



Impact & ESG Report 2023

This *Impact & ESG Report* (hereinafter the "Report") is designed to provide stakeholders with an overview of Wellington Partners' commitment to Environmental, Social and Governance (ESG) initiatives, as well as the impact of our operations. While we strive to present accurate and timely information, the content of this Report is based on data available as of the date of its publication and may be subject to change.

The information contained herein is intended for informational purposes only and should not be construed as financial or investment advice. We do not guarantee the accuracy, completeness, or reliability of the

data presented. Readers are encouraged to conduct their own research and analysis before making any decisions based on the information provided in this Report.

This Report may contain forward-looking statements regarding future performance and anticipated outcomes related to our ESG initiatives. These statements are inherently subject to risks and uncertainties that may cause actual results to differ materially from those expressed or implied. We undertake no obligation to update or revise any forward-looking statements as a result of new information, future events, or otherwise.

Furthermore, our ESG initiatives are guided by current industry standards and frameworks; however, the applicability and effectiveness of these methodologies may vary over time. Stakeholders should consider the evolving nature of ESG practices and regulations when interpreting the information presented.

By using this Report, you acknowledge and agree that Wellington Partners Life Science Venture Capital Management GmbH, its affiliates and its investment funds shall not be held liable for any damages arising from reliance on the information provided herein.

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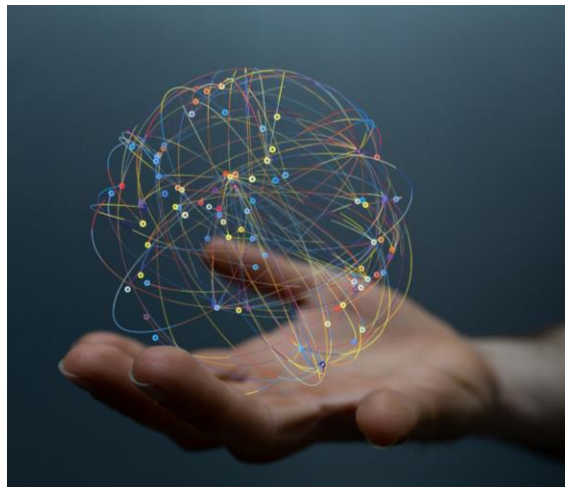
Introduction

Foreword

About Wellington Partners

Meet the Team

Foreword



In our inaugural *Impact & ESG Report*, we highlight our commitment to incorporating Environmental, Social and Governance (ESG) principles into our investment strategy. This report signifies a key step towards achieving sustainable growth and ensuring our investments positively impact society and the environment.

As venture capitalists, we have both a unique opportunity and a responsibility to support innovations that tackle major societal challenges, such as unmet medical needs and improving health outcomes.

We believe that true value comes not only from financial returns but also from the positive impact we create. In a rapidly changing world, balancing economic performance with environmental stewardship and social responsibility is essential for long-term success. Our approach to investing prioritizes ESG alignment, emphasizing responsible capital stewardship.

Beyond traditional financial metrics, we actively engage with our portfolio companies to integrate ESG considerations into their operations and decision-making. This collaboration aims to spur positive change, foster innovation and promote sustainability and inclusivity.

This report serves as both a record of our activities and a commitment to transparency in our ESG efforts, detailing our progress and goals related to governance, environmental impact and social equality. We invite you to explore the insights within these pages and join us in cultivating an investment landscape that values profitability alongside community well-being and planetary health.

Thank you for supporting Wellington Partners' journey towards responsible investing and meaningful impact.

About Wellington Partners

FOCUS



- Therapeutics, MedTech, Diagnostics, Digital Health and Biotechnology
- Innovative technologies addressing high unmet medical needs and attractive markets
- Strong entrepreneurial teams

58

Life Sciences companies
financed to date

SCOPE



- Focus on Europe, selectively US, leading Life Sciences VC in Germany
- Seed to late-stage private companies, highly selected PIPE investments
- Investments with an eye on exit opportunities

22

Exits, IPOs & trade sales

FUNDS



- 6 fund generations, 4 Life Sciences-focused fund generations
- Committed to invest and monitor portfolio using solid ESG framework
- Investment team with strong clinical, scientific and operational expertise

€ 590 m

Assets under management

Meet the Team

Our Team: A Unique Blend of Expertise and Commitment

Since 1998, Wellington Partners has been helping outstanding entrepreneurs to turn their ideas into reality and to become global leaders in their field of business. At the heart of our organization lies a dynamic team that embodies a unique combination of passion and commitment. Comprising 27 dedicated members, our team is characterized by a highly scientific training and an entrepreneurial spirit that drives our mission forward.

With over 350 years of combined industry experience, our professionals bring extensive investment expertise and company-building skills to the table. This wealth of knowledge is further bolstered by the team's remarkable track record, which includes more than 500 financing and exit transactions, showcasing our capability to navigate complex market landscapes successfully.

In addition to their broad know-how, our team members are well integrated into a vast Europe-spanning research network. This invaluable connection not only empowers us to identify emerging innovations across the European Life Sciences landscape but also positions us to capitalize on unique investment opportunities. By leveraging this network, we aim to drive the future of healthcare, ensuring that we remain at the forefront of industry advancements.

Our investment team is complemented by a cadre of experienced operations and administrative professionals, who provide essential support, ensuring streamlined processes and efficient execution of our strategic initiatives. Together, we are committed to fostering innovation and delivering impactful results that define the future of healthcare.



27

passionate
team members



100 +

current and past
board mandates



350 +

years of combined
industry experience



500 +

financing /
exit transactions

Meet the Team

Management & Investment Team



Dr. Rainer Strohmenger
Managing Partner



Dr. Regina Hodits
Managing Partner



Dr. Karl Nägler
Managing Partner



Harald Keller
Managing Partner, CFO



Ernst Mannheimer
Managing Partner,
Legal Counsel



Dr. Johannes Fischer
Partner



Dr. Varun Gupta
Partner



Kai Wohlberedt
Associate



Dr. Robert Buschauer
Analyst



Emeric Nouailhac
Analyst

Joining forces with Senior Life Sciences Executives as Venture Partners



Dr. Ulrich Granzer



Dr. John Maraganore



Dr. Stuart Essig



Dr. Bo Jesper Hansen



Dr. Wolfgang Baiker



Dr. Peter Hirth



Prof. Dr. Erich Schlick



Dr. Mel Spigelman



Margarita Chavez

Supported by a strong Operations Team



Anja



Sabine



Karin



Cornelia



Tobias



Doris



Karina



Ulrike

Wellington Partners & its portfolio are well connected with the Life Sciences Ecosystem*



*selected syndication and cooperation partners

02

wellingtonpartners

Activities

Our ESG Journey

Creating Impact through ESG

Sustainable Development Goals

Our ESG Journey

Our commitment to Environmental, Social and Governance (ESG) principles has been a pivotal element of our operational strategy, enabling us to align our investment practices with the expectations of our stakeholders and the wider global community.

In March 2021, Wellington Partners proudly launched its new fund [Wellington Partners Fund VI](#), which was specifically designed with an integrated ESG framework and is categorized as SFDR Article 8. In essence, Article 8 funds promote environmental and social objectives, going beyond merely considering sustainability risks. Wellington Partners Fund VI marked a foundational step in our commitment to sustainable investing, positioning us to address the growing demand for responsible investment strategies.

In May 2021, Wellington Partners approved its first [ESG Policy](#), which was last updated in January 2023. The policy inter alia covers our commitment to ESG, our principles and ESG integration in the investment process.

In July 2021, we took a significant step by signing the [United Nations Principles for Responsible Investment \(UN PRI\)](#), reinforcing our commitment to responsible investment practices. This partnership established a framework for incorporating ESG factors into our investment decision-making, aligning our strategies with global best practices and the Sustainable Development Goals (SDGs).

In July 2022, we published our inaugural [Sustainable Finance Disclosure Regulation \(SFDR\)](#) disclosure on our website, marking a significant transparency milestone. This disclosure provides crucial information regarding our sustainability goals and how we assess the ESG performance of our investments. By making this information publicly accessible, we aim to foster trust and accountability within our stakeholder community.



Our ESG Journey

In September 2023, we conducted an extensive [ESG workshop](#) aimed at revising all major investment documents and evaluating our ESG criteria. This workshop was instrumental in defining our investment priorities and objectives, ensuring they reflect our evolving understanding of sustainability and its implications for risk and opportunity in our investment processes.

In October 2023, we partnered with TAUW to deliver comprehensive [ESG training](#) to our team. This initiative emphasized the importance of integrating ESG considerations into our investment strategies, equipping our staff with the knowledge and tools required to enhance our commitment to sustainable investment.

As part of our continuous effort to gather relevant data and insights from our portfolio companies, we launched an online survey via Atlas Metrics in January 2024. This initiative serves as a crucial tool for assessing [ESG performance](#) across our investment spectrum, concentrating on critical areas such as governance practices, social impact and environmental stewardship.

In December 2024, we published our first [Impact & ESG Report](#), which encapsulates our progress, challenges and achievements in respect to ESG compliance and performance. It represents our ongoing dedication to transparency and accountability, as well as our commitment to making a positive impact through our investment activities.



Our ESG journey is defined by strategic milestones and unwavering commitments that reflect our proactive approach to sustainable investing. As we move forward, we remain dedicated to enhancing our ESG framework and practices, consistently striving to create positive outcomes for our investors, portfolio companies and society at large.

Creating Impact through ESG

Sustainability as a Compass for Success



To us, investing means not just believing in the future but also setting the right course to deliver that future. As venture capital investors, we need to demonstrate a comprehensive understanding of the future viability of business ideals and models so that each of our investment decisions contributes to improving patients' lives as well as generating attractive financial returns.

At Wellington Partners, we are aware of our responsibility and consistently align our actions with a defined set of ESG criteria.



Environment

We recognize global environmental challenges, in particular climate change as well as biodiversity loss, to be amongst the most pressing tasks of our time. There are implications for – and by – the Life Sciences sector we need to take into account. Furthermore, there are environmentally related operational aspects in Life Sciences that we consider to be of essential importance, such as water and waste management and the use of hazardous materials. Our key environmental considerations are summarized below:

- Climate protection and mitigation (e.g. reducing greenhouse gas emissions);
- Climate change resilient business models;
- Transition to a circular economy (e.g. limiting production of waste, improving recycling);
- Responsible handling of hazardous materials;
- Avoidance and reduction of environmental pollution (to air, land and water);
- Responsible use and protection of water and maritime resources;
- Protection of biodiversity and healthy ecosystems;
- Sustainable resource management.



Social

In Life Sciences and in particular for the process of research and development of medicine and health care products, social aspects like product safety, health protection and customer welfare are of the highest importance. Overall, we consider the following social aspects as part of our ESG-related processes:

- Occupational health and safety;
- Appropriate remuneration and fair working conditions;
- Diversity, inclusion, equal treatment, training and development opportunities;
- Compliance with international labor standards (no child labor, forced labor or discrimination);
- Adequate product safety incl. health protection;
- Customer welfare;
- Safety and wellbeing of clinical trial participants;
- Replace, reduce and refine animal testing (3Rs principle);
- Ethical Marketing, fair selling practices and product labelling;
- Access and affordability (fair pricing policies);
- Trade union rights;
- Inclusive projects and consideration of the interest of communities and social minorities.



Governance

A best practice approach to Governance aspects is crucial to us. We consider the following aspects to be particularly relevant for the Life Sciences sector:

- Business ethics and sound ethical mission and values;
- Board independence, quality and diversity;
- Adherence to prevailing principles of ethics in biomedical research;
- Antibribery and -corruption measures;
- Data protection and privacy;
- Transparent information disclosure;
- Independent and qualified clinical oversight;
- Quality assurance and internal controls;
- Facilitation of whistle blowing.

Sustainable Development Goals

Impact of our Portfolio

Through our strategic investment activities, we are dedicated to supporting Life Sciences companies that align with and advance the [United Nations Sustainable Development Goals](#).



Goal 3 – Good Health and Well-being

By fostering innovations in medical research, biotechnology, and pharmaceuticals, the Life Sciences sector is instrumental in addressing critical health challenges such as infectious diseases, chronic conditions and public health emergencies. Our portfolio companies contribute to the development of effective healthcare systems through improved diagnostics, treatments and preventative measures, thereby enhancing overall health outcomes and reducing inequalities in access to care. In this context, investments in Life Sciences innovation are essential for achieving comprehensive and equitable health solutions globally, ultimately leading to longer and healthier lives for populations worldwide.



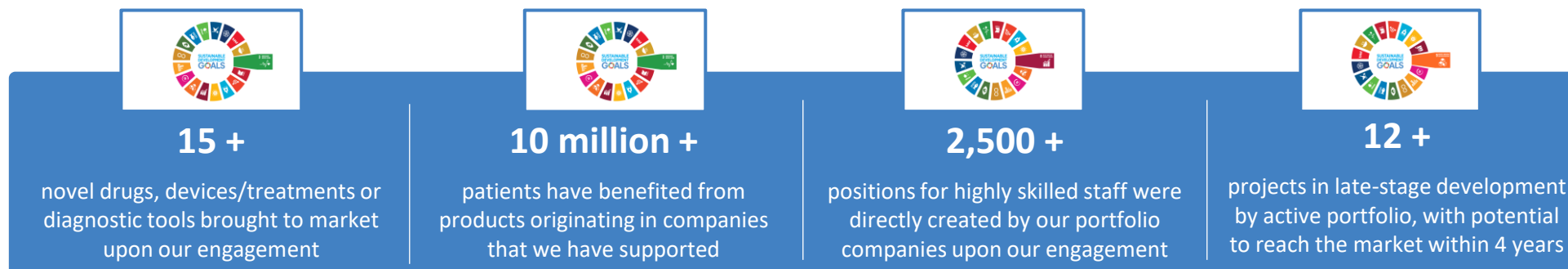
Goal 8 – Decent Work and Economic Growth

Our investment strategy focuses on stimulating inclusive and sustainable economic growth, employment and decent work for all. We acknowledge that the Life Sciences sector is a significant contributor to job creation and economic advancement. Our portfolio companies contribute to the establishment of resilient healthcare systems, ensuring that individuals have access to essential services, and thereby supporting a stable workforce and reducing inequalities. By investing in companies that prioritize ethical labor practices, workforce development and equitable opportunities, we help to create a strong labor market that benefits society as a whole.



Goal 9 – Industry, Innovation and Infrastructure

By harnessing cutting-edge research and technological advancements, our portfolio companies contribute to the development of innovative medical technologies and pharmaceuticals that enhance public health systems, thereby ensuring sustainable industrial progress. Through our funding endeavours, we support the establishment of biotechnological industries that not only create job opportunities but also stimulate economic growth through the commercialization of scientific discoveries. Thus, the Life Sciences sector is essential for promoting sustainable industrialization and fostering an ecosystem of innovation that drives both societal well-being and economic resilience.



Sustainability Strategy

Commitment to ESG

ESG Framework

Investment Philosophy

Investment Strategy

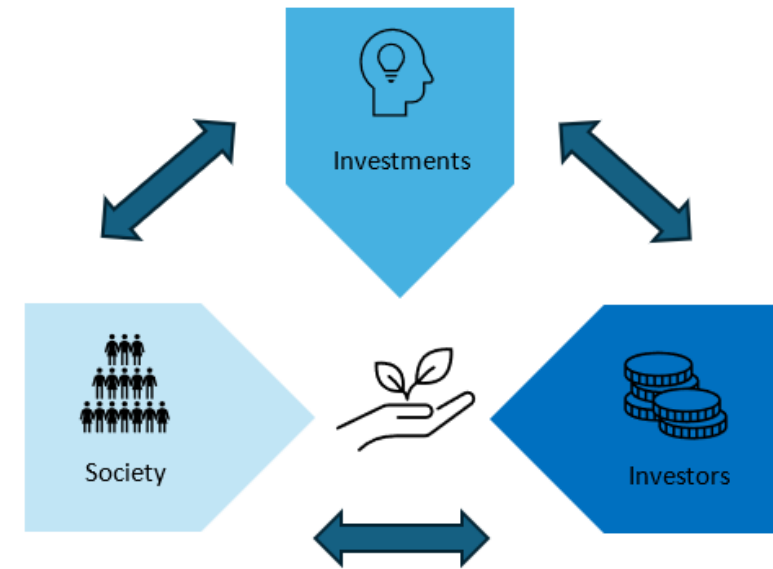
Commitment to ESG

The Importance of Responsible Investment in the Life Sciences Sector

At Wellington Partners, we firmly believe that responsible investment is not merely a trend, but a fundamental strategy that fosters alignment among investors, investee companies and society at large. This alignment is essential for addressing contemporary challenges and for enhancing and ensuring sustainable financial returns over the long term. By understanding Environmental, Social and Governance (ESG) risks and opportunities, we can critically evaluate a company's value and execute effective strategies to manage these ESG risks systematically after making an investment. This approach serves as a vital lever for adding value to our portfolio.

The Life Sciences sector stands out as one of the most regulated industries, driven by stringent ethical standards that directly influence our investment considerations. In this context, many critical ESG issues have historically been integrated into our assessment processes. However, we also recognize the need to expand our ESG perspective in response to evolving societal expectations regarding stakeholder engagement and environmental stewardship, which are vital for risk mitigation and value creation:

Wellington Partners has engaged independent and external ESG advisors to assist us in developing a customized ESG framework tailored to our specific needs within the Life Sciences sector. This framework encompasses comprehensive processes designed to identify, assess and manage ESG factors that may impact our investments. Through our customized ESG framework, we seek not only to comply with regulatory requirements but also to anticipate emerging societal expectations and industry trends.



Wellington Partners recognizes that responsible investment is a multi-faceted journey that requires continuous improvement and adaptation. Our enhanced focus on ESG considerations reflects our commitment to fostering a sustainable future where the interests of investors, companies and society converge harmoniously.

ESG Framework

Best Practice ESG Policy

In recent years, the importance of ESG factors in investment strategies has gained substantial recognition. While sustainable investing may not be our primary objective at Wellington Partners, our commitment to generating a positive impact through our investments remains paramount. We recognize that by focusing on the Life Sciences sector, we have a unique opportunity to contribute positively, particularly in [enhancing access to healthcare](#) and [addressing unmet medical needs](#), such as developing therapeutic solutions and diagnostic technologies for rare diseases in order to [improve patients' quality of life](#).



Motivation for ESG Integration

The motivation behind our ESG integration is twofold: ethical responsibility and potential for financial performance enhancement. We believe that aligning with ESG principles can lead to better long-term returns by mitigating risks associated with poor environmental practices, social negligence and governance failures. The Life Sciences sector, by its nature, presents numerous avenues to create lasting impacts, thus motivating our strategic focus.

Understanding of and Commitment to ESG

Wellington Partners' ESG Policy is rooted in an understanding of the vital role ESG principles play in investment decision-making. It acknowledges our responsibility not only as investors but also as corporate citizens seeking to foster sustainable, equitable outcomes. Our commitment extends beyond mere compliance; it embodies a conviction that investments can facilitate transformative societal change.

Internal Commitment

Our internal commitment to ESG principles is reflected in our organizational culture and operational practices. We continuously educate our team on the relevance of ESG factors and encourage a mindset geared towards sustainability. This internal emphasis ensures that every member of our organization understands their role and responsibility in executing our ESG Policy effectively.

ESG Framework

Awareness of Own Role and Responsibility

Each team member is expected to embody our ESG commitments in their daily responsibilities, ensuring that our collective efforts align with the overarching goals of our policy. This consciousness of individual impact supports a cohesive environment where sustainability is a shared priority.

Engagement with ESG Initiatives and Partnerships

Active engagement with ESG initiatives and partnerships is a cornerstone of our policy. We believe that collaboration amplifies our impact and fosters innovation within the sector. By participating in industry forums and aligning with organizations dedicated to advancing ESG standards, we aim to influence broader changes that promote sustainability and accountability within the Life Sciences industry.



ESG Integration in the Investment Process

To effectively incorporate ESG factors into our investment process, we employ a comprehensive approach. This includes thorough due diligence that evaluates the ESG performance of potential investments and integrates these considerations at every stage of the investment lifecycle, ensuring that our portfolio reflects our values and our dedication to driving positive change.

Screening Criteria

To maintain alignment with our ESG values, we utilize both negative and positive screening criteria in our investment decisions. Negative screening involves excluding companies that do not meet established ESG standards or those engaging in practices contrary to our ethical benchmarks. Conversely, positive screening prioritizes investments in firms that exhibit exemplary ESG practices and are actively contributing to solutions in the Life Sciences sector.

Our ESG Policy exemplifies our commitment to integrating responsible investing principles into our operations. By understanding ESG components, employing robust integration methods, engaging with relevant partnerships and fostering internal commitment, we aim to drive meaningful change while pursuing valuable investment opportunities. Our ongoing dedication to these principles will not only benefit our clients but also contribute to the broader society in which we operate.

Investment Philosophy

At Wellington Partners, we recognize that our role as a venture capital firm extends beyond the financial returns we generate for our investors. We believe in a holistic approach to investing that aligns with Environmental, Social and Governance (ESG) principles. Our commitment to ESG is foundational to our investment strategy and reflects our responsibility to foster sustainable growth and positive societal impact.

Environmental Stewardship

As stewards of capital, we understand the importance of integrating environmental considerations into our investment process. We actively support our portfolio companies to prioritize sustainability, reduce their carbon footprints and promote responsible resource management as well as encourage them to adopt practices that minimize environmental impact and contribute to a healthier planet.

Social Responsibility

Wellington Partners is committed to fostering inclusive and equitable business practices. We believe that successful companies are those that prioritize the well-being of their employees, customers, and communities. Our investment thesis encompasses support for businesses that champion diversity, equality and inclusion, ensuring that all stakeholders have a voice. We actively engage with our portfolio companies to implement robust labor practices, enhance community engagement and uphold human rights. Through our partnerships, we aim to create lasting social value that resonates throughout the communities we serve.

Governance Excellence

Effective governance is crucial to the long-term success of any organization. At Wellington Partners, we emphasize the importance of transparency, accountability and ethical leadership within our portfolio companies. We seek to invest in firms that adhere to high standards of corporate governance, including strong board oversight and risk management practices. Our proactive approach includes regular assessments and engagements with our companies to ensure they are aligned with best practices in governance, thus safeguarding the interests of all stakeholders.

Conclusion

Wellington Partners is steadfastly committed to embedding ESG principles into our investment philosophy. We believe that by focusing on environmental sustainability, social responsibility, and governance excellence, we can not only enhance financial performance but also contribute to a more sustainable and equitable future. Our dedication to ESG is not merely a component of our investment strategy; it is an integral part of who we are as a firm.

Investment Strategy

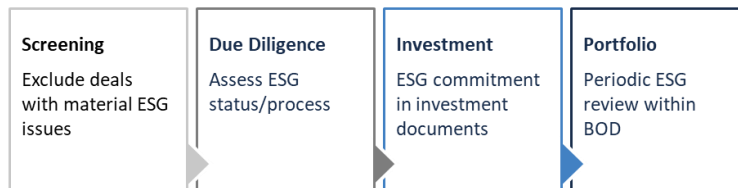
Investment Strategy

With its fund WPLS-VI, Wellington Partners focuses on the development of innovative therapeutics, medical technology, diagnostics and digital health products addressing high unmet medical needs and selectively considering opportunities in the field of industrial biotechnology. The detailed understanding of ESG risks and opportunities of investment targets during due diligence and systematic monitoring and addressing of ESG compliance after the initial investment, is a standard component of Wellington Partners' investment strategy. The integration of ESG considerations along the whole investment process is described in [Wellington Partners' ESG Policy](#) and includes an assessment of Environmental, Social and Governance aspects of the investee companies as part of Wellington Partners' ESG due diligence as well as during annual ESG updates.

To undermine its commitment to avoiding adverse sustainability impacts, Wellington Partners is a signatory of the [UN Principles for Responsible Investment](#) and its ESG due diligence approach is generally aligned with the [Ten Principles of the UN Global Compact \(UNG\)](#).



Investment process following PRI  Principles for Responsible Investment



04

Portfolio

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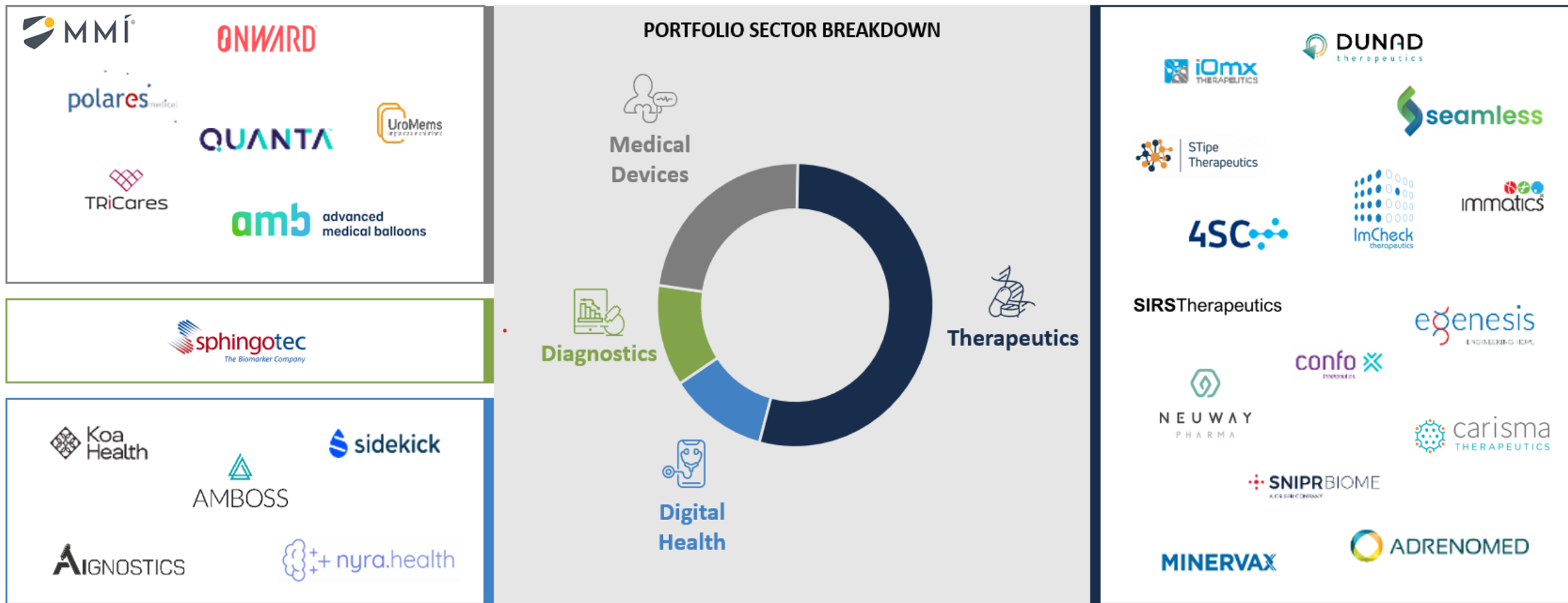
Active Portfolio 2023

Fund VI Portfolio

Portfolio ESG Performance in 2023



Active Portfolio 2023



Fund VI Portfolio



1

New investment in 2023













5

Total number of Fund VI portfolio companies at the end of 2023



> 85 million

Amount raised as lead or co-investors for our portfolio companies

	 <p>Digital Health</p>	<p>Clinically-validated, AI-powered platform for training of speech and cognition in patients with stroke and other severe neurological disorders</p>
	 <p>Therapeutics</p>	<p>Next-generation targeted protein degradation therapies that are orally bioavailable and CNS-accessible</p>
	 <p>Therapeutics</p>	<p>Unique site-specific designer recombinases to perform gene editing and correct genetic defects with highest precision</p>
	 <p>Digital Health</p>	<p>AI-powered digital pathology and data analytics platform for use in clinical studies and drug discovery with an initial focus on immune oncology</p>
	 <p>Medical Devices</p>	<p>First CE-marked robotic microsurgery platform</p>

Portfolio ESG Performance in 2023

Results of ESG Questionnaire Among Portfolio Companies

In recent years, the importance of Environmental, Social and Governance (ESG) criteria has grown considerably within the investment landscape. As stakeholders increasingly demand accountability and transparency from portfolio companies, ESG considerations have emerged as integral components of corporate strategy and risk management. Recognizing this evolving paradigm, we have undertaken a comprehensive questionnaire aimed at assessing the ESG practices prevalent among our portfolio companies.

In this *Impact & ESG Report*, we present the ESG data from [Wellington Partners' Fund VI](#) investee companies for the [financial year ending 31 December 2023](#).

Data has been gathered through internal processes and through an [ESG Questionnaire](#) distributed to our portfolio companies. The questionnaire serves not only to evaluate compliance with established ESG standards but also to gauge the commitment of these entities towards sustainable practices that positively impact society and the environment. The responses collected provide insights into how our portfolio companies are addressing pressing global challenges, including climate change, society and corporate governance.

In the following sections, we will present an analysis of the questionnaire results, highlighting key areas of strength and identifying opportunities for improvement. By fostering a culture of ESG responsibility, we aim to support our portfolio companies in their journey towards sustainability and enhanced stakeholder engagement. This report underscores our commitment to responsible investing and illustrates the pivotal role that effective ESG strategies play in driving long-term value creation.



Please note:

Since ESG regulations had not entered into force and/or been applicable at the time of Wellington Partners' Fund IV and Fund V investments, the respective investee companies had not been obliged to provide information on their ESG performance in 2023. Therefore, the data presented in this report are only a fragment of the activities and impacts of our portfolio companies. With respect to our responsibility towards society and our investors – and to have a more wholesome representation of our portfolio companies' ESG activities – Wellington Partners will try to collect data for Fund IV and Fund V companies as well in order to be able to provide a “consolidated” statement at entity level already for 2024.

Environment – Carbon Emissions

The consolidated fund-level emissions data categorized across Scope 1, Scope 2 and Scope 3 for the year 2023 show that Scope 3 emissions, which pertain to value chain-related activities, constitute the majority of the total emissions generated by our portfolio companies. This trend is followed by Scope 2 emissions, primarily attributable to electricity consumption, and lastly, Scope 1 emissions, which represent direct emissions from owned or controlled sources.

Scope 3 emissions are predominantly driven by factors such as business travel, purchased goods and services, and waste management practices. It is important to note that several of our portfolio companies are in the early stages of development and often operate within shared office spaces or utilize remote working arrangements. These companies typically do not possess their own vehicles and frequently outsource manufacturing and research activities to Contract Manufacturing Organizations (CMOs) and Contract Research Organizations (CROs). Consequently, the overall carbon emissions, particularly in relation to Scope 1, remain relatively low.



The analysis underscores the necessity of focusing on comprehensive strategies to address the significant Scope 3 emissions while continuing to promote sustainable practices across the entire value chain.



Tons of CO₂ (tCO₂e) generated by portfolio companies

Total Scope 1 emissions:	0.03
Total Scope 2 emissions (market-based):	19.98
Total Scope 3 emissions:	235.91
<hr/>	
Total GHG emissions:	256.28

- Scope 1: Direct emissions resulting from vehicles, fuel use, and/or chemical leakage
- Scope 2: Indirect emissions resulting from purchased electricity, cooling, heat and/or steam
- Scope 3: Other indirect emissions that occur in the value chain of a company and are not already included within Scope 2 (e.g. emissions resulting from purchased goods and services, transport, or business travel)

Environment – Energy

Energy Production

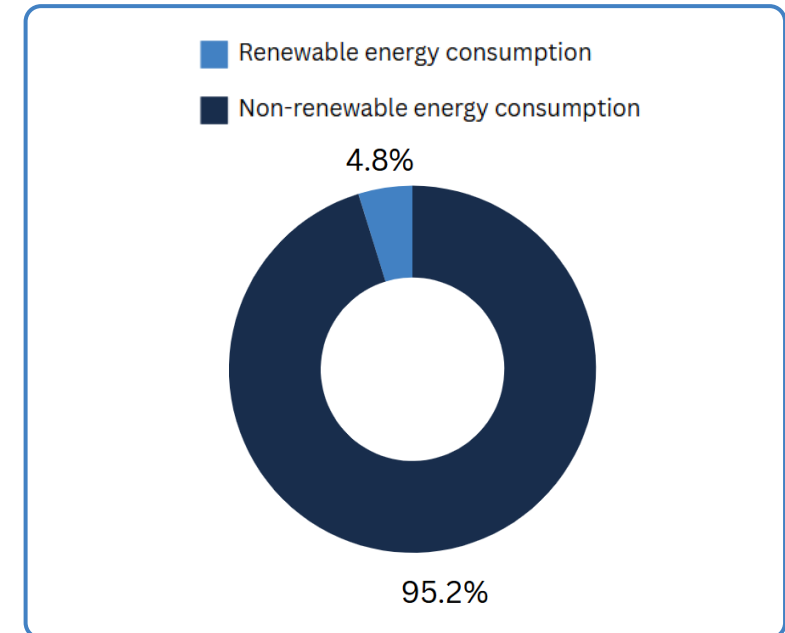
The data indicates a total renewable energy production of 1,505 kilowatt-hours (kWh). In contrast, the survey revealed that there was no recorded production from non-renewable sources, specifically indicating a production level of 0.0 kWh. This highlights a strong reliance on renewable energy sources, albeit with a relatively low output in comparison to overall consumption levels.

Energy Consumption

Analysis of energy consumption reveals a significant disparity. Renewable energy consumption amounted to 30,037 kWh, whereas non-renewable energy consumption reached a substantial 599,487 kWh. The overwhelming reliance on non-renewable energy resources underscores a critical area of concern regarding sustainability and environmental impact.



The results of the questionnaire illustrate an important trend in energy usage where renewable resources are produced minimally while a heavy dependence on non-renewable sources persists for consumption. It is imperative that future initiatives focus on increasing renewable energy production to align more closely with consumption needs and promote a sustainable energy framework.



For the year 2023, our portfolio company  **nyrahealth** has reported a **renewable energy consumption of**

100%

Environment – Waste & Water

Waste Management Practices

In terms of waste management, our portfolio companies reported the generation of 0.46 tons of hazardous waste in 2023. It is noteworthy that no radioactive waste has been produced during this period, highlighting a responsible approach to managing potentially harmful materials. We continue to encourage our portfolio companies to develop and implement strategies aimed at reducing hazardous waste generation in the future.

Water Resource Management

The survey results also provide insight into our portfolio companies' impact on water resources. The assessment indicated that emissions to water amounted to 0.00 tons, reflecting a commendable adherence to standards aimed at preventing water pollution. Moreover, total water withdrawal across our portfolio was recorded at 2,515 m³. We recognize the importance of managing water resources responsibly and will continue to promote practices that ensure sustainable water use.



The findings from our environmental questionnaire underscore our dedication to upholding rigorous ESG standards among our portfolio companies. By continuously monitoring these metrics, we aim to foster an environmentally responsible investment approach that prioritizes sustainability and values the health of our planet.



Water withdrawal

2,515 m³



Radioactive waste generated

0.00 t

Hazardous waste generated

0.46 t

Total emissions to water

0.00 t

Sectoral Compliance and Biodiversity Protection

We affirm that none of our portfolio companies operate within high-impact climate sectors or engage in activities associated with fossil fuels. This strategic exclusion is pivotal to our ESG Policy, which seeks to minimize environmental harm and promote sustainable practices. Furthermore, we have verified that no operational sites of our portfolio companies are situated in or near biodiversity-sensitive areas, thereby safeguarding vital ecosystems and contributing to ecological preservation.

Social – Employment

Over the course of 2023, our portfolio companies successfully onboarded 108 new full-time equivalents (FTEs), highlighting their commitment to growth and workforce expansion.

In an effort to gauge employee satisfaction and engagement, 60% of the companies within our portfolio conducted employee surveys. Notably, these initiatives garnered a robust response rate, with nearly 80% of employees participating in the surveys. This high level of engagement underscores the importance our portfolio companies place on obtaining feedback and fostering open communication with their workforce.

Furthermore, during the reporting period, our portfolio companies demonstrated a strong commitment to professional development by offering a total of 1,181 hours of training and educational opportunities to their employees. This investment in employee development is essential for enhancing skills, career advancement and overall job satisfaction.



The findings reflect our ongoing dedication to creating a supportive and engaging work environment within our portfolio, aimed at attracting and retaining top talent in an increasingly competitive market.



Total new hires (FTE)

108



Percentage of organizations that indicated they have implemented an employee survey

60%



Average percentage of employees responding to the employee survey

78.3%



Total hours of training and education opportunities provided to the organization's employees (FTE) for the reporting period

1,181

Social – Gender Diversity

Policies relating to diversity, equality and inclusion: **20%**

Anti-discrimination and equal opportunities policy: **60%**

The gender composition of the workforce reveals critical insights into an organization's commitment to gender diversity. Currently, women account for 37.1% of full-time equivalent (FTE) employees at our portfolio companies, while men represent 62.9%. This gender disparity suggests that there remains considerable room for improvement in achieving gender parity.

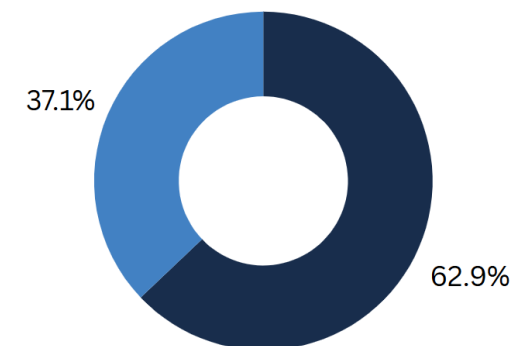
Moreover, when examining the C-Suite, the percentage of female representation diminishes slightly to 30.0%. The lack of non-binary representation in both FTE and C-suite levels further emphasizes the pressing need for a broader understanding of gender diversity that transcends binary classifications.



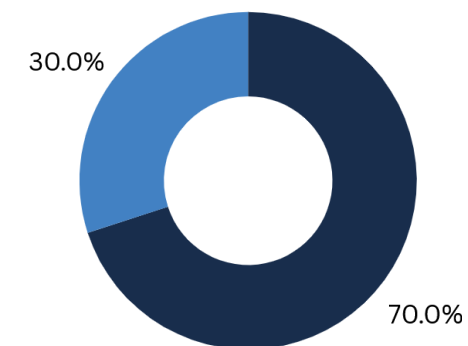
While there are some measures in place concerning anti-discrimination and equal opportunity, the overall commitment to gender diversity at portfolio level remains inadequate. With only a limited number of organizations implementing effective DEI policies, the pathway to improved gender representation, particularly in leadership roles, appears obstructed. To enhance gender diversity, organizations must prioritize the development and enforcement of comprehensive policies that promote inclusivity, thereby ensuring a more equitable and representative workforce for the future.

Gender representation among employees

Full-time equivalent (FTE) employees



C-Suite employees



■ Male ■ Female ■ Non-binary

Governance – ESG Policies

The results of the survey indicate that none of our Fund VI portfolio companies have currently established ESG policies. This lack of formalized policies underscores a significant opportunity for us to introduce concepts of ESG management and the importance of integrating these principles into their business frameworks. There exists a clear need to enhance ESG literacy among these organizations, as such awareness is paramount in fostering responsible governance and sustainable practices.

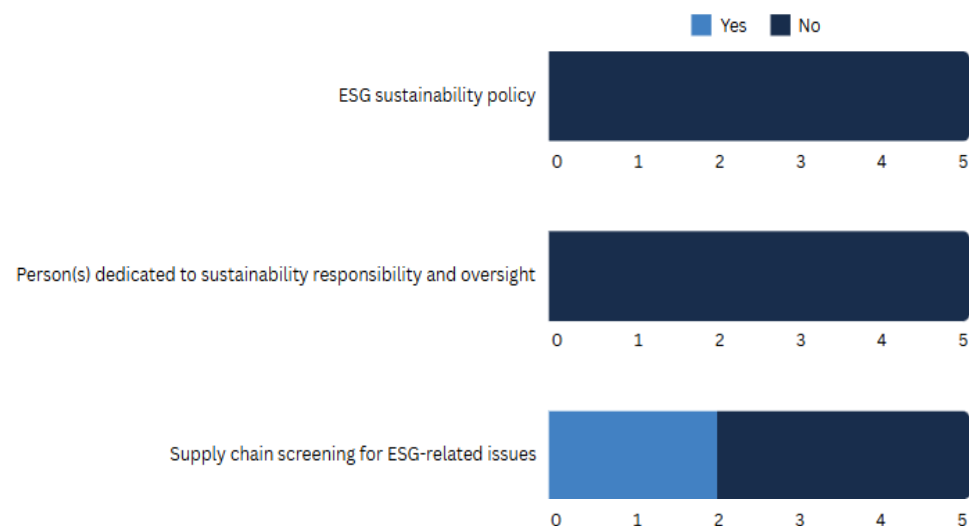
Furthermore, the survey revealed that there is no designated individual responsible for ESG implementation and oversight at the company level within these entities. The absence of a dedicated role for ESG responsibilities may hinder the effective integration of sustainability practices into their operations. It will be crucial for us to encourage the appointment of personnel tasked specifically with overseeing ESG initiatives, thereby promoting accountability and strategic focus in this area.

Despite these challenges, we did uncover a positive development: approximately 40% of our portfolio companies have implemented supply chain screening processes for ESG-related issues. This indicates an emerging recognition of the need to assess ESG risks within their supply chains, which is an encouraging sign of awareness and proactive risk management.



As many of our portfolio entities are in the development phase, we recognize that they are navigating the initial stages of ESG management and awareness. The results of this year's ESG survey reveal significant gaps in policy development and dedicated oversight within our portfolio companies, highlighting the importance of our role in guiding and supporting them on their ESG journeys. Moving forward, we are committed to enhancing ESG awareness and fostering a culture of sustainability among our new portfolio companies. We believe that with the right support and education, these organizations can successfully implement comprehensive ESG strategies that not only comply with best practices but also contribute to their long-term success.

Portfolio companies with ESG policy and governance



Governance – ESG Management & Corporate Policies

In our ongoing commitment to uphold high standards of ESG management across our portfolio, we conducted a thorough questionnaire assessing the implementation of various ESG-related policies among our companies. The findings demonstrate encouraging progress, with many of our portfolio companies establishing frameworks to ensure compliance with relevant legal requirements and governance structures.

We are pleased to report that the majority of our portfolio companies have implemented clear policies pertaining to data privacy and cybersecurity risks. Given the critical nature of safeguarding sensitive and private information, particularly in the Life Sciences sector, these measures are essential. The protocols established to protect such data reflect our companies' dedication to maintaining integrity and trust in their operations.

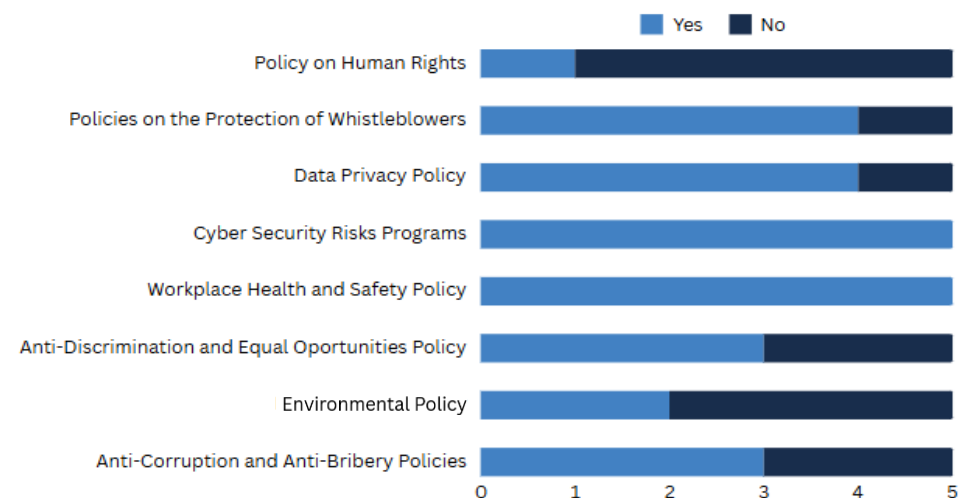
Furthermore, all assessed companies have instituted policies addressing workplace health and safety. This proactive approach ensures that employees are provided with a safe working environment, thereby enhancing overall employee well-being, organizational productivity and employee retention.



It is important to acknowledge areas where our portfolio companies have yet to adopt comprehensive policies. Notably, while human rights and environmental considerations are universally relevant, specific policies in these domains remain underdeveloped. We recognize the necessity of integrating these critical issues into corporate strategies and will actively engage with our portfolio companies to facilitate the adoption of appropriate documents and practices.

The challenges faced by some of our companies in achieving better results in ESG policy implementation can largely be attributed to limited resources, smaller size and the early stages of development. Many are still focused predominantly on refining their products and services, which can inadvertently delay the prioritization of robust ESG frameworks.

Portfolio companies with ESG-related policies at the end of 2023



Governance – Board-Related Matters

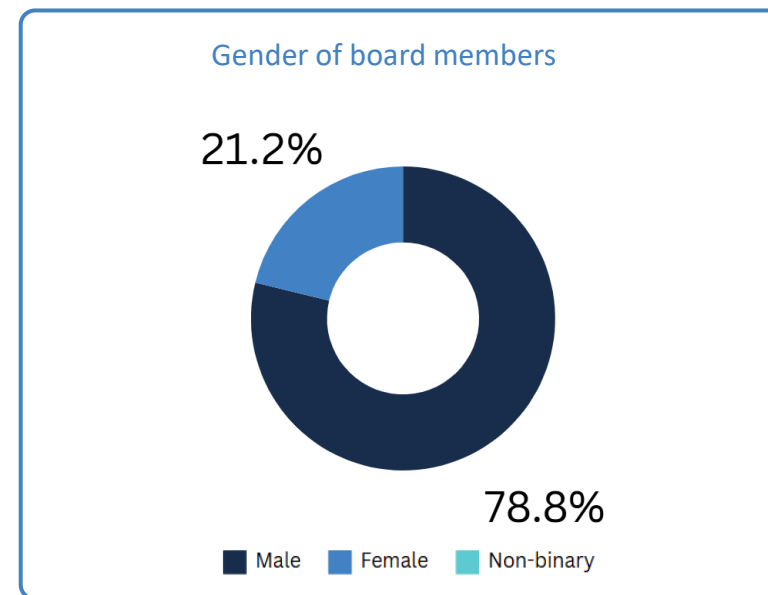
The objective of the questionnaire conducted regarding the composition and structure of the board was to analyze the demographics and independence of board members for informed decision-making and future strategic initiatives.

The data reflects a significant gender disparity on the board, with male members constituting a large majority (79%), while female representation stands at 21%. The absence of non-binary representation also highlights a potential area for improvement in inclusivity practices.

The percentage of independent board members totals 30%, which indicates a healthy level of independent oversight that can contribute positively to governance and decision-making.



While the board exhibits a sufficient number of independent members, it is imperative to address the gender imbalance and lack of non-binary representation. These findings serve as a foundation for discussing potential strategies aimed at fostering a more diverse and inclusive board environment. Further action is recommended to explore avenues for recruitment and engagement that reflect these goals.



Percentage of independent board members:

30%

Concluding Remarks on Portfolio ESG Performance



The findings from the ESG performance questionnaire reflect a commendable commitment by our portfolio companies to integrate sustainable practices into their operations. The increasing emphasis on ESG factors is shaping corporate strategies and enhancing long-term value creation. As we continue to monitor these results, we encourage ongoing collaboration and knowledge-sharing among our portfolio companies to further elevate their ESG initiatives. By fostering a culture of accountability and transparency, we can collectively contribute to a more sustainable and equitable future.

05

wellingtonpartners

Management Company

ESG & Impact Policies

ESG Performance in 2023

Looking Ahead

ESG & Impact Policies

At Wellington Partners, the coordination of Environmental, Social and Governance (ESG) activities is a structured process led by an internal ESG team, supported by independent ESG consultants. The ESG team plays a pivotal role in developing and periodically updating our ESG Policy, which serves as a guiding document for our commitment to responsible investment practices. This team is also tasked with establishing analytical frameworks and processes that allow for the effective integration of ESG criteria into our investment decisions.

In recognition of the critical importance of ESG considerations, each investment manager is held accountable for ensuring that these criteria are integrated not only into the initial investment decision-making process but also maintained throughout the lifecycle of portfolio companies. To facilitate this, the ESG team organizes regular training sessions for the investment team. These trainings are designed to keep all members abreast of evolving regulatory requirements, investor expectations, market developments and the internal sustainability commitments that underpin our strategic objectives.

Moreover, adherence to compliance regulations is paramount at Wellington Partners. All team members have formally signed and committed to the firm's compliance regulations, which encompass several discrete policies that reflect our dedication to responsible investment and robust compliance management. Through this cohesive approach, we strive to maintain the highest standards of integrity and transparency in our ESG initiatives, ensuring that our practices align with both stakeholder interests and societal expectations.

The Wellington Partners ESG Team



Ulrike Spring



Dr. Johannes Fischer



Dr. Varun Gupta



Emeric Nouailhac

ESG Performance in 2023

Celebrating Diversity and Expertise in Our Interdisciplinary Team

At Wellington Partners, we take immense pride in assembling an exceptional interdisciplinary team comprising experts from the domains of science, medicine and business. Each member of our organization contributes a unique skill set, extensive experience and intrinsic value to our operations, fostering a culture of innovation and excellence.

Diversity forms the cornerstone of our corporate philosophy. We recognize that a varied workforce not only enhances creativity but also drives better decision-making and problem-solving. Our team is currently composed of 27 dedicated members hailing from five different nationalities, fostering a rich tapestry of perspectives and insights.

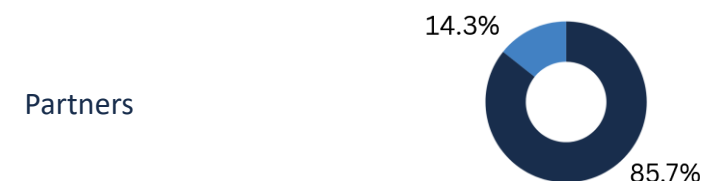
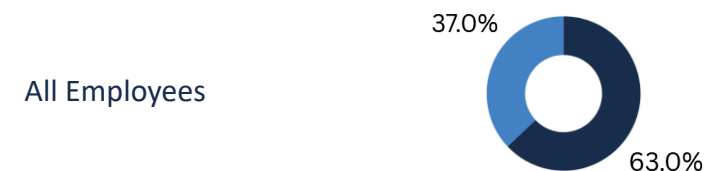
We understand the significance of addressing the underrepresentation of women in investment companies. At Wellington Partners, we are actively engaged in initiatives aimed at promoting gender equality and empowering female professionals. We firmly believe that varying backgrounds, strengths, experiences and opinions serve to fortify our company, ultimately leading to enhanced performance and success.



In conclusion, our commitment to building a diverse team at Wellington Partners is not merely a strategic choice; it is a core principle that drives our mission forward. By embracing diversity, we are equipped to tackle challenges with a multifaceted approach, ensuring that we remain at the forefront of investment excellence.

Gender distribution per employee category

■ Male ■ Female ■ Non-binary

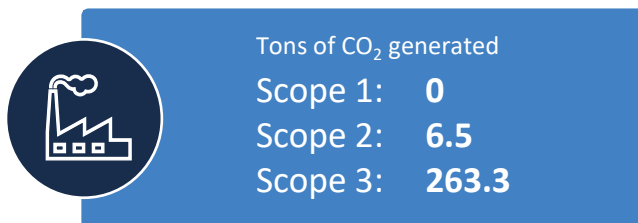


ESG Performance in 2023

Our Carbon Footprint

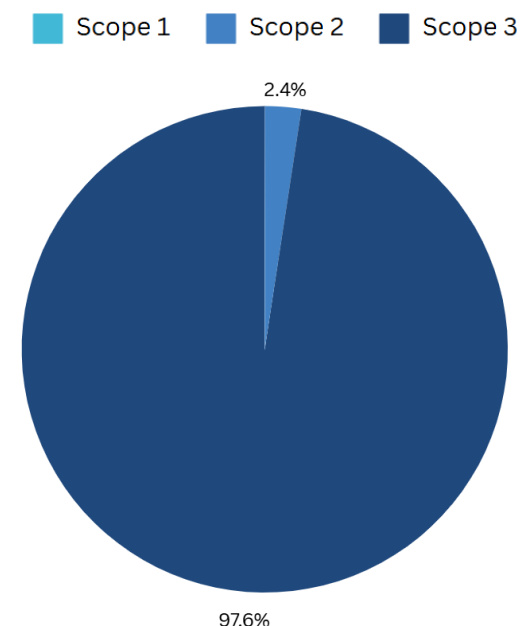
In 2023, Wellington Partners recorded a total of 269.8 tons of carbon emissions, measured in CO₂ equivalent (tCO₂e). A detailed analysis of these emissions reveals that Scope 1 emissions, which encompass direct emissions from owned or controlled sources, were non-existent at 0.0 tCO₂e. Scope 2 emissions – those associated with the generation of purchased electricity, steam, heating and cooling consumed by the company – accounted for 2.4% of our overall carbon emissions.

The substantial majority of our emissions, comprising 97.6%, were classified under Scope 3. This category is particularly significant as it encompasses all indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions. A considerable portion of these Scope 3 emissions arises from our business travel activities, predominantly through air and train travel.



This emission profile highlights the potential to reduce our carbon footprint, particularly in relation to business travel, which presents a major opportunity for improvement. As we move forward, our focus will be on implementing sustainable practices and exploring alternative transportation options to mitigate our environmental impact and contribute to broader climate action goals.

Wellington Partners' CO₂ emissions in 2023



- Scope 1: Direct emissions resulting from vehicles, fuel use, and/or chemical leakage
- Scope 2: Indirect emissions resulting from purchased electricity, cooling, heat and/or steam
- Scope 3: Other indirect emissions that occur in the value chain of a company and are not already included within Scope 2 (e.g. emissions resulting from purchased goods and services, transport, or business travel)

Looking Ahead

In today's dynamic corporate landscape, ESG considerations are paramount to sustainable business practices. As a firm committed to leading by example, we recognize that our responsibility extends beyond compliance with regulations; it encompasses fostering an inclusive culture and actively contributing to environmental stewardship.

Diversity and Equality as a Core Value

The significance of gender diversity within organizations remains a pivotal topic in the contemporary discourse on ESG. Data consistently reveals a strong correlation between diverse leadership teams and enhanced financial performance. Therefore, we prioritize gender diversity not merely as a compliance measure but as a foundational component of our operational ethos.

In addition, the principle of equal treatment of all employees plays a pivotal role for our firm as it serves as a fundamental pillar for fostering an inclusive and productive workplace. Embracing equality not only enhances employee morale and engagement but also drives innovation and creativity by leveraging diverse perspectives and experiences. Companies that prioritize equal opportunities tend to attract top talent from various backgrounds, leading to improved decision-making and problem-solving capabilities.

Commitment to Reducing Our Carbon Footprint

As we are acutely aware of the urgent need to address climate change, our firm is actively engaged in developing strategies aimed at reducing our carbon footprint. This involves meticulous assessments of our operational processes to identify opportunities for energy efficiency, waste reduction and the integration of renewable energy sources.

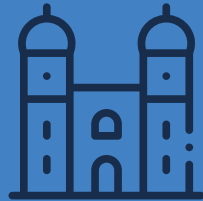
Moreover, we believe that collective action is essential in this endeavor. Thus, we work closely with all our portfolio companies to instill a robust culture of sustainability. Through collaborative efforts, we aim to share best practices and innovative solutions that facilitate the transition towards greener operations.

Improved ESG Management Approach

To ensure a comprehensive approach to ESG management, we have refined our frameworks and methodologies. Our enhanced ESG management systems enable us to monitor progress effectively and hold ourselves accountable to our stakeholders. Regular reporting and transparency initiatives form the backbone of our strategy, allowing us to communicate our achievements and challenges candidly.

We also recognize that the success of our firm is intrinsically linked to the success of each portfolio company. Therefore, by providing tailored support and resources, we empower these entities to excel in their ESG objectives. Our commitment to collaboration ensures that we not only set high standards but also provide the necessary guidance for achieving them.

By leading by example and fostering a culture of inclusivity and sustainability across our portfolio, we strive to create lasting value for all stakeholders. We understand that our future success hinges on the success of each portfolio company, and together, we are committed to making meaningful advancements in our ESG journey.



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