

## **Responsible investment policy**

This policy presents TechLife Capital's ESG policy. This policy is consistent with TechLife Capital's values and commitment.

### **Introduction and policy objectives**

TechLife Capital is a fund specializing in the pharmaceutical industry, healthcare, medical devices and new technologies. ESG issues are therefore at the heart of the fund's investment policy. We focus on business models that have a positive impact on society and citizens' well-being. Impact is one of the main reasons why we have selected cancer diagnosis and treatment, healthcare data protection and biotherapy services as priority sectors.

TechLife Capital's objective is to invest in new technologies capable of generating well-being and lasting impact within society.

### **Committed investor**

TechLife Capital's research has resulted respectively in investments in XPath, which aims to structure and improve cancer diagnostics in France; in MyData-Trust, which aims to secure the management of patient data, particularly during clinical trials for drug development; and in Flash Therapeutics, which provides critical products to biotech companies launching innovative biotherapies to combat diseases with no existing adequate treatment.

Environmental, social and governance issues are at the heart of TechLife Capital's investment process. TechLife Capital is a committed investor and a signatory of the PRI (Principles for Responsible Investment).



To this end, and through the monitoring of its holdings, the management company seeks to obtain information on ESG issues. ESG due diligence is carried out every year, and new themes are added in order to commit our holdings to defining KPIs and objectives that promote sustainable value throughout the investment process.

TechLife Capital is also a signatory of France Invest's gender equality charter.



In March 2020, France Invest drew up a Charter to promote parity among French private equity players and the companies they support. The charter's ambition is to reach 25% of

women in senior positions by 2030, rising to 30% by 2035. TechLife Capital has set itself the target of recruiting two women to its management teams by 2023.


Diversity is a priority for all TechLife Capital investments. At Flash Therapeutics, 67% of employees are women. At XPath Group, 50% of doctors are women, and the majority of employees are women.

## Long-term investment in companies working towards Sustainable Development Goals (SDGs)

TechLife Capital is committed to the United Nations' Sustainable Development Goals (SDGs). The Agenda 2030 applies to all countries, North and South. With its 17 Sustainable Development Goals and 169 targets (or sub-goals), it sets out a detailed roadmap covering virtually all societal issues.



TechLife Capital, through its investment in sustainable holdings, contributes to the following SDGs:

	<p>The third goal is to ensure the health and well-being of all, by improving reproductive, maternal and child health, and reducing the main communicable, non-communicable, environmental and mental diseases. These health challenges can only be met if we put in place prevention systems aimed at reducing deviant behavior and all health risk factors, ensure universal access to medical coverage and health services, support research and development of vaccines and medicines, and improve health risk management in developing countries.</p>
<p>TechLife Capital has made its raison d'être its investment focus, and today concentrates 75% of funds under management on health-promoting investments.</p>	



The fifth goal is specifically dedicated to the empowerment of girls and women. It concerns gender equality and aims to put an end to all forms of discrimination and violence against women and girls worldwide. Targets include the fight against discrimination and violence against women, women's access to leadership and decision-making positions, and universal access to sexual and reproductive rights. It interacts with the 16 other SDGs: it enables the design and implementation of all public policies from a gender perspective, and encourages the implementation of policies dedicated to combating inequalities that persist and require positive measures in favor of women.

TechLife Capital is committed to diversity and to ensuring that its investments take diversity into account..



This eighth goal recognizes the importance of sustained, shared and sustainable economic growth to provide decent, quality employment for all. It aims to eradicate undesirable work and ensure protection for all workers. It promotes the development of training and employment opportunities for new generations, accompanied by an increase in skills for "sustainable" jobs. SDG8 also calls for enhanced international cooperation to support growth and decent employment in developing countries through increased aid for trade, development-oriented policies and a global youth employment strategy.

Through its investments, TechLife Capital encourages the sourcing of ingredients in Europe and the manufacture of medicines in France. Repatriating drug production is a priority. Today, 40% of medicines in the European Union come from third countries such as China and India. This repatriation promotes sustainable employment in France and aims to secure drug supplies and reduce greenhouse gas emissions.



The ninth Sustainable Development Goal (SDG) promotes the resilient and sustainable development of infrastructure, industrialization and innovation. These sectors must be a driving force in reducing poverty and improving quality of life worldwide, while having a minor impact on the environment. SDG9 calls for financial, technological and technical support for industries, and the encouragement of innovation and scientific research. To achieve this goal, it is necessary to strengthen international cooperation in research and development, while ensuring technology transfer to developing countries.

TechLife Capital provides financial support and encourages scientific research and innovation. Flash Therapeutics' participation has the potential to enable and advance the development of RNA- and DNA-delivered treatments for a wide range of diseases, including cancer, infectious disorders and genetic diseases. Based on innovative proprietary technology, the company is an expert in the manufacture of lentiviral vectors.



The thirteenth objective aims to strengthen countries' resilience and capacity to adapt to climate hazards and disasters, with a focus on building the capacities of the least developed countries and small island developing states. This ambition is reflected at every level: by strengthening international cooperation, in particular through the operationalization of the Green Fund; in the development of national policies and planning, by raising public awareness and setting up early warning systems..

TechLife Capital sets environmental objectives aimed at reducing the carbon emissions of all its holdings. The promotion of sustainable mobility and the repatriation of drug manufacturing from one of our holdings contribute to the reduction of greenhouse gases. A carbon footprint will be requested for each investment.

## ESG integration process

TechLife Capital's ESG integration is an integral part of strategy, financial performance and risk monitoring.

### **1.1. Pre-investment analysis**

Prior to any investment, TechLife Capital carries out due diligence of various kinds (commercial, external growth, tax, financial, social, strategic, ESG risks). The analyses carried out prior to each investment are presented to the investment committee, and the files are voted on by committee members. Controversial data, linked to an ESG assessment, are thus taken into account prior to investment.

### **1.2. Shareholder dialogue with participating interests**

Post-investment monitoring of these factors continues, with regular meetings between managers and company executives. The dialogue is structured. During this phase, the business plans defined before the investment are compared with the actual figures, and any discrepancies are analyzed, and when necessary, an action plan is drawn up. TechLife Capital is vigilant about taking sustainability issues into account, and engages ESG issues with all its investments.

The cornerstone of our management company's approach is therefore the dialogue and shareholder engagement that TechLife Capital establishes upstream and throughout the investment process with the entrepreneurs at the helm of the companies in which we invest on behalf of our clients.

### **1.3. ESG monitoring and steering**

As a management company investing mainly in unlisted companies, TechLife Capital aims to add value by helping portfolio companies to take full advantage of the opportunities available to them, while helping them to anticipate and prepare for risks. In some cases, the management company may hold a large proportion of the company's share capital.

TechLife Capital's job is to analyze a company's financial situation, imagine its future and help it develop its sustainable potential. Behind the financial visibility of our shareholdings, there are men and women, a project focused on health and technology, a common vision that TechLife Capital shares and, above all, a desire to provide concrete, sustainable solutions to the real problems facing society, to participate in the common good. Shareholder engagement is an integral part of TechLife Capital's investment strategy.

Each year, we draw up an ESG roadmap for each company. Participation by participation, objectives are set to improve certain practices.



#### 1.4. Exercising voting rights

In line with these principles, TechLife Capital examines resolutions submitted for a vote on a case-by-case basis. A shareholder engagement and voting policy formalizes this commitment. The management company exercises 100% of the voting rights on all its holdings.

TechLife Capital does not use service providers for the management and routing of its votes.

#### Policy on exclusions

Out of conviction or when the situation requires it (compliance with international conventions, for example), the management company excludes certain companies from its investment universe, depending on their activities (sector exposure, treaty violations, etc.).

TechLife Capital has set up exclusions for companies exposed to the following activities:

- Controversial weapons (normative exclusions),
- Tobacco (production, distribution, components of finished products),
- Coal (mining activities, energy production, revenues derived indirectly from coal),
- Conventional and nonconventional hydrocarbons,
- Pornography,
- Gambling,
- Alcohol.

These exclusions ensure that we are not exposed to companies with a significantly negative impact on sustainability factors. It is therefore a preventive approach within our sustainability risk management system.

When acquiring a stake in a company, if activity in one of the sectors listed above is detected, TechLife Capital will apply a policy of divesting activities in order to maintain a stake free of controversial sectors.

## **TechLife Capital's ESG constraints and commitments**

- Maintain investments in the above-mentioned SDGs. This constraint aims to direct the selection of holdings towards companies with better ESG profiles than the market average,
- Maintain commitments to the three ESG pillars for each investment, whatever its size and adapted to its resources, in order to achieve continuous improvement. This constraint ensures constant progress in non-financial indicators,
- Maintain 100% attendance at Annual General Meetings,
- Maintain its policy of exclusion,
- Apply TechLife's Climate and Biodiversity policy to all its investments in order to protect the environment.

## **Compliance with regulatory requirements**

The Funds managed by TechLife Capital promote environmental and social characteristics, without a sustainable investment objective, and the Management Team verifies the application of good governance practices at investee companies: the Funds are consequently classified as "Article 8" under Regulation (EU) 2019/2088 (SFDR) and comply with the regulatory obligations associated with this classification (particularly in terms of pre-contractual and periodic documentation).

TechLife Capital takes into consideration the main negative impacts of investment decisions on sustainability factors, at entity and managed Fund level.