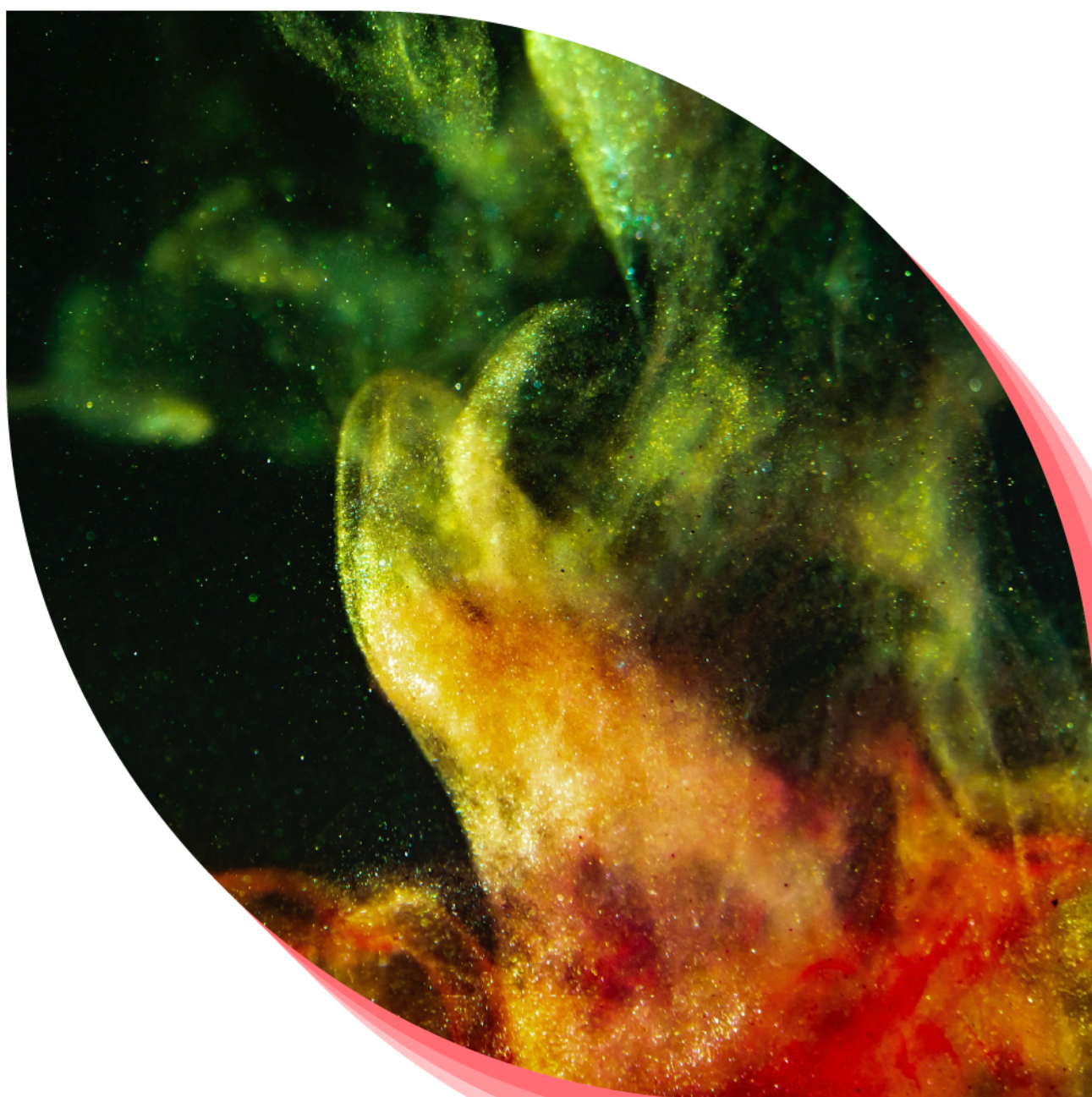


# Responsible Investment Policy



Linear Capital



2025

# Contents

## 1 Introduction 3

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## 2 Scope and Oversight 4

---

## 3 Responsible Investment Principles 4

---

## 4 Responsible Investment Process 6

---

## 5 Systematic Sustainability Issues 8

---

## 6 Transparency and Stakeholder Engagement 9

---

# 1. Introduction

Linear Capital is a venture capital firm specializing in early-stage investments in frontier technologies that have the potential to reshape productivity, enhance quality of life, and contribute to societal advancement. Guided by a focused investment strategy and deep technical expertise, the firm targets transformational innovation across domains such as Artificial Intelligence, Robotics, Advanced Manufacturing, and Sustainability-enabling Technologies. Through strategic capital deployment and active engagement, Linear Capital seeks to support the growth of globally scalable enterprises led by visionary founders.

Linear Capital integrates sustainability considerations as a core component of its investment strategy, operational practices, and long-term value creation approach. As a signatory to the Principles for Responsible Investment (PRI), the firm applies a responsible investment lens throughout its investment process, taking into account environmental, social, and governance factors where they are material to investment outcomes and broader societal impact.

This Responsible Investment Policy (the “Policy”) outlines the principles, governance approach, and implementation processes through which Linear Capital incorporates responsible investment practices across the investment lifecycle. The Policy applies to all stages of the firm’s investment activities, from sourcing and due diligence through to post-investment engagement, and is designed to reflect the unique characteristics of early-stage venture capital while aligning with Linear Capital’s fiduciary responsibilities.

Recognizing the distinct dynamics of early-stage investing, including limited control, evolving business models, and founder-driven growth trajectories, Linear Capital adopts a pragmatic and proportionate approach to responsible investment. While the level of engagement may vary depending on the investment context, the firm seeks to promote sustainable business practices, support innovation that contributes to long-term societal and environmental resilience, and ensure its capital is deployed in a way that reflects its broader values.

## 2. Scope and Oversight

This Policy applies to all of the fund vehicles under Linear Capital's management. It sets out the firm's approach to responsible investment, defining how sustainability considerations are integrated across all investment activities, including sourcing, due diligence, investment decision-making, portfolio engagement, and exit planning.

The implementation of this Policy is subject to direct oversight by C-level executives at Linear Capital, ensuring clear and sustained senior accountability for responsible investment practices. A cross-functional working group, comprising representatives from investment, operations, and other relevant functions, supports day-to-day application of the Policy and promotes the integration of sustainability into investment and operational processes.

The Policy is reviewed periodically to ensure continued alignment with evolving regulatory requirements, market developments, and stakeholder expectations. Material revisions are subject to internal approval and are communicated to relevant stakeholders as appropriate.

## 3. Responsible Investment Principles

Linear Capital believes that responsible investment is essential to long-term value creation, effective risk management, and the advancement of transformative innovation. As a venture capital firm focused on frontier technologies, we view capital as a tool to accelerate scalable, systems-level solutions to global challenges. Our investment strategy emphasizes the catalytic potential of technology across domains such as advanced manufacturing, robotics, AI-native infrastructure, and sustainability-enabling platforms.

Our philosophy is grounded in the following principles:

**Focus on Sustainability-Enabling Innovation:** We prioritize companies that develop enabling technologies for a more sustainable economy. These include innovations that contribute to resource efficiency, low-carbon transitions, energy resilience, and industrial intelligence. We view sustainability as both a source of investment value and a framework for long-term systems impact.

**Environmental Risk and Opportunity Integration:** We assess material environmental risks—including those related to carbon, waste, resource use, and ecosystem impact—

throughout our investment processes. At the same time, we seek opportunities to support companies in enhancing environmental performance and scaling technologies that contribute to environmental resilience.

**Social Responsibility and Societal Impact:** We believe responsible businesses consider both how they operate internally and how they affect the broader society. We support portfolio companies in building inclusive, fair, and respectful organizational cultures, and we encourage them to assess the broader societal impact of their products and services. Technologies should be designed and deployed in ways that advance well-being, equity, and access.

**Commitment to Ethical Governance:** We promote the establishment of sound governance practices from the earliest stages of a company's development. Ethical leadership, transparent decision-making, and operational accountability serve as the backbone for responsible growth and long-term success.

Linear Capital believes that aligning frontier innovation with responsible investment practices strengthens long-term performance and enables meaningful contributions to environmental and societal progress.

## 4. Responsible Investment Process

Linear Capital integrates responsible investment considerations across all stages of the investment lifecycle. This process reflects the firm's long-term orientation and its commitment to deploying capital in a way that supports sustainable value creation. Our integration approach is embedded into core investment processes—ensuring that relevant sustainability factors are identified, assessed, and addressed through pre-investment assessment, investment decision-making, post-investment monitoring and engagement, and exit planning.

### Pre-Investment

Sustainability risks and opportunities are considered early in the sourcing and diligence process. The investment team applies a structured lens to ensure that relevant non-financial considerations inform both risk assessment and opportunity identification.

- Identify material sustainability issues based on the company's sector, business model, and product use case;
- Apply exclusion criteria to screen out companies misaligned with Linear Capital's values or international norms;
- Identify material sustainability risks that may pose reputational concerns or deal issue threats, and assess whether additional due diligence is required to support informed decision-making;
- Assess the potential for the company's core technology to contribute to positive sustainability outcomes.

### Investment Decision

Key sustainability findings are incorporated into the investment committee process to inform holistic evaluation of the opportunity. The focus is on understanding long-term risks and value creation potential in parallel with commercial and technical diligence.

- Summarize material sustainability considerations in the investment memorandum, including their relevance to the company's strategic trajectory;
- Evaluate the potential impact on scalability, investor alignment, or future regulatory exposure;
- Flag issues that may require continued monitoring or engagement post-investment.

### Post-Investment Monitoring and Engagement

Following investment, Linear Capital supports portfolio companies in strengthening their

approach to sustainability in line with their stage of development and operating context. Engagement focuses on building capacity, addressing material issues, and tracking progress over time.

- Support capacity building by helping companies define sustainability roadmaps and establish governance foundations;
- Engage on material risks or opportunities identified during due diligence or through ongoing monitoring;
- Monitor sustainability performance periodically, considering operational practices and external impacts.

## **Exit**

Linear Capital considers relevant sustainability factors during exit planning to support long-term value creation and responsible ownership transition. The goal is to ensure any material issues are addressed and, where appropriate, to highlight responsible practices that strengthen the company's positioning.

- Highlight sustainability-related practices or improvements that contribute to the company's value proposition;
- Address outstanding sustainability risks identified during the holding period as part of exit preparation;
- Support readiness for exit due diligence-related communications.



## 5. Systematic Sustainability Issues

Linear Capital considers a range of systematic sustainability issues that shape long-term investment risks and opportunities across markets. While the nature and materiality of these issues vary by sector and investment stage, we assess them where relevant as part of our investment analysis and engagement with portfolio companies.

### Climate Change

We consider the implications of climate change on business models, value chains, and regulatory exposure. This includes:

- Identifying companies with solutions that enable decarbonization, resource efficiency, or climate resilience;
- Assessing material climate-related risks during pre-investment and determining if further diligence is required;
- Encouraging portfolio companies to consider climate-related dependencies or opportunities where strategically relevant.

### Human Rights and Labor Practices

We recognize that strong human capital management and respect for fundamental rights are essential to long-term business resilience. Our approach includes:

- Assessing risks related to labor conditions, non-discrimination, and workforce well-being where relevant to the company's operations or value chain;
- Supporting practices that align with international norms and fair treatment of employees, contractors, and stakeholders.

### Technology Ethics and Responsible Innovation

Given Linear Capital's focus on advanced technologies such as AI-native infrastructure, robotics, and intelligent systems, we actively consider the ethical dimensions of how these technologies are developed and deployed. This includes:

- Assessing risks related to data privacy, algorithmic transparency, unintended bias, and potential misuse of high-impact technologies;
- Supporting responsible innovation by encouraging portfolio companies to consider societal impacts, user inclusion, and safeguards during product design and scaling.



## 6. Transparency and Stakeholder Engagement

Linear Capital is committed to maintaining transparency in how responsible investment considerations are integrated into our investment approach. We communicate our practices through investor reporting, engagement with key stakeholders, and participation in relevant industry initiatives. We aim to foster trust by clearly articulating our priorities, expectations, and progress.

This policy is reviewed periodically to ensure it remains aligned with evolving best practices, stakeholder expectations, and the firm's strategic direction. Material updates are approved by senior leadership and shared with relevant stakeholders where appropriate.