

ESG Report

AXA VENTURE PARTNERS

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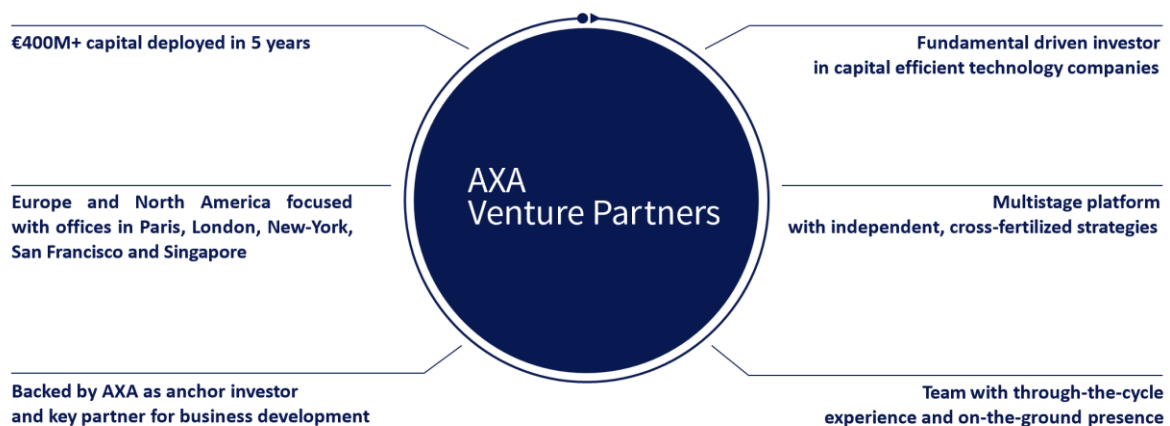
1. AXA Venture Partners

a. Highlights

AVP is an asset management company established to invest in start-ups and scale-ups, fast growing companies where technology plays a central role in the business model.

AVP is regulated by the Autorité des Marchés Financiers “AMF” (Agreement GP16000006 March 1st,2016).

AVP's highlights :



b. Our Vision

Since 2020, AVP is progressively incorporating ESG factors with respect to the assets it manages.

AVP believes that being a responsible asset-management company is crucial to its long-term success. We believe that ESG factors can influence not only the management of investment portfolios across sectors, companies and regions, but also a range of interests affecting clients and other stakeholders.

Our investment philosophy is based on the conviction that issues relating to sustainability factors are and will remain a major concern for the coming years. We believe that combining fundamental ‘non-financial factors’ with traditional financial criteria will help us build more stable portfolios that perform better in the long term. The non-financial approach has become a necessity in more ways than one:

1. it is instrumental in removing companies or underlying assets from portfolios when they cause exposure to high levels of ESG risk, which would ultimately affect financial performance;
2. it focuses on companies that have implemented best practices regarding the management of their environmental impacts, governance and social practices, and whose responsible

practices leave them better prepared, in our view, to meet the major challenges of the future; and

3. it enables improved performance by means of active dialogue with companies on managing ESG concerns around investments and limiting our clients' exposure to reputational risk.

In this context, AVP has defined an Environmental, Social, and Corporate Governance policy that aims at being implemented across each of our activities, bearing in mind the fiduciary responsibilities we have towards our investors.

c. Our engagements

i. Toward our ecosystem :

As part of the implementation of our ESG policy we have signed and endorsed the following:

- United Nation Principles for Responsible Investments
- Charte d'Engagements des Investisseurs pour la Croissance



ii. Towards the companies we invest in :

Beyond AVP's investment process ESG risk review, AVP also aims to promote ESG improvements within its participations by focusing and reporting on specific indicators (when applicable):

- The existence of carbon footprint reduction measures in the company (Environment)
- The existence and reach of profit-sharing mechanisms in the company (Social)
- The proportion of women/men within companies' staff/management and Boards (Corporate Governance)

iii. Towards our employees

AVP aims at promoting diversity within its team by refusing any form of discrimination against its employees or candidates based on their gender, age, origin or any other reason mentioned in the labor code applicable in France, UK, USA and Singapore.

AVP also attaches importance to offer all its employees a fair compensation scheme, profit-sharing mechanisms and health insurance cover.

2. AVP ESG Principles

a. General ESG Principles

Environment

AVP strives to take into account environmental issues, recognizing that economic activity has an impact on nature. Therefore, AVP pays particular attention to the following:

- When a participation faces a specific environmental risk, encourage the company to prevent any damage that could arise
- Build long-term business development strategies to integrate the issues of dependence on natural resources, energy consumption and production of waste

Social

AVP is convinced that the overall performance of businesses depends on a careful management of human capital. Therefore, AVP pays particular attention to the following:

- Promote constructive social dialogue within companies
- Promote diversity within AVP and portfolio participations (in particular gender and cultural diversity)
- Support the development of profitable activities that allow the creation or maintenance of jobs
- Support employee training efforts undertaken by companies
- Associate employees to value creation by promoting broadly distributed performance sharing schemes

Corporate Governance

AVP measures the importance of putting in place effective governance systems that contribute to the success and sustainability of companies. Therefore, AVP pays particular attention to the following:

- Ensure compliance with laws and regulations in the companies
- Promote ethics-driven behaviours
- Act to prevent corruption and money laundering
- Act to improve the effectiveness of the various corporate governance bodies

b. Investment guidelines

AVP invests into innovative start-ups with a significant technology component, with particular focus on digital health, enterprise SaaS, fintech and consumer platforms. The software nature of these verticals shields AVP from most critically exposed sectors (ie coal, tobacco, distilled alcoholic beverages, controversial weapons and ammunition, palm oil and food commodity derivatives). AVP commits not to invest into a company exposed to one of those critically exposed sectors. However, AVP also endeavours not to invest in entities involved in:

- Gambling
- Pornography

In order to comply with ESG principles, AVP undertakes to respect the following:

- Perform an ESG risk review as part of its investment process due diligence (Direct & FoF)
- Seek appropriate disclosure on ESG issues by the portfolio companies (depending on development/maturity of business) (Direct)
- Enhance effectiveness in implementing ESG principles (Direct & FoF)
- Report on activities and progress towards implementing ESG principles (Direct & FoF)

c. Our portfolio

AVPs funds are mainly invested in :

- Digital Health
- Consumer platform
- Enterprise Software
- Fintech/Insurtech

In 2020, AVP invested in companies with positive social, environmental and/or governmental impact(s):

- Protection of personal data and privacy: **D-ID** provides privacy solutions to enterprises who record or photograph individuals. Their proprietary software removes key biometric data from pictures and videos, while preserving key attributes such as age, gender and emotion. The company's photo protection and video anonymization solutions ensure the privacy of individuals caught on film or camera, and allows organizations to store the media without risking heavy fines.
- Medicare access: **Troy Medicare** is an AI-driven, pharmacy-powered Medicare Advantage company based in Charlotte, North Carolina with a mission to improve healthcare in each local community it serves.
- Behavioral healthcare access: **Valera Health** is a high performing tele-mental health company providing longitudinal service using a team-based care model of coaches, therapists and medication prescribers augmented by proprietary digital technology. From meditation to therapy to medications, patients with mild depression to severe schizophrenia are treated with expert care.
- Employee training: **Lessonly** is a simple training software that helps teams learn, practice, and do Better Work.

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5. Conclusion

2020 has been the ESG implementation year for AVP. In 2021, we will keep on working towards the following goals :

- Start collecting ESG data from the most mature and/or suitable companies in our portfolio
- As part of AVP's strategic vision redefinition, identify specific ESG issues to address in the upcoming years
- Unite our team around ESG related discussion