

# NLC

Health Ventures

## Impact & ESG Policy

2026

Making an impact through  
entrepreneurship at scale

NLC International · March 2026 · Version 4.0

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# COLOPHON

Who is the owner	This Impact & ESG Policy is owned by NLC International B.V. ('NLC International').
Scope of the policy	This Impact & ESG Policy applies to NLC International B.V. and all its direct affiliates, also known as the NLC Group. The policy in particular (but not limited to) applies to both NLC Ventures Netherlands B.V. ('NLC Ventures Netherlands') and NLC Fund Management B.V. ('NLC Fund Management'), as well as the Funds and all Portfolio Companies in which NLC Ventures Netherlands and/or a Fund is a shareholder and/or investor, either directly or indirectly.
Version	Version 4.0 (March 2026).
Annual review	This Impact & ESG Policy will be reviewed on an annual basis by the Risk, Impact and Compliance Officer, followed by approval from the Management Board.

# DEFINITIONS

Fund	An investment institution ( <i>beleggingsinstelling</i> ) within the meaning of the FMSA, which is managed by NLC Fund Management.
Fund Documents	The following Dutch law governed documents in respect of a specific Fund: the fund conditions (included in the relevant fund agreement), the information memorandum, the essential information document (if applicable) and any further (information) documents (if applicable).
Impact & ESG Policy	This Impact & ESG Policy, including annexes, as approved by the Management Board.
Management Board	The statutory directors of the NLC Group.
NLC	NLC Group.
NLC Fund Management	NLC Fund Management B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands and registered with the Chamber of Commerce under number 76653005.
NLC Group	NLC International and each of its current and future direct subsidiaries as referred to in article 2:24a Dutch Civil Code.
NLC International	NLC International B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands and registered with the Chamber of Commerce under number 66948266.
NLC Ventures Netherlands	NLC Ventures Netherlands B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated under the laws of the Netherlands and registered with the Chamber of Commerce under number 57340943.
NLC Venture Building DD Process	The standardised due diligence process through which the NLC Group scouts and selects potential Portfolio Companies.
Portfolio Company	A portfolio company in which NLC Ventures Netherlands and/or one or more of the Funds are shareholder(s) and/or investor(s), either directly or indirectly.
Risk, Impact & Compliance Officer, or RICO	The Risk, Impact & Compliance Officer of NLC Fund Management, who is primarily entrusted with the performance of the legal, risk management and second line compliance function.
Risk Policy	The risk policy of NLC Fund Management.

# INTRODUCTION

The challenge facing the future: a shortage of health workers to meet the increasing demand for healthcare

## THE WORLD'S HEALTHCARE SYSTEMS HAVE REACHED A PIVOTAL JUNCTURE

With the population expanding and ageing, and chronic conditions becoming ever more common, the demand for healthcare is rising exponentially. According to the World Health Organisation, global healthcare spending accounts for 10.0% of global Gross Domestic Product ("GDP")<sup>1</sup>. Meanwhile, a global shortage of 11 million healthcare workers is estimated by 2030, particularly in low- and middle-income countries<sup>2</sup>, hampering our capacity to keep up with demand.

### Growing Demand for Healthcare

It is estimated that by 2035, the Netherlands alone will face a shortage of 261,800 healthcare workers.<sup>3</sup> As the pressure on workers mounts, so does the professional, physical and emotional toll. This leaves healthcare organisations struggling to support employees, ultimately resulting in higher rates of absenteeism and turnover. In such a scenario, caregivers' (often hidden) burden will increase even further. As a result of all this, it seems inevitable that care demand will eventually outstrip supply, creating an increasingly widening care gap.

Greater healthcare expenditure also goes hand in hand with a more significant environmental footprint. At this moment, the healthcare sector is already a (much) larger polluter than the aviation industry. If it were a country, the healthcare sector would be

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<sup>1</sup> Global Health Expenditure Database, World Health Organization, 2025

<sup>2</sup> World Health Organisation; 2026.

<sup>3</sup> De staat van de arbeidsmarkt zorg en welzijn 2025 – trendrapportage. AZWInfo; 2026

the fifth largest emitter on the planet<sup>4</sup>. Therefore, medical innovations in supply and demand are essential to bridge the healthcare gap, keep healthcare accessible to all and limit its environmental footprint.

In theory, Europe is well-positioned to drive technological advancement in healthcare. Home to some of the world's most renowned universities and innovative companies, the continent is at the forefront of health-tech innovation. Of more than 32,500 patent applications filed with the European Patent Office in 2024 in the medical technology, biotechnology, and pharmaceutical fields, 40.8% originated from Europe.<sup>5</sup> However, despite this innovative strength, Europe accounts for only 17%<sup>6</sup> of global early stage capital, highlighting the gap between invention and commercialization. Mario Draghi, the former President of the European Central Bank, highlights this challenge in his recent report, emphasizing that Europe's inability to scale up innovation is a critical barrier to maintaining its global competitiveness. His findings stress the need for better coordination and investment in innovation to bridge this gap and prevent the exodus of promising startups from the continent.<sup>7</sup>

## Find, Build and Scale

In a healthcare landscape challenged by market complexities, regulatory barriers, and industry fragmentation, only 5% of healthtech inventions ever reach the patients they were designed to help. NLC is committed to changing that by finding, building, and scaling transformative health innovations. As healthcare systems worldwide face growing pressures from rising costs, ageing populations, and the increasing burden of chronic diseases, the need for innovation is greater than ever.

NLC has become a global leader in healthtech venture building, with a team of over 40 professionals, four dedicated investment funds, and a portfolio of more than 60 companies originating from 14 countries, spanning Europe, US and Japan. Our mission is to ensure that groundbreaking health technologies are brought to life and delivered to the patients and clinicians who need them most.

Our purpose is to bridge the gap between scientific discoveries and market-ready solutions that transform healthcare. NLC works across a wide range of healthcare areas, including ortho-spine, cardiovascular and neurological diseases, surgical solutions, therapeutics, diagnostics, and more. By collaborating with renowned knowledge institutions, corporations, and a broad network of medical experts, we identify

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<sup>4</sup> 2022 healthcare without harm annual report. Healthcare Without Harm; 2024

<sup>5</sup> Patent index 2024 . European Patent Office; 2025

<sup>6</sup> NLC analysis based on transaction data of 2023 provided by PitchBook, private capital market data provider.

<sup>7</sup> Draghi's report on EU competitiveness: Five key takeaways. Euronews; 2024

innovations with the greatest potential for societal impact and financial success. Our ultimate goal is to turn these discoveries into life-changing solutions that make a meaningful difference to patient care worldwide.

NLC aims to build and invest in ventures that operate for the long-term benefit of society while generating positive returns for all stakeholders. Our values and strategies align with the Sustainable Development Goals (“SDGs”) created by the United Nations as a global blueprint for people and the planet now and in the future. We pay particular attention to SDGs 3, 9 and 17:



“Ensure healthy lives and promote well-being for all at all ages.”

“Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.”



“Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.”

## Taking Responsibility

NLC also intends to take responsibility for the impact its business model has on the world, intended or otherwise. To this end, we strive proactively to meet the highest possible standards in terms of environmental, social and governance (“ESG”) and impact. In 2020, NLC became a certified B-Corporation, a global designation that recognises our commitment to using business as a force for good, with the certification renewed in 2023. Moreover, all investment funds managed by NLC Fund Management comply with Article 9 (‘dark green’) of the EU’s Sustainable Finance Disclosure Regulation (“SFDR”).

At NLC, we believe in the value of measuring impact to maximise the positive results of our investments. Therefore, we have developed an impact-measurement system that allows us to assess, measure and monitor our portfolio’s (realised or potential) impact, in turn enabling us to make better investment decisions and to engage continuously with our portfolio companies on impact-related KPIs.

This Impact & ESG Policy outlines the theoretical framework we use to measure how NLC, the Funds and the portfolio companies can make a positive impact while generating healthy financial returns, how we identify potential ESG risks and opportunities, how NLC’s impact-investment thesis is incorporated into our due-diligence and portfolio-management processes, and how we report all this to our investors.



# NLC IMPACT

# INVESTMENT THESIS

Improving human health and well-being by enabling the development of innovative health technologies

## THEORY OF CHANGE

NLC has developed a Theory of Change (“ToC”) that outlines the key challenges facing people and the planet, which it aims to address. This framework details how NLC’s activities support its portfolio companies and the broader innovation ecosystem in overcoming these challenges, ultimately leading to a positive societal impact.

Through this approach, NLC’s core sustainable investment goal – reflected in its financial products, including those managed by NLC Fund Management – is to contribute to improving human health and well-being. This involves, for example, making healthcare more affordable and accessible while minimizing its environmental footprint.

As shown in the figure below, NLC aims to achieve sustainable investment objective through the following activities:

- **Bring science to life:** Transform innovative ideas and inventions into market-ready healthcare solutions;
- **Facilitate early-stage investment:** Reduce entrepreneurial risks, focusing on growth finance and committing to long-term success;
- **Attract and develop entrepreneurial talent:** Channel diverse talent into the entrepreneurial process, de-risk their journey and nurture the mindset and skills needed for success;
- **Mobilise networks and partners:** Accelerating venture building by enabling knowledge transfer and providing access to experts and partners.

Subsequently, the actions of NLC lead to the creation of portfolio companies which have the potential to solve the world's healthcare challenges, specifically leading to measurable impact in four different categories:

1. Happy patients
2. Happy workforce
3. Happy society
4. Happy planet

### MAJOR CHALLENGES

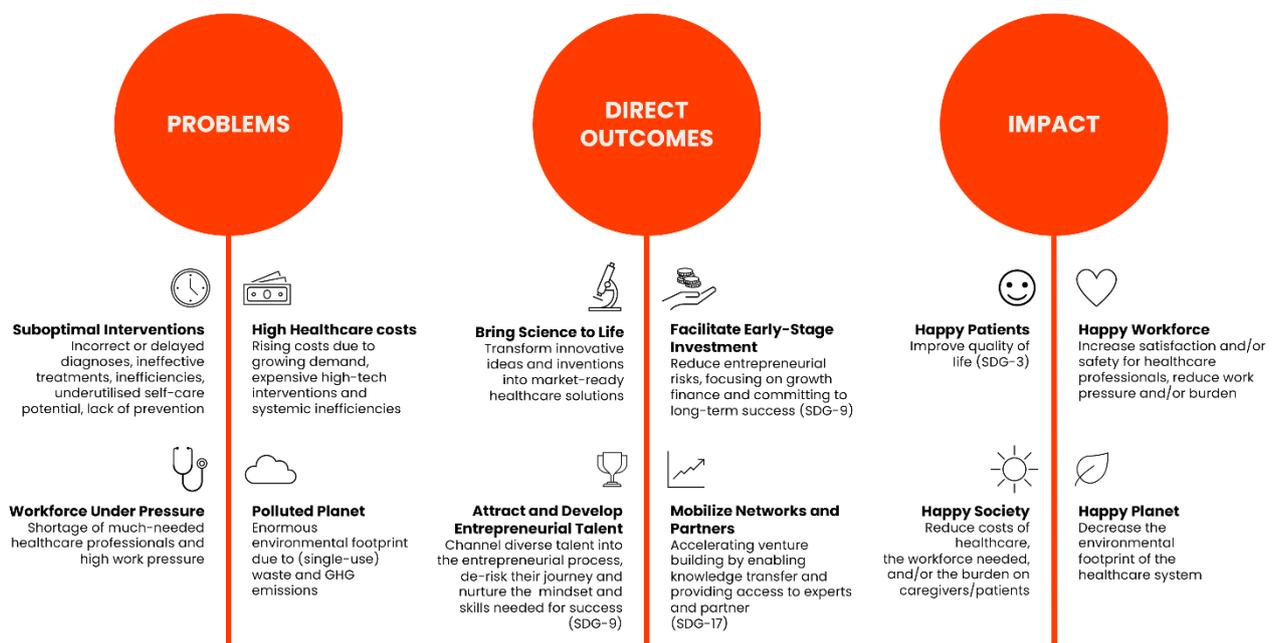
Medical innovations are necessary to tackle healthcare challenges, but fail to reach the patient in time or at all

### OUR ACTIVITIES

We foster bottom-up solutions by turning innovative ideas and inventions into health-technology ventures

### VENTURE SOLUTIONS

The ventures we support have the potential to solve the world's healthcare challenges



# IMPACT MEASUREMENT FRAMEWORK

As shown in the figures below, NLC uses two sets of key performance indicators (“KPIs”) to measure the achievement of this sustainable investment objective: the first tracks direct outcomes based on actions driven by NLC, while the second tracks indirect outcomes driven by actions taken by its portfolio companies.

## Direct Outcomes Driven by NLC

### OUR ACTIVITIES

We foster bottom-up solutions by turning innovative ideas and inventions into health-technology ventures

Direct outcomes for ventures and system:



#### Bring science to life

Transform abandoned innovative ideas into market-ready healthcare solutions



#### Facilitate early-stage investment

Share and reduce entrepreneurial risks, focus on growth finance and commit to long-term success (SDG-9)



#### Attract and develop entrepreneurial talent

Channel diverse talent into the entrepreneurial process, de-risk their journey and facilitate the required mindset and skillset (SDG-9)



#### Mobilise networks and partners

Accelerate and debug the process of venture building through knowledge transfer and access to experts and partners (SDG-17)

### KPIs

How we measure the direct outcomes for our Portfolio Companies:

- # innovations sourced
- # Portfolio companies
- # Countries where portfolio companies originated/based
- # Portfolio companies in the different clinical domains
- # Portfolio companies that reach the market (TRL-8)
- # TRL steps
  
- EUR attracted for all portfolio companies
- EUR attracted by funding type
- EUR invested by NLC Captive Funds in portfolio companies
  
- Portfolio company board members attracted to the early stage (# and %)
- % Female CEOs
- % Portfolio companies with a female venture board member
- % Talent attracted in a specific way (network, headhunt, direct application)
  
- # Partnerships/collaborations
- # Active network/community members
- Institutions NLC have built ventures with

# Indirect Outcomes Driven by Portfolio Companies

## VENTURE SOLUTIONS

The ventures we support have the potential to solve the world's healthcare challenges

Our four categories of impact are:



### Happy Patient

Improve quality of life (SDG-3)



### Happy Workforce

Increase satisfaction and/or safety for healthcare professionals, reduce work pressure/burden



### Happy Society

Reduce costs of healthcare, the workforce needed, and/or the burden on caregivers/patients



### Happy Planet

Decrease the environmental footprint of the healthcare system

## KPIs

How we measure the impact outcomes for patients, healthcare professionals, society and the planet:

- # Patients impacted
- Health-related quality of life (mobility, self-care, usual activities, pain/discomfort, emotional burden)
- # Quality-adjusted life years (QALYs) added, including prevention
  
- Satisfaction
- Safety
- Work pressure/burden
  
- Healthcare cost reduction
- Full-time equivalent (FTE) required workforce and its reduction, qualitatively or quantitatively
- Caregiver and patient burden
  
- Environmental impact (waste, GHG emissions) compared to current standard of care
- Waste (product- and packaging-related)
- GHG emissions

The indicators above and related data collection are defined in more detail in separate impact measurement methodology documentation maintained by NLC.

Each company's first impact assessment is made during the Kickstarter phase (see Building section in chapter on implementation). Due to the different solutions portfolio companies (intend to) develop and different development stages, not all KPIs are applicable for all companies. Depending on aforementioned factors, the selection of relevant KPIs could change over time (e.g. whether or not there is a market-ready product and thus data around the product's impact available).

# PRINCIPAL ADVERSE IMPACT

NLC acknowledges its responsibility toward climate change risks and other potential principal adverse impacts through our investment decisions and our contact with portfolio companies and other institutions.

The concept of Principal Adverse Impact (“PAI”) is defined by the European Union as follows:

**“Negative, material or likely to be material effects on sustainability factors that are caused, compounded by or directly linked to investment decisions and advice performed by the legal entity.”**

Due to the very early-stage nature of (the majority of) NLC’s portfolio companies, the principal adverse impacts these portfolio companies have will be very limited, nor will there likely be any meaningful data available. Consequently, it is challenging to report on all the different PAI indicators which have been identified. However, as part of our ESG and responsible investment approach (including Do No Serious Harm, “DNSH”), we do consider possible principal adverse impacts of our (potential) portfolio companies both during due diligence, as well as monitoring these potential adverse impacts post-investment and actively steering and supporting portfolio companies to address these.

We selected the Principal Adverse Impacts (PAIs) outlined below based on their significance in assessing the sustainability risks associated with our (potential) portfolio companies. These PAIs reflect critical areas that can have substantial negative effects on environmental and social factors. By monitoring these specific impacts, we aim to enhance our responsible investment strategy and fulfil our commitment to mitigating potential harm while promoting sustainable practices.

- An extreme effect on greenhouse gas emissions
- An extreme effect on the carbon footprint
- Activities negatively affecting biodiversity-sensitive areas
- A high hazardous waste ratio
- Exposure to controversial weapons

# SUSTAINABILITY RISKS

## INTRODUCTION TO SUSTAINABILITY RISKS

NLC defines sustainability risks as the exposure to practices, events, conditions or circumstances related to environmental, social or governance factors that could have a negative effect on the value of the investments of NLC or any of the Funds, that could decrease the value of the investments and could lead to a decrease in the return realised by shareholders and investors in NLC and/or the Funds.

To mitigate these sustainability risks, NLC follows the same mitigation actions as described below in the section under Implementation, in relation to ESG, sustainability and impact.

### Identifying Sustainability Risks

In the management of NLC, NLC's Funds, and the portfolio companies, several sustainability risks need to be acknowledged and mitigated wherever possible. As part of NLC's Impact & ESG Policy, the following sustainability risks are considered:

- Negative sector risk;
- Adverse medical impact risk;
- Scarcity of raw materials and water risk;
- Natural disasters risk;
- Unethical sourcing and labour practices risk;
- Animal testing risk;
- Failure to deliver positive impact risk; and
- CO2 and climate risk.

These sustainability risks – as well as other, non-sustainability related risks – are detailed further in the Risk Policy.

# IMPLEMENTATION

To ensure that NLC can fully capitalise on the identified impact opportunities and that ESG and sustainability risks are minimised, several steps and safeguards have been included in NLC's processes.

NLC makes use of a standardised investment due diligence analysis and decision-making process, known as the 'NLC Venture Building DD Process'. This process consists of four different phases, the completion of which eventually leads to the creation and further development of a new early-stage health tech company. Each phase is concluded with documentation of the findings, on the basis of which a go- or no-go decision is made. Any technologies not meeting the required objectives outlined below are dropped from the process as quickly as possible.



During each phase of the NLC Venture Building DD Process, rigorous ESG, sustainability and impact opportunities assessments are considered, as is further detailed below.

## Sourcing Scouting & Selection

All leads, which may ultimately turn into a portfolio company, enter the Venture Building Process in the sourcing/scouting phase. After a first positive assessment, documented in a Selection Investment Proposal ("SIP"), the lead moves to the selection phase.

In the selection phase, NLC validates the technology further and decides whether this technology has the potential to make an impact via its commercialisation. In doing so, NLC weighs the impact and financial potential against the riskiest assumptions ("RAs"). The potential of a technology is investigated by making an initial evaluation of crucial business case drivers (both impact and financial). This is documented in the Formation Investment Proposal ("FIP"), which is used to decide if the technology should proceed to the formation phase.

For a technology to proceed to the next phase in the NLC Venture Building DD Process, there needs to be (significant) positive impact potential on at least one of the four main

impact categories in the impact measurement framework described above (patient, workforce, society, planet), in comparison to (existing or foreseeable) alternatives.

Positive impact is assessed and documented in the SIP and FIP, structured via the Impact Management Project (“IMP”) model. Both impact opportunities, ESG and sustainability risks are considered as part of the riskiest assumptions. The difference between SIP and FIP is that more information and expert input has been gathered for the latter. The FIP also contains further quantification of the individual factors (as described in the separate impact measurement definition documentation).

Both the SIP and FIP can flag high ESG and sustainability risks. If the SIP does so, it does not automatically lead to the process being put on hold. The team in charge of the assessment during the selection phase first looks for ways to reduce the size and probability of these negative impacts. If the FIP (still) indicates high risk, the RICO is involved in advising on the investment decision and possible mitigation. For any investment made by a Fund, the RICO can moreover exercise their veto in case the ESG and sustainability risks are considered to be unacceptable.

## Formation

After the successful completion of the selection phase, a lead enters the formation phase. The goal of this phase is to attract an experienced CEO and, if applicable, a strong supporting team that is ready to carry the full responsibility of the company going forward.

## DIVERSITY DRIVES INNOVATION

NLC firmly believes that diversity fuels innovation. In line with this belief, NLC is dedicated to fostering a more diverse and inclusive Venture Capital landscape by encouraging portfolio companies to attract women and individuals from diverse backgrounds to senior positions. NLC commits to making a strong effort to support portfolio companies in building diverse teams.

Next to creating a balanced, diverse and well-equipped team to lead the new portfolio company going forwards, the formation phase also forms the last part of NLC’s due diligence process before building a new venture. As these CEO candidates are highly specialised in the specific field of the lead, their due diligence into the project’s potential

and risks (which includes discussions about risks identified by NLC and how the CEO would mitigate those) might provide additional insights into the viability of the future portfolio company. Such insights are considered before deciding whether to progress the potential Portfolio Company to the next phase.

## **Building / Portfolio Management Phase**

After the portfolio company's team has been set up and the formation phase has been completed, the building phase commences. The goal of the building phase is to optimise value in the portfolio company (measured in impact and financial terms). This building phase starts with a Kickstarter programme aimed at optimally onboarding the new team. NLC starts raising awareness within all portfolio companies about ESG, sustainability, and impact during this programme.

In the building phase, NLC sets clear guidelines and expectations (including setting up and implementing policies). To help the portfolio companies meet these guidelines, NLC supports the portfolio companies with related tools, training and templates. This support will be provided in the first instance by a member of NLC's Partner Group, who serves as the main point of daily contact between NLC and the company.

Through the contact between a portfolio company and a Partner, NLC actively monitors and steers on increasing and realising the impact potential and mitigating the ESG and sustainability risks. This is also an integral part of the quarterly and annual governance review cycles (see section below).

Moreover, adequate performance on the realisation of impact goals and the mitigation of ESG and sustainability risks is included in the follow-on investment decisions made by NLC's Funds. In all investment proposals submitted to consider an investment by a Fund in a portfolio company, input on impact potential, ESG, and sustainability risks are an integral part of the investment decision-making. Moreover, the Fund's RICO has the possibility to veto any potential investment if a portfolio company does not comply with all impact, ESG, and sustainability requirements as set out in this Impact & ESG Policy and/or the relevant Fund Documents.

Despite the active engagement with NLC's portfolio companies as mentioned above on impact, sustainability, and ESG, the situation might still occur that unacceptable levels of ESG and sustainability risks arise within a portfolio company. As a last resort, in such instances, NLC and the Funds have the possibility to divest.

## Good Governance

Good governance practices are crucial to the long-term success of a portfolio company and are actively promoted by NLC throughout the building phase. To facilitate this process, NLC has set up a good governance checklist. This list has been divided into two parts: one checklist for portfolio companies after they have just been founded (and before they have received any investment from a Fund), and one after they have employed more than 10 Full Time Equivalent (“FTE”) employees (either on the payroll or as contractors).

Compliance with these good governance checklists is mandatory and will be included in all portfolio companies’ shareholder’s agreements going forward (if that has not been done so already). Moreover, compliance with these good governance standards is also a requirement before any investment by a Fund in a portfolio company can be made.

## Impact Measurement and Reporting

On a portfolio level, NLC annually summarises the outcomes of all impact, ESG and sustainability assessments of the portfolio companies in an Impact Report. This Impact Report informs all relevant stakeholders (including but not limited to NLC shareholders and investors/limited partners in the Funds) of NLC’s performance in this matter. The Impact report is available every first quarter of the year. Moreover, this report allows NLC to evaluate the portfolio companies’ impact potential, ESG, sustainability risks, and adapt its strategy where needed.

Active monitoring of its ESG, sustainability and impact performance indicators is key for NLC to get insight into its progress towards achieving its objectives. This data is vital input for our steering and support towards portfolio companies, as (i) it ensures all stakeholders can be properly informed; (ii) it enforces awareness and highlights the need for decisive positive impact action and compliance, both within NLC and its portfolio companies and lastly (iii) it provides NLC with the opportunity to influence the healthcare investment sector as a whole in moving towards more impactful and sustainability-driven investments.

Depending on the stage of development (e.g. product development, clinical validation, go-to-market preparation, market entry) and number of FTEs employed by the company, portfolio companies provide NLC with different depth of impact- and ESG-related data on an annual basis, using standardised reporting formats and submitted via NLC’s digital portal. Quality checks are carried out first by NLC’s team members responsible for impact and ESG data collection (to ensure methodological consistency), followed by a final review by the relevant Partners to verify clinical and operational

accuracy. Mandatory minimum impact reporting is embedded in the shareholder's agreement of the portfolio companies and the investment agreements of the Funds.

Impact data gathering and reporting will develop over time, and not all KPIs will be available immediately or at the ideal quality level. NLC provides maximum transparency about the source and quality of its impact data on a portfolio level, as well as the principles and decisions behind its reporting structure and KPI operationalisation.

# REMUNERATION POLICY

## Careful and diligent decision-making

The remuneration policy at NLC – in particular both for NLC Ventures Netherlands and NLC Fund Management – considers careful and diligent decision-making and lacks any form of incentives for its employees to take excessive risks for both business and sustainability.

The remuneration of all employees and managing directors of all entities within the NLC Group is based on a fixed monthly salary and employee benefits. A discretionary incentive in the form of an annual bonus is in place for all personnel. It can be awarded by the Management Board or, in the case of managing directors, by the supervisory board of NLC International. This annual discretionary bonus is always paid out in equity ensuring long-term alignment between employees and investors.

This bonus is based on group and individual performance. Performance is partly based on the realisation of impact targets based on identified KPIs. It must be noted, however, that the performance criteria for receiving any variable remuneration for the RICO are explicitly not linked to the (financial) performance of the Funds.

## Ensuring compliance with our values and mission

NLC's remuneration policy is reviewed at least yearly by the Management Board and RICO to ensure compliance with the values and mission of the NLC Group and the applicable laws and legislation.

# NLC GROUP ESG POLICY

Building on our B Corp status

At NLC, we're driven by a relentless commitment to shaping a future that's not only sustainable but also socially responsible. Our mission encompasses not just our corporate endeavours but also our ventures. While NLC has crafted this Environmental, Social and Governmental (ESG) policy, we invite our ventures to commit and implement this policy.

## Environmental

### NLC's Commitment to a Greener World

NLC is steadfast in its journey towards becoming a carbon-neutral company. We still have a way to go, and we're creating a roadmap on how to reach this goal as fast as possible. The following initiatives were launched as a first step on this journey:

- **Sustainable Mobility:** We fully support our employees in using public transport or biking to work, thereby reducing the impact of commuting. Our Sustainable Travel Policy not only promotes eco-friendly commuting but also enhances employee well-being. Trains are favoured over aeroplanes for business travel whenever feasible, aligning with our planet-friendly approach. Our travel platform monitors our travel movements and its CO2 emissions. Additionally, we empower our team to craft a well-balanced travel itinerary, finding the perfect harmony between online and offline commitments, all while prioritising mindful travel when it's essential.
- **Green Office Initiatives:** We are determined to minimise our environmental impact. Despite these limitations of regulations of the office management, we are mindful of climate control usage to ensure that we contribute to reducing our environmental impact. We advocate for sustainable improvements like renewable energy sources within our offices. To further reduce our ecological footprint, we

provide pescatarian lunches to our employees, carefully ordering the right amount of food to minimise food waste.

- **Recycle, Reuse, and Responsible Consumption:** Our commitment to green purchasing practices includes eco-labelled paper and energy-efficient office facilities and equipment and we look for green possibilities where possible. Recycling and resource reuse are at the core of our operations, from food to ink cartridges. We've replaced disposable coffee cups with reusable mugs, and we're digitising our operations to reduce paper usage (e.g., utilising a digital signing portal and avoiding the use of paper leaflets for events).
- **Thoughtful ventures:** When evaluating inventions, we carefully consider their potential environmental impact. We evaluate technologies by weighing their potential emissions, carbon footprint, and/or hazardous waste generation against their beneficial impacts. This allows us to obtain a fair and comprehensive perspective, enabling us to make informed decisions regarding the environmental impact of ventures. We actively monitor and encourage thoughtful choices within our portfolio ventures by having frequent conversations with them about them, and monitoring their impact in our impact report.

## Social

### NLC's Commitment to Empowering Our Team

At NLC, we believe that our most valuable asset is our people. Our commitment to employee development, diversity, welfare, and safety goes beyond ESG; it's integral to our business ethos.

- **Employee Empowerment:** We create an environment where our employees can truly shine, fostering professionalism, respect, and integrity. Our comprehensive Code of Conduct, based on our core values (Together, Open, Decisive and Optimistic), is the foundation of our ethical standards. We engage employees with our remuneration structure, wherein everyone has skin in the game, fostering a sense of ownership and motivation, where we never force people to make extra work hours. Moreover, we channel investments into their development and skill enhancement, ensuring their continuous growth.
- **Safety and Well-being:** Ensuring a safe and healthy work environment is non-negotiable. Regular pulse checks and bi-annual off-site leadership meetings provide spaces for important discussions. We prioritise team cohesion with quarterly team days.

- Diversity and Inclusion: NLC thrives on diverse perspectives, welcoming individuals from all backgrounds and nationalities while ensuring balanced gender representation. We actively support initiatives that create a safe and meaningful workplace, celebrating unique contributions, fostering inclusivity, and valuing everyone's input and autonomy to drive innovation. Decision-making power is distributed across all employees, promoting equality. These same principles extend to our recruitment of venture CEOs, ensuring a level playing field for all.

## Governance

### NLC's commitment to strong corporate governance

We adhere to good corporate governance principles and applicable corporate laws and regulations. We set ourselves high standards to implement these for the NLC group and for our ventures (taking into account that these ventures are early stage startups).

- Good management structure: (i) ESG is an integral part of NLC's long-term management strategy and decision-making processes; (ii) we publish a quarterly management report and share it with all relevant NLC stakeholders; (iii) we hold Supervisory Board meetings at least four times a year and General Meetings of shareholders at least twice a year; (iv) we maintain good administration practices, ensuring the proper functioning of NLC's core entities, (v) we prioritise proper risk management and compliance with applicable laws and regulations, specifically in the areas of tax, financial reporting, fund management and data privacy; (vi) we have established a workers' council in 2025 to further support collaborative decision-making and employee representation.
- Ethical Business Practices: Honesty and integrity are paramount. Our culture and employee training instil these principles. Equality initiatives, like our internal gift lottery for the distribution of our received presents, underscore our independence. Our Code of Conduct guides collaboration and respect, and our Privacy Policy ensures data consciousness.
- Compliance Oversight: Our RICO oversees compliance within NLC and its affiliated funds as a second line of defence. NLC's CFO is ultimately responsible for ESG.
- Shareholders' Agreement (SHA) for ventures: Our SHA template outlines our purpose and business model, ensuring informed shareholders. It guides our ventures towards ESG alignment (as part of NLC's ecosystem) and, while some of these guidelines are not mandatory, several of them are (in relation to good governance and inclusion in its HR policies). Since our ventures are early stage startups, we believe a learning, growing and awareness approach is sufficient at this point in time.

- Transparency: Internally, we hold open space conversations to explore the alignment between our values and decisions, fostering transparency and inclusivity. Externally, every month, we organise update calls for our shareholders, during which we provide them with updates on the state of the business and the opportunity to ask questions. Comprehensive quarterly management reports ensure transparency and engagement with our shareholders.



NLC Health Ventures

+31 20 244 0623

[Info@nlc.health](mailto:Info@nlc.health)

Paasheuvelweg 25-D5

1105 BP Amsterdam

The Netherlands