

Environmental, Social & Governance (“ESG”) Policy

Statement of Principles

At Horizon Capital (“Horizon”) we are committed to working alongside our portfolio companies to integrate ESG factors into usual business practices. We firmly believe that the integration of ESG factors is about having the appropriate processes in place to help our companies identify, manage and report ESG-related opportunities and risks. This is a key part of building sustainable, market-leading companies and will lead to enhanced value.

We believe that in addition to processes, the appropriate culture and understanding is required and we aim to lead by example, minimising our own direct impacts. Horizon supports the UN Global Compact, the UN Principles for Responsible Investment and the Walker Guidelines and we are a participant in a pilot study conducted by PRI and a leading European Limited Partner. Having strong principles as responsible investors has enabled Horizon to secure a blue-chip investor base and attract high quality investment professionals.

Policies

Horizon considers ESG matters throughout the investment process. The Firm, funds managed by it and all portfolio companies (as applicable) operate consistent policies regarding Environmental, Social and Governance matters.

Horizon’s ESG Policy includes:

1. *Environmental*

- a. striving to reduce carbon footprint and
- b. considering emissions and wastage.

2. *Social / Ethical*

- a. not behaving in a discriminatory manner;
- b. acting responsibly and making a positive contribution to the community; and
- c. not directly or indirectly investing in companies or other entities whose business activity consists of:
 - I. an illegal economic;
 - II. the production of and trade in tobacco and distilled alcoholic beverages and related products;
 - III. the financing of the production of and trade in weapons and ammunition of any kind, it being understood that this restriction does not apply to the extent such activities are part of or accessory to explicit European Union policies;
 - IV. casinos, gambling and equivalent enterprises; or
 - V. pornography enterprises.

3. *Governance*

- a. holding regular, formal, Board meetings and conducting periodic strategic and annual budget reviews, in addition to forming an Audit Committee;
- b. clear policies regarding corruption, bribery and whistle blowing; and
- c. ensuring that all staff have access to an employee (or members, as appropriate) handbook.

Reporting and Monitoring ESG Performance

We assess and monitor levels of portfolio company ESG performance at all stages of the investment cycle. The 100-day plan includes an ESG reporting framework, which examines the risks, impacts, actions and outcomes for their assessed and agreed Environmental, Social and Governance KPIs. All portfolio companies report to Horizon regularly.

Conclusion

We believe that adherence to the ESG statement of principles, policies and reporting and monitoring enables us and our portfolio companies to deliver sustainable value growth in the long-term, while also helping to manage wider environmental, social and economic trends, such as climate change and scarcity of resources.