

# RESPONSIBLE INVESTMENT POLICY

RTW Biotech Opportunities Ltd (“the Company”)

## BACKGROUND

The Company aims to achieve superior long-term capital appreciation, focusing on forming, building, and supporting world-class life sciences, biopharmaceutical, and medical technology companies. The Company’s primary consideration is to support companies that promote health and well-being by bringing drugs and devices to market that are expected to save or extend life, improve quality of life, or revolutionise the course of treatment for diseases and conditions that afflict people.

The Company is managed by RTW Investments, LP (the “Investment Manager”, “RTW”), a leading healthcare-focused investment firm with deep scientific expertise and a strong track record of supporting companies developing life-changing therapies. RTW invests across the full life cycle (from company creation to public markets) with a primary focus on biotech, medical devices, and diagnostics. The Investment Manager has a fiduciary duty to act in the best interests of investors, which includes the consideration of non-financial factors (as defined below) if and when financially material.

## VALUES

RTW espouses a strong culture of compliance, risk management and ethical behaviour. RTW always aims to act in the best interests of its investors, employees and stakeholders. As such, RTW has developed a corporate code of ethics addressing the largest areas of risk pertaining to the alternative asset management industry, including but not limited to conflicts of interest, anti-bribery, employee investing, insider trading and political contributions. RTW requires all employees to act with high integrity in all these areas and seeks long-term investment partners that evidence equivalent professional and ethical rigour. RTW is committed to cultivating a respectful workplace that is free from discrimination or other forms of inappropriate conduct that could negatively affect its employees and its work environment. To that end, RTW provides equal employment opportunities to all employees and applicants and it delivers at least one cultural training to employees bi-annually.

## EXCLUSIONS

RTW seeks to ensure that its investments do not lead to negative impacts on public health or well-being or contribute to human or labour rights violations, corruption, serious environmental harm or other actions which may be perceived to be unethical.

## STRATEGY

Investment decisions are based on a variety of financial, scientific and other factors. Non-financial and non-scientific factors may include, but are not limited to, diligence undertaken on management, boards, headquarters, employees, litigation and regulatory history. RTW considers financially material sustainability risk factors where appropriate, which include factors primarily defined by social considerations that focus on identifying investments in companies that make therapeutics and medical devices that bring health benefits to human beings. RTW retains the sole discretion to determine materiality and appropriateness for each investment.

Pre-investment, RTW adopts a positive screening methodology. Potential investments are screened to ensure alignment with investment objectives and, in doing so, with this Policy. Post-investment, RTW believes that acting and investing responsibly is a necessary foundation for the long-term sustainability of investment success. RTW is committed to investing in and building companies that adopt and integrate sound practices that are proportionate to the scale of the business, including established industry best practices related to clinical trials and animal testing, contract research organization (CRO) oversight, anti-bribery and corruption and the development of a governance framework. On an ongoing basis, RTW also engages with portfolio companies to collect information on sustainability data and policies where they exist.

## ENGAGEMENT

As a long-term investor, RTW seeks to meet regularly with the management teams of portfolio companies to foster long-term relationships. This ongoing dialogue enables open discussions on issues that could affect long-term returns. The decision to engage with a portfolio company depends on both the materiality of the issue and the size of the holding. When RTW votes as a shareholder, generally, the expectation is to vote alongside management. However, RTW may decide to vote against management on certain issues. Occasionally, it may be considered better to reduce or exit an investment rather than taking an “activist” approach. In some cases, RTW may decide to seek board representation.

## **GOVERNANCE AND MONITORING**

The Company’s Board of Directors has established a Sustainability Committee to oversee adherence to this Policy. The Sustainability Committee meets with the Investment Manager bi-annually where they are briefed on updates to process, policy, and portfolio engagement.