

The AIFM has procedures, arrangements and policies in place to ensure compliance with the principles more particularly described in the AIFM Directive relating to the fair treatment of investors. The principles of treating investors fairly include, but are not limited to:

- acting in the best interests of the Company and of the shareholders;
- ensuring that the investment decisions taken for the account of the Company are executed in accordance with the Company's investment policy and objective and risk profile;
- ensuring that the interests of any group of shareholders are not placed above the interests of any other group of shareholders;
- ensuring that fair, correct and transparent pricing models and valuation systems are used for the Company;
- preventing undue costs being charged to the Company and shareholders;
- taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of shareholders; and
- recognising and dealing with complaints fairly.

The AIFM maintains and operates organisational, procedural and administrative arrangements and implements policies and procedures designed to manage actual and potential conflicts of interest.

As at the date of this document, no investor has obtained preferential treatment or the right to obtain preferential treatment.

RISK FACTORS
The principal risks and uncertainties currently facing the Company are set out in the latest annual report of the Company, which can be found on the Company's website: www.biotechgt.com.
RISK MANAGEMENT
Risk profile In accordance with the AIFM Directive, the AIFM will ensure that the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks in relation to the Company's portfolio is published in the Company's annual report, which can be found on the Company's website: www.biotechgt.com.
Risk management systems The AIFM has established risk management systems in order to manage key risks. Further details regarding the risk management process is available from the AIFM, on request.
Liquidity risk management The AIFM maintains a liquidity management policy to monitor the liquidity risk of the Company. Shareholders have no right to redeem their Ordinary Shares from the Company but may trade their Ordinary Shares on the secondary market. However, there is no guarantee that there will be a liquid market in the Ordinary Shares. Further details regarding the liquidity management is available from the AIFM, on request. In accordance with the AIFM Directive, the AIFM will ensure that the following information in relation to the Company's portfolio is published in the Company's annual report, which can be found on the Company's website: www.biotechgt.com: • the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature; and • any new arrangements for managing the liquidity of the Company.
Professional negligence liability risks The AIFM maintains professional indemnity insurance at the level required under the AIFM Directive in order to cover potential liability risks arising from professional negligence.
The manner in which sustainability risks are integrated into the investment decisions of the AIFM The AIFM has delegated its portfolio management function to OrbiMed Capital LLC and therefore does not take any investment decisions on behalf of the Company. The Company's Portfolio Manager, 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. OrbiMed seeks to integrate its Responsible Investing Policy into its overall investment process for the Company in order to maximise investment returns. A core part of OrbiMed's Responsible Investing Policy is to identify, and exclude from potential investment, business sectors which objectively lead to negative impacts on public health or wellbeing. 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 ESG issues provide guidance for investment decisions and constitute part of the investment analysis.

The likely impacts of sustainability risks on the returns of the Company

To reduce risks, including those related to sustainability, the Company believes that high standards of ESG make good business sense and have the potential to protect and enhance investment returns.

The Company's Portfolio Manager has incorporated a Responsible Investing Policy into its overall investment process for the Company in order to enhance investment returns. The Portfolio Manager's Responsible Investing Policy is aligned to the United Nations Principles for Responsible Investment (UN PRI).