

Pre-contractual information for the financial products referred to in Article 8 of Regulation (EU) 2019/2088 and the first paragraph of Article 6 of Regulation (EU) 2020/852

Product name : **TechLife Capital I** Legal entity identifier: 122613

Environmental and/or social characteristics

Sustainable investment is defined as an investment in an economic activity that contributes to an environmental or social objective, provided that it does not cause significant harm to either of these objectives and that the companies benefiting from the investment apply good governance practices.

The **EU taxonomy** is a classification system established by Regulation (EU) 2020/852, which lists **environmentally sustainable economic activities**. The regulation does not list socially sustainable economic activities. Sustainable investments with an environmental objective are not necessarily aligned with the taxonomy.

Does this financial product have a sustainable investment objective?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It will achieve a minimum of sustainable investments with an environmental objective : _____ % <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that are considered environmentally sustainable under the EU taxonomy <input type="checkbox"/> in economic activities that are not considered environmentally sustainable under the EU taxonomy 	<input checked="" type="checkbox"/> It promotes environmental and social (E/S) characteristics and, although it does not have sustainable investment as its objective, it will contain a minimum proportion of sustainable investments of 75%. <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that are considered environmentally sustainable under the EU taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that are not considered environmentally sustainable under the EU taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It will achieve a minimum sustainable investment with a social objective: __%.	<input type="checkbox"/> It promotes I/O characteristics, but does not will not make sustainable investments



What environmental and/or social features does this financial product promote?

TechLife Capital integrates sustainability factors into the management process of the companies in which it invests. ESG criteria are integrated into the strategy and make it possible to exclude holdings in sectors that we exclude.

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 on the basis of their activities (sector exposure, breach of treaties, 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, income derived indirectly from coal),
- Conventional and non-conventional hydrocarbons,
- Pornography, gambling and alcohol.

These exclusions ensure that the fund is not exposed to companies that have a significantly negative impact on sustainability factors.

TechLife Capital has decided to invest in sustainable investments that generate all of their revenues from goods and services on one of the following SDGs (Sustainable Development Goals) as explained in the Responsible Investment Policy:

- (3) Good health and well-being
- (8) Decent work and economic growth
- (9) Industry, innovation and infrastructure

The fund managers take an overall view of environmental and social issues and are committed to ensuring that the fund is better able to represent companies that have a positive impact on these issues and have a real positive impact on society.

With this in mind, the TechLife Capital I fund promotes the following environmental and/or social characteristics ("E/S characteristics"):

- **Taking into account the environmental, social and governance (ESG) practices** of holdings through exchanges and the ESG questionnaire developed by TechLife Capital. To ensure that this ESG questionnaire is efficient and generates sustainable objectives, 80% of holdings will be covered by the end of 2024. 75% of holdings are already covered by 2023.
- **Main Negative Impacts (MNI):** these are the most significant negative impacts of investment decisions on sustainability factors. These impacts are studied by the management company and incorporated into the indicators analysed internally, thus feeding into the ESG analysis via the ESG questionnaires.
- **Stock selection focused on companies with better ESG profiles than the market average.** This selection is based on a panel of companies analysed during the year, including both listed and unlisted companies. It is important to note that investments are made in unlisted companies, mainly small caps.
- **Pursuing a policy of exclusions:** these may be 1) sector exclusions based on environmental or social convictions, or 2) exclusions of companies that do not comply with certain international conventions. These exclusions are put in place in order to continually promote certain environmental and social standards.
- **Maintaining a shareholder commitment throughout the year** (ongoing dialogue with shareholders, voting at General Meetings). The managers attend all General Meetings and exercise their voting rights on all holdings.

Sustainability indicators assess the extent to which the environmental or social characteristics promoted by the financial product are achieved.

● **What sustainability indicators are used to measure the achievement of each of the environmental or social characteristics promoted by the financial product?**

TechLife Capital has put in place a number of indicators to check that the environmental and social characteristics of the fund are being met. The methods, indicators and constraints in place are presented below.

1-Analysis of ESG data - Questionnaire - Objectives

TechLife Capital has developed an ESG questionnaire to guide its analysis of the environmental, social and governance issues facing investments. In practical terms, this grid of questions covers the three pillars of Environment (E), Social (S) and Governance (G), with each pillar being studied using criteria based on both quantitative and qualitative indicators. IAPs are one of the indicators included in the grid. The criteria used are as follows, but are not exhaustive:

- Environmental risks (climate, natural resources, biodiversity, waste, etc.) (E)
- Climate policy (E)
- Corporate culture (S)
- Social responsibility (S)
- Diversity and non-discrimination (S)
- Management and supervisory bodies (G)
- Financial and non-financial information (G)

This grid is used to set objectives for investments and to analyse ESG risk. It ensures that ESG risks and opportunities are taken into account in the management and life of our investments.

Indicators monitored at the shareholding level :

- Multiple quantitative/qualitative indicators for each ESG pillar
- Main negative impacts PAI

Indicators monitored at fund level :

- ESG coverage rate of the TechLife Capital I fund
- Main negative impacts PAI

Constraints :

- Minimum proportion of holdings covered ESG: TechLife Capital is committed to covering at least 75% of invested assets, with a target of 80% by 2024.
- The ESG questionnaire is updated once a year and expanded from year to year.
- To ensure that the sectors targeted by its investments do not cause significant harm that runs counter to the sustainable investment objectives previously set.
- The control and good practice of governance is vital for a private equity fund. The fund managers monitor investments and determine an assessment of governance practices for each company, which involves analysing the following four issues in particular:
 - a) the existence of sound management structures
 - b) the quality of employee relations
 - c) staff remuneration
 - d) compliance with tax obligations

2-Fund focusing on health and well-being and technological solutions

Indicators monitored at the shareholding level :

- Sales exposure that makes a positive contribution to the SDO
- Annual targets set for each shareholding

Indicator monitored at fund level :

- Coverage rate of investments by SDG

Constraint:

- Minimum proportion of sustainable investments with an SDG: Concentrate its investments in SDGs promoting good health and well-being, decent work and economic growth, and industry, innovation and infrastructure.

3-Policy of exclusion

The fund excludes from its investment universe holdings whose business has the following characteristics:

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

Indicators monitored at the shareholding level :

- Sales exposure for each investment
- Involvement in a serious and proven controversy

Indicator monitored at fund level :

- Exclusion policy to filter entries

Constraint:

- Do not invest in a company on the list of exclusions.

4-Shareholder engagement and voting policy

Techlife Capital's shareholder engagement strategy is as follows:

- 1) Maintaining regular dialogue with the management of the holdings
- 2) Exercise of voting rights
- 3) Direct intervention when the situation requires it
- 4) Enhanced dialogue in the event of controversy
- 5) Setting targets for ESG best practice

Indicators monitored at the shareholding level :

- Dates of General Meetings of shareholders

Indicator monitored at fund level :

- Proportion of Annual General Meetings voted on

Constraint:

- Voting at General Meetings of shareholdings: TechLife Capital exercises its voting rights at all General Meetings (see Shareholder engagement and voting policy),
- Ensuring ongoing dialogue with its investments throughout the investment phase

● **What are the sustainable investment objectives that the financial product aims to partially achieve and how does sustainable investment contribute to these objectives?**

The fund promotes environmental and social characteristics and will invest 80% of its assets in sustainable investments, i.e. economic activities that make a substantial contribution to a sustainable social or environmental objective while not significantly undermining other sustainable objectives. The fund does not use a benchmark index. The objective is to cover 90% of investments by 2024.

The holdings of TechLife Capital I are not subject to the disclosure requirements of the EU taxonomy. However, TechLife Capital wishes to obtain information on the scope of application of these objectives and will include the relevant requests in its ESG questionnaire.

The fund's investment objective is to invest all of its assets in holdings that contribute to the health, technology and well-being of the Company without compromising other sustainable objectives.

● **To what extent do the sustainable investments that the financial product partially intends to make not cause significant harm to an environmentally or socially sustainable investment objective?**

The TechLife Capital I fund ensures that investments do not have a significantly negative impact on one or more environmental and social objectives. To this end, our holdings are assessed on the basis of an ESG questionnaire that takes into account the main negative impacts:

Greenhouse gas emissions (GHG)	<ol style="list-style-type: none"> 1. Greenhouse gas emissions 2. Carbon footprint 3. The greenhouse gas emissions intensity of invested companies 4. Exposure to companies operating in the fossil fuel sector 5. Share of non-renewable energy consumption and production 6. Energy consumption intensity by sector with high climate impact
Biodiversity	<ol style="list-style-type: none"> 7. Activity having a negative impact on biodiversity-sensitive areas
Water	<ol style="list-style-type: none"> 8. Activities with a negative impact on water
Waste	<ol style="list-style-type: none"> 9. Hazardous waste ratio
Social and employee issues	<ol style="list-style-type: none"> 10. Violation of the principles of the United Nations Global Compact and the OECD Guidelines on Multinational Enterprises 11. Lack of control and compliance with points 10 12. Unadjusted gender pay gap 13. Gender diversity on the Board of Directors 14. Exposure to controversial weapons

How have the negative impact indicators been taken into account?

The indicators relating to the Main Negative Impacts (MNI) have been taken into account within the holdings by enriching the ESG questionnaire. The inclusion of PAls enables us to check that a sustainable investment does not undermine environmental and social objectives.

To what extent do sustainable investments comply with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Detailed description :

Compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is an indicator taken into account by TechLife Capital.

The role of private equity in corporate governance is highlighted in an OECD report and enables us to map certain risks associated with our holdings¹.

The EU taxonomy establishes a "do no harm" principle whereby taxonomy-aligned investments should not cause significant harm to the objectives of the EU taxonomy and is accompanied by specific EU criteria.

The principle of "not causing significant harm" applies only to investments underlying the financial product that take into account the European Union's criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

Any other sustainable investment must also not cause significant harm to environmental and social objectives.

¹ <https://www.oecd.org/fr/daf/ae/principesdegouvernementdentreprise/40033300.pdf>



Does this financial product take into account the main negative impacts on sustainability factors?

The Main Negative Impacts are the most significant negative impacts of investment decisions on sustainability factors related to environmental, social and labour issues, respect for human rights and the fight against corruption and bribery.

X

Yes, the product takes into account the Main Negative Impacts on sustainability factors, by calculating the various indicators relating to negative impacts.

These indicators are included in the ESG questionnaire. These indicators are included in the ESG questionnaire: they help to shape the ESG strategy we want for our holdings. In addition, any major impact identified will also influence our thinking about objectives and valuation.

Negative impact indicators are aggregated at fund level: this data will be reported annually for the past calendar year in an ESG report providing details at TechLife Capital I fund level.

No



What investment strategy does this financial product follow?

TechLife Capital I is a *private equity* fund with the objective of achieving financial performance over a 10-year horizon. As a management company that invests mainly in unlisted companies, TechLife Capital I aims to add value by helping its portfolio companies to make the most of the opportunities available to them, while helping them to anticipate risks. The management company may sometimes hold a large proportion of the share capital of its investments.

TechLife Capital's job is to analyse a company's financial situation, imagine its future and help it to develop its sustainable potential. Behind the financial visibility of our investments, 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. An ESG roadmap is drawn up for each company every year. Objectives are set to improve certain practices on a shareholding-by-shareholding basis.

The investment strategy is based on the three phases of private equity:

- During the due diligence phase, the future investment is assessed according to a number of financial and non-financial criteria, including its contribution to the SDGs mentioned above. TechLife Capital recognises the importance of ESG in the due diligence phase as a lever for growth. The interest of the due diligence phase is to be able to detect good practices that have not yet been formalised, to be able to push for the examination of certain subjects and to subsequently contribute to helping formalise them.
- During the investment phase, the shareholding is questioned on these practices, enriched with data allowing to set coherent objectives adapted to the financial situation of the shareholding. In this way, an ESG roadmap is created and a shareholder commitment is put in place throughout the duration of the investment. TechLife Capital has defined an ESG, climate and biodiversity strategy that enables it to detect the occurrence of an ESG event or risk that could potentially cause a negative impact on the value of an investment but also induce a risk to the environment and/or society.
- During the divestment phase, the ESG report will contribute to the valuation of the investment and create value.

What are the constraining factors in the investment strategy used to select investments in order to achieve each of the environmental or social characteristics promoted by this financial product?

Managers are obliged to select holdings that fall within the scope of companies working towards the SDGs listed above. They may not invest in companies whose activities fall within the exclusion policy.

Compliance requires fund managers to monitor the ESG commitments made, to ensure that investments provide the information requested and to collaborate in setting ESG objectives via a roadmap.

What is the minimum rate of commitment to reduce the scope of the investments envisaged before this investment strategy is applied?

Not applicable

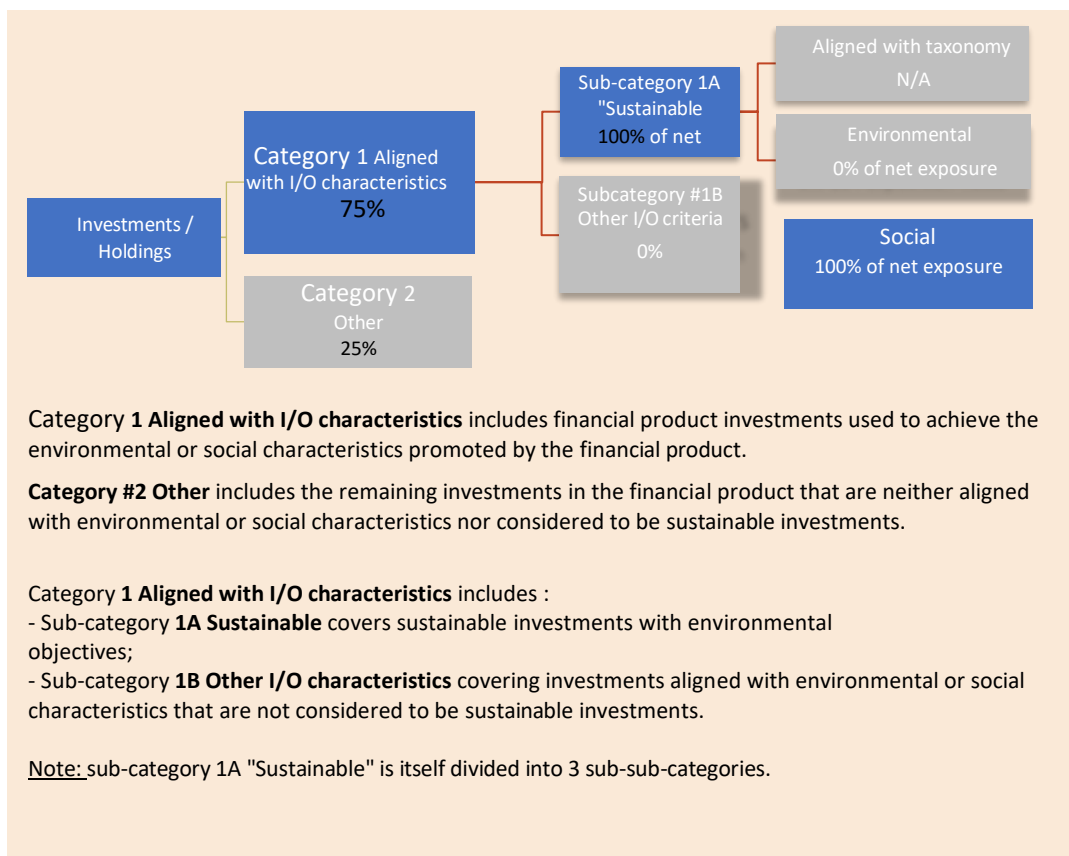
What is the policy for assessing the good governance practices of investee companies?

In general, TechLife Capital attaches great importance to good governance practices. Shareholder dialogue is a cornerstone of the monitoring of shareholdings throughout the investment phase. The shareholder engagement and voting policy completes this approach.

Good governance practices relate to sound management structures, employee relations, staff remuneration and compliance with tax obligations.



What is the planned asset allocation for this financial product?



Category 1 Aligned with I/O characteristics includes financial product investments used to achieve the environmental or social characteristics promoted by the financial product.

Category #2 Other includes the remaining investments in the financial product that are neither aligned with environmental or social characteristics nor considered to be sustainable investments.

Category 1 Aligned with I/O characteristics includes :

- Sub-category **1A Sustainable** covers sustainable investments with environmental objectives;
- Sub-category **1B Other I/O characteristics** covering investments aligned with environmental or social characteristics that are not considered to be sustainable investments.

Note: sub-category 1A "Sustainable" is itself divided into 3 sub-sub-categories.

All of the fund's investments are designed to comply with the I/O characteristics promoted by the fund. Please note: this is a planned allocation that will change over time depending on future participation.

How does the use of derivatives achieve the environmental or social characteristics promoted by the financial product?

Derivatives are not used in the management of this fund.

Asset allocation describes the proportion of investments in specific assets.

Activities aligned with the taxonomy are expressed as a percentage:

- **Figures** to reflect the proportion of revenue generated by the green activities of investee companies
- **Expenses** (CapEx) to show the green investments made by investee companies in the transition to a green economy, for example.

- Expenses (OpEx) to reflect the green operational activities of the investee companies.



To what extent are sustainable investments with an environmental objective aligned with the EU taxonomy?

At present, it is difficult to support a significant commitment to a minimum proportion of investments aligned with the EU Taxonomy. There is very little sufficiently reliable data and the coverage of the data is too low to commit to a precise figure. In addition, the holdings in which the fund invests are not subject to the disclosure obligation as they are small companies. However, TechLife Capital does include this topic in its ESG questionnaire and implements a climate and biodiversity policy.

Does this financial product invest in fossil gas and/or energy-related activities? nuclear energy in line with the EU taxonomy ?³

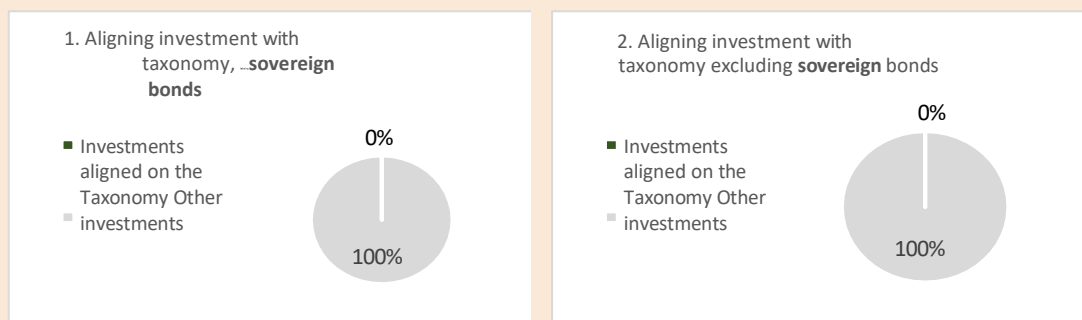
Yes : In fossil gas in nuclear energy

No

To comply with the EU's taxonomy, the criteria for fossil gas include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include exhaustive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to achieving an environmental objective. Transitional activities are activities for which low-carbon alternatives do not yet exist and, among other things, whose greenhouse gas emission levels correspond to the best achievable performance.

The two graphs below show in green the minimum percentage of investments aligned with the EU taxonomy. As there is no appropriate methodology for determining the alignment of sovereign bonds* with the taxonomy, the first graph shows the alignment with the taxonomy in relation to all investments in the financial product, including sovereign bonds, while the second graph represents the alignment with the taxonomy only in relation to investments in the financial product other than sovereign bonds.



* For the purposes of these graphs, "sovereign bonds" include all exposures to sovereigns

What is the minimum proportion of investment in transitional activities and empowering?

There is no commitment to a minimum proposed investment in transitional and enabling activities.

The symbol represents sustainable investments with an environmental objective that do **not take into account the criteria** applicable to environmentally sustainable economic activities under the EU taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

Not applicable to investments in unlisted companies. See previous questions.



What is the minimum proportion of socially sustainable investment?

The vast majority of the fund's investments focus on health and well-being. TechLife Capital I contributes 100% of socially sustainable investments.



Which investments are included in category "#2 Other", what is their purpose and are there any minimum environmental or social guarantees?

Category "#2 Other" will be made up of holdings currently being monitored for ESG. These companies are intended to be strategically monitored for ESG, so this is a temporary situation by nature, enabling the fund to gain a better understanding of ESG risks. This percentage is therefore destined to decrease.



Where can I find specific information relating to this product ?

Further information on the product is available on the website :

You can find all the documentation in the Sustainability section: <https://www.techlifecapital.com/impact>