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ANNEX 5

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 V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name:

- MED PLATFORM II SLP
- MED PLATFORM II FPCI

Legal entity Identifier:

- MED PLATFORM II SLP: 908 882 376
- MED PLATFORM II FPCI: n/a

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.

Sustainable investment objective

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 checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<p><input type="checkbox"/> It made sustainable investments with an environmental objective: ___%</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input checked="" type="checkbox"/> It made sustainable investments with a social objective: 100%</p>	<p><input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics 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"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <p><input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</p>



To what extent was the sustainable investment objective of this financial product met?

As an impact investment fund with specific healthcare objectives, MED PLATFORM II (or 'the Fund') and its management approach is focused exclusively on its contribution to one or more of the 17 United Nations Sustainable Development Goals ('UN SDGs') and associated targets, through investments in healthcare companies developing innovative products, medical devices, or services with positive outcomes for patient or animal health conditions. ARCHIMED (or 'the Management Company') has developed a framework by which sustainable investments with a social objective can be identified though determining their contribution to a set of four healthcare objectives:

- **Efficiency:** protection efficacy of vaccines, number of people reached through prevention initiatives
- **Safety:** number of tests performed, treatments and surgeries completed, and patients recovered
- **Accessibility:** number of patients gaining access to care, patient satisfaction rate of healthcare services
- **Affordability:** number of products sold enabling cost savings.

These objectives seek to provide better healthcare outcomes at the doctor, patient, animal, and environmental level, through improvements to medical industries and services to hospitals and care providers. Funds with a sustainable investment objective therefore solely invest in companies that are actively enabling better healthcare safety, efficacy, accessibility, and affordability. A company's relative contribution to one or more of the sustainable investment objectives is identified and systematically analyzed pre-acquisition through the matrix included below, to drive investments towards companies that substantially contribute to at least one of the four healthcare objectives:

Improve health outcomes	Better safety	Better efficacy	Better accessibility	Better affordability
At patient or doctor level				
At hospital level				
At the level of the medical industries				

To ensure the Fund attains its sustainable investment objective, the Management Company has implemented an exclusion policy and a watch-list for additional vigilance. Investments into Healthcare sectors or companies exposed to strict regulations, having potential negative impacts, or limited positive impacts are thus restricted. In addition, vigilance is applied to a watch-list of 17 Healthcare sectors. Every investment in these sub-sectors is discussed on a case-by-case basis during the Investment Committee, with the presence of the Management Company's Advisory Board:

- Vigilance due to strict regulations on: Human reproductive cells (embryonic stem cell research), Drug Discovery Services and preclinical development (animal testing conditions), and Stem cells, Cell therapy and Gene therapy (only for preventive, diagnostics, or therapeutic purposes)
- Vigilance due to potential negative impacts on: Biocontrol (risks of chemically based fertilizer and pesticides), Pain relief and sleep aids (risks of substance dependence), Assisted living (risks regarding quality of care)
- Vigilance due to limited positive impacts on: Aesthetics (non-essential plastic surgery). Probiotics, Vitamins, and minerals (only products with clinical studies considered impactful)

and Vet clinics and Veterinary related products (only activities in line with the One Health concept considered impactful).

This systematic approach enables us to ensure our investments are contributing to healthcare solutions and the objectives are used as criteria against which investments can be assessed to determine their impact on better health outcomes and contributions towards a healthier society.

Sustainability

indicators measure how the sustainable objectives of this financial product are attained.

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

To date, MED PLATFORM II has contributed to its sustainable investment objectives described above through the implementation of post-acquisition Impact Roadmaps which were developed following the Impact Assessment that is carried out within 100 days of closing. The Impact Assessment identifies the most material impact and ESG topics, while the Impact Roadmap sets out the dedicated objectives, sustainability indicators and KPIs which have been validated at board level. ARCHIMED's Impact Investment team has engaged with the management of each portfolio company to assess progress against the Impact Roadmap and will continue to do so on an annual basis during the holding period of each investment. Progress against the healthcare objectives and relevant sustainability indicators are collected across the portfolio on an annual basis during our ESG and Impact reporting campaign. This continual process of monitoring and engagement enables impact considerations to be kept at the forefront.

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 our progress on the most recent sustainability indicators 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.

● ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

MED PLATFORM II's Impact Investment strategy is focused on the contribution to one of more of the UN SDGs and relevant targets. This strategy dictates that 100% of the investments of the Fund will undergo a pre-investment screening and ESG due diligence to ensure that not only does the Fund contribute to social objectives, but that it will 'do no significant harm' (DNSH) to other sustainable investment objectives.

How were the indicators for adverse impacts on sustainability factors taken into account?

During the investment cycle, the ESG Due diligence assesses indicators that would indicate presence or absence of a principal adverse impact (PAI). These indicators include the following principal adverse impacts:

- Environmental damage, in particular carbon emissions and pollution, GHG emissions; carbon footprint; GHG intensity of Portfolio Companies; exposure to companies active in the fossil fuel sector; share of non-renewable energy consumption and production; energy consumption intensity per high impact climate sector; activities negatively affecting biodiversity-sensitive areas; emissions to water; hazardous waste ratio.

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.

- Social and employee matters, respect for human rights such as health and safety of workforce; unfair advantage; community relations; human rights, violation of UN Global Compact principles and OECD Guidelines for Multinational Enterprises; lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises; unadjusted gender pay gap; board gender diversity; exposure to controversial weapons.
- Governance, anti-corruption and anti-bribery matters, appropriate KYC is undertaken on service providers and investors.
- Conflict of interest risk.

In addition, the Management Company identifies any potential corrective action plans and implements active measures to mitigate the identified risks.

Our annual [Impact Report](#) provides a consolidated statement for the PAIs of all funds, consistent with the requirements of Table 1, Annex one of the Regulatory Technical Standards ('RTS'). The most recent statement covers the period from 1 January 2021 to 31 December 2021; our 2022 report is due to be published on our website in June 2023.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Yes, the Management Company ensures portfolio companies are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights; this information is gathered as part of our annual ESG reporting process and is carried out across all portfolios. ARCHIMED policies require MED PLATFORM II to perform appropriate due diligence on its own activities, investments, and business relationships to enable appropriate action to be taken in the event of any findings of non-compliance. ARCHIMED ensures human rights, equality and anti-bribery and corruption policies are in place and that there are not any instances of child, forced, or compulsory labour.



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

PAIs are considered throughout the entire investment cycle, from the initial negative and positive screening phases. After the screening is complete, our Internal Sustainability due diligence tool 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. As explained above, our ESG reporting process monitors this by asking portfolio companies for PAI-related data on an annual basis, enabling a table containing PAIs to be included within our [Impact Report](#).



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
Natus Medical	MedTech	81.57	USA
PlasmidFactory	Life Science Tools & Biologic Services	18.43	Germany



What was the proportion of sustainability-related investments?

● **What was the asset allocation?**

As an Article 9 classified fund, MED PLATFORM II's asset allocation is 100% sustainable investment with social objectives.



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

MED PLATFORM II currently holds investments in 3 companies in the MedTech, Biopharma Products, and Health Tech & Software care sectors which are actively contributing to our four healthcare objectives. The Fund therefore contributes to the Article 9 qualification of a sustainable investment with a social objective. We also seek 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.



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

MED PLATFORM II carries out sustainable investments with social objectives. We are engaging with consultants to calculate the EU Taxonomy alignment of the Fund and will publish this figure once available.

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

N/A.

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

N/A.



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

MED PLATFORM II's investments have a social, not environmental, objective. 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?

100% of MED PLATFORM II's investments are sustainable investments with a social objective.

Asset allocation describes the share of investments in specific assets.

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

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

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

N/A, none of MED PLATFORM II’s investments fall into this category.



What actions have been taken to attain the sustainable investment objective during the reference period?

To attain the Fund’s sustainable investment objectives, ARCHIMED excludes investments within certain sectors, companies, and underlying assets on the basis that they are most exposed to specific risks ESG:

- Environmental: Climate (thermal coal), Biodiversity (palm oil)
- Social: Health (Tobacco and distilled alcoholic beverages), Human Reproductive Cloning, Human Rights, Weapons and ammunition, Casinos and gambling activities, pornography, prostitution, and UNGC breach.

By including this negative screening process in the pre-investment phase, it is ascertained that all investments are selected on their ability to contribute to our pre-defined healthcare objectives, and thus are able to attain the Fund’s sustainable investment objectives. During the holding period, the Impact Investment team is constantly engaging with the portfolio company management in order to ensure that the Impact Roadmap is being adhered to, and that the material KPIs are being monitored. From a social impact perspective, MED PLATFORM II will have a substantial contribution to improving healthcare access and promoting wellbeing. More information on its social impact is detailed within ARCHIMED’s [2021 Impact Report](#), with the next iteration (2022) due to be published in June 2023.



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

N/A.

- ***How did 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 sustainable investment objective?***
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.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.