



## Sustainable Investment Statement for MTIP Fund II, SCSp

### Summary

MTIP Fund II, SCSp (the "Fund") intends to pursue a sustainable investment within the meaning of article 9 (2) of Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector, as amended ("SFDR"), i.e. an economic activity that contributes to a social objective within the meaning of article 2 (17) of SFDR by in particular making an investment, that contributes to tackling inequality in access to quality healthcare for disadvantaged communities.

### Sustainable investment objective of the financial product

The aim of the Fund is to make investments that contribute to a future vision that economically or socially disadvantaged communities can also get the preventive care, diagnosis, treatments, and monitoring that they need, which fosters social cohesion, social integration, and better labor relations.

### No significant harm to the sustainable investment objective

MTIP Management, SARL with the support of MTIP AG ("we") endeavors that the investments of the Fund do not significantly harm other sustainable investment objectives within the meaning of article 2 (17) SFDR.

In particular, investments of the Fund are monitored so as to reduce risks for adequate living standards and wellbeing for end users by (by way of example) identifying and preventing (to the extent possible) (i) misleading marketing that put patient safety at risk and (ii) the misuse of sensitive patient data that significantly violate patient rights. We further endeavor to not significantly harm decent working conditions with the investments of the Fund by being attentive to the standards under the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work and International Bill of Human Rights as well as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights being properly respected, such as i.e. by monitoring an adequate minimum wage being paid to respective professionals as well as by being generally mindful of occupational health and safety of the relevant workplaces, the Fund intends to invest in.

### Investment strategy

We screen opportunities for sustainable investments as explained above, while ensuring they fulfil the Do No Significant Harm principle. We also ensure that companies selected for the Fund follow good governance practices including with respect of sound management structures, employee relations, staff remuneration and tax compliance.

### Proportion of investments

As of February 2021, more than 50% of the companies invested by the Fund deliver products and services that contribute to tackling inequality in access to quality healthcare, such as devices for digital nutrition-related therapy and digital mental health. Going forward we intend to continue allocating more than 50% of the Fund's assets to companies that contribute to the above mentioned social objective. The Fund generally intends to take a direct exposure to these companies.

### Due diligence

ESG or sustainability due diligence forms a standard part of our rigorous due diligence process prior to an investment into a company for the Fund. After identifying all relevant ESG or



sustainability risks, the Fund only invests in companies where these risks are either insignificant or manageable. The ESG or sustainability risks will be monitored for each company until the disposal of the relevant company. In addition, the due diligence process also covers the criteria for assessing the social objective of the Fund which will be monitored throughout the duration of the investment.

### Methodologies

We have created a list of ESG-related KPIs to track the ESG performance of the companies invested by the Fund. Indicators applicable to companies are related to social and employee matters, human rights, anti-corruption, and anti-bribery.

### Data sources and processing

For each investment from the Fund, we provide an ESG Questionnaire to the management in order to agree on a set of ESG KPIs that will be included in their quarterly reports. Examples of these ESG KPIs include the number of beneficiaries of products, patient satisfaction (NPS) and number of healthcare facilities served.

### Limitations to methodologies and data

Given our focus on companies in the healthtech sector, which excludes biotech and pharma companies, the adverse sustainability indicators related greenhouse gas emissions, biodiversity, water, and waste are not considered as significant for selecting companies for the Fund and in practice impossible to track.

### Monitoring of sustainable investment objective

Defining the ESG KPIs of companies at the initial investment by the Fund and tracking these ESG KPIs allows us to monitor their sustainability performance.

### Engagement policies

When we notice a lack of progress on one or more of the defined ESG KPIs during the quarterly review, we will address it during the next management meeting of the relevant company and engage with the management team to ensure that the required attention is taken and that the necessary resources to achieve the objective are put in place.

### Attainment of the sustainable investment objective

Defining ESG KPIs as the time of the initial investment, tracking the ESG performance based on these KPIs and engaging in a timely manner with management of companies invested by the Fund, allow us to continuously progress towards achieving the social objective of the Fund.

### Transparency of remuneration policies in relation to the integration of sustainability risks

In line with the Funds' commitments and initiatives in terms of responsible investment, and in accordance with current regulations, the Funds' remuneration policy is consistent with the integration of sustainability risks into the investment decision making process of the Fund.

#### MTIP AG

Rittergasse 35  
CH-4051 Basel  
[info@mtip.ch](mailto:info@mtip.ch)

#### MTIP Management Sàrl

19, Rue Eugène Ruppert  
L-2453 Luxembourg  
[info@mtipmanagement.com](mailto:info@mtipmanagement.com)

