Cibus Capital LLP
Climate Change Policy
November 2022

(This policy applies to investments and proposed investments of funds advised by Cibus Capital LLP ("Cibus" or the "Firm"). This policy is not exhaustive, supersedes any earlier policy or procedures, is current as of the above date and may be varied or amended by management from time to time as circumstances dictate.)

1.0 Introduction

Funds advised by Cibus Capital LLP ('Cibus') have duties to source and supervise portfolio investments responsibly on behalf of investors in these funds. Climate change represents the single most important sustainability risk given its systemic nature and the material influence on global financial markets. Neglecting climate change analysis could cause the mispricing of risk and the misallocation of assets. Climate change presents both risks and opportunities to the Cibus funds' portfolio companies and that, as risk managers, we must quantify the risk climate change represents to our investments, while, as asset allocators, we can play a role in supporting the transition to a low carbon and climate resilient economy. As a result, to ensure a prudent investment process, we have adopted this Climate Change Policy, which allows Cibus to adapt itself and its portfolio companies to climate change. This Climate Change Policy promotes a more resilient business, maps the challenges faced and looks to mitigates climate risks, in alignment with the Task Force on Climate-related Financial Disclosures ('TCFD'). These climate-related actions and reporting metrics are published in our annual sustainability report.

This policy is reviewed annually and is communicated to all Cibus staff members and will be made available to Cibus advised fund investors, portfolio companies and other relevant stakeholders, on request.

2.0 Climate Change Governance

Cibus has governance practices and frameworks in place to manage climate change risks and opportunities and sees this as a journey of continuous improvement.

2.1. ESG Committee

Cibus' ESG Committee, comprised of Cibus' senior management and the ESG Associate, drive the company's sustainability and climate initiatives, policies and procedures. As such, it regularly reviews Cibus' exposure to climate change risks and opportunities regarding governance, strategy, risk management and targets.

2.2. Cibus' Investment Advisory Committee ('IAC')

The IAC reviews the risks and opportunities of all proposed investments, including ESG and climate change matters. Ongoing monitoring, after an investment has been made, is overseen by the ESG Committee.

2.3. Internal Oversight

Compliance with all ESG responsibilities, including those related to climate, is overseen by the ESG Associate and the Cibus General Counsel, as well as Cibus' Sustainability Advisers. Our climate-related management falls under our Environmental and Social Management System ('ESMS'). ESG implementation (including data collection and compliance) is the responsibility of the ESG Associate, supported by the investment team members, to analyse and monitor these factors throughout the life of an asset - from the initial investment committee papers through to transaction exits.ESG due diligence and monitoring is a key part of the Cibus investment process and ranks equally with the financial, legal, commercial or other data due diligence and monitoring carried out by the team.

2.4. Legal and Voluntary Regulation and Compliance

Cibus strives to comply with all applicable laws and regulations related to ESG aspects of its operations. Cibus' ESMS promotes adherence to all relevant regulatory requirements as well as voluntary commitments and best practice standards. All legally required climate-related management, data collection and reporting are outlined in the ESMS.

2.4.1 United Nations Principles for Responsible Investment ('UN PRI')

Cibus is a UN PRI signatory. As such, Cibus voluntarily follows the management and reporting recommendations and requirements of the PRI, including climate change-related governance and strategy. Cibus is also a signatory of the Initiative Climat International ('iCI').

2.4.2 International Finance Corporation ('IFC) Performance Standards ('PS')

Cibus adopts the IFC PS as part of its framework for the management of environmental and social risks and impacts associated with the projects it seeks to fund. Through adopting the IFC PS, Cibus is integrating the assessment and management of climate-related risks and opportunities with our portfolio companies.

2.4.3 Exclusions List

Cibus employs an investment exclusions list based on the IFC PS, UN Global Compact, Animal Welfare and The Guernsey Green Fund, which include climate damaging sectors such as commercial logging, drift net fishing or other practices damaging to the marine environment. This exclusion list is updated annually or as necessary, by the ESG Associate, with our evolving Climate Change Policy and ESG standards.

2.4.4 Task Force for Climate-related Financial Disclosures ('TCFD')

Cibus adopts the recommendations of the TCFD to manage climate-related risks and opportunities incorporated in the funds it advises. TCFD recommendations provide a common international framework for companies and investors to disclose information about climate change in their business and investment practices.

The UK government and Financial Conduct Authority ('FCA') announced its intention to make TCFD-aligned disclosures mandatory across the economy by 2025. The alignment of our Climate Change Policy to TCFD is a part of our roadmap to ensuring robust sustainability disclosures. Under TCFD, our recommendations are clustered under four categories: governance, strategy, risk management and metrics.

3.0 Climate Change Strategy

Climate change may have material impacts on Cibus' funds and portfolio companies. Climate-related impacts may extend beyond our investment, so we help our portfolio companies identify climate strategies of their own through data, discussion and, if necessary, corrective action. We also monitor our firm-level emissions, thereby setting an example to portfolio companies.

Currently, the Cibus deal teams and ESG Associate manage each of the projects according to the Cibus ESMS:

1. The exclusions list;
2. The ESG Toolkit (including climate-related risks), identifying risk and opportunity using our proprietary metrics frameworks;
3. Third party (or internally conducted) ESG due diligence, inclusive of climate risk and opportunity assessment;
4. Development of an Environmental Social Action Plan ('ESAP') to mitigate risks identified during ESG due diligence and based on mutual agreement with the portfolio company, this will include the management of climate risk and GHG emissions data collection;
5. Identification and implementation our standards and unique ESG and climate-related KPIs; and
6. Monitoring and reporting ESG matters (including ESAP compliance and ESG KPI reports) for the life of the deal.

The climate objective outlined above allows Cibus to:

- Adopt the internationally recognised TCFD framework to shape and report on our sustainability work;
- Contribute to the Paris Agreement's[1] objectives of keeping warming to 2.0 degrees Celsius above pre-industrial levels and limiting the increase to 1.5 degrees Celsius;
- Support the economic transformation towards a low carbon economy and actively seek portfolio companies who support this process;
- To apply this strategy broadly across the portfolio investment activities; and
- Align with the objectives of our Theory of Change [2].

4.0 Climate Change Risk Management

4.1 Climate Risks

In line with the recommendations of the TCFD, we divide climate-related risks into two major categories:

- Risks related to the physical impacts of climate change; and
- Risks related to the transition to a lower-carbon economy: policy and legal, technology,market and reputation risks.

Physical risks include extreme weather events such as flooding, typhoons, droughts and wildland fires, exacerbated in severity by climate change. The effects of these risks could include property losses, production disruption, workforce interference and supply chain issues.

Transition risks represent climate-related issues such as policy and regulatory change, reputational impact and shifts in market preferences, norms and technology caused by a changing climate. Transition risk can affect the Cibus funds' portfolio companies' operations and profitability and even lead to stranded assets and thus indirectly affect the funds we advise. Supply and demand could be affected by changes in policies and technologies and may affect the valuation of portfolio company assets and liabilities. We anticipate that these

[1] The Paris Agreement aims to respond to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius, above pre-industrial levels and to limit the temperature increase even further to 1.5 degrees Celsius. Additionally, the agreement aims to increase the ability of countries to deal with the impacts of climate change and making finance flows consistent with a low GHG emissions and climate-resilient pathway. To reach these ambitious goals, appropriate mobilisation and position of financial resources, a new technology framework and enhanced capacity-building is to be put in place, thus supporting action by developing countries and the most vulnerable countries, in line with their own national objectives. The Agreement also provides for an enhanced transparency framework for action and support.

[2] Our Theory of Change is outlined in our ESG and Impact Policy

risks will emerge in the short to medium term (five to ten years). At the same time, we recognise that climate-induced transition brings opportunities including those driven by resource efficiency as well as the development of new technologies, products and services that could lead to new markets and sources of funding which we wish to continue to explore.

4.2 Climate Risk Management

Cibus is continuously working towards improving its internal processes to manage climate-related risks and opportunities, both at the portfolio company level and at the firm level.

Cibus follows a systematic process for all its investments to ensure material climate-related risks are managed to the best of our abilities. Our ESMS provides a set of procedures, ensures internal capacity and employs policies to identify, manage and report on Cibus' exposure to current and potential portfolio ESG risks. We identify climate-related risks as a component of our ESG risk assessments.

The in-house ESG Toolkit provides deal teams and the IAC with an understanding of risks at the earliest stage of our investment cycle. The Cibus objectives include:

- Ensuring that ESG and impact factors are part of the decision making throughout the investment cycle;
- Supporting portfolio companies to identify and manage ESG and impact risk, as well as identify opportunity;
- Creating a framework to engage with clients and stakeholders on ESG standards;
- Supporting performance monitoring and identify areas where ESG risk should be mitigated within a consistent approach across the funds; and
- Helping Cibus capture the value of ESG integration and demonstrate its track record to investors and other counterparties.

These risks are then managed through each portfolio company's ESAP and reported as part of our ESG KPI reporting.

5.0 Climate Change Metrics and Reporting

5.1 GHG Emissions Accounting

We believe the Cibus funds have an important part to play in:

- Reducing the GHG emissions within traditional agriculture practices, and
- Supporting the monetisation of technology and innovation which, in turn, decarbonises the food supply chain.

Neglecting GHG emissions assessment could cause the mispricing of risk and the misallocation of assets. GHG emissions accounting and disclosure is the first step to understanding our impact on the planet. As a result, our Climate Change policy warrants the assessment, ongoing review and reduction plans across our investment process, it is the foundation from which concrete actions can be developed. Cibus works with its portfolio companies to collect their GHG emissions as part of our scope 3, category 15 (financed emissions) reporting[3]. Cibus also collects scope 1, 2 and scope 3 (categories 6, 7 and 15) GHG emissions as part of our GHG emissions accounting process. These are collated and reported on a fund and firm-level within our sustainability report.

5.2 Climate KPIs and Targets

Cibus has identified metrics to assess its climate-related risks and how to monitor and report on these.

Cibus has identified climate-related key performance indicators ('KPIs') alongside other environmental, social and governance indicators, for each project and across its portfolio, that it wishes to monitor and report on to its investors. The aim is also that our KPIs contribute to the 2015 Sustainable Development Goals ('SDGs'). Cibus looks to align its KPIs with the SDGs to achieve the goals set out in our Theory of Change. KPIs are established and data is collected to monitor progress and mitigate risk in our portfolio companies. Cibus utilises the KPIs gathered to produce fund-wide reporting, the annual sustainability report and the UN PRI checklist. The dashboard also enables portfolio companies/ LPs to produce ESG risk and sustainability reports.

Cibus' climate-related KPIs

Metric	*Unit*	*Risk Type*	*SDGs*
GHG Emissions (scope 1,2 and 3 (optional))	*tCO2e*	*Transition*	*7.4*
GHG Emissions Target	*tCO2e*	*Transition*	*7.4*
Electricity Consumption	*Kwh*	*Transition*	*7.4*
Electricity Usage Target	*Kwh*	*Transition*	*7.4/7.3*
% Electricity from Renewables	*%*	*Transition*	*7.4/ 7.2*
Fuels Used	*M3/litres*	*Transition*	*7.4*
Municipal Solid Waste Generated	*Tonnes*	*Transition*	*12.4*
% Recycled/ Re-used Waste		*Transition*	*12.5*
% Hazardous Waste		*Transition*	*12.4*
Total Amount of Waste Product		*Transition*	*12.5*
Water Consumption	*m3*	*Physical/Transition*	*6.4*
Climate Change / Environmental Policy	*Yes/No*	*Physical/Transition/Liability*	*13.1*

Cibus measures and monitors its own scope 1 and 2 GHG annually. Cibus measures its scope 3, category 15 emissions, and we have embarked upon monitoring majority-owned portfolio companies for their scopes 1 and 2 emissions (in line with the GHG protocol).[4]

[3] In current carbon accounting models, ownership of GHGs associated with investments and lending activities is considered part of a financial institution's carbon footprint. Under the GHG protocol, financed emissions are emissions generated as a result of financial services, investments, and lending by investors and companies that provide financial services.

[4] The GHG Protocol Corporate Standard classifies a company's GHG emissions into three 'Scopes'. Scope 1

5.3 Reporting and Ongoing Engagement

After an initial investment, Cibus continuously monitors pre-agreed data relating to the financial, commercial and ESG performance, inclusive of climate-related matters, of the portfolio company and, where applicable under the relevant fund offering documents, Cibus provides annual and semi-annual investor report that contains a summary of these data to investors (including ESG performance and climate data). Cibus works with each portfolio company to establish emissions reduction actions and strategies. Cibus also develops physical and transition risk adaptation plans and supports projects which enhance environmental benefit (e.g., biodiversity and natural capital).

A central folder of all ESG due diligence reports, ESAPs, ESG KPIs and other ESG data and compliance procedures implemented in respect thereof is maintained by Cibus for each portfolio company and updated periodically.

Cibus engages, on a case-by-case basis, with relevant stakeholders, civil society organisations and industry groups while participating in initiatives support Climate Change Policy implementation.

5.4 Public disclosure

Cibus publishes an annual sustainability report. This sustainability report aims to provide a complete, balanced and objective snapshot of Cibus' ESG progress for the year. Such progress includes aspects related to Cibus' view on its climate change preparedness and resilience, via TCFD aligned reporting.

Additionally, Cibus is a signatory to UNPRI and report to UNPRI on the TCFD's Strategy and Governance aspects of climate management.

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emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. This applies to all Cibus portfolio companies.