

## Mission Engagement Letter

FOR [COMPANY]

DATE

**Purpose:** Cathay Innovation is a globally focused venture firm with an ingrained set of values and a mission to promote a more sustainable future through innovation.

The whole world is calling for businesses of all sizes to have a positive impact and contribute to a shift towards a sustainable economy. One that not only promotes job growth and economic prosperity but also the well-being of society as a whole. We are convinced that start-ups and entrepreneurs will have a major role to play in advancing towards a sustainable economy that benefits everyone.

Yet, we believe the most successful innovations will not happen in silos and creating impact at the value chain level often requires collaboration with a range of players, including incumbents. To scale, the buy-in of a broader ecosystem is critical. Cathay Innovation commits itself to provide its ecosystem to start-ups to foster collaboration between all players and to develop the next innovations that will positively impact the world.

Cathay Innovation and the companies commit themselves to collaborate and work together to use technology for the good of all stakeholders. This includes different issues: economic growth, through job creation and improved buying value, but also social interests, such as access to health or financial institutions and last but not least, a focus on safeguarding the planet.

By this mission engagement letter, Cathay Innovation and the companies commit themselves to set up a framework of relationships, criteria and metrics to both encourage and assess the impact that will make everyone accountable for positive outcomes.

Therefore, in addition to the financial and legal terms previously defined in the term sheet, this impact engagement letter describes the mission and core values of (“Company”) and the ways the Company intends to put these values into action. This includes measurement through ongoing business practices contributing to core impact and stakeholder impact.

### **Mission & Core Values:**

Company’s mission is to...*[insert company’s core mission statement]*.

The company’s core values include...*[insert company’s core values]*.

### **Core Impact Measurement:**

The Company’s mission and values are aligned with sustainable development goals set by the United Nations, in this case [Sustainability Goal 8](#) *[insert relevant SDG]* : promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

The Company commits itself to monitor its impact using the [Impact Measurement Project Framework](#), and will report to Cathay Innovation.

- *What: outlines what outcome the enterprise is contributing to, whether it is positive or negative, and how important the outcome is to stakeholders.*
- *Who: which stakeholders are experiencing the outcome and how underserved they are in relation to the outcome.*
- *How much: describes how many stakeholders experienced the outcome, what degree of change they experienced, and how long they experienced the outcome for.*
- *Contribution: whether an enterprise's and/or investor's efforts resulted in outcomes that were likely better than what would have occurred otherwise.*
- *Risk: tells us the likelihood that impact will be different than expected.*

Following previous analysis, Cathay Innovation and the Company agree that the two next metrics are the most relevant objectives for assessing the positive impacts identified by the GDSs. The company commits itself to monitoring and providing the following two parameters on a quarterly basis. They will be included in Cathay Innovation's reports and will be shared with investors.

1. the number of customers being served by Company *[or insert relevant metric]*
2. the percentage of customers successfully paying back loans to the company *[or insert relevant metric]*

These metrics are fundamental on various scales: they are a first step on a generalized commitment of all our partners to assess how the corps business can have a true impact on the previous mentioned issues, and finally, to make Cathay itself accountable of its own impact on society as a whole

### **Stakeholders Impact Measurement:**

The Company plans to consider impact to all stakeholders. As such, the Company will engage in various other sustainability focused initiatives.

*[COMPANY TO INCLUDE OTHER IMPACT EFFORTS, PLACEHOLDERS ONLY]*

- *Recruiting for Diversity:* The Company plans to make extra efforts, at some extra initial cost, to build a diverse team. This will include steps to remove hidden bias from the recruiting process and apply the Rooney Rule to all executive level positions as well as insuring women candidates are interviewed for every executive position.
- *Corporate citizenship:* The Company will make a donation to a local charity focused on delivering affordable care or improving access to care in each of our state markets every year.

Cathay Innovation has a social responsibility related to the activities of the companies in its portfolio and firmly believes that accounting for Environmental, Social and Governance (ESG) stakes in its activities is fundamental to its role as an investor and an integral part of the challenges associated with sustainability. Thus, Cathay Innovation plans to follow the ESG framework within its portfolio (defined in the appendix) and leaves it up to the

Company's discretion to complete an annual ESG questionnaire to understand its current ESG status.

*[COMPANY TO INCLUDE OTHER IMPACT EFFORTS, PLACEHOLDERS ONLY]*

- *ESG:* The Company plans to utilize video conferencing in lieu of air travel whenever possible, which is good for its carbon footprint and bottom line.

**FOUNDER(S):**

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**INVESTOR(S):**

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