

2025

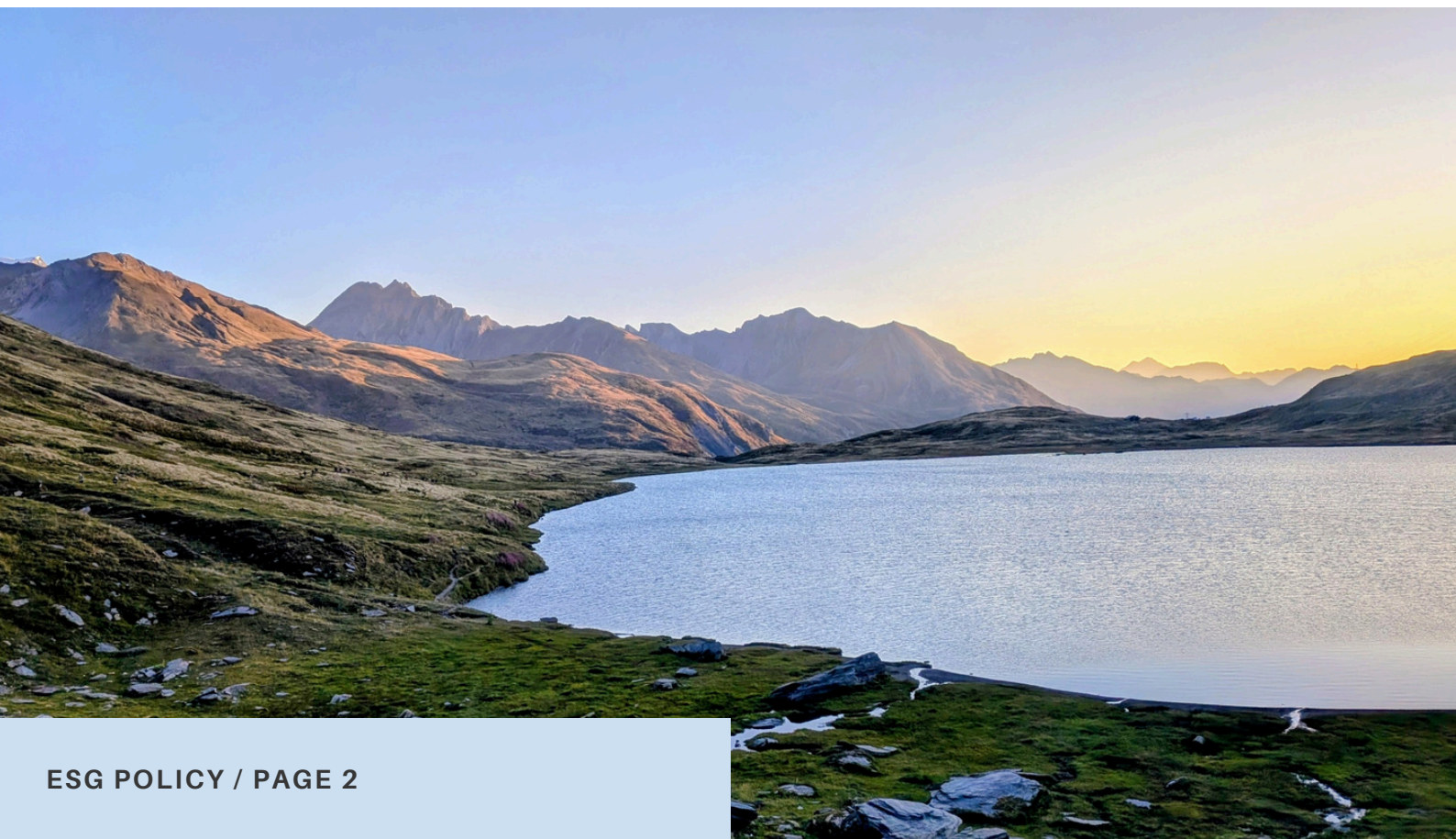
ESG policy

Mérieux Equity Partners

Updated version
June 2026

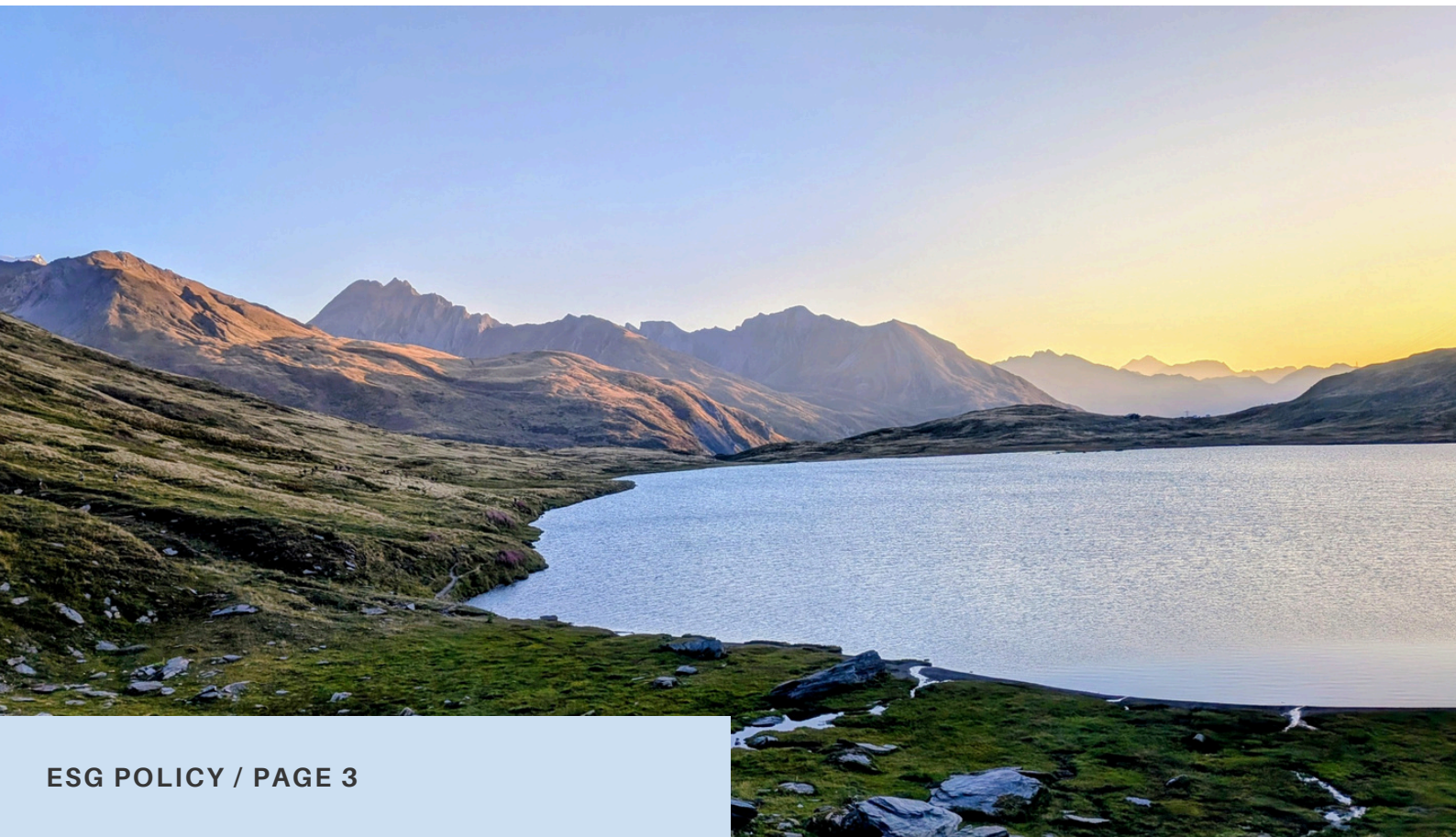
Content

RESPONSIBLE INVESTMENT POLICY	
INTERNAL GOVERNANCE	
TRANSPARENCY & DISCLOSURE	
PROVISIONS APPLICABLE TO FUNDRAISING	
PRINCIPLES OF ACTION	03
SUSTAINABILITY RISKS INTEGRATION POLICY	
IDENTIFICATION OF RELEVANT SUSTAINABILITY RISKS	
CLIMATE-RELATED RISKS	
BIODIVERSITY-RELATED RISKS	10



Content

RESPONSIBLE INVESTMENT POLICY	
INTERNAL GOVERNANCE	
TRANSPARENCY & DISCLOSURE	
PROVISIONS APPLICABLE TO FUNDRAISING	
PRINCIPLES OF ACTION	03
SUSTAINABILITY RISKS INTEGRATION POLICY	
IDENTIFICATION OF RELEVANT SUSTAINABILITY RISKS	
CLIMATE-RELATED RISKS	
BIODIVERSITY-RELATED RISKS	10



Responsible investment policy

Mérieux Equity Partners (MxEP) is a management company that invests through two dedicated platforms, Innovation and Buyout, supporting companies ranging from start-ups to established leaders, exclusively in the healthcare sector throughout Europe.

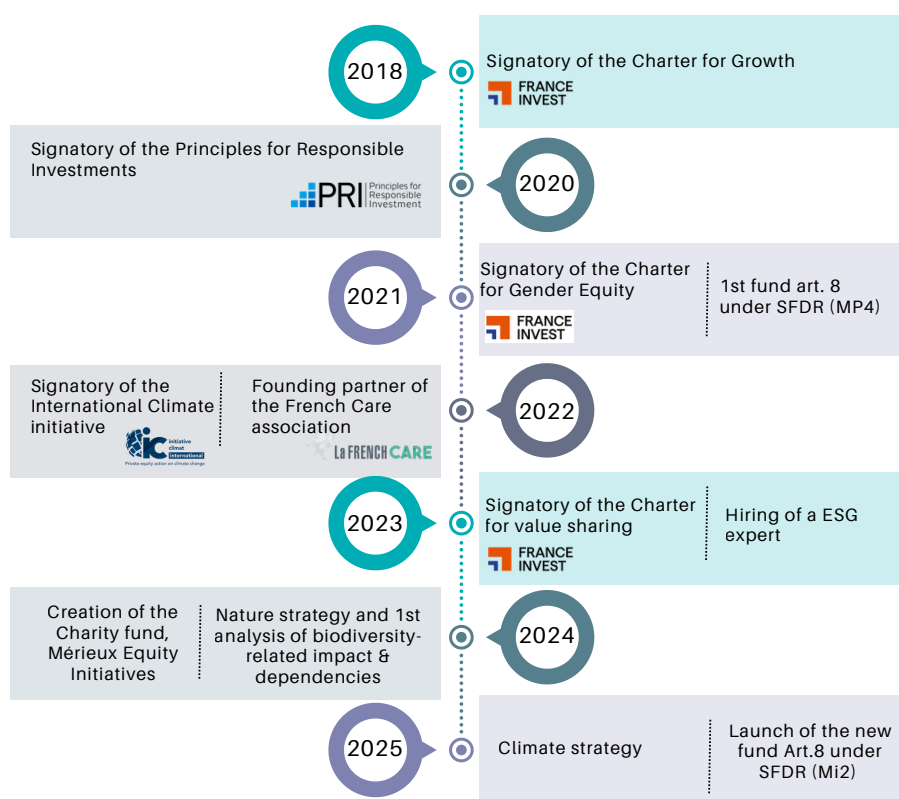
The world is experiencing dramatic changes in climate and biodiversity, which have profound impacts on the health sector. In this context, our « One Health » approach, rooted in the understanding that the health of people, animals and ecosystems is deeply interconnected, requires us to pay particular attention to sustainability and to adapt our strategy to address ESG challenges proactively.

Structurally, the investment strategies of our funds under management enable us to contribute to Sustainable Development Goal (SDG) No. 3: Good Health and Well-being. In addition to supporting SDG 3, we also want to ensure our investments do not negatively influence any other SDG. As such, we have embedded assessment of Environmental, Social and Governance (ESG) matters across our entire investment process.

This Responsible Investment Policy demonstrates MxEP's ESG commitments. It is applicable to all of our investments since AMF (French Financial Markets Authority) approval on 5th June, 2018.



COMMITMENTS & MEMBERSHIPS



Responsible investment policy



INTERNAL ESG GOVERNANCE

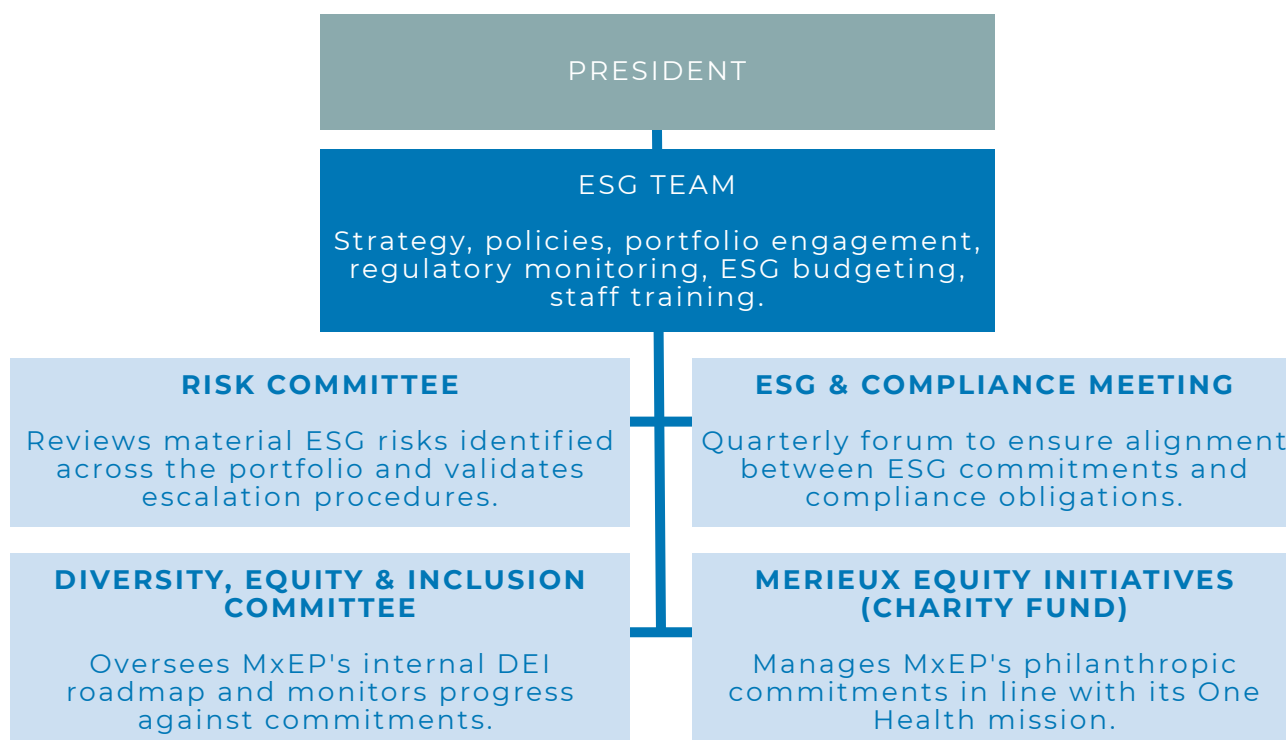
As part of our strategy to strengthen our sustainability approach, MxEP has reinforced its ESG governance structure. The organisation reflects our commitment to embedding ESG at every level of the firm.

The ESG team consists of a ESG Director, supported by a work-study associate (2-year programme). The scope of responsibility of the ESG team includes:

- Defining the ESG strategy, policies and key engagement points;
- Promoting ESG matters internally and externally;
- Monitoring ESG topics, regulatory developments and market trends;
- Allocating and managing the ESG budget;
- Ensuring proper execution of ESG policies among all team members;
- Supporting portfolio companies in their ESG approach and roadmap implementation.

ESG factors have been fully integrated into MxEP's remuneration policy. A variable component of remuneration is linked to ESG criteria for all MxEP employees, ensuring that every team member, regardless of role, incorporates ESG risks and opportunities in line with this Policy.

MxEP Governance bodies:



Responsible investment policy



TRANSPARENCY & DISCLOSURE

ESG disclosure is well embedded into MxEP's reporting practices. The following disclosures are made annually:

- An ESG Annual Report is sent to our Limited Partners and published on our corporate website;
- A dedicated ESG Annual Report for each fund is sent to our Limited Partners;
- SFDR disclosures are made to the AMF (French Financial Markets Authority) in accordance with Regulation (EU) 2019/2088, supplemented by French regulatory requirements;
- Carbon footprint data for each fund is disclosed in line with the GHG Protocol methodology;
- Principal Adverse Impacts (PAI) are reported for one fund classified under SFDR Article 8.

In late 2025, MxEP partnered with a new digital platform for collecting portfolio ESG data, which will automate data collection, improve data quality and facilitate regulatory reporting (PAI, SFDR).



PROVISION APPLICABLE TO FUNDRAISING - EXCLUSION POLICY

Mérieux Equity Partners will not invest in a company for which it is aware that its direct activity:

- Includes practices such as corruption, money laundering or tax evasion;
- Violates human rights, including child or forced labour;
- Results in disrespect for the rights of indigenous and/or vulnerable groups;
- Results in a negative impact on health through non-compliance with legal, regulatory or ethical standards, or through proven negligence on the part of the company's management;
- Involves trade in endangered species of wild fauna or flora (or products derived therefrom);
- Would degrade protected areas of biodiversity;
- Produces or markets controversial weapons (cluster munitions, landmines, biological or chemical weapons);
- Produces or markets tobacco, distilled alcoholic beverages.

Our Exclusion policy is available on our website.

Responsible investment policy



PRINCIPLES OF ACTION

ESG is a key factor for creating value. Regardless of the size of the company in which MxEP invests, ESG is integrated across all phases of the investment cycle.



Pre-investment phase

Initial analysis:

Every investment opportunity is assessed against MxEP's exclusion policy at first screening. If a blocking issue is identified, the opportunity is discontinued. If no exclusion criterion applies, the analysis process continues.

ESG Due Diligence:

ESG due diligence involves conducting an analysis of the risks and opportunities relating to the protection and creation of ESG value. This analysis is carried out internally and/or externally, based on the SASB (Sustainability Accounting Standards Board) Materiality Map and through discussions with the management of the target company.

In accordance with the SASB Healthcare sector classification, six sub-sectors are covered:

- Biotechnology & Pharmaceuticals
- Drug Retailers
- Health Care Delivery
- Health Care Distributors
- Managed Care
- Medical Equipment & Supplies

The ESG due diligence file is presented to the Investment Committee (IC), through a dedicated IC memo, alongside all other workstreams (financial, fiscal, legal, strategic, commercial). If a material ESG issue is identified, a progress plan must be formulated to address it during the holding period. If a credible progress plan cannot be established, the investment is abandoned. This decision is formally recorded in the Investment Committee minutes.

Shareholder agreement:

If MxEP decides to invest, the shareholders' agreement explicitly includes an ESG clause, setting out the portfolio company's obligations with respect to ESG reporting, cooperation with the progress plan, and minimum governance standards.

Responsible investment policy

Ownership phase

Progress plan / ESG Roadmap:

During the first year of the investment period, a tailor-made progress plan is co-developed with management, building on findings from the ESG due diligence. The plan prioritises the most material ESG topics first and is structured as a multi-year ESG Roadmap with defined milestones. MxEP provides regular, hands-on support throughout the ownership period to support implementation.

In addition, MxEP is developing a training and awareness-raising programme for its portfolio companies: webinars, round-table discussions, practical tools on climate change, nature, and more...

ESG reporting:

MxEP prepares annual ESG reporting for each fund launched since AMF approval (5 June 2018). This reporting includes:

- Standard quantitative KPIs;
- Qualitative best practice highlights from portfolio companies;
- Carbon footprint calculations for all portfolio companies (Scope 1 & 2 mandatory; Scope 3 on an ad-hoc basis), based on the GHG Protocol;
- A narrative assessment of ESG progress against the Roadmap;
- Nature-related disclosures for relevant portfolio companies.

Shareholder engagement:

MxEP's shareholder engagement policy (available on its corporate website) governs the exercise of representation within the governance bodies of portfolio companies. MxEP systematically seeks board representation in its investments. This governance presence is the primary lever for driving the ESG progress plan, adapting it to evolving circumstances, and escalating material issues when necessary.

Incorporating ESG issues into board agendas:

MxEP is committed to systematically including material ESG issues on the agenda of at least one annual meeting of the Board of Directors of each portfolio company.

Responsible investment policy

Incident reporting:

MxEP operates a formal ESG incident reporting system for events occurring at portfolio company level. ESG incidents are defined, in accordance with France Invest's recommendation, as any event that could have a material impact on the investment and/or its shareholders, in particular (but not exclusively) in terms of public health, the environment, labour law disputes or business ethics. Incident reporting is conducted on a quarterly basis and escalated to the Risk Committee where warranted.

Whistleblowing mechanism:

MxEP encourages all its portfolio companies to establish or strengthen whistleblowing mechanisms accessible to employees and stakeholders, in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs). This system is annually monitored.

Exit phase

Data room:

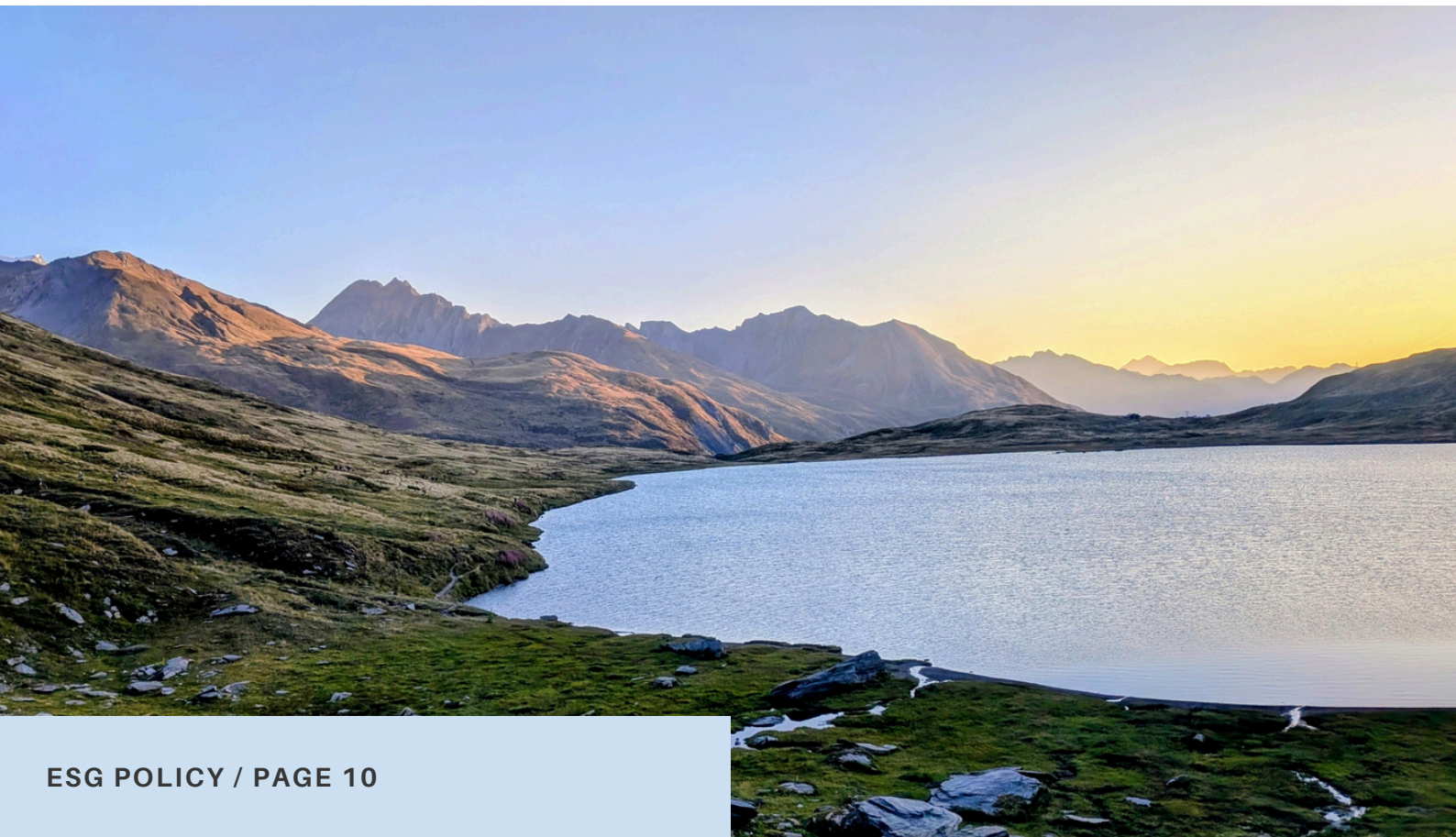
During the exit phase, all ESG data collected throughout the ownership period (including the initial progress plan, annual monitoring data, and the final ESG Roadmap status) are integrated into the vendor data room. This enables potential buyers to assess the ESG maturity and progress achieved and to price any residual ESG risks or opportunities accordingly.

Value creation through ESG:

Beyond its environmental and social dimensions, MxEP's ESG approach is a driver of shareholder value. ESG actions throughout the investment cycle can result in financial savings, better productivity, a safer working environment, and building partnerships with stakeholders based on respectful and stronger contractual bases. This capacity to anticipate and manage ESG-related structural changes is a distinctive lever of value creation for MxEP's portfolio companies.

Content

RESPONSIBLE INVESTMENT POLICY	
INTERNAL GOVERNANCE	
TRANSPARENCY & DISCLOSURE	
PROVISIONS APPLICABLE TO FUNDRAISING	
PRINCIPLES OF ACTION	03
SUSTAINABILITY RISKS INTEGRATION POLICY	
IDENTIFICATION OF RELEVANT SUSTAINABILITY RISKS	
CLIMATE-RELATED RISKS	
BIODIVERSITY-RELATED RISKS	10



Sustainability risk integration policy

Mérieux Equity Partners integrates sustainability risks into its investment process, as set out in Article 3 of the Sustainable Finance Disclosure Regulation (SFDR) - Regulation (EU) 2019/2088 - and Article L 533-22-1 of the Code Monétaire et Financier (CMF) (French « loi Energie-Climat »).

As per the SFDR, a sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. Additionally, Article L 533-22-1 of the CMF requires specific disclosure on biodiversity and climate change risks.

IDENTIFICATION OF RELEVANT SUSTAINABILITY RISKS

The ESG team manages the assessment of sustainability risks. Sustainability risks and Principal Adverse Impacts (PAI) are both considered mainly:

- **During the pre-investment phase**

The SASB Materiality Map is used as an initial screening tool, supplemented by an in-depth due diligence analysis tailored to the target company's activities, size, geographical location and regulatory environment. All findings are incorporated into the investment memorandum submitted to the Investment Committee.

- **During the ownership phase**

A detailed ESG review is carried out in the first year. A set of KPIs, including PAI indicators for one Article 8 fund, is monitored annually. Information on sustainability risks and PAIs is reported to investors in dedicated annual reports

CLIMATE-RELATED RISKS

The ESG team manages climate-related risks. Climate risks are treated consistently with other sustainability risks throughout the investment cycle. In addition, MxEP has taken the following specific commitments during the ownership phase:

- Systematic calculation of Scope 1 and Scope 2 GHG emissions for all portfolio companies throughout the ownership period;
- Scope 3 emissions calculation conducted on an ad-hoc basis, prioritised for companies with significant upstream or downstream footprints;

Sustainability risk integration policy

- Implementation of the specific PMDR (Private Markets Decarbonisation Roadmap) framework, aimed at promoting the reduction of greenhouse gas emissions within its funds;
- Identification of climate risks via a dedicated digital platform. This not only enables the identification of risks but, more importantly, the development of an action plan to address them.
- Annual inclusion of climate change as a standing agenda item at a Board of Directors meeting of each portfolio company.



BIODIVERSITY-RELATED RISKS

The ESG team manages biodiversity risks. Biodiversity risks are treated consistently with other sustainability risks throughout the investment cycle. In addition, MxEP has taken the following specific commitments during the ownership phase:

- Systematic biodiversity screening of investments during ESG due diligence to assess their exposure to sensitive areas; where necessary, a Nature action plan integrated into the ESG roadmaps;
- Supporting portfolio companies in building internal Nature capacity through awareness sessions, training and practical tools;
- Identifying nature-related dependencies, impacts, risks and opportunities for each portfolio company, via a dedicated digital platform and using the TNFD LEAP framework as a reference;
- Integrating Nature topics into strategic governance dialogues and ESG questionnaires;
- Monitoring portfolio exposure to sensitive biodiversity areas, in line with MxEP's exclusion policy.

To ensure greater consistency and operational effectiveness, we have consolidated our Climate and Nature strategies into a single, unified framework, which is published on our website.

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