



FOUNTAIN

HEALTHCARE PARTNERS

RESPONSIBLE INVESTMENT POLICY (“RI POLICY”)

Sustainability and ESG

To comply with the sustainable finance disclosure regulation (Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector "SFDR"), Fountain makes the following disclosures.

Fountain Healthcare Partner’s (“Fountain’s”) mission is to identify, invest in and support life science companies developing breakthrough drugs and devices to treat human disease and, in the process, generate superior returns for its investors.

As a leading life science venture capital investor, Fountain believes that attention to Environmental, Social and Corporate Governance (“ESG”) matters is a prerequisite for value creation. We are committed to investing responsibly and our ambition is to invest in good companies and to develop them into successful and sustainable businesses.

Our Approach to the Integration of Sustainability Risks

A sustainability risk means “an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment”.

The integration and evaluation of sustainability risks forms part of our investment process. As part of our investment decision-making process, we assess the sustainability risks that the target company may be subject to and consider whether these could have a material impact on the value of our investment.

Our approach to implementing the principles of responsible investment involves:

1. Incorporating relevant sustainability opportunities and risks into our investment due diligence, analysis and decision-making processes:
 - Our due diligence process involves an assessment of the target sustainability risks and opportunities and those material to the life sciences industry.
 - This assessment is presented to the Investment Committee
 - Screening prospective portfolio companies against our exclusion list
2. Seeking appropriate disclosures and assurances on relevant sustainability issues from the entities in which we invest and their management teams.
3. Being active shareholders and incorporating relevant sustainability issues into our own ownership practices and assisting portfolio companies in the development of action plans to adequately address any identified sustainability risks.
4. Actively working to increase inclusion and diversity within the venture capital and life sciences industries, particularly with respect to gender.



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Remuneration Policy

Remuneration policies at Fountain are consistent with the degree of integration of sustainability risks in the investment process. Remuneration is generally provided on a fixed basis and may include a variable bonus element. Variable remuneration for relevant staff also takes into account compliance with all policies and procedures which are in effect within Fountain, including those relating to taking into account sustainability risks on the investment decision making process.

Fountain's general remuneration approach promotes sound and effective risk management with respect to business risks, ensuring that the structure of remuneration does not encourage excessive risk-taking.

No Consideration of Sustainability Adverse Impacts

In accordance with article 4 sub 1 (b) of the SFDR, Fountain states that it does not consider adverse impacts of investment decisions on sustainability factors as set forth in article 4 sub 1 (a) of the Disclosure Regulation and therefore does not make the disclosures as described in article 4 sub 1 (a) of the SFDR. Given the small size of the investment team of Fountain, such disclosure as set forth in article 4 sub 1 (a) of the SFDR and the administrative burden in connection therewith would not be proportional.