

VIVALTO

PARTNERS

ESG Report

Year 2022

June 2023

VIVALTO PARTNERS SAS

Management Company

Regulated by the French Financial Services Authority

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1

Vivalto Partners' vision and values on ESG



1. Vivalto Partner's vision and values on ESG

1.1. Vivalto Partners

Vivalto Partners is an independent European management company approved by the Autorité des Marchés Financiers, specialising in investments in the healthcare sector (Health services B2B and B2C, Med Tech and Pharma & Consumer healthcare).

Founded in 2021 by Daniel Caille, a pioneer in private healthcare in France, Vivalto Partners brings together healthcare experts and investment professionals to support players who contribute to improve the quality of healthcare in Europe and meet the major transformation challenges of this sector.

The European healthcare market has been growing for several decades. Resilient and uncorrelated to economic cycles, its evolution is in line with the ageing of the population, the increasing prevalence of chronic diseases, the growing interest of populations in their well-being and innovation. This market has high barriers to entry related to regulation, reputation, technology, and capacity investments. This vast market has many medium-sized companies with issues of transmission, consolidation, internationalization, and investment in innovation that Vivalto Partners knows how to support.



As an investor in the healthcare sector, the integration of Environmental, Social and Governance (ESG) issues in our investment process is key for Vivalto Partners and will finally contribute to a better quality of care for patients.

1.2. Vivalto Partners' ESG and sustainable development policy

As an investor in the healthcare sector, the integration of Environmental, Social and Governance (ESG) issues in the investment process is key for Vivalto Partners. The company is convinced that this approach will ensure its success in supporting the sustainable growth of ambitious and innovative companies and will help them to build answers to the health challenges of tomorrow.

1.2.1. Vivalto Partners' ESG Governance

The governance of Vivalto Partners is composed of Daniel Caille, Yonel Génin and Sébastien Alauzet. Sébastien Alauzet (Managing Partner) and Pauline Bourillon (CFO) are sponsoring the ESG strategy and commitments for Vivalto Partners as a management company. They assist the investment teams by overseeing the definition of the global investment strategy. They also support portfolio companies' management on ESG topics throughout the investment cycle.



We are dedicated to creating value through responsible healthcare investment practices and our commitment to actively contribute to a more sustainable and inclusive future.

1.2.2. Vivalto Partners' ESG strategy, aligned with the UN sustainable development goals

Endorsed in 2015 by 193 countries, the UN SDGs constitute the United Nations 2030 Agenda for Sustainable Development by defining the global roadmap to address the most critical challenges identified by the 3Ps (People, Planet, Profit).


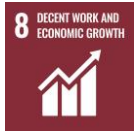




Based on these sustainable development goals, Vivalto Partners has defined its own ESG and investment strategy seeking positive contribution as an investor. In alignment with its investment strategy, the management company aims to improve access and quality of care for patients and is particularly focused the SDG 3 "Good health and well-being".

Additionally, investments of Vivalto Partners also seek a positive contribution to the following SDGs:

- Decent work and economic growth (SDG 8)
- Industry, innovation & infrastructure (SDG 9)
- Peace, justice & strong institutions (SDG 16)

All funds of Vivalto Partners are classified as Article 8 according to the Sustainable Finance Disclosure Regulation (SFDR) and promote social characteristics aligned with the 4 SDGs described above. To measure the contribution to those sustainable development goals, Vivalto Partners has defined for each social objective quantitative indicators to measure their attainment. Depending on the portfolio companies' sectors, Vivalto Partners will monitor the relevant performance indicators listed below. These indicators measure the social characteristics defined under Article 8 of the SFDR regulation. Additionally, Vivalto Partners monitors numerous ESG indicators, such as the Principle Adverse Impacts, to assess globally the ESG performance of each portfolio company and its sustainable impacts.

SDGs	Goals	Performance indicators
	Increase the access and the quality of care for patients' well-being	<ul style="list-style-type: none"> • IFAQ index: for applicable health services companies • Maintenance CAPEX: for applicable health services companies (% of annual revenue) • Number of batches withdrawal for applicable pharma companies
	Place employees at the heart of the organization	<ul style="list-style-type: none"> • Absenteeism rate for all companies • % of employees covered by a health insurance • % of employees covered by value-sharing schemes
	Promote Innovation, research, and development	<ul style="list-style-type: none"> • Amount invested in R&D (€) • Number of ongoing research projects • Number of drugs in clinical trials for applicable pharma companies
	Uphold a responsible and ethical governance	<ul style="list-style-type: none"> • % members of the Board with Health experience

Additionally, Vivalto Partners has committed not to invest in companies operating in countries under international sanctions, countries with high ESG risks, or companies having business activities in the following sectors.

EXCLUSION LIST
EXCLUSION SECTORS Standards
Illegal economic activities
Industries involved in child labor
Pornography and/or prostitution
Manufacture or trade in tobacco or distilled alcoholic beverages and related products
Operation of casinos or other gambling
EXCLUSION SECTORS Specific to the healthcare industry
Genetic modification and human cloning (activities considered as unethical by the EU)
Biological weapons or any other weapons and ammunition
Medicines used for lethal purposes
EXCLUDED COUNTRIES
Countries under international sanctions (see EU Sanctions Map)
Countries presenting high ESG risks (see Sustainalytics Country Risk Rating)

The following commitments are materialized by relevant indicators monitored at the fund and portfolio level, allowing us to measure ESG stakes and opportunities. This measurement will allow Vivalto Partners to prioritize ESG topics with the portfolio companies and assess their progress over time.

Vivalto Partners also shares information on ESG in accordance with Articles 3(1), 4(1)(b) and 5(1) of Regulation (EU) 2019/2088 ("Disclosure" Regulation) and with Article 8 of the Sustainable Finance Disclosure Regulation (SFDR) on its [website](#).

1.3. Vivalto Partners' companies, drivers of positive impact

On 31st of December 2022, the Vivalto Partners portfolio includes only Vivalto Santé.



Founded in 2009 by Daniel Caille, Vivalto Santé is now the third largest group of private hospitals in France, operating 91 healthcare facilities in Europe (including 50 in France) and generating over €2bn in net revenues across medicine, surgery, obstetrics, and ancillary activities.

In 2021, in a complex Covid environment, Vivalto Santé became the first "Société à Mission" (French equivalent of a B-Corp) in the French acute care sector putting emphasis on improving caregivers' quality of life at work and delivering superior quality of care.

Vivalto Santé is resolutely oriented towards the search for new solutions in terms of digitization of care paths, new medical techniques, or robotics to be deployed in its facilities with its practitioners.

The group's ambition is to bring the best of technology to its patients to improve their care.

2

**2022 ESG actions at
Vivalto Partners level**



2. 2022 ESG actions at Vivalto Partners level

2.1. Actions implemented by Vivalto Partners as a management company

As a management company, Vivalto Partners is working to reduce its environmental impact and implement the highest standards. This is expressed through its 3 internal ESG pillars:

- Measure and control Vivalto Partners' environmental impact:
 - Measurement of the carbon footprint Scopes 1 and 2 in 2022
 - Measurement and reduction of the energy consumption
 - Waste sorting and recycling is implemented in the company
 - Inclusion of CSR criteria for suppliers
 - Train/road always preferred to plane when feasible
- Raise awareness of good environmental and social practices among employees:
 - Training on Sustainable Finance provided to all employees.
 - Financial assistance for employees to use clean means of transport (e.g. bicycles) to get to the office.
- Promote well-being at work:
 - Formalised teleworking policy
 - Right to disconnect
 - Creation of workspaces that foster creative thinking whilst allowing moments of recreation

2.2. Vivalto Partners' carbon footprint in 2022

The management company measured its scope 1 & 2 carbon footprint. The calculated 2022 scope 1 & 2 emissions are exclusively linked to electricity consumption and estimated at 0.68 tCO₂eq. Scope 3 emissions will be progressively included in the management company's carbon footprint calculation from 2023.

2.3. ESG commitments beyond the UN SDGs

Code of Ethics:

Vivalto Partners established a Code of Ethics, tailored to its values and investment sectors. The management company pays particular attention to the prevention of conflicts of interest and the respect of principles of professional ethics. Vivalto Partners' Code of Ethics is signed by all its employees and portfolio companies, which are asked to comply with the same requirements.

To support its ethical commitments, Vivalto Partners trains its teams in business ethics and regularly discusses ethical issues in the health sector with the managements of its portfolio companies. These include behavioural and medical ethics, as well as the prevention of conflicts of interest.

Adherence to national and international frameworks:



Vivalto Partners is a member of France Invest, demonstrating its responsible investment approach and its will to promote best-in-class practices. As part of its membership, the management company is committed to signing:

- The Commitment Charter on best ESG management practices
- The Gender Equality Charter, promoting gender equality in Private Equity and companies.



Vivalto Partners is also working towards becoming a signatory of the UN PRI (United Nations Principles for Responsible Investment), to further confirm its pledge as a responsible investor.

As a future signatory of the PRI, Vivalto Partners will publish a Transparency Report every year to publicly report on responsible investment activities.

3

Integration of ESG criteria in the investment strategy of Vivalto Partners



3. Integration of ESG criteria in the investment strategy of Vivalto Partners

ESG issues are systematically considered throughout the investment cycle, covering the pre-investment, holding, and exit phases.

3.1. Pre-investment phase

Prior to the acquisition, Vivalto Partners commits to reviewing and scanning target companies to ensure their alignment with both its values and ESG policy. While financial factors will remain the key drivers of the decision-making process, the potential identification of ESG risks will determine whether Vivalto Partners will move forward with investments.

During the initial screening, Vivalto Partners ensures that target companies do not have activities in countries or sectors from Vivalto Partners' exclusion list. As such, Vivalto Partners will not invest in countries under international sanctions or countries presenting high ESG risks, nor in the industries present in its exclusion list.

In addition, Vivalto Partners commits to systematically performing an assessment of the potential ESG risks of the target company via an ESG checklist, considering key material ESG issues. This assessment aims at identifying whether there are any ESG risks associated with the target company. As part of the ESG checklist, Vivalto Partners analyses the climate risks and opportunities associated with the target company. If risks and impacts are medium to high, Vivalto Partners will consider including climate topics in the company's ESG roadmap.

Based on this assessment, for any company presenting high risks on material ESG issues, ESG due diligence might be performed by an independent third party. The conclusions of the ESG checklist, as well as the potential ESG Due Diligence carried out, will be included in the Information Memorandum, and systematically presented to the Investment Committee of Vivalto Partners before any investment decision.

When appropriate, Vivalto Partners will also integrate ESG principles into the shareholders agreement.

3.2. Holding phase

ESG strategic guidance

Vivalto Partners is committed to guiding portfolio companies towards the improvement of their ESG maturity throughout the holding period, through a pragmatic and tailored approach.

The management company first establishes the initial ESG performance maturity of companies post-closing via the ESG checklist and/or ESG due diligences and/or first discussions with the management teams. This allows us to define tailored ESG roadmaps for each company. These roadmaps include at least actions on the three fundamental ESG subjects considered systematically material by Vivalto Partners:

- Ethics and governance
- Human resources
- Environment
- Other key ESG issues specific to the Healthcare sectors

When necessary and appropriate, Vivalto Partners may also conduct full-fledged annual ESG reviews for some of its companies, with the help of external consultants.

Once the roadmaps have been set up, active monitoring will be used to ensure their implementation by portfolio companies, through:

- Establishing an ongoing dialogue with portfolio companies' ESG key point of contact and having official discussions at Board-level at least once a year to check the roadmap's execution.
- Sending an ESG reporting questionnaires to each portfolio company on an annual basis.
- Establishing an 'ESG' club for portfolio companies to share good practices amongst themselves on issues linked to ESG and healthcare.

Portfolio companies' governance

The enforcement of the ESG roadmap and its monitoring over time rests on an appropriate ESG governance at each portfolio company level, via:

- Identification of an ESG point of contact at the portfolio company level
- Inclusion of ESG topics at the Board Level at least once a year

In addition, Vivalto Partners is committed to aligning portfolio companies with its own ethical standards, by asking its portfolio companies to adhere to and sign its Code of Ethics.

Finally, the management company has established a management procedure for ESG incidents faced by portfolio companies, who are committed to reporting any major ESG incidents to Vivalto Partners by signing the shareholders' agreement which contains a dedicated clause.

ESG reporting

Vivalto Partners reports to its investors both on its own ESG performance and on that of its portfolio companies on an annual basis through an annual report, containing:

- Consolidated KPIs of portfolio companies based on the data gathered through the annual ESG questionnaires at company level, including case studies when appropriate.
- Fund-level KPIs, assessing its aggregated ESG risks and maturity.

The presentation of its annual ESG report is included on the agenda of its Annual General Meeting with its investors.

In addition, Vivalto Partners will report to its investors via ESG questionnaires, upon request.

3.3. Exit phase

Vivalto Partners believes that clear attention to ESG issues demonstrates a robust operational infrastructure and supports a higher valuation of the outgoing business.

When planning for exit, Vivalto Partners will systematically assess progress achieved on ESG by the company under its ownership. Evidence will be formalized via an ESG memo.

When deemed appropriate, an ESG Vendor Due Diligence will be carried out by an external consultant.

4

ESG reporting process



4. ESG reporting process



Launch of the 2022 ESG reporting campaign with Reporting 21

- Vivalto Partners gives access to contributors to reporting campaign with the reporting tool "Platform by Reporting 21".



- The contributors of each investment respond to the ESG questionnaire for the 2022 financial year, directly on the tool.

Review of ESG data for each company

- Reporting 21 analyses the answers to the ESG questionnaire and conducts an interview with the management of each portfolio company to ensure a good understanding of the investment context, ESG data consistency and reliability, ESG stakes and the level of maturity.

ESG analysis

- Reporting 21 identifies the main ESG stakes, the best practices already in place and areas for improvement on ESG stakes.
- The results of the analysis are presented in an ESG factsheet for each company.

Consolidation of ESG data at the fund level and integration in the ESG report

- This will concern the 2023 ESG report.

We collect nearly 120 indicators (including the principal adverse impacts required by the SFDR regulation) including qualitative and quantitative data. The indicators cover the following themes:

- Governance
- Workforce
- Diversity
- Health and safety at work
- Quality of care
- Environmental management
- Climate change
- Water and waste management
- Biodiversity

5

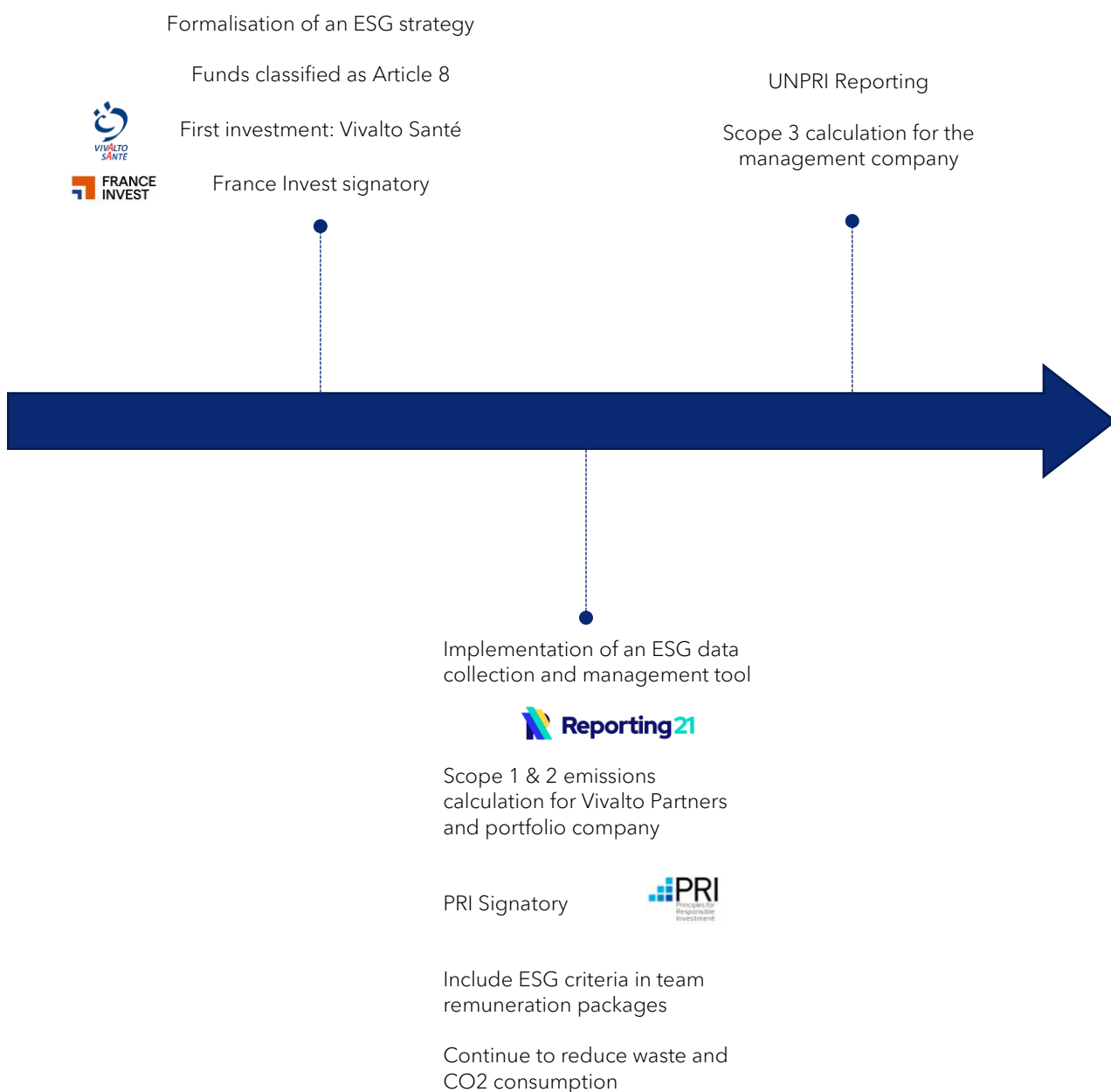
Vivalto Partners ESG priorities and perspectives for 2023



5. Vivalto Partners ESG priorities and perspectives for 2023

Since its creation, Vivalto Partners has integrated ESG in its strategy and has defined an ESG roadmap. The management company has implemented many actions related to ESG in 2022.

As a committed player, the management company plans to continue its initiatives for 2023.



Appendices



Appendices

Reference Table for Article 29 of “Loi Energie et Climat” (LEC).

As of 31/12/2022, Vivalto Partners is subject to the publication of sections 1.a to 1.e of Article 29 Loi Energie Climat.

Référence au sein du décret d'application n° 2021-663 du 27 mai 2021		Référence au sein du rapport
Démarche générale de l'entité		
1.a	Présentation résumée de la démarche générale de l'entité sur la prise en compte de critères ESG, notamment dans la politique et stratégie d'investissement	1. Vivalto Partner's vision and values on ESG
1.b	Contenu, fréquence et moyens utilisés par l'entité pour informer les souscripteurs, affiliés, cotisants, allocataires ou clients	3.2. Holding phase
1.c	Liste des produits financiers catégorisés sous l'article 8 et l'article 9 de la SFDR, et la part globale, en pourcentage, des encours sous gestion prenant en c	All funds managed by Vivalto Partners are classified as Article 8 according to the SFDR classification.
1.d	Prise en compte des critères environnementaux, sociaux et de qualité de gouvernance dans le processus de prise de décision pour l'attribution de nouveaux mandats de gestion par les entités mentionnées aux articles L. 310-1-1-3 et L. 385-7-2 du Code des assurances ;	3.2. Holding phase
1.e	Adhésion de l'entité, ou de certains produits financiers, à une charte, un code, une initiative ou obtention d'un label, ainsi qu'une description sommaire	2.3. ESG commitments beyond the UN SDGs
Moyens internes déployés par l'entité		
2.a	Description des ressources financières, humaines et techniques	
2.b	Actions menées en vue d'un renforcement des capacités internes de l'entité	1.2.1. Vivalto Partners' ESG Governance
Démarche de prise en compte des critères ESG au niveau de la gouvernance		
3.a	Connaissances, compétences et expérience des instances de gouvernance, notamment des organes d'administration, de surveillance et de direction (ex. niveau de supervision et le processus associé, la restitution des résultats, et les compétences)	2.2. ESG governance
3.b	Adaptation des politiques de rémunération à l'intégration des risques de durabilité	
3.c	Intégration des critères ESG dans le règlement interne du conseil d'administration ou de surveillance de l'entité	
Stratégie d'engagement auprès des émetteurs ou vis-à-vis des sociétés de gestion		
4.a	Périmètre des entreprises concernées par la stratégie d'engagement	
4.b	Présentation de la politique de vote	
4.c	Bilan de la stratégie d'engagement mise en œuvre (ex. part des entreprises avec laquelle l'entité a initié un dialogue, les thématiques couvertes et les actions de suivi de cette stratégie)	
4.d	Bilan de la politique de vote, en particulier relatif aux dépôts et votes en assemblée générale de résolutions sur les enjeux ESG	
4.e	Décisions prises en matière de stratégie d'investissement, notamment en matière de désengagement sectoriel	3. Integration of ESG criteria in the investment strategy of Vivalto Partners
Taxonomie européenne et combustibles fossiles		
5.a	Part des encours concernant les activités en conformité avec les critères d'examen technique	
5.b	Part des encours dans des entreprises actives dans le secteur des combustibles fossiles	
Stratégie d'alignement avec les objectifs internationaux de limitation du réchauffement climatique prévus par l'Accord de Paris		
6.a	Un objectif quantitatif à horizon 2030, revu tous les cinq ans jusqu'à horizon 2050 (au plus tard cinq ans avant son échéance)	
6.b	Lorsque l'entité utilise une méthodologie interne, des éléments sur celle-ci pour évaluer l'alignement de la stratégie d'investissement avec l'Accord de Paris ou la stratégie nationale bas-carbone	
6.c	Une quantification des résultats [de la stratégie d'alignement avec l'Accord de Paris] à l'aide d'au moins un indicateur	
6.d	Pour les entités gérant des fonds indiciels, l'information sur l'utilisation des indices de référence "transition climatique" et "Accord de Paris" de l'Union définis par le règlement (UE) 2019/2089 du Parlement européen et du Conseil du 27 novembre 2019 ;	
6.e	Le rôle et l'usage de l'évaluation dans la stratégie d'investissement, et notamment la complémentarité avec les autres indicateurs sur les critères ESG utilisés plus largement dans la stratégie d'investissement	

6.f	Les changements intervenus au sein de la stratégie d'investissement en lien avec la stratégie d'alignement avec l'Accord de Paris	
6.g	Les éventuelles actions de suivi des résultats et des changements intervenus	
6.h	La fréquence de l'évaluation, les dates prévisionnelles de mise à jour et les facteurs d'évolution pertinents retenus	
Informations sur la stratégie d'alignement avec les objectifs de long terme liés à la biodiversité		
7.a	Une mesure du respect des objectifs figurant dans la Convention sur la diversité biologique adoptée le 5 juin 1992	
7.b	Une analyse de la contribution à la réduction des principales pressions et impacts sur la biodiversité définis par la Plateforme intergouvernementale scientifique et politique sur la biodiversité et les services écosystémiques	
7.c	La mention de l'appui sur un indicateur d'empreinte biodiversité et, le cas échéant, la manière dont cet indicateur permet de mesurer le respect des objectifs internationaux liés à la biodiversité	
Informations sur les démarches de prise en compte des critères environnementaux, sociaux et de qualité de gouvernance dans la gestion des risques		
8.a	Le processus d'identification, d'évaluation, de priorisation et de gestion des risques liés à la prise en compte des critères ESG	
8.b	Une description des principaux risques en matière ESG pris en compte et analysés	2022 ESG performance in the annual report of the fund
8.c	Une indication de la fréquence de la revue du cadre de gestion des risques	
8.d	Un plan d'action visant à réduire l'exposition de l'entité aux principaux risques en matière ESG pris en compte	
8.e	Une estimation quantitative de l'impact financier des principaux risques ESG identifiés et de la proportion des actifs exposés, ainsi que l'horizon de temps associé à ces impacts, au niveau de l'entité et des actifs concernés, comprenant notamment l'impact sur la valorisation du portefeuille	
8.f	Une indication de l'évolution des choix méthodologiques et des résultats	
Plan d'amélioration continue		
9.a	Une identification des opportunités d'amélioration de la stratégie actuelle et des actions concrètes correspondantes permettant d'améliorer la situation actuelle	
9.b	Des informations sur les changements stratégiques et opérationnels introduits ou à introduire à la suite de la mise en place d'actions correctives	
9.c	Des objectifs assortis d'un calendrier de mise en œuvre	