

INVESTMENT ADVISER BROCHURE

SR ONE CAPITAL MANAGEMENT, LP

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of SR One Capital Management, LP (“SR One”). If you have any questions about the contents of this Brochure, please contact us at (610) 220-4913. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

SR One is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). However, such registration does not imply a certain level of skill or training.

Additional information regarding SR One is also available on the SEC’s website at www.adviserinfo.sec.gov.

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MATERIAL CHANGES

SR One Capital Management, LP (“**SR One**”) filed its most recent Brochure on November 20, 2020. This other-than-annual amendment reflects a change of SR One’s business address.

ADVISORY BUSINESS

SR One Capital Management, LP, a Delaware limited partnership and a registered investment adviser, and its affiliated investment advisers provide investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. SR One commenced operations in September 2020.

SR One's clients include the following (each, a "**Fund**," and together with any future private investment fund to which SR One or its affiliates provide investment advisory services, the "**Funds**");

- SR One Capital Fund I-A, LP; and
- SR One Capital Fund I-B, LP (and together with SR One Capital Fund I-A, LP, "**Fund I**")

SR One Capital Partners I, LP (together with any future general partners that may be formed from time to time, each a "**General Partner**" and together with SR One and their affiliated entities, the "**Firm**"), is affiliated with SR One.

Each General Partner is subject to the Advisers Act pursuant to SR One's registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with SR One.

The Funds are private funds and invest through negotiated transactions in operating entities, generally referred to herein as "portfolio companies." The Firm's investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted. From time to time, where such investments consist of portfolio companies, the senior principals or other personnel of SR One or its affiliates generally serve on such portfolio companies' respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

The Firm's advisory services to the Funds are detailed in the relevant private placement memoranda or other offering documents (each, a "**Memorandum**"), investment management agreements, limited partnership or other operating agreements (each, a "**Partnership Agreement**" and, together with any relevant Memorandum, the "**Governing Documents**") and are further described below under "Methods of Analysis, Investment Strategies and Risk of Loss." In performing investment advisory services for the Funds, SR One has retained its affiliate, SR One Capital Advisors Limited, a limited company registered under the laws of England and Wales (the "**UK Adviser**"), to provide advisory personnel and services. Investors in the Funds participate in the overall investment program for the applicable Fund, but in certain circumstances are excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the Governing Documents; such arrangements generally do not and will not create an adviser-client relationship between SR One and any investor. The Funds or the General Partners generally expect to enter into side letters or other similar agreements ("**Side Letters**") with certain investors

that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, the Governing Documents with respect to such investors.

The Firm also provides non-discretionary sub-advisory services to a strategic investor (the “**IAA Client**”) with respect to a portfolio of investments which SR One principals historically had advised at their prior firm (the “**IAA Portfolio**”).

Additionally, from time to time and as permitted by the Governing Documents, SR One expects to provide (or agree to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, consultants and other service providers, SR One’s personnel and/or certain other persons associated with SR One and/or its affiliates (*e.g.*, a vehicle formed by SR One’s principals to co-invest alongside a particular Fund’s transactions). Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle generally is expected to occur shortly after the Fund’s completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in SR One’s sole discretion, SR One reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

As of October 22, 2020, SR One managed approximately \$494,846,428 in client assets on a discretionary basis. SR One is principally owned by Simeon George and Rajeev Dadoo.

FEES AND COMPENSATION

In general, SR One receives a management fee and a carried interest in connection with advisory services to clients. SR One or other Firm entities or affiliates expect to receive additional compensation in connection with management and other services performed for portfolio companies of Funds and such additional compensation will offset in whole or in part the management fees otherwise payable to SR One in accordance with the Governing Documents. In addition, in certain circumstances, SR One expects to receive compensation for management and other services performed in connection with co-investments made in portfolio companies of the Funds. Investors in a Fund also will bear certain expenses.

Management Fees

Each Fund will pay SR One a management fee (the “**Management Fee**”) equal to 2% on an annual basis of aggregate capital commitments of investors that are not designated as “affiliated partners” by the General Partner. Payments are made quarterly in advance. Commencing with the first Management Fee payment date after the expiration of the Fund’s investment period or earlier

upon the occurrence of certain events set forth in the applicable Partnership Agreement, the Management Fee will equal 2% of the aggregate amount of invested capital with respect to the portion of each investment that has not been disposed of or permanently written down as of that time, in each case with respect to partners not designated as “affiliated partners.” Investors participating in a subsequent closing after the initial closing date generally will be assessed Management Fees retroactive to the beginning of the effective date of the Fund, with interest. Installments of the Management Fee payable for any period other than a full quarterly period are adjusted on a pro rata basis according to the actual number of days in such period.

The Fund’s Management Fee is expected to be reduced by an amount equal to 100% of Transaction Fees (as may be adjusted pursuant to the Partnership Agreement) attributable to investors not designated as “affiliated partners” by the General Partner, as set forth in the relevant Partnership Agreement. “Transaction Fees” include the Fund’s share of: (i) directors’ fees, financial consulting fees, advisory fees or other supervisory, monitoring or similar fees paid to the General Partner with respect to any Fund investment; (ii) transaction fees paid to the General Partner with respect to any Fund investment; and (iii) break-up fees with respect to Fund transactions not completed that are paid to the General Partner, in each case net of certain expenses (including those described below) as set forth in the Partnership Agreement; but not including, in any event, any amount received by the General Partner or other person from a portfolio company (A) as reimbursement for expenses directly related to such portfolio company, (B) as payment for services provided to any portfolio company in the ordinary course of business of the portfolio company and of the General Partner, (C) as compensation for services provided by the General Partner or other person as an employee of or in a similar capacity for such portfolio company, or (D) as compensation, including fees, incentive equity or other stock awards, for services rendered by any Venture Partner (as defined below) to a portfolio company or prospective portfolio company.

Various costs and expenses will reduce Transaction Fees (and therefore such amounts will not reduce the Management Fee), including out-of-pocket costs and expenses (including travel expenses) incurred by the General Partner in connection with any consummated or unconsummated transaction or in connection with generating any such Transaction Fees. To the extent that any other fund or any other entity or individual co-invests alongside the Fund in any portfolio company investment, any Management Fee reduction described above will be allocated among the Fund and the co-investors in proportion to the cost of the investment or potential investment in the portfolio company held (or proposed to be held) by each. Accordingly, the Fund will, in most cases, only benefit from its allocable portion of the Management Fee reduction described above and not the portion of any fee allocable to any other investor in a portfolio company. For the avoidance of doubt, any other fees earned with respect to any co-investment vehicle will not reduce the Management Fee payable by the Fund.

As a matter of practice, SR One expects to be paid fees of the type referred to in the preceding paragraph from, on behalf of or with respect to co-investors in an investment. The receipt of such fees will not reduce the Management Fee payable by any Fund(s) that have also invested in such investment, and as a result a Fund will, in most cases, only benefit with respect to its allocable portion on a fully diluted basis of any such fee and not the portion of any fee that relates to such co-investors or potential co-investors, which have the potential to be significant. Transaction Fee offsets generally are performed on a net basis, after giving effect to taxes and

other expenses in connection with the receipt of such fees or the provision of related services. Similarly, in certain circumstances, SR One expects that co-investors, lenders, consultants or other parties will negotiate the right to share a portion of such fees from a particular investment, and the above-described offset percentage will be applied after excluding any amounts paid to such persons. Additionally, as further described below and in the Governing Documents, it is SR One's practice to employ, use or retain certain operating partners, venture partners or similar professionals ("**Venture Partners**") to provide services to (or with respect to) certain portfolio companies in which one or more Funds invest. Such persons generally receive compensation and other amounts described herein from the relevant portfolio companies or Funds to which they provide services, but other than as described further herein and in the Governing Documents, no such amounts will offset or reduce the Management Fee. For the avoidance of doubt, SR One also will not offset compensation received from outside sources, such as residual employee board seats at entities that are no longer (or are not and were not) Fund portfolio companies.

Carried Interest

As more fully described in the Governing Documents, the Fund's General Partner will receive a carried interest with respect to the Fund equal to 20% of realized profits in excess of an 8% compounded preferred return and subject to a General Partner catch-up. The carried interest distributed to the General Partner is subject to a potential clawback on an "interim" basis and at the end of the Fund's life if such General Partner has received excess cumulative distributions. It is expected that any future Funds will have a similar fee structure.

Other Information

SR One is permitted to exempt certain investors in the Funds from payment of all or a portion of Management Fees and/or carried interest, including SR One and any other person designated by SR One, such as "friends and family" of SR One or its personnel, or other investors meeting certain qualification requirements based on commitment size or other strategic or relationship factors. The General Partner reserves the right to make any such exemption from fees and/or carried interest by a direct exemption, a rebate by SR One and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where an SR One professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the Governing Documents, certain Firm entities have the right to permit investors, affiliated with a Firm entity or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees or carried interest. SR One retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees or other compensation rather than deducting such amounts for the investor's capital account(s).

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the Governing Documents, over the term of the relevant Fund, and investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other current or former employees of the Firm generally expect to receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by SR One or its affiliates.

In addition to the Management Fee and carried interest payable to SR One or its affiliates, each Fund bears certain expenses. As set forth more fully in the Governing Documents, a Fund bears all fees, costs, expenses, liabilities and obligations relating to the Fund's (and its subsidiaries' and intermediate entities') activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce Management Fees, including: activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving or otherwise disposing of, as applicable, the Fund's portfolio companies and its actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions that may have been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful (i.e., including all out-of-pocket fees, costs, expenses, liabilities and obligations relating to investment and disposition opportunities for the Fund not consummated and transactions that have been syndicated or offered to but not taken by co-investors, or for which a syndication or co-investment was believed necessary in order to consummate such transaction (including, without limitation, legal, accounting, auditing, insurance, travel (including for flights exceeding three hours duration, first class or equivalent commercial airfare), consulting (including consulting and retainer fees paid to any consultants performing investment initiatives and other similar consultants), brokerage, finders', financing, appraisal, filing, printing, real estate title, survey, reverse breakup, termination, entity formation and other fees and expenses)); indebtedness of, or guarantees made by, the Fund, the General Partner or any "affiliated partner" on behalf of the Fund (including any credit facility, letter of credit or similar credit support), including interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; financing, commitment, origination and similar fees and expenses; broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services in respect of any investment or prospective investment by the Fund; brokerage, sale, custodial, depository, trustee, record keeping, account and similar services; legal, accounting, research, auditing, administration (including fees and expenses associated with the Fund's third-party administrator and administration or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals or pricing services), consulting (including consulting and retainer fees and other compensation paid to consultants performing investment initiatives and other similar consultants), tax and other professional services, in each case, in respect of the Fund and/or its activities, business, portfolio companies or actual or potential investments; reverse breakup, termination and other similar fees; directors and officers liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory expenses; filing, title, transfer, registration and other similar fees and expenses; printing, communications, marketing and publicity; the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K 1s, or any other administrative, compliance or regulatory filings or reports

(including any filings or reports contemplated by the AIFMD), costs and expenses incurred in connection with compliance with FATCA obligations and costs and expenses with respect to representation by the Partnership Representative, as applicable (each, as defined in the Partnership Agreement), or other information, including fees and costs of any third-party service providers and professionals related to the foregoing; developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of the Fund or the limited partners; any activities with respect to protecting the confidential or non-public nature of any information or data; to the extent provided in the Partnership Agreement, or otherwise approved by the General Partner in its sole discretion, activities or proceedings of the advisory board (including any out-of-pocket costs and expenses incurred by representatives of the General Partner, the advisory board members, permitted observers and other persons in attending or otherwise participating in meetings of the advisory board); indemnification (including any fees, costs and expenses incurred in connection with indemnifying any partner or other person pursuant to the Partnership Agreement and advancing fees, costs and expenses incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the Partnership Agreement), except as otherwise set forth in the Partnership Agreement; actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including any judgment, other award or settlement entered into in connection therewith; any annual limited partner meeting or other periodic, if any, meetings of the limited partners and any other conference or meeting with any limited partner(s); except as otherwise determined by the General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be a Fund expense or organizational expense if it were incurred in connection with the Fund, and any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to the Fund to the extent not paid by the investors investing in such entities; the termination, liquidation, winding up or dissolution of the Fund; enforcement of any defaults by partners in the payment of any capital contributions; amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Fund, the General Partner and related entities and any alternative investment vehicle of the Fund, including the preparation, distribution and implementation thereof (including, for the avoidance of doubt, the first amended and restated constituent documents of the General Partner and related entities, but excluding any subsequent amendments to such constituent documents if such amendments are not in respect of matters related to the Fund or any alternative investment vehicle thereof); complying with any law or regulation related to the activities of the Fund (including regulatory expenses of the General Partner incurred in connection with the operation of the Fund and legal fees and expenses); any litigation or governmental inquiry, investigation or proceeding involving the Fund, including the amount of any judgments, settlements or fines paid in connection therewith, except as set forth in the Partnership Agreement; unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer by a limited partner; any taxes, fees and other governmental charges levied against the Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of the Fund (except to the extent that the Fund is reimbursed therefor by a partner or such tax, fee or charge is treated as having been distributed to the partners pursuant to the Partnership Agreement); distributions to the partners and other expenses associated with the acquisition, holding and

disposition of the Fund's investments, including extraordinary expenses; any travel (including for flights exceeding three hours duration, first class or equivalent commercial airfare), lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; any organizational expenses; any placement fees; and any other fees, costs, expenses, liabilities or obligations approved by the advisory board.

The Funds also bear expenses indirectly to the extent a portfolio company (or intermediate entity) pays expenses, including expenses of SR One and/or its affiliates, as well as their share of expenses (including, without limitation, rent, personnel costs and corporate expenses) relating to fund administrative and similar services performed by a Fund's subsidiaries or other entities maintained by the Fund, the General Partner or their respective affiliates in connection with certain local jurisdictions' requirements. Generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant. In certain cases, these or similar expenses (and/or Transaction Fees) are expected to be charged to portfolio companies, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the portfolio company. As is typical for private funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in "Brokerage Practices."

In certain circumstances, one Fund is expected to pay an expense or obligation common to multiple Funds (including without limitation legal expenses for a transaction in which all such Funds participate, or other fees or expenses in connection with services the benefit of which are received by other Funds over time), and be reimbursed by the other Funds by their share of such expenses or obligations, without interest. While SR One believes such circumstances to be highly unlikely, it is possible that one of the other Funds could default on its obligation to reimburse the paying Fund. In certain circumstances, SR One, the relevant General Partner or an affiliate thereof is expected to advance amounts related to the foregoing and receive reimbursement from the Funds to which such expenses relate.

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies alongside one or more Funds, subject to SR One's related policies and the Governing Documents and/or Side Letter(s). Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the General Partner, ultimately is not consummated, all broken deal expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. However, to the extent

that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such broken deal expenses.

SR One and/or its affiliates generally have discretion over whether to charge transaction fees, monitoring fees or other compensation to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a portfolio company's holding or operating structure. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of such compensation generally will give rise to potential conflicts of interest between the Funds, on the one hand, and SR One and/or its affiliates on the other hand.

Venture Partners

Additionally, as further described herein and in the Governing Documents, it is SR One's practice to employ, use or retain certain Venture Partners to provide services to (or with respect to) one or more Funds or certain current or prospective portfolio companies in which one or more Funds invest. Such Venture Partners generally provide services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management, board or policy-making positions for portfolio companies. Venture Partners will receive compensation from the Fund and/or its portfolio companies, including, but not limited to cash fees, retainers, annual salary and bonus, transaction fees, directors' fees, a profits or equity interest in a portfolio company, incentive equity and stock awards, profits or equity interests in one or more Funds or General Partners, remuneration from SR One and/or its Funds or affiliates or other compensation, the amount of which typically is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such Venture Partners, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts believed to be charged by other providers for comparable services and/or a percentage of cash flows from such company. Venture Partners also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such amounts will be included as Transaction Fees, and will not offset or otherwise reduce the Management Fee. The use of Venture Partners subjects SR One to potential conflicts of interest, as discussed under "Conflicts of Interest," below.

Notwithstanding the generality of the foregoing, it is expected that SR One will engage certain Venture Partners that also provide services to SR One, including market research, diligence, transaction execution and other activities that typically would be conducted by employees of SR One. In such cases, SR One expects to pay the portion of such Venture Partner's compensation attributable to the approximate amount of time such Venture Partner spends on SR One matters (with the balance of such compensation paid by the applicable portfolio companies and/or Fund to whom such Venture Partner provides services), and such amounts paid by SR One will not be subject to offset against the Management Fee.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under "Fees and Compensation," the relevant General Partner receives a carried interest allocation on certain realized profits in each Fund. SR One does not advise Funds

not subject to a carried interest, although it generally has the authority to waive carried interest with respect to certain affiliated partners as described under “Fees and Compensation.” Additionally, to the extent that SR One has Funds with varying carried interest terms and/or SR One personnel are assigned varying percentages of carried interest from the Funds, SR One and such personnel are subject to potential conflicts of interest, to the extent they are involved in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage.

SR One seeks to address the potential for conflicts of interest in these matters with allocation policies that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each Fund’s investment guidelines and Governing Documents, as well as other factors that do not include the amount of performance-based compensation received by SR One or any personnel.

The existence of performance-based compensation has the potential to create an incentive for the General Partner to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such arrangement, although SR One generally considers performance-based compensation to better align its interests with those of its investors.

TYPES OF CLIENTS

SR One provides investment advice solely to its Fund clients, and references throughout this Brochure to “clients” and to SR One’s related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. The investors participating in the Funds generally include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, principals or other employees of SR One and its affiliates and members of their families, any Venture Partners or other service providers retained by SR One.

The relevant General Partner also generally is permitted from time to time to establish Funds that are alternative investment vehicles in order to permit certain investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the related Fund.

Each Fund generally has a minimum investment amount set forth in its Governing Documents for third-party investors, and Fund interests are offered and sold solely to qualified investors (or qualified knowledgeable Firm personnel). SR One generally is permitted to waive such minimum investment amount.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

SR One is a biotechnology venture capital firm focused on minority, and in some cases, majority equity and debt investments primarily in emerging life science or other healthcare companies globally believed to benefit from the Firm's investment and operating expertise and experience in the industry. SR One's investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for investments. SR One may direct its clients to invest in public and non-public companies, though SR One generally focuses primarily on investments in non-public companies.

SR One's investment strategy for Fund I focuses on the acquisition of minority or majority interests in biotechnology or other healthcare companies that SR One believes are developing novel medicines to treat serious unmet medical needs. SR One generally invests in companies that are at the earlier stage of their lifecycle, but may invest in later stage companies. As a result of the above factors, SR One aims to make investments at lower valuations relative to what it believes is the future potential of the companies. SR One focuses primarily on investments in North America and Europe that require approximately \$20 million to \$30 million of capital over the life of the investment, although the required capital or amount invested by SR One may be greater or less than such amounts.

Fund I acquired certain assets from the IAA Client (and is expected to make follow-on investments with respect thereto), and is expected to make new investments in companies as described above. All follow-on opportunities that arise with respect to the IAA Portfolio are expected to be allocated to the IAA Portfolio and not Fund I, unless Fund I also holds an interest in the applicable portfolio company.

Once an investment is made, SR One seeks to leverage its expertise and network to provide strategic and operational advice, complement and/or work with the company's management team to advance the company's goals.

There can be no assurance that SR One will achieve the investment objectives of any Fund and a loss of investment is possible.

Investment Process

Sourcing Model. Deal flow is expected to originate from a range of sources, including: entrepreneurs and management teams SR One has worked with before, or knows through network; academics/institutions SR One has worked with before, or knows through network; investment bankers and other advisors; specialist seed investors; proactive landscape reviews of identified therapeutics areas/new and enabling technologies; referrals from other venture capitalists ("VCs"). SR One seeks to leverage each of these sources with both an active (regular meetings or interactions in the ordinary course of business) and a passive (incoming) approach.

Investigation and Due Diligence. SR One runs a thorough and detailed diligence process, which, in some cases, includes but is not limited to the following:

1. Assessment of mechanism of action / biological rationale;
2. Drug product robustness (chemistry, biologic, gene therapy, cell therapy, etc.);

3. Drug product developability (CMC, toxicity profile, delivery method, formulation, COGS);
4. Drug development strategy including translation, biomarkers, surrogate endpoints, clinical trial design, regulatory approval endpoints;
5. Commercial Opportunity including investment valuation, exit valuation, return modelling, buyer universe / appetite, financial market appetite, end user market opportunity;
6. Intellectual property conducted via a fully outsourced independent review;
7. Legal / corporate conducted via a fully outsourced independent legal review of investment documents, articles, internal policies, assets, employment and third-party contracts with an associated detailed diligence checklist;
8. Management team and expertise via referencing, independent outsourced review of prior or ongoing criminal and civil legal processes, public domain information, etc.; and
9. Animal welfare policies.

Exit Strategy. Once the portfolio company has reached target clinical or commercial milestones, SR One will consider appropriate exit strategies, including the sale to a strategic or financial buyer, such as a larger biotechnology or healthcare company, or an initial public offering. Factors considered include the state of the programs/products in the company, competitive dynamics, external capital market conditions, among other factors.

Risks of Investment

Each Fund and its investors bear the risk of loss that SR One's investment strategy entails. The risks involved with SR One's investment strategy and an investment in a Fund include, but are not limited to:

Business Risks. A Fund's investment portfolio is expected to consist primarily of securities issued by non-public companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk which can result in substantial losses.

Concentration of Investments. Each Fund will participate in a limited number of investments and intends to make most of its investments in one industry or one industry segment or within a short period of time. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Fund may invest in fewer portfolio companies and thus be less diversified.

A Fund may provide bridge financing to facilitate portfolio company investments. It is possible that all or a portion of a bridge financing will not be recouped within the time period specified in the Partnership Agreement, in which case the investment would be treated as a permanent investment of the Fund. As a result, a Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the Fund's investment limitations, certain of which exclude bridge financing investments.

Lack of Sufficient Investment Opportunities. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. However, regardless of the extent to which the commitments of the limited partners are invested (or drawn down to be invested), the limited partners will be required to bear management fees through such Fund during the commitment period based on the entire amount of the limited partners' commitments to such Fund and other expenses as set forth in the Governing Documents.

Dynamic Investment Strategy. While each General Partner generally intends to seek attractive returns for a Fund through the investment strategy and methods described herein, the relevant General Partner may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the Governing Documents. A General Partner may pursue investments outside of the industries and sectors in which SR One has previously made investments or has internal operational experience.

Growth Equity Transactions. A Fund's strategy includes targeting growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Growth-equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

General Risks of Investments in Healthcare Companies. Investments in healthcare companies involve a high degree of business and financial risk and can result in substantial or total losses. Healthcare companies may face intense competition, including competition from companies with greater financial resources, more extensive research and development, sales and marketing, customer services and support and other capabilities and a larger number of qualified managerial and technical personnel. Companies in which a Fund invests could deteriorate for a variety of reasons, including an adverse development in their business, a change in the competitive environment, changes in the regulatory environment, or an economic downturn.

Impact of Government Healthcare Regulation, Reimbursement and Reform. Healthcare and life sciences related companies are generally subject to greater governmental regulation than most other industries at the U.S. state and federal levels, and internationally. In recent years, both

local and national governmental budgets have come under pressure to reduce spending and control healthcare costs, which could both adversely affect regulatory processes and public funding available for healthcare products, services and facilities. The healthcare industry is (or may become) (i) highly regulated at both the U.S. state and federal levels and internationally, (ii) subject to frequent regulatory change and (iii) certain segments may be highly dependent upon various government (or private) insurance reimbursement programs. While the Funds intend to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to the healthcare industry, are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which the Funds invest. The healthcare industry has been, and will likely continue to be, significantly impacted by recent legislative changes, and various U.S. federal, state or local or non-U.S. legislative proposals are introduced from time to time, which, if adopted, could have a significant impact on the healthcare industry in general and/or on companies in which the Funds may invest. The U.S. healthcare industry continues to undergo significant changes designed to increase access to medical care, improve safety and contain costs. Generally, Medicare and Medicaid reimbursement levels have declined and the use of managed care has increased; distributors, manufacturers, healthcare providers and pharmacy claims have consolidated and large purchasing groups are more prevalent.

Leveraged Investments. A Fund may make use of leverage by incurring or having a portfolio company incur debt (including “venture debt”) to finance a portion of its investment in such portfolio company. Leverage generally magnifies both such Fund’s opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage by a Fund will also result in interest expense and other costs to the Fund that may not be covered by distributions made to the Fund or appreciation of its investments. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund’s investments to any deterioration in a company’s condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of such Fund’s investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time the Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Furthermore, the companies in which a Fund invests generally will not be rated by a credit rating agency.

A Fund also may borrow money or guaranty indebtedness (such as a guaranty of a portfolio company’s debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for

providing such guaranty or exposure to such liability. Co-investors are expected to receive the benefit of such guaranty, although as co-investors typically do not agree to participate in guaranty arrangements in negotiating to participate in a transaction, co-investors are not expected to bear a commensurate percentage of potential liability. The use of leverage by a Fund also will result in interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations regarding the amount of time such leverage may remain outstanding. A Fund may incur leverage on a joint and several basis with one or more other Funds and entities managed by SR One or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts may be secured by capital commitments made by such Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of such Fund.

To the extent a Fund provides bridge financing to facilitate portfolio company investments, it is possible that all or a portion of such bridge financing will not be recouped within the time period specified in the Governing Documents, in which case the investment would be treated as a permanent investment of the Fund. As a result, the Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the Fund's investment limitations, certain of which may exclude bridge financing investments.

Subscription Lines. A Fund expects to enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Fund's investments). Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in incremental partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the Governing Documents, it may be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the General Partner and its affiliates. To the extent a particular limited partner's cost of capital is lower than a

Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's reported net returns. Calculations of net IRRs in respect to the Fund as reported to limited partners from time to time generally are based on the payment date of capital contributions received from limited partners. This treatment also applies in instances where the Fund utilizes borrowings under the Fund's subscription line in advance of receiving capital contributions from limited partners to repay any such borrowings and related interest expense. As a result, use of a subscription line or similar borrowing or guarantees generally will result in a higher reported net IRR than if the facility had not been utilized and instead such limited partners' capital had been contributed at or prior to the inception of an investment. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors, as to the extent co-investors are not required to act as guarantors under relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement may contain other terms that restrict the activities of a Fund and the limited partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the relevant General Partner's ability to consent to the transfer of a limited partner's interest in the Fund. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from limited partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more limited partners.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. A Fund may also utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of each Fund's investments and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the partners of a Fund and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which

such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the Governing Documents, including the value used to determine the amount of carried interest available to SR One with respect to such investment.

Non-North American and Non-European Investments. A Fund may invest in portfolio companies that are organized or headquartered or have substantial sales or operations outside of North America, its territories, and possessions and outside Europe. Such investments may be subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Fund), the application of complex U.S. and non U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on the Fund and/or the partners with respect to the Fund's income, and possible non-U.S. tax return filing requirements for the Fund and/or the partners.

Additional risks of non-U.S. investments include: (a) economic dislocations in the host country; (b) less publicly available information; (c) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (e) civil disturbances; (f) government instability; and (g) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty, including the contagion of infectious viruses or diseases, may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by such Fund and result in longer holding periods for investments. Furthermore, such uncertainty, including the uncertainty stemming from the contagion of infectious viruses or diseases, or general economic downturn may have an adverse effect upon such Fund's portfolio companies.

Public Health Emergencies; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and the current outbreak of COVID-19, have and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to a Fund.

Currently, there is an ongoing outbreak of COVID-19, which has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing

numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, national, regional and local governments, as well as private businesses and other organizations, have taken severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home” and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. As a result, COVID-19 has significantly diminished global economic production and activity of all kinds and has contributed to both volatility and a severe decline in all financial markets. Among other things, these unprecedented developments have resulted in material reductions in demand across most categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, steep increases in unemployment levels in the United States and several other countries, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of COVID-19 — and the resulting precipitous decline in economic and commercial activity across nearly all of the world’s largest economies — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity, are possible. The extent of COVID-19’s impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative and financial and monetary policy interventions designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained and economies are able to “re-open,” it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to a Fund. The extent of the impact on a Fund and its portfolio companies’ operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy a Fund intends to pursue, all of which could adversely affect a Fund’s ability to fulfill its investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of a Fund, its portfolio companies, the General Partner and the Firm may be significantly impacted, or even temporarily

or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments. The recent deterioration of the global credit markets has made it more difficult for investment funds such as the Funds to obtain favorable financing for investments. A widening of credit spreads, coupled with the deterioration of the sub-prime and global debt markets and a rise in interest rates, has dramatically reduced investor demand for high yield debt and senior bank debt, which in turn has led some investment banks and other lenders to be unwilling to finance new private equity investments or to only offer committed financing for these investments on unattractive terms. A Fund's ability to generate attractive investment returns may be adversely affected to the extent the Fund is unable to obtain favorable financing terms for its investments. Moreover, to the extent that such marketplace events are not temporary and continue, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such marketplace events also may restrict the ability of a Fund to realize its investments at favorable times or for favorable prices.

Projections. Projected operating results of a company in which a Fund invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by SR One in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, SR One may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a portfolio company, whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons. There can be no assurance that any Fund will make add-on investments or that any Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make add-on investments or its inability to make such investments may have a substantial negative impact on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made) and generally will be expected to materially and adversely impact the Fund's investment in the portfolio company, including through significant dilution and/or loss of superior position in the capital structure.

Public Company Holdings. A Fund's investment portfolio may contain securities and debt issued by publicly held companies. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks

include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of such Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including SR One's principals, and increased costs associated with each of the aforementioned risks.

Lack of Unilateral Control. The Funds generally will not have unilateral control of a portfolio company. To the extent the Fund invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, is subject to terms and conditions imposed by portfolio company lenders, or makes a minority investment, the relevant portfolio companies may be controlled or influenced by persons who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the Funds or their limited partners. Such third parties may be in a position to take action contrary to the Fund's business, tax or other interests, and the Fund may not be in a position to limit such contrary actions or otherwise protect the value of its investment. When taking non-control positions, a Fund generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no assurance that a Fund will be able to control the timing or occurrence of an exit strategy for such portfolio companies in a manner that maximizes or protects value.

Limited Access to Information. Limited partners' rights to information regarding a Fund, the relevant General Partner or SR One generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that the General Partner and its affiliates will obtain certain types of material information from or relating to a Fund's investments that will not be disclosed to limited partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of SR One's control. Decisions by SR One or its affiliates to withhold information may have adverse consequences for limited partners in a variety of circumstances. For example, a limited partner that seeks to transfer its interest in a Fund may have difficulty in determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for a limited partner to monitor SR One and its performance. Additionally, it is anticipated that limited partners that designate representatives to participate on a Fund's advisory board generally may, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other limited partners. Limited partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and SR One reserves the right to withhold certain information from investors subject to such laws for reasons relating to SR One's public reputation, business strategy or other reasons.

Conflicting Investor Interests. Limited partners may have conflicting investment, tax and other interests with respect to their investments in a Fund, including conflicts relating to the structuring of investment acquisitions and dispositions. These conflicts may also arise where a General Partner is seeking to amend the Partnership Agreement, particularly where (as is expected to be the case with regards to Fund I) there is a concentration of ownership by limited partners such that the vote of only a small subset of the limited partners (whose interests may not align with

the interests of other limited partners) have the ability to approve amendments. In addition, conflicts may arise in connection with decisions made by a General Partner regarding an investment that may be more beneficial to one limited partners than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the General Partner generally will consider the investment and tax objectives of the Fund and its partners as a whole, not the investment, tax, or other objectives of any limited partners individually.

Material Non-Public Information; Other Regulatory Restrictions. As a result of the operations of SR One and its affiliates, as well as in connection with officership or directorships of SR One personnel, SR One frequently comes into possession of confidential or material non-public information. Therefore, SR One and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it (including with respect to information obtained by SR One in connection with its provision of sub-advisory services to the IAA Portfolio), may have been undertaken on account of applicable securities laws or SR One's internal policies.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent SR One or the funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a portfolio company may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, a Fund may be adversely affected because of SR One's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by SR One or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

Hedging Arrangements; Related Regulations. The General Partner may (but is not obligated to) endeavor to manage the Fund's or any portfolio company's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. The Fund may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards,

swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used. In some cases, particularly in OTC contexts, hedging arrangements will subject the Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose the Fund to additional liquidity risks if such contracts cannot be adequately settled. Certain hedging arrangements may create for the General Partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission (the "CFTC") or other regulator or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of a Fund or a portfolio company to hedge its exposures becomes limited by such requirements.

Unfunded Pension Liabilities of Portfolio Companies. A recent court decision found that, in certain circumstances, an investment fund could be treated as a "trade or business" for purposes of determining pension liability under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Therefore, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. A Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where such Fund may own an 80% or greater interest in such a portfolio company. If such Fund (or other 80%-owned portfolio companies of such Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of the Fund and the companies in which such Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under ERISA, as in effect as of the date of this Brochure, which may change in the future as the case law and guidance develops.

Valuation of Investments. Generally, the relevant General Partner will determine the value of all the related Fund's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for virtually all of a Fund's investments because, among other things, the securities of portfolio companies held by such Fund generally will be illiquid and not quoted on any exchange. Each General Partner will determine the value of all the relevant Fund's investments that are not readily marketable based on ASC 820 guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. There can be no assurance that the relevant General Partner will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of a General Partner with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by such General Partner may cause it to ineffectively manage the relevant Fund's investment portfolios

and risks, and may also affect the diversification and management of such Fund's portfolio of investments.

Cybersecurity Breaches and Identity Theft. Cyber-attacks and other malicious internet-based activity continue to increase in frequency and magnitude. Techniques used to sabotage, or to obtain unauthorized access to, systems or networks change frequently and generally are not recognized until launched against a target. Therefore, companies, as well as their third-party partners, may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventive measures. The General Partner's, SR One's, the Fund's and its portfolio companies' and their respective service providers' information and technology systems may be vulnerable to actual or perceived damage or interruption from computer viruses; infiltration by unauthorized persons and security breaches; and other disruptive behavior including denial-of-service attacks. Furthermore, the General Partner, SR One, the Fund and its portfolio companies and their respective service providers may be vulnerable to actual or perceived usage errors by their respective professionals, network failures, computer and telecommunication failures and power outages. The General Partner, SR One, the Fund and its portfolio companies and their respective service providers, and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Fund and the limited partners, despite efforts to adopt technologies, processes, and practices intended to mitigate these risks and protect the security of their computer systems, software, networks, and other technology assets, as well as the confidentiality, integrity, and availability of information belonging to the Fund and the limited partners. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to systems of the General Partner, SR One, the Fund's portfolio companies, the Fund's service providers, counterparties, or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers, or other users of the General Partner's or SR One's systems to disclose sensitive information in order to gain access to the General Partner's data or that of SR One or the limited partners, including for example, sending fraudulent capital call notices to limited partners. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company would be subject to substantial losses in the form of stolen, lost, or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists, or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. Any disruption in any systems designed to manage risk or the failure of any of these systems to operate as expected could, depending on the magnitude of the problem, adversely affect the Fund's investment results and its ability to make distributions to its partners. The failure of these systems and / or of disaster recovery plans for any reason could cause significant interruptions in the General Partner's, the Fund's, a portfolio company's and / or a project's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the General Partner's, the Fund's, a portfolio company's and / or a project's reputation, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Patient Protection and Affordable Care Act of 2010. In March 2010, comprehensive healthcare reform legislation was enacted in the United States through the Patient Protection and

Affordable Care Act, as amended by the Healthcare and Education Reconciliation Act (collectively, the “**Healthcare Reform Act**”). These laws are intended to increase health insurance coverage through individual and employer mandates, subsidies offered to lower income individuals, tax credits available to smaller employers and broadening of Medicaid eligibility. While one intent of healthcare reform is to expand health insurance coverage to more individuals, it may also involve additional regulatory mandates and other measures designed to constrain medical costs, including coverage and reimbursement for healthcare services. The Healthcare Reform Act has had a significant impact on the healthcare sector in the U.S. and consequently has the ability to affect the companies within the healthcare industry. There currently is uncertainty surrounding the future of the Healthcare Reform Act and whether it will be repealed and replaced or otherwise modified, and any decisions with respect to the Healthcare Reform Act likely will have a significant impact on the healthcare industry and the companies in which the Funds invest. The ultimate effects of federal healthcare reform or any future legislation or regulation, or healthcare initiatives, if any, on the healthcare sector, including the modification or repeal of the Healthcare Reform Act (whether in whole or in part), whether implemented at the federal, state or local level, or internationally, cannot be predicted with certainty and such reform, legislation, regulation or initiatives, including the Healthcare Reform Act, may adversely affect the performance of the Funds’ investments.

Regulatory Approvals for Healthcare Products. The research, development, preclinical and clinical trials, manufacturing, labeling, and marketing related to a healthcare industry company’s products are subject to an extensive regulatory approval process by the U.S. Food and Drug Administration (“**FDA**”) and other regulatory agencies in the United States and abroad. The process for obtaining FDA and other required regulatory approvals, including the required preclinical and clinical testing is very lengthy, costly, and uncertain. There can be no guarantee that, even after such time and expenditures, a portfolio company will be able to obtain the necessary regulatory approvals for clinical testing or for the manufacturing or marketing of any products or that the approved labeling will be sufficient for favorable marketing and promotional activities. If a portfolio company is unable to obtain these approvals in a timely fashion, or if after approval for marketing, a product is later shown to be ineffective or to have unacceptable side effects not discovered during testing, the portfolio company would be expected to experience significant adverse effects, which in turn, could negatively affect the performance of the Funds. Additionally, expansion of facilities by healthcare related providers is subject to “determinations of need” by the appropriate government authorities. This process not only increases the time and cost involved in these expansions, but also makes expansion plans uncertain, limiting the revenue and profitability growth potential of healthcare related facilities operators.

Healthcare Research and Innovation. The healthcare industry spends heavily on research and development. Certain healthcare and life sciences related companies depend on the exclusive rights or patents for the products they develop and distribute. Patents have a limited duration and, upon expiration, other companies may market substantially similar “generic” products that are typically sold at a lower price than the patented product, causing the original developer of the product to lose market share and/or reduce the price charged for the product, resulting in lower profits for the original developer. As a result, the expiration of patents may adversely affect the profitability of these companies. The profitability of healthcare and life sciences related companies may also be affected, among other factors, by restrictions on government reimbursement for medical expenses, rising or falling costs of medical products and services,

pricing pressure, an increased emphasis on outpatient services, a limited product offering, industry innovation, changes in technologies and other market developments. Research findings (*e.g.*, regarding side effects or comparative benefits of one or more particular treatments, services or products) and technological innovation (together with patent expirations) may make any particular treatment, service or product less attractive if previously unknown or underappreciated risks are revealed, or if a more effective, less costly or less risky solution is or becomes available. Any such development could have a material adverse effect on the companies in which the Funds invest.

Product Liability. Since the products and services of healthcare and life sciences related companies affect the health and well-being of many individuals, these companies are especially susceptible to product liability lawsuits. The testing, manufacturing, marketing and sale of many of the products and technologies developed by healthcare companies inherently expose these companies to potential product liability risks. There can be no guarantee that a portfolio company will obtain adequate coverage against potential liabilities or product liability insurance or will be able to maintain its product liability insurance on reasonable terms.

Changes in governmental policies may have a material effect on the demand for or costs of certain products and services. A healthcare or healthcare-related company must receive government approval before introducing new drugs and medical devices or procedures. This process may delay the introduction of these products and services to the marketplace, resulting in increased development costs, delayed cost recovery and loss of competitive advantage to the extent that rival companies have developed competing products or procedures, adversely affecting the company's revenues and profitability. Failure to obtain governmental approval of a key drug or device or other regulatory action could have a material adverse effect on the business of a portfolio company.

Certain companies in which the Fund may invest may only have one product under development. There can be no assurance that the product will be approved for marketing by the FDA or any other or foreign regulatory agency. Further, competition to the product may develop from other new and existing products. In either case, if a company is dependent on that one product, the consequences of such failure could be devastating to the prospects of such company, which in turn could negatively affect the performance of a Fund.

Government Regulation; Risk of Drug Withdrawals. Pharmaceutical products are subject to extensive and rigorous regulation by United States local, state and federal regulatory authorities and by comparable foreign regulatory bodies. Regulatory clearance of a product is limited to those disease states and conditions for which the product is useful, as demonstrated through clinical studies. Marketing or promoting a drug for an unapproved indication is prohibited. Furthermore, clearance of a pharmaceutical product for marketing for a specific indication may entail ongoing requirements or post-marketing studies. Prior to the grant of such marketing approvals by the FDA or corresponding regulatory authorities outside of the U.S., most pharmaceutical products must undergo extensive investigation and clinical trials to meet stringent safety and efficacy requirements. Also, the manufacturer of a pharmaceutical product and its manufacturing facilities are subject to approval, continual review and periodic inspections by the regulatory authorities. As a result, the frequency of product withdrawals is low. Nevertheless, there have been instances when discovery of previously unknown problems with a product, manufacturer or facility have resulted in temporary restrictions on the use or the manufacture of such product, including costly

recalls or even withdrawal of the product from the market. Such events, whether voluntarily or mandated by a regulatory authority, typically result in an immediate reduction or discontinuation of revenues from the product worldwide. There can be no guarantee that the incidence of regulatory product removals will not occur, and if such an event were to occur, it would likely have a significant and adverse effect on the performance of a particular portfolio investment and could have a material adverse effect on the aggregate performance of the Funds.

Healthcare Reform. Healthcare reform continues to be a significant factor in the profitability of companies in which the Funds may invest. The efforts to reform the healthcare delivery system in the U.S. and Europe has resulted in increased pressure on healthcare providers and other participants in the healthcare industry to reduce costs. These competitive forces place constraints on the levels of overall pricing, and thus could have a material adverse effect on profit margins for the portfolio companies in which the Funds invest.

Chemical Regulatory Actions May Decrease Profitability. Several governmental entities have enacted, are considering or may consider in the future, regulations that may impact the ability of businesses in the specialty materials and chemicals sectors to sell certain chemical products in certain geographic areas. For example, in December 2006, the European Union enacted a regulation known as REACH, which stands for Registration, Evaluation and Authorization of Chemicals. This regulation requires manufacturers, importers and consumers of certain chemicals manufactured in, or imported into, the European Union to register such chemicals and evaluate their potential impacts on human health and the environment. REACH and other similar regulatory programs may result in significant adverse market impacts on the affected chemical products. If a portfolio company fails to comply with REACH or other similar laws and regulations, it may be subject to penalties or other enforcement actions, including fines, injunctions, recalls or seizures, which would have an adverse effect on the Funds' financial condition, cash flows and profitability.

Hazardous Chemical Regulations. Certain target portfolio companies may produce hazardous chemicals that require care in handling and use that are subject to regulation by many U.S. and non-U.S. national, supra-national, state and local governmental authorities. In some circumstances, these authorities must approve products and manufacturing processes and facilities before a portfolio company may sell some of these chemicals. To obtain regulatory approval of certain new products, it must be demonstrated to the relevant authority that the product is safe for its intended uses and that such product is capable of being manufactured in compliance with current regulations. The process of seeking approvals can be costly, time consuming and subject to unanticipated and significant delays. Approvals may not be granted on a timely basis, or at all. Any delay in obtaining, or any failure to obtain or maintain these approvals would adversely affect a portfolio company's ability to introduce new products and to generate revenue from those products. New laws and regulations may be introduced in the future that could result in additional compliance costs, bans on product sales or use, seizures, confiscation, recall or monetary fines, any of which could prevent or inhibit the development, distribution or sale of products and could increase customers' efforts to find less hazardous substitutes for products.

Third-Party Reimbursements. In both the U.S. and foreign markets, sales of a healthcare product and its success will depend in part on the availability of reimbursement from third-party payors such as government health administration authorities, private health insurers, and other organizations. The levels of revenues and profitability of pharmaceutical companies may be

affected by the continuing efforts of governmental and third-party payors to contain or reduce the costs of health care. Significant uncertainty exists as to the reimbursement status of newly approved health care products. There can be no assurance that a company's proposed products will be considered cost-effective or that adequate third-party reimbursement will be available to enable a company to maintain price levels sufficient to realize an appropriate return on its investment in product development.

Pricing and Reimbursement. The business and financial condition of medical companies will continue to be affected by the efforts of governmental and third-party payors to contain or reduce the cost of healthcare. In certain foreign markets pricing of medical products is subject to governmental control. In the United States there have been, and SR One expects that there will continue to be, a number of federal and state proposals to implement similar government price controls. In addition, managed care in the United States has increased and will continue to exert pressure on pricing. Although price reductions can lead to increases in overall product revenues due to increases in unit volume sales, prices imposed by government also may reduce royalties due on sales of portfolio company products and services.

Technological Change; Competition. The Funds' portfolio companies are likely to face competition from other companies or products based on product efficacy and/or safety profiles, the timing and scope of regulatory approvals, availability of supply, marketing and sales capability, reimbursement coverage, price and patent position. Others may develop technologies, which are, or in the future may be, the basis for products that will directly compete with or reduce the commercial market opportunity for the Funds' portfolio companies. For example, competition from larger and better capitalized pharmaceutical companies and more established biotechnology companies may be intense and may increase over time. Smaller companies may also prove to be significant competitors, particularly through collaborative arrangements with larger pharmaceutical and established biotechnology companies. Academic institutions, governmental agencies and other public and private research organizations also conduct research, seek patent protection and establish collaborative arrangements for clinical development and marketing, which can result in such competing products. These factors may materially adversely affect interests held by the Funds.

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations ("**Privacy Laws**") in the United States, Europe and elsewhere could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of SR One, the General Partner, the Funds and/or their portfolio companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for SR One, the General Partners, the Funds and/or their portfolio companies, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

For example, California has passed the California Consumer Privacy Act of 2018, and the EU has enacted the General Data Protection Regulation (EU 2016/679), each of which broadly impacts businesses that handle various types of personal data, potentially including private fund managers and their funds and investments. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties.

Other jurisdictions, including other U.S. states, have proposed or are considering similar Privacy Laws, which if enacted could impose similarly significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include SR One, the General Partner, the Funds and/or their portfolio companies.

United Kingdom (“UK”) Exit from the European Union (the “EU”). The United Kingdom left the EU (“Brexit”) on January 31, 2020 and is therefore no longer a member state of the EU. Pursuant to the agreement on the terms of the United Kingdom’s withdrawal from the EU a transitional period will apply until the end of 2020 (which may be subject to extension) during which the trading relationship between the United Kingdom and the EU is expected broadly to remain the same as prior to the United Kingdom’s exit from the EU. During this transitional period, the United Kingdom and EU will attempt to negotiate their future trading relationship. The negotiation and implementation of new trading arrangements between the United Kingdom and the EU could take a number of years.

There remains significant legal and political uncertainty surrounding the potential outcome of the negotiations between the United Kingdom and the EU. Further political uncertainty in the United Kingdom and the EU is likely to ensue for the foreseeable future. Any outcome may have economic, tax, fiscal, legal, regulatory and other implications for the asset management industry, the broader European and global financial markets generally and for private funds such as the Fund. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, providing or receiving services or having other significant relationships, in the United Kingdom or the EU, including companies or assets held or considered for prospective investment by the Fund.

The future application of EU-based legislation to the private fund industry in the UK will depend, among other things, on how the UK renegotiates its relationship with the EU. There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a Fund and its investments, including the ability of a Fund to achieve its investment objectives. Brexit may result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management (due in part to redenomination of financial assets and liabilities), an adverse effect on the ability of the General Partner to manage, operate and invest the Fund and increased legal, regulatory or compliance burden for SR One, the General Partner or the Fund, each of which may have a negative impact on the operations, financial condition, returns or prospects of the Fund.

Brexit may also have an adverse effect on the tax treatment of a Fund’s investments, to the extent such investments are based, do business, or have service or other significant relationships

in, the United Kingdom or the EU, including investments based in the United Kingdom or the EU which derive a majority of their sales or profits from emerging markets. In particular, the EU's directives preventing withholding taxes being imposed on intra-group dividends, interest and royalties may no longer apply to payments made into and out of the United Kingdom, meaning that instead the United Kingdom's double tax treaty network would need to be relied upon. Further, there may be changes to the operation of VAT, which may also have an adverse effect on the tax treatment of the Fund's investments, not only with respect to the operation of VAT on supplies made within the United Kingdom, but also with respect to supplies made from the United Kingdom to the remaining member states of the EU, and vice versa, to the extent applicable to the Fund's investments.

While the most immediate impacts of Brexit on corporate transactions will likely be related to changes in market conditions, the development of new regulatory regimes and parallel competition law enforcement may have an adverse impact on transactions, particularly those occurring in, or impacted by conditions in, the United Kingdom and Europe.

Conflicts of Interest

SR One and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds and the IAA Portfolio, and providing transaction-related, legal, management and other services to Funds, the IAA Portfolio and portfolio companies. SR One will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the Governing Documents, although the Funds and the IAA Portfolio and their respective investments will place varying levels of demand on these over time. In the ordinary course of SR One conducting its activities, the interests of a Fund likely will conflict with the interests of SR One, one or more other Funds and their portfolio companies or affiliates, as well as the IAA Portfolio and its investments. Certain of these conflicts of interest are discussed herein. As a general matter, SR One will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory boards of the participating Funds.

During the commitment period of a Fund, all appropriate investment opportunities will be pursued by SR One principals through such Fund, subject to certain limited exceptions set forth in the Governing Documents and SR One's allocation policies. Without limitation, SR One principals currently manage, and expect in the future to manage, several other investments similar to those in which a Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. SR One's principals and SR One's investment staff will continue to manage and monitor such investments until their realization. Such other investments that SR One principals expect from time to time to control or manage generally have the potential to compete with companies acquired by a Fund. Following the commitment period of a Fund, SR One principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, SR One will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by

advisory affiliates of SR One, as well as the IAA Portfolio. In determining which investment vehicles or portfolios should participate in such investment opportunities, SR One and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Except as required by the Governing Documents, SR One is not obligated to recommend any investment to any particular investment vehicle. Investments by more than one client of SR One in a portfolio company also have the potential to raise the risk of using assets of a client of SR One to support positions taken by other clients of SR One. In addition, it is expected that the IAA Client will provide startup capital to SR One in the form of a loan, which subjects SR One to potential conflicts of interest in allocating investment opportunities to the IAA Client. However, given that the IAA Portfolio will make only follow-on investments in its existing portfolio companies, SR One believes this risk is mitigated.

SR One must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. SR One generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Governing Documents, as well as factors including but not limited to: investment restrictions and objectives (including those set forth in the Governing Documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, life cycle, structure and other relevant factors. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund generally reserves the right to invest together with other Funds advised by an affiliated adviser of SR One in the manner set forth in the Governing Documents and SR One's Allocation Policy. SR One will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable to its clients under the circumstances over time consistent with SR One's obligations and reserves the right to take into consideration factors such as those set forth above; provided that all follow-on investments arising in connection with the IAA Portfolio will be allocated to the IAA Portfolio and not Fund I, unless Fund I also holds an interest in the applicable portfolio company.

Following such determination of allocation among Funds, SR One will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and SR One reserves the right to offer any such excess to one or more potential co-investors, including third parties, as determined by the Governing Documents, Side Letters and SR One's procedures regarding allocation. SR One's procedures permit it to take into consideration a variety of factors in making such determinations, including but not limited to: expressed interest in co-investment opportunities; expertise of the prospective co-investor in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations (*e.g.*, qualified purchaser or qualified institutional buyer status); confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto; SR One's perception of whether the investment opportunity may subject the prospective co-investor to legal, regulatory, reporting or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair SR One's ability to execute the relevant transaction in the desired time or on desired terms; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; perceived public relations and

reputational benefits or costs; and whether SR One believes that allocating investment opportunities to an investor or person will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant portfolio company, other portfolio companies, the Funds or SR One. Although SR One reserves the right to consider a prospective co-investor's willingness to invest in future Funds, such willingness generally will not be the sole determining factor considered by SR One in identifying co-investors. SR One reserves the right to grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities.

A Fund may co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments may involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of the Fund, or may be in a position to take action contrary to the investment objectives of the Fund. In addition, the Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner. There can be no assurance that the Fund's return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction.

Furthermore, SR One or its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a lender or co-sponsor. Co-investment opportunities typically will, be offered to some and not to other Fund investors, and the consideration of the factors set forth above may likely result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. When and to the extent that employees and related persons of SR One and its affiliates make capital investments in or alongside certain Funds, SR One and its affiliates are subject to potentially conflicting interests in connection with these investments. There can be no assurance that any Fund's return from a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

SR One's allocation of investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations likely will be more or less advantageous to some such persons relative to others. While SR One will allocate investment opportunities in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the potential conflicts of interest to which SR One expects to be subject, discussed herein, did not exist.

In certain cases, SR One will have the opportunity (but, subject to any applicable restrictions or procedures in the Governing Documents, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, SR One will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on eligibility and other factors similar to those employed in selecting co-investors, and unless required

by the Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

Where multiple Funds invest at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring may raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Funds may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by SR One in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, SR One expects to face a potential conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of one Fund versus another Fund (*e.g.*, the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If a Fund enters into any indebtedness with another Fund on a joint and several basis, the applicable General Partner is expected to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, SR One expects to be subject to potential conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. In certain circumstances Funds are expected to be prohibited from exercising (or SR One may deem it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one Fund or the other may be subject to creditor claims regarding subordination of interests. SR One intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Fund to bear its proportionate share of the applicable indebtedness, without undue favoritism over time.

Potential conflicts are expected to arise when and to the extent a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This likely will result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. SR One and its affiliates may from time to time express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions taken for one or more Funds may adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Governing Documents, SR One will allocate fees and expenses in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering such factors as it deems relevant, but in any case in its sole discretion. In exercising such discretion, SR One expects to be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions generally will be made by SR One or its affiliates using their reasonable judgment, considering such factors as they deem relevant, but in their sole discretion. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining whether to allocate *pro rata* based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or SR One. The Funds generally have different expense reimbursement terms, including with respect to Management Fee offsets, which is expected from time to time to result in the Funds bearing different levels of expenses with respect to the same investment.

The Funds may make controlling investments in portfolio companies. As a result of these controlling interests, SR One and/or its affiliates may have the right to appoint portfolio company board members (including current or former SR One personnel or persons serving at their request), or to influence their appointment, and to determine or influence the determination of their compensation. Additionally, from time to time, portfolio company board members approve compensation and other amounts payable to SR One and/or its affiliates in connection with services provided by SR One and/or its affiliates to such portfolio company, and, except to the extent such amounts are subject to the Governing Documents' offset provisions, are in addition to any Management Fees or carried interest paid by a Fund to SR One. SR One's authority to appoint or influence the appointment of portfolio company board members who may be involved in approving compensation payable to SR One and/or its affiliates subjects SR One and any such portfolio company board appointees to potential conflicts of interest.

Additionally, a portfolio company typically will reimburse SR One or service providers retained at SR One's discretion for expenses (including without limitation travel expenses) incurred by SR One or such service providers in connection with its performance of services for such portfolio company. This subjects SR One and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. SR One determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to SR One or such service providers generally is subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; and/or third party co-investors in its transactions. These factors help to mitigate related potential conflicts of interest.

SR One generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with certain service providers, and from time to time such service providers are expected to include: (i) SR One or a related person of SR One (which may include a portfolio company of such Fund); (ii) an entity with which SR One or its affiliates or current or former members of their personnel has a relationship or from which SR One or its affiliates or their personnel otherwise derives financial or other benefit including relationships with joint venturers or co-venturers, or relationships where SR One personnel are secondees, or from which SR One receives secondees; or (iii) certain limited partners or their affiliates. For example, SR One expects to be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects SR One to conflicts of interest, because although SR One selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, SR One has a potential incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest. There is a possibility that SR One, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or SR One), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. SR One will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Although SR One generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Whether or not SR One has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

In certain circumstances, current or former SR One personnel are expected to serve in interim or part-time roles at a portfolio company, or provide services to a portfolio company as a secondee or in similar capacities, whether or not while maintaining certain legacy economic arrangements, benefits, support services or indicia of employment at SR One. Under such arrangements, SR One and/or the relevant portfolio company may pay all or a portion of the personnel costs of such employee, or supervise or oversee such employee. These arrangements have the potential to create conflicts of interest, in that amounts paid by a portfolio company in connection with secondee relationships or to former employees generally will not offset or reduce the Management Fee. Due to the nature of secondee relationships, which are often initiated to meet a temporary portfolio company need, the arrangements between such employees and the related portfolio company are expected to change over time, and in many cases will be terminated when the portfolio company is sold or when the position can be filled on a longer-term or permanent basis. Employees may or may not return to SR One at the end of such secondee arrangement.

In addition, as described above, the Fund and/or portfolio companies typically pay certain fees to Venture Partners and other consultants (including consultants introduced or arranged by SR One and/or its affiliates that regularly provide services to one or more portfolio companies), and such fees do not offset or reduce the Management Fee as described herein. Venture Partners generally make use of SR One resources or otherwise are associated with SR One. SR One and/or its affiliates reserve the right to agree to compensate certain of such persons to the extent portfolio

company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. As discussed further above, SR One expects to engage certain Venture Partners that allocate a portion of their business time to SR One matters and, in such cases, SR One expects to pay a portion of such Venture Partner's compensation (with the balance of such compensation payable by the Fund and/or the applicable portfolio companies). In such instances, SR One is subject to a conflict of interest to the extent it receives services from such Venture Partners without paying its allocable share of such Venture Partners' compensation. Venture Partners generally receive investment opportunities, reimbursements and other compensation that do not offset or reduce the Management Fee of any Fund, as described herein. Although the use of Venture Partners and the allocation of compensation paid to them by SR One, its affiliates and/or the portfolio companies subjects SR One and/or its affiliates to potential conflicts of interest, SR One believes that such potential conflicts may be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the Venture Partner is lower than market rates for the services provided and/or if the services of the Venture Partner align with SR One's model for the portfolio company and improve portfolio company performance. Although SR One seeks to employ or retain Venture Partners with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. SR One also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that SR One believes will align such persons' interests with those of the Funds' limited partners, and seeks to employ or retain only Venture Partners and service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, SR One reserves the right from time to time to cause a Fund to enter into a transaction whereby the Fund purchases securities from, or sells securities to, other Funds managed by SR One, or co-investors or co-investment vehicles. Such transactions may arise in the context of automatic or other re-balancing of an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company acquired by another Fund. Certain of such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the Governing Documents or otherwise in the sole discretion of SR One, SR One reserves the right to seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. In certain circumstances, SR One reserves the right to determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to the Fund under then-current market conditions. SR One intends that any such transactions be conducted in a manner that it believes to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

Although SR One generally intends to structure Funds to avoid cross-guarantees and other circumstances in which one Fund ultimately bears liability for all or part of the obligations of another Fund, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In such case, SR One intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements.

SR One and/or its affiliates reserve the right to employ personnel with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by SR One and/or its affiliates; conversely, current or former personnel or executives of SR One and/or its affiliates may from time to time serve in significant management roles at portfolio companies or service providers recommended by SR One. Similarly, SR One, its affiliates and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, SR One and/or its affiliates, and/or the Funds or other investment vehicles they advise. SR One expects to be subject to a potential conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide SR One information about markets and industries in which SR One operates (or is contemplating operations) or will provide other services that are beneficial to SR One or one or more other Funds. SR One expects to be subject to a potential conflict of interest in making such recommendations, in that SR One has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to a Fund or its portfolio companies.

SR One, its affiliates, and equity holders, officers, principals and employees of SR One and its affiliates reserve the right to buy or sell securities or other instruments that SR One has recommended to a Fund. In addition, officers, principals and employees reserve the right to buy securities in transactions offered to but rejected by a Fund. Any such transactions are subject to any restrictions in the Governing Documents and any related policies and procedures set forth in SR One's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of SR One have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore expects to have additional potential conflicting interests in connection with these investments.

Because there is a fixed investment period after which capital from investors in a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure creates an incentive to deploy capital when SR One may not otherwise have done so.

Since SR One is permitted to retain certain Transaction Fees (as described under “Fees and Compensation”) in connection with Fund investments, it expects to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. Additionally, SR One, its personnel, affiliates or others designated by SR One expect from time to time to receive compensation in the form of portfolio company securities. To the extent any such securities are received, after any applicable offset provisions in the Governing Documents are applied (typically based on the then-present value of such securities), SR One and/or such other recipients will be permitted to retain such securities as Transaction Fees, and in doing so will be subject to potential conflicts of interest in determining whether to sell such securities (subject to restrictions imposed by the portfolio company and/or SR One or retain such securities for a period consistent with their own financial and investment objectives, which may differ from those of the relevant Fund). In addition, because portfolio company securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting a Fund’s relative ownership of the portfolio company awarding such compensation.

SR One and/or its affiliates reserve the right to enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures (including discounted or rebated compensation terms), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, and liquidity or transfer rights. Side Letters may also relate to strategic relationships under which an investor agrees to make capital commitments to multiple Funds. Except where required by Governing Documents, other investors will not receive copies of Side Letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such Side Letters. As a consequence of one or more limited partners being excused or excluded, or from regulatory or other factors limiting their participation in investments, the aggregate returns realized by participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments.

SR One has incentives to use or to recommend products or services of one portfolio company to another, which may involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as SR One has incentives to maintain goodwill between it and its former, existing and prospective portfolio companies, and as a result the products or services recommended may not necessarily be the best or lowest cost option.

Any of these situations subjects SR One and/or its affiliates to potential conflicts of interest. SR One attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by SR One’s advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds

and such investment vehicles in a manner it believes to be fair and equitable to the Funds under the circumstances over time. To the extent that an investment or relationship raises particular conflicts of interest, SR One will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, SR One consults and receives consent to conflicts from an advisory board consisting of limited partners of the relevant Fund(s) and such other investment vehicles.

DISCIPLINARY INFORMATION

SR One and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

SR One is affiliated with SR One Capital Partners I, LP, including general partners and equivalent entities formed from time to time and subject to the Advisers Act pursuant to SR One's registration in accordance with SEC guidance. SR One Capital Partners I, LP operates as a single advisory business together with SR One and serves as a general partner of Fund I, and generally shares common owners, officers, partners, employees, consultants or persons occupying similar positions.

SR One is also affiliated with SR One Capital Advisors Limited, a limited company registered under the laws of England and Wales that generally liaises with and/or advises SR One with respect to deal activity and related matters. The UK Adviser monitors certain investments and otherwise provides advice to SR One. The UK Adviser is not required to be registered (or deemed registered) under the Advisers Act because it provides investment advice to U.S. persons only through registered investment advisers; however, the UK Adviser operates in compliance with certain related requirements and undertakings as prescribed by the SEC.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

SR One has adopted the SR One Code of Ethics and Securities Trading Policy and Procedures (the "**Code**"), which sets forth standards of conduct that are expected of SR One principals and employees and addresses conflicts that arise from personal trading. The Code requires certain SR One personnel to report their personal securities transactions, prohibits or requires pre-clearance for SR One personnel from directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits SR One personnel from directly or indirectly acquiring beneficial ownership of securities with limited exceptions, without first obtaining approval from the SR One Chief Compliance Officer. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to Rajeev Dadoo, the SR One Chief Compliance Officer, at (610) 220-4913. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

SR One and its affiliated persons may come into possession, from time to time, of material non-public or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, SR One and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of SR One.

Accordingly, should SR One or any of its affiliated persons come into possession of material non-public or other confidential information with respect to public and non-public company, SR One generally would be prohibited from communicating such information to clients, and SR One will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of SR One personnel serving as directors of public companies and may restrict trading on behalf of clients, including a Fund.

Principals and employees of SR One and its affiliates generally are expected to directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles are expected to invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities generally are also expected to be presented to certain affiliates of SR One, as well as third party investors and other persons (other than SR One, a General Partner, certain beneficial owners thereof and their respective affiliates (other than a Fund and any alternative investment vehicle thereof), except, in each case, to the extent reasonably necessary or advisable to address tax, regulatory, accounting, legal or other considerations), and such co-investments may be effected through co-invest vehicles, directly in a particular portfolio company or through an intermediate entity in a portfolio company's structure. Such co-investment opportunities generally will be allocated in the manner described under "Methods of Analysis, Investment Strategies and Risk of Loss."

SR One and its affiliates, principals and employees expect from time to time to carry on investment activities for their own account, for personal or employee investment vehicles and, potentially, for family members, friends or others who do not invest in a Fund, as well as give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Fund, even though their investment objectives may be the same or similar. The Governing Documents and investment programs of certain Funds generally restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Funds or give priority with respect to investments to such Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds or be subject to limitations (*e.g.*, by the time or percentage of capital deployed).

BROKERAGE PRACTICES

SR One focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, SR One reserves the right to distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, such as where a public trading market exists. Although SR One does not intend to regularly engage in public

securities transactions, to the extent it does so, it intends to follow the brokerage practices described below.

If SR One sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by SR One. In such event, SR One will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, SR One reserves the right to consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

SR One has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although SR One generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with SR One seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them, although SR One generally does not make use of such services at the current time and has not made use of such services since its inception. Such research services could include economic research, market strategy research, industry research, company research, fixed income data services, computer-based quotation equipment and research services and portfolio performance analysis. As a general matter, research provided by these brokers would be used to service all of SR One’s Funds. However, each and every research service may not be used for the benefit of each and every Fund managed by SR One, and brokerage commissions paid by one Fund may apply towards payment for research services that might not be used in the service of such Fund. Research services may be shared between SR One and its affiliates.

SR One will employ no agreement or formula for the allocation of brokerage business on the basis of research services; however, SR One in its discretion reserves the right to cause the Funds to pay such brokers a commission for effecting portfolio transactions in excess of the amount of commission another broker adequately qualified to effect such transactions would have charged for effecting such transactions. This generally arises where SR One has determined in good faith that such commission is reasonable in relation to the value of brokerage and research services received. In reaching such a determination, SR One would not be required to place or attempt to place a specified dollar value on the brokerage or research services provided by such broker.

SR One periodically will determine which brokers have provided research that has been helpful in the management of Funds. To the extent consistent with SR One’s goal to obtain best execution for its clients, SR One reserves the right to seek to place a portion of the trades that it directs with the brokers who are identified through this process.

To the extent that SR One allocates brokerage business on the basis of research services, it expects to have an incentive to select or recommend broker-dealers based on the interest in receiving such research or other products or services, rather than based on its Funds' interest in receiving most favorable execution. To the extent SR One uses "soft dollars" on behalf of the Funds, it intends to seek to do so within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

In SR One's private company securities transactions on behalf of the Funds, SR One reserves the right to retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant Fund and/or its portfolio companies. In determining to retain such parties, SR One reserves the right to consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although SR One generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Funds may not pay the lowest commission or fee for such services.

REVIEW OF ACCOUNTS

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, SR One monitors companies in which the Funds invest, and the SR One Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

Each Fund generally will provide to its limited partners (i) annual GAAP audited and quarterly unaudited financial statements and (ii) annual tax information necessary for each limited partner's tax return.

CLIENT REFERRALS AND OTHER COMPENSATION

SR One and/or its affiliates intend to provide certain business or consulting services to companies in a Fund's portfolio and expect to receive compensation from these companies in connection with such services. As described in the Governing Documents, this compensation may, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio company), these fees may be in addition to Management Fees. *See* "Fees and Compensation."

SR One reserves the right from time to time, to enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents generally will be borne by SR One indirectly through an offset against the Management Fee under the Governing Documents, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s). SR One currently has retained Goldman Sachs to solicit commitments from investors in exchange for a non-refundable, non-credited performance-based consulting fee, in addition to the reimbursement of certain expenses.

CUSTODY

SR One maintains custody of assets held in the name of one or more Funds with Silicon Valley Bank.

INVESTMENT DISCRETION

SR One has discretionary authority to manage investments on behalf of each Fund. As a general policy, SR One does not allow clients to place limitations on this authority. Pursuant to the terms of the Governing Documents, however, SR One and/or its affiliates have entered, and expect to enter, into Side Letters with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund are altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. SR One assumes this authority pursuant to the terms of the Governing Documents and/or applicable investment management agreement and powers of attorney executed by the limited partners of such Fund.

VOTING CLIENT SECURITIES

SR One has adopted the Proxy Voting Policies and Procedures (the “**Proxy Policy**”) to address how it will vote proxies, as applicable, for each Fund's portfolio investments. The Proxy Policy seeks to ensure that SR One votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. SR One generally believes its interests are aligned with those of each Fund's investors, for example, through the principals' beneficial ownership interests in such Fund and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that SR One may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote, or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board is authorized to approve SR One's vote in a particular solicitation. SR One does not consider service on portfolio company boards by SR One personnel or SR One's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by SR One when voting proxies on behalf of a Fund. Clients or investors that would like a copy of SR One's complete Proxy Policy or information regarding how SR One voted proxies for particular portfolio companies may contact Rajeev Dadoo, the SR One Chief Compliance Officer, at (610) 220-4913, and it will be provided at no charge.

FINANCIAL INFORMATION

SR One does not require prepayment of management fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.