

HIKE Capital

Environmental, Social and Governance (ESG) Policy

1. INTRODUCTION

HIKE Capital and its affiliates (hereinafter referred to as "HIKE Capital") as a Founders Fund in China, aims to find the very few people driving paradigm shifts and fostering industry innovation. We believe implementing Environmental, Social and Governance ("ESG") investment principles is both socially responsible and enhance investment returns. Therefore, we value not only the operational potential of our portfolio companies, but also the positive social impact they generate. To advance and strengthen ESG practices within HIKE Capital and its managed funds, maximize ESG value, and promote high-quality and sustainable development, we have hereby formulated this Environmental, Social and Governance (ESG) Policy (hereinafter referred to as the "ESG Policy").

2. Definition and application

The ESG principles referred to the Environmental, Social and Governance responsibilities and obligations that HIKE Capital should perform in the process of operating funds and managing investment. It mainly includes the protection of the natural environment and resources, the commitment of social responsibility, and the sound and transparent corporate governance. The ESG policy reflects our basic framework in ESG strategy and commitment to ESG issues. This ESG policy applies to all aspects of operation, management and investment of HIKE Capital and all funds under its management.

3. Action

HIKE Capital commits to using its best reasonable endeavours to embed the following ESG principles in our investment process:

1. Communicate our ESG Policy to our staff, limited partners, potential investees, partners, suppliers, media, industry associations, and interested parties.
2. Actively implement the concept of green development, integrate ecological and environmental protection requirements into development strategies and corporate governance processes, actively participate in the construction of ecological civilization, pollution prevention and control, resource conservation, and ecological protection, and strive to achieve coordination between economic and social benefits, short-term and long-term interests, and own development and social development. Promote the coordination and harmonious development of the company itself and the whole society.
3. Comply with laws and regulations, rules and normative documents, ensure the transparency and standardization of corporate governance structure, improve the efficiency and quality of corporate management, and establish and improve the corporate governance system.
4. Continuously build the capacity of our staff including our management team, investment team, and operation team to identify and successfully manage ESG risks and opportunities associated with target companies when evaluating whether to invest in a particular company or entity.
5. Minimize adverse impacts on climate change and all stakeholders (including employees and any affected communities), and enhance positive impacts/effects on climate change, environmental protection, human rights protection, supply chain management and more.
6. Actively promote the long-term sustainability principles of our portfolio companies and actively promote compliance with the following ESG requirements:
 - a. The ESG Exclusion List.
 - b. National Environmental and Social Laws and Regulations, and any standards established therein.
 - c. International Labour Organization (ILO) Core Labour Conventions.
 - d. IFC's ESG Performance Standards 2012, and applicable WBG Environmental, Health & Safety Guidelines.

7. Encourage all portfolio companies:
 - a. To commit to continuous improvements on ESG matters.
 - b. To make efficient use of natural resources and to protect the environment wherever possible.
 - c. To assess climate risks that may affect the business in the medium to long term and work with HIKE Capital to develop strategies to address climate risks identified and to reduce carbon footprint of the operations.
 - d. To reduce greenhouse gases of the portfolio companies by measuring emissions and assessing options and cost implications to transform towards climate-friendly and resilient production.
8. Respect the human rights of those affected by our investment activities and seek to prevent capital allocation to companies utilizing child/forced labor or discriminatory practices.
9. Obtain ESG disclosures and performance metrics from our portfolio companies and encourage our portfolio companies and service providers to promote ESG principles consistent with our ESG policy when conducting business.
10. Provide information to our limited partners and stakeholders on ESG matters if necessary.