



Brussels, 6.4.2022  
C(2022) 1931 final

ANNEX 4

**ANNEX**

*to the*

**Commission Delegated Regulation (EU) .../...**

**supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports**

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:**

- MED II SLP

**Legal entity identifier:**

- MED II A SLP: 830837944

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

| <input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>   | <input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> <b>No</b>  |
|---|---|
| <p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___%</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%</p> | <p><input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p> |



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

MED II (or 'the Fund') and its management approach is focused on the contribution of social and environmental factors and uses the Sustainable Development Goals and respective targets to analyze companies' responsible and sustainable factors. A particular focus is applied on improving outcomes related to the UN SDGs 3 "good health and wellbeing", SDG 8 "Decent work and economic growth", SDG 12 "Responsible production and consumption", 13 "Climate Action", and 16 "Peace, justice and strong institutions". To date, MED II has contributed to its environmental and social characteristics through its investments. In 2022, all investee companies of MED II had fully completed the ESG reporting on 2021 data

and provided information on all ESG indicators. In 2022, all investee companies within MED II have had a Sustainability Assessment carried out by external consultants and a Sustainability Roadmap approved at Board level or are currently involved in the process of conducting such Assessment and Roadmap. ARCHIMED's Impact Investment team and investment team have engaged with the management of each portfolio company to assess progress against the KPIs and will continue to do so on an annual basis during the holding period of each investment.

● ***How did the sustainability indicators perform?***

This systematic approach enables us to ensure our investments are contributing to healthcare solutions through the promotion of social and environmental characteristics and enables ESG considerations to be kept at the forefront. MED II has and will continue to have a substantial contribution to improving healthcare access and promoting wellbeing. The results of our regular ESG and impact monitoring and management are shared on a periodic basis with investors in the Fund's quarterly and annual reports, as well as at the Group level within our annual Impact Report. Please find details of MED II's sustainable performances in our 2021 [Impact Report](#).

● ***...and compared to previous periods?***

Prior to our ESG and Impact Reporting exercise carried out in 2022 for the 2021 reporting period, we have not collected data relating to sustainability indicators. Our next ESG Reporting cycle will be launched in January 2023 to collect relevant information from our portfolio companies for the 2022 period. We will use this data to show historical comparisons from 2021-2022 in an updated PAI Statement that will be published on our website by June 2023. These indicators will also be included in the next iteration of our Impact Report.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A the product did not make sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

N/A the product did not make sustainable investments.

**How did this financial product consider principal adverse impacts on sustainability factors?**

Pre-investment, PAIs are considered through ARCHIMED's Internal Sustainability due diligence tool which contains PAI-related questions, and from which it is determined if additional due diligence is required from an external consultant. If any PAIs are identified during the screening or due diligence processes, ARCHIMED's Impact Investment team discusses with the management of the investee company and it is decided whether these impacts can be mitigated, and the investment can go ahead, or if the transaction must be dropped based on the incompatibility with the Fund's social and environmental characteristics. Our ESG reporting process contains the full list of PAIs that are collected annually across all MED II's investee companies. Data collected through the ESG Reporting enables us to integrate and monitor PAIs at Fund level and to create a table containing PAIs to be included in appendix within our [Impact Report](#).

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.





## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **01/01/22 - 31/12/22**

| Largest investments | Sector          | % Assets | Country |
|---------------------|-----------------|----------|---------|
| ActiGraph           | MedTech         | 14.3     | USA     |
| Zyto Group          | MedTech         | 11.9     | Germany |
| Diesse              | Pharma Services | 11.5     | Italy   |
| ImaBiotech          | Healthcare IT   | 9        | France  |



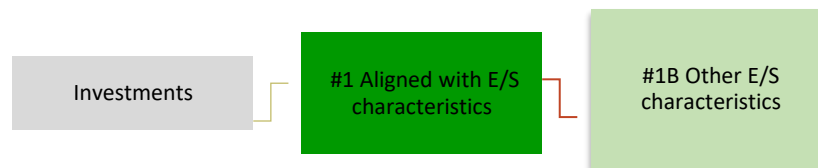
## What was the proportion of sustainability-related investments?

MED II currently holds investments in 10 companies within the healthcare industries which are actively contributing to our five healthcare objectives. The Fund seeks to invest in companies that promote positive environmental characteristics, as explained in our investment strategy below, although this is not the specific investment objective of the fund.

**Asset allocation** describes the share of investments in specific assets.

### ● *What was the asset allocation?*

100% of the Fund's investments are in companies that contribute to environmental and social characteristics. The asset allocation is set out in blue below #1B Investments aligned with E/S characteristics.



**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### ● *In which economic sectors were the investments made?*

All investments made through MED II were made in healthcare industries across seven different sectors:

- Biopharma Products
- Consumer Health
- Healthcare IT
- In Vitro Diagnostics
- Life Science Tools and Biologic Services

- MedTech
- Pharma Services



### To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A. MED II does not conduct sustainable investments with an environmental objective aligned with the EU taxonomy.

● **What was the share of investments made in transitional and enabling activities?**

The Fund does not invest in transitional nor enabling activities.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A.



### What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

MED II's investments do not have environmental objectives as sustainable objectives hence 100% of the Fund's investments were not aligned with the EU taxonomy. We are currently engaging with an external third-party specialist to calculate the Fund's exact EU Taxonomy alignment, and endeavour to update this document accordingly once the calculation has been finalized.



### What was the share of socially sustainable investments?

N/A. MED II does not conduct sustainable investments with a social objective.



### What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

None of MED II's investment fall into this category.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund attains promotion of social and environmental characteristics by carrying out deep dive sustainability assessments by external consultants on each of MED II's investee companies. These Sustainability Assessments enable to obtain a clear understanding of each company's most material ESG topics and the level of maturity of the company against these topics. Based on this analysis a Sustainability Roadmap is designed with the help of external consultants and approved at Board level. Progress against the Roadmap is assessed yearly by external consultants and ARCHIMED engages with the management of investee companies to ensure progress is made. Specific actions have been implemented at investee companies' level that are specified in the Sustainable Performance part of ARCHIMED's [2021 Impact Report](#), and regularly to our investors in quarterly reports of the Fund.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**How did this financial product perform compared to the reference benchmark?**

N/A.

- ***How does the reference benchmark differ from a broad market index?***

N/A.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A.

- ***How did this financial product perform compared with the reference benchmark?***

N/A.

- ***How did this financial product perform compared with the broad market index?***

N/A.