



Exclusion Policy

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GENERAL PRINCIPLES

Mérieux Equity Partners invests exclusively in the health / nutrition sector. Our portfolio companies aim to improve the health of populations directly or indirectly, including the targeting of diseases that are untreated or poorly treated, with an innovative approach compared to treatments usually offered or whose approach can reduce the cost of treatment for the patients concerned.

Thus, the investment strategies of our funds under management structurally enable us to meet Sustainable Development Objective No. 3: Health and Well-being.

Finally, our companies act responsibly by complying with the regulatory and quality standards applicable to them. The "responsible" approach is at the heart of the activity of our portfolio companies.

To build this portfolio, the management company relies on an ESG approach at each stage of the investment cycle.

In the pre-investment phase, the first key control is to ensure that the investment under consideration complies with this policy. Exclusions concern certain sectors but also certain practices. Mérieux Equity Partners will not invest in companies operating in the sectors on the exclusion list, or whose practices do not respect our business ethics.

This approach has been decided to the extent that it appears to us that certain sectors or practices have negative impacts, direct or indirect, which cannot be stopped or mitigated. However, our ESG investment framework, as set out in our Responsible Investment Policy, is based on an analysis of the risks and opportunities for value creation, in a context where the companies in which we invest can put in place a viable "progress plan" during the ownership period.

LIST OF PROHIBITED SECTORS

Given the investment strategy of the funds under management, Mérieux Equity Partners will not invest directly or indirectly in any entity (i) that is engaged in coal mining, coal extraction or coal processing, or (ii) whose principal business is, or whose principal source of income is derived from:

- a) any illegal economic activity, i.e. any production, distribution or any other activity prohibited by law or by any regulation applicable to the entity, the Management Company or the Fund;
- b) from the production or marketing of tobacco, distilled alcoholic beverages;
- c) the production, manufacture or marketing of arms and ammunition of any kind;
- d) gambling or the production or marketing of products related to gambling;
- e) casinos or any equivalent undertaking;
- f) pornography, prostitution or similar activities;
- g) research, development or technical applications relating to electronic data programs or solutions, which are specifically intended to support any of the activities referred to in (a) to (f) above, or which enable the illegal entry into electronic data networks or the downloading of electronic data.

In addition, if Mérieux Equity Partners is led to support the financing of research, development or clinical applications of techniques relating to (i) human cloning for research or therapeutic purposes or (ii) genetically modified organisms (GMOs), all best efforts will be made to promote and vote within the portfolio companies the taking of effective measures to ensure appropriate compliance with the relevant legal, regulatory and ethical standards relating to such human cloning for research or therapeutic purposes and/or GMOs for their activity.

Companies deriving their turnover from the production or trade of genetically modified organisms for non-therapeutic human cloning and/or eugenics are excluded.

LIST OF PROHIBITED PRACTICES

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

- includes practices such as corruption and money laundering ;
- violates human rights (including child or forced labor);
- 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 proven negligence on the part of the company's management;
- does not include trade in endangered species of wild fauna or flora (or products derived therefrom);
- would degrade protected areas of biodiversity.

PROVISIONS APPLICABLE TO FUNDRAISING

Mérieux Equity Partners is a management company whose investor base is currently mainly European. However, as the management company develops, the investor base is expected to become more international.

In this context, it seems essential to apply a "negative filter" in order to avoid raising capital that would result from activities contrary to the objectives of our management company's ESG Investment Policy.

With this in mind, Mérieux Equity Partners will not enter into business relationships with organizations headquartered in a country on the FATF's list of high-risk jurisdictions (black list). As of the date of drafting of this procedure, the black list is composed of 2 countries, North Korea and Iran.