Xlife sciences

Where innovation leads to success

ESG REPORT 2024

Xlife sciences

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Frequency: Annual

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Every company we support carries the potential to change lives.

ESG ensures that this change is not just innovative, but also responsible and lasting.

Désirée A. Dosch
Board member with responsibility for ESG

DEAR STAKEHOLDERS,

The world around us is moving fast. Breakthrough science, digital transformation, and global health challenges are reshaping lives at a pace we have never seen before. At Xlife, we believe success cannot be measured in financial performance alone, it must also be measured in the value we create for people, for communities, and for the planet. Innovation without purpose is incomplete.

From the very beginning, our ambition has been clear: to build more than a life sciences incubator. We are creating an environment where bold ideas become responsible healthcare solutions, where scientific discovery translates into patient impact, and where sustainability is not a footnote but the foundation of growth.

In 2024, we advanced 25 portfolio companies across biotechnology, diagnostics, medical technology, and AI. We expanded collaborations with leading universities and industry partners across Europe, the U.S., and the Middle East. We continued to integrate environmental, social, and governance (ESG) principles into our investment decisions and daily operations.

Building on the foundation established in previous years, our ESG Committee - chaired by Board Member Désirée A. Dosch and including Dr. Christoph Antz, CEO of Veraxa Biotech AG, Philip Räth, CEO of palleos healthcare GmbH, and Carl von Halem, CFO of Xlife Sciences AG - continues to ensure that sustainability remains an integral part of how we evaluate opportunities.

Every innovation we support is assessed not only for its scientific and commercial potential but also for its contribution to long-term societal value. This includes an increasing focus on responsible research, ethical business conduct, and diversity - areas that continue to shape our approach and set us apart in the life sciences sector.

In line with this commitment, we also continue to balance our environmental footprint by supporting high-impact climate initiatives. This year, Xlife Sciences contributes to the Cleaner, Safer Water in Cambodia programme, providing families with access to safe drinking water through ceramic filtration. The initiative reduces waterborne diseases, lowers carbon emissions by eliminating the need to boil water, and empowers local communities to build healthier and more sustainable futures.

As we publish this report, I want to thank every scientist, entrepreneur, partner, and investor who has been part of our journey. Together, we are proving that life sciences innovation and sustainability do not exist in parallel, they reinforce each other.

This report is not simply a disclosure. It is an open invitation to see where we stand, where we are heading, and how we intend to get there responsibly. Sustainability is not a chapter in our story; it is the lens through which we see every chapter to come.

Warm regards,

David L. Deck,
Chair of the board of directors

Désirée A. Dosch,
Board member with responsibility for ESG

ABOUT THE REPORT

REPORTING PRACTICES

The methodology applied remains consistent with the previous reporting year, supporting comparability and continuity across disclosures and material topics. All companies included in the prior year's report have been retained.

Inclusion in this report is based on defined criteria: participation in the previous year's report, having an official valuation by the valuation partner CYLAD Experts AG, involvement in an M&A process, or a stake of more than 10% held by Xlife Sciences AG. Exclusions apply to companies engaged in joint ventures or licensing agreements, those operated by other portfolio companies, entities not part of the portfolio for the entire reporting period, and companies in very early development stages without full-time employees.

The reporting period for sustainability disclosures extends from 1 January 2024 to 31 December 2024, with publication scheduled on an annual basis.

The financial reporting period is fully aligned with the sustainability reporting period, ensuring consistency between financial and non-financial disclosures. The publication date of this report is 16 October 2025.

Data from Xlife Sciences GmbH and Xlife Sciences Abu Dhabi LLC are excluded from both financial and ESG disclosures, as these entities serve exclusively as internal service companies. Each portfolio company is assessed individually, and changes resulting from mergers, acquisitions, or disposals are incorporated to ensure that the reporting accurately reflects the current portfolio structure.

No restatements of information from previous reporting periods were required, as all disclosures remained accurate and unchanged. The reported data continues to be consistent across periods, and no adjustments or corrections were necessary. Enquiries regarding the content may be directed to Dr. Dennis Fink, Senior Communications & Investor Relations Manager, Xlife Sciences AG (dennis.fink@xlifesciences.ch)

ENTITIES COVERED BY THIS REPORT

INVENTUMGENETICS

Palleos

inflamed pharma

VERAXA

Lysatpharma.

axenoll 3D printing for life

FUSE-AI

Saniva

alytas therapeutics

noua xomx

Xlife sciences

EXTERNAL ASSURANCE

External expertise was engaged to strengthen the quality and integrity of sustainability reporting and to support the development of a long-term ESG strategy in line with recognized best practices. Independent third-party input was obtained from Generation Impact Global, a GRI Partner.

The Board of Directors contributed to the selection of external partners to ensure independence and expertise, while senior executives, including members of the ESG Committee, facilitated the process by providing documentation and insights into ESG initiatives and performance metrics. This collaborative approach enhanced transparency and accountability and ensured that ESG considerations are systematically integrated into the assessment of research partners and portfolio companies.

No external assurance statement was issued. The external partner's role was limited to supporting methodology, structure, and integration of ESG principles, without providing a formal assurance opinion. Accordingly, no assurance standards, levels of assurance, or limitations are applicable. Generation Impact Global operates as an independent assurance provider with no business or financial ties to Xlife Sciences AG beyond this engagement.

Generation Impact Global

GRI SOFTWARE AND TOOLS PARTNER 2025

OPERATIONS AND PEOPLE

BUSINESS ACTIVITIES

Xlife Sciences operates in the asset management sector with a strategic focus on the early-stage development of innovative healthcare solutions. Our primary interest is products and services that address medical needs that are currently unmet across global markets.

The organisation follows a collaborative supply chain model, partnering with research institutions, universities, and early-stage companies to source and develop cutting-edge technologies. These partnerships enable the efficient transfer of knowledge and resources, supporting progress from concept to market-ready solutions in the areas of medical technology and artificial intelligence, as well as to preclinical data sets and proof of concept for technology platforms and biotechnologies.
In the reporting year the portfolio includes 25 companies within four strategic focus areas:

- Technology Platforms
- Biotechnologies/Therapies
- Medical Technology,
- Artificial Intelligence/Digital Medicine.

These entities advance the innovations developed by Xlife Sciences AG, translating research into tangible products and services.

Beyond portfolio activities, the organisation maintains strategic relationships with more than 40 universities, research institutes, and scientific development partners worldwide. Collaborations are essential in driving projects from proof of concept to commercialization, ensuring scientific excellence and market readiness. The company's presence is anchored in Zurich with a strong emphasis on the DACH region, while its international network supports portfolio expansion globally.

Notable progress in 2024 included the announcement that portfolio company VERAXA Biotech AG will pursue a NASDAQ listing in 2025, and the strengthening of partnerships in the Middle East with the Department of Health Abu Dhabi, Thermo Fisher Scientific, and Masdar City to develop a regional life sciences hub.

Portfolio companies also advanced through strategic moves, such as the merger of palleos healthcare GmbH with OCT Clinical GmbH to create a leading international provider in clinical research.

No significant changes were reported in the overall strategy or approach compared to the previous reporting period. The organisation continues to operate with the same strategic focus.

Employee data were compiled on a headcount basis and reported as of the end of the reporting period.

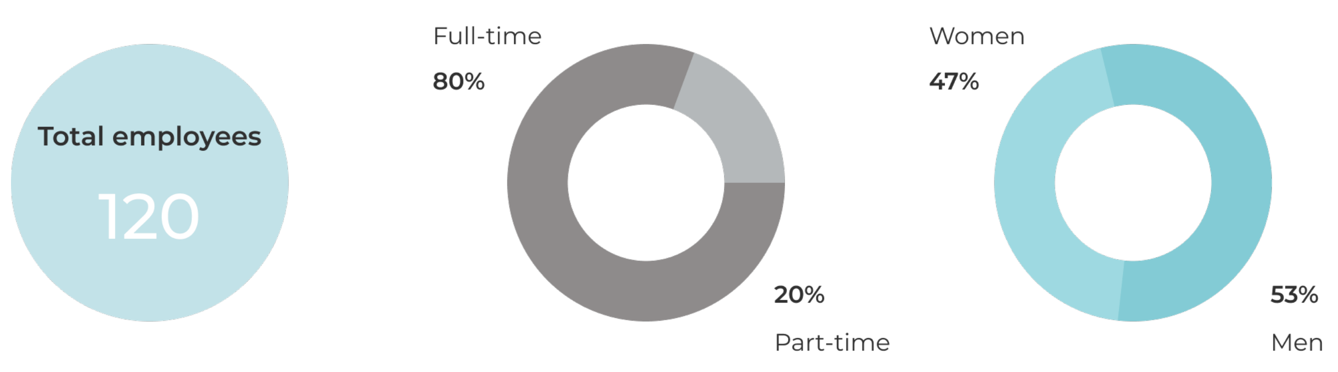
The Xlife universe comprises more than 120 dedicated team members. While management positions were not included in the 2023 employee count, the 2024 data now reflects the full workforce, 47% female and 53% male.

The workforce consisted of 80% full-time and 20% part-time employees, all of whom were employed under permanent contracts; no temporary or non-guaranteed hour contracts were reported. Part-time roles were most frequently held at 50–80% capacity and continued to be more common among women.

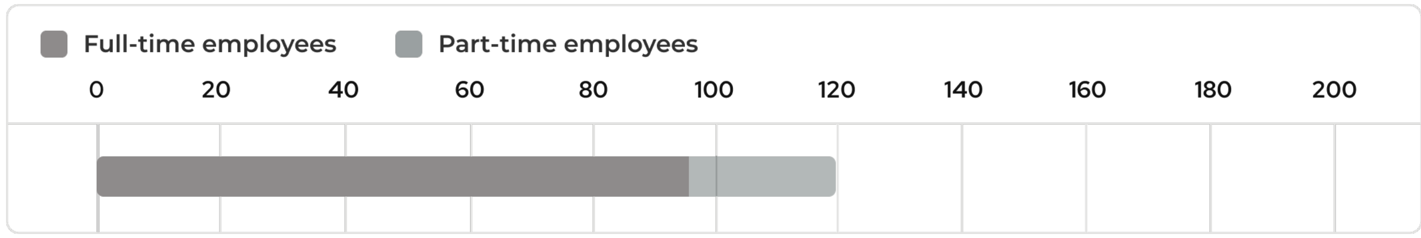
In addition to direct employees, portfolio companies engaged non-employee workers such as contractors, freelancers, and project-based partners. These individuals contributed primarily to research and development, data analysis, administrative support, and project execution. Engagement was generally short-term or project-specific, allowing access to specialized skills while maintaining flexibility in operations.

EMPLOYEE STATISTICS

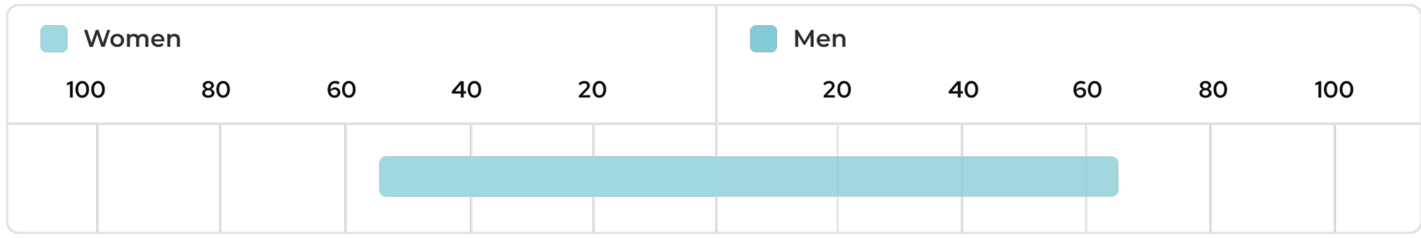
Employee population



Number of employees by contract type



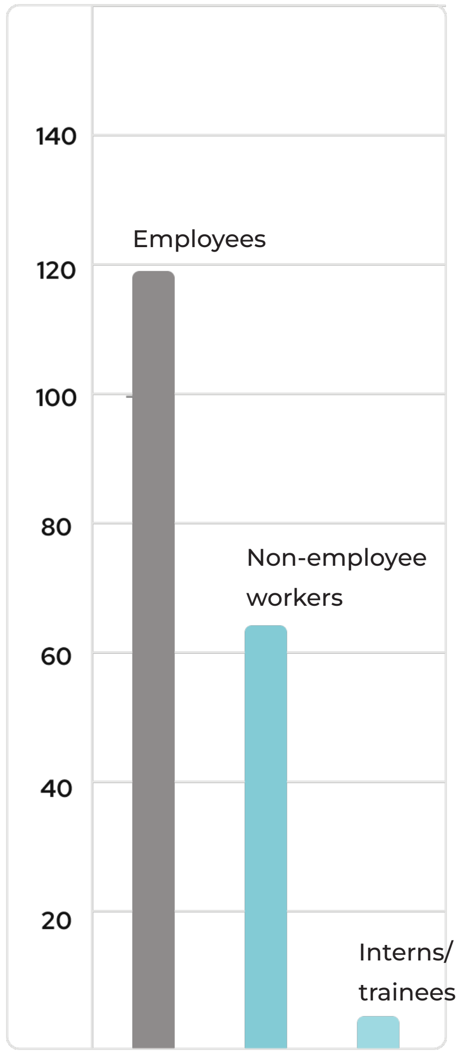
Number of employees by gender



NON-EMPLOYEE WORKERS

In 2024, the workforce was composed primarily of 120 permanent employees, engaged under standard full-time or part-time contracts. Alongside these, 64 non-employee workers were engaged, predominantly as contractors and freelancers on project-based agreements, complemented by a smaller number of self-employed specialists and other short-term assignments. Interns and trainees were present to a limited extent, with six individuals engaged across the portfolio under temporary learning or working-student arrangements. No agency workers, apprentices, volunteers, or home workers were reported.

Employees were primarily active in research and development, laboratory operations, administration, and management functions within portfolio companies. Non-employee workers provided support for specialized activities such as data analysis, software development, consulting, and regulatory tasks, while interns and trainees contributed to research support, administrative functions, and project-based learning.



GOVERNANCE STRUCTURE

The Board of Directors serves as the highest governance body of Xlife Sciences AG.
The Board is supported by committees responsible for decision making and oversight of our ESG impact (Environmental, Social, Governance).

The Audit Committee is responsible for:
- Financial integrity and compliance.
- Ensuring that economic activities are conducted responsibly and transparently.

The Compensation Committee manages:
- Executive compensation.
- Remuneration policies aligned with ethical practices and social responsibility.

Oversight of ESG strategy is specifically assigned to Board Member Désirée A. Dosch, underscoring the integration.

The Board of Directors is composed of both executive and non-executive members. Oliver R. Baumann, Chief Executive Officer, and David L. Deck are not regarded as independent, while all other members serve as independent non-executive directors, providing oversight and guidance to ensure effective and balanced governance.

The composition of the Board of Directors reflects a balance of continuity and renewal, combining the perspectives of long-serving members with those of more recent appointments. This mix supports both stability and innovation in governance. The Board is predominantly male, with one female member contributing to decision-making and strategic oversight.

Board members hold significant roles across the fields of life sciences, finance, and innovation, broadening the collective expertise available to the organisation and strengthening governance practices. Competencies represented within the Board include finance, corporate strategy, life sciences, and governance, ensuring the capacity to address economic, environmental, and social impacts effectively.

THE BOARD OF DIRECTORS

DAVID L. DECK
Chair of the Board of Directors

David L. Deck brings decades of experience in corporate development and business strategy within the life sciences industry. His impressive track record of successful biotech and med-tech brings critical insights into business growth and innovation, particularly in navigating the complexities of the life sciences market.

OLIVER R. BAUMANN
CEO & Board Member

With a sharp vision for finance and strategic leadership, Oliver R. Baumann is an innovator in the life sciences sector. His extensive experience in banking and investment management, paired with his hands-on approach to scaling startups, positions him as a catalyst for financial performance and transformative growth.

Dr. NORBERT WINDHAB
Board Member

A distinguished figure in biophysics and pharmaceutical sciences, Dr. Norbert Windhab merges academic excellence with industry expertise. His leadership in innovative pharma and biotech projects emphasizes his dedication to advancing health outcomes and technological progress.

DÉSIRÉE A. DOSCH
Board Member & ESG responsible

Désirée A. Dosch is an expert in corporate transformation and global market strategies. Drawing on her experience as an investor in startups and advisor to growth companies, she brings a unique perspective on building sustainable business models and driving long-term success.

MARK S. MÜLLER
Board Member

Mark S. Müller's expertise in wealth management, financial regulation, and governance strengthens the company's foundation. His deep understanding of regulatory frameworks ensures robust compliance and supports long-term economic resilience.

HIGHEST GOVERNANCE BODY

The Board brings together backgrounds from life sciences, finance, biotechnology, pharmaceuticals, business strategy, and corporate development. This breadth of competencies enhances our ability to make informed strategic decisions, navigate challenges in the life sciences sector, and drive sustainable growth, market development, and sound financial oversight.

To ensure shareholder perspectives are represented, our Board includes executive members such as CEO Oliver R. Baumann and Chair David L. Deck, whose roles and ownership stakes provide strong alignment with shareholder interests. At the same time, independent oversight is safeguarded through our non-executive members Dr. Norbert Windhab, Désirée A. Dosch, and Mark S. Müller. Their contributions provide critical checks and ensure decisions are free from conflicts of interest.

Our governance structure also reflects a clear division of responsibilities. While David L. Deck, as founder and main shareholder, plays a key role in shaping strategic direction. Operational management is the responsibility of CEO Oliver R. Baumann, ensuring that the Chair focuses on strategic oversight and governance. This balance of executive leadership and independent judgment strengthens accountability and supports best practices in corporate governance.

THE ESG COMMITTEE

Responsibility for managing our impact on the economy, environment, and people rests with the ESG Committee, chaired by Désirée A. Dosch and composed of Board members, senior executives, and representatives from portfolio companies. The Committee oversees sustainability initiatives and ESG goals, ensuring that they are consistently embedded across the organisation and applied at operational level within portfolio companies.

Committee members are tasked with implementing sustainability measures, monitoring compliance with ESG guidelines, and fostering innovation and responsible practices. The ESG Committee also collects data and evaluates progress across key metrics such as environmental impact, gender diversity, and ethical business conduct, relying on accurate and complete information provided by portfolio companies.

The Board of Directors retains ultimate responsibility for oversight. It reviews the work of the ESG Committee, approves the ESG report, and ensures that the identified material topics, data, and performance outcomes align with strategic objectives, compliance obligations, and international standards such as GRI.

CONFLICTS OF INTEREST

Our Board of Directors follows strict procedures to ensure that conflicts of interest are prevented and mitigated. Our Code of Conduct explicitly requires all employees, executives and board members to avoid situations that could lead to real, potential, or perceived conflicts of interest. This includes guidelines on gifts, relationships with external companies, relationships with competitors, and ownership stakes in other entities. Individuals are required to disclose any situation where a conflict may arise, to be reviewed and managed by the Board or an independent, external compliance expert.

Regular reviews and transparency in decision making are key elements in mitigating conflicts. Furthermore, Xlife Sciences AG adheres to International Financial Reporting Standards (IFRS) standards, which mandate the disclosure of related-party transactions and conflicts of interest in financial statements, further enhancing transparency and accountability.

CROSS-BOARD MEMBERSHIP

Given Xlife Sciences AG's close collaboration with its portfolio companies, cross-board memberships are a natural part of our governance structure and facilitate strategic alignment within the group. To ensure transparency and accountability, all board members are required to declare any positions held on the boards of other companies. Potential conflicts of interest are reviewed regularly and disclosed to relevant stakeholders in line with governance best practice. These disclosures are available in our annual reports.

CROSS-SHAREHOLDING

Xlife Sciences AG holds minority or majority stakes in portfolio companies and related entities as part of its incubator model. Any potential conflicts of interest arising from these cross-shareholdings (including relationships with suppliers or other stakeholders) are monitored through defined governance processes. Where applicable, such relationships are reported transparently to maintain compliance with ethical and regulatory standards.

COMMUNICATION OF CONCERNS

Critical concerns are communicated to the Board of Directors through a structured process designed to ensure timely escalation and oversight. Senior executives hold responsibility for identifying issues of operational, financial, legal, or ESG relevance and for bringing them to the Board's attention. Such concerns are addressed during regular Board meetings, with provisions for special reports or emergency sessions in cases requiring immediate attention. In addition, the Code of Conduct establishes procedures for reporting breaches, conflicts of interest, and compliance issues, ensuring that all critical matters are promptly escalated and reviewed at the highest governance level.

REMUNERATION POLICIES

Remuneration policies for members of the highest governance body and senior executives are designed to align compensation with long-term company objectives and to support both operational performance and sustainable growth.

FIXED AND VARIABLE PAY

Members of the Board of Directors generally receive fixed remuneration in the form of an annual share package. Two operational members, including the Chair, also receive cash remuneration. Share-based compensation is distributed after 12 months and is subject to a 24-month vesting period.

Management receives a monthly fixed salary paid in cash, complemented by a fixed share programme. This is further adjusted by a performance-based variable component, which includes both a Short-Term Incentive Plan (STIP) and a Long-Term Incentive Plan (LTIP).

- The STIP is tied to annual financial, operational, and strategic targets.
- The LTIP incentivizes long-term retention and sustainable performance, with allocations primarily share-based, subject to a 72-month vesting period and eligibility after 24 months

SIGN-ON BONUSES

Members of the management team do not receive sign-on bonuses, but their remuneration includes fixed salary, share-based elements, and performance-based components under the STIP and LTIP frameworks.

TERMINATION PAYMENTS

For the Board of Directors, remuneration is paid pro-rata through the share programme in cases of early termination. Contracts are valid for one year or until the next General Meeting. The management team holds permanent contracts with a notice period of up to three months. No additional severance packages are offered, and termination payments comply with contractual obligations.

RETIREMENT BENEFITS

Retirement benefits for management are provided through pension contributions as part of fixed remuneration. Contributions are shared equally with employees in accordance with local legal requirements. The company also pays AHV (Swiss social security) contributions for members of the Board of Directors, ensuring compliance with Swiss legislation.

LINK TO PERFORMANCE AND ESG OBJECTIVES

The STIP is assessed annually through a Management by Objectives (MBO) framework, with rewards granted in cash or shares. In 2024, full short-term remuneration was applied based on target attainment. The LTIP focuses on sustainable growth and retention, incorporating sustainability targets into long-term compensation to ensure alignment between remuneration and the company's impacts on the economy, environment, and society.

PROCESS TO DETERMINE REMUNERATION

The design and oversight of remuneration policies are the responsibility of the Compensation Committee, a body elected at the Annual General Meeting. The committee ensures alignment of remuneration with long-term objectives and shareholder interests. Independent members of the committee provide objective oversight in setting compensation levels. Stakeholder views, particularly those of shareholders, are incorporated through the approval of remuneration at the Annual General Meeting, where votes are held on the maximum total remuneration for both the Board of Directors and management. The company does not engage external remuneration consultants. The results of shareholder votes on remuneration policies and proposals are disclosed during the Annual General Meeting, ensuring transparency and accountability.

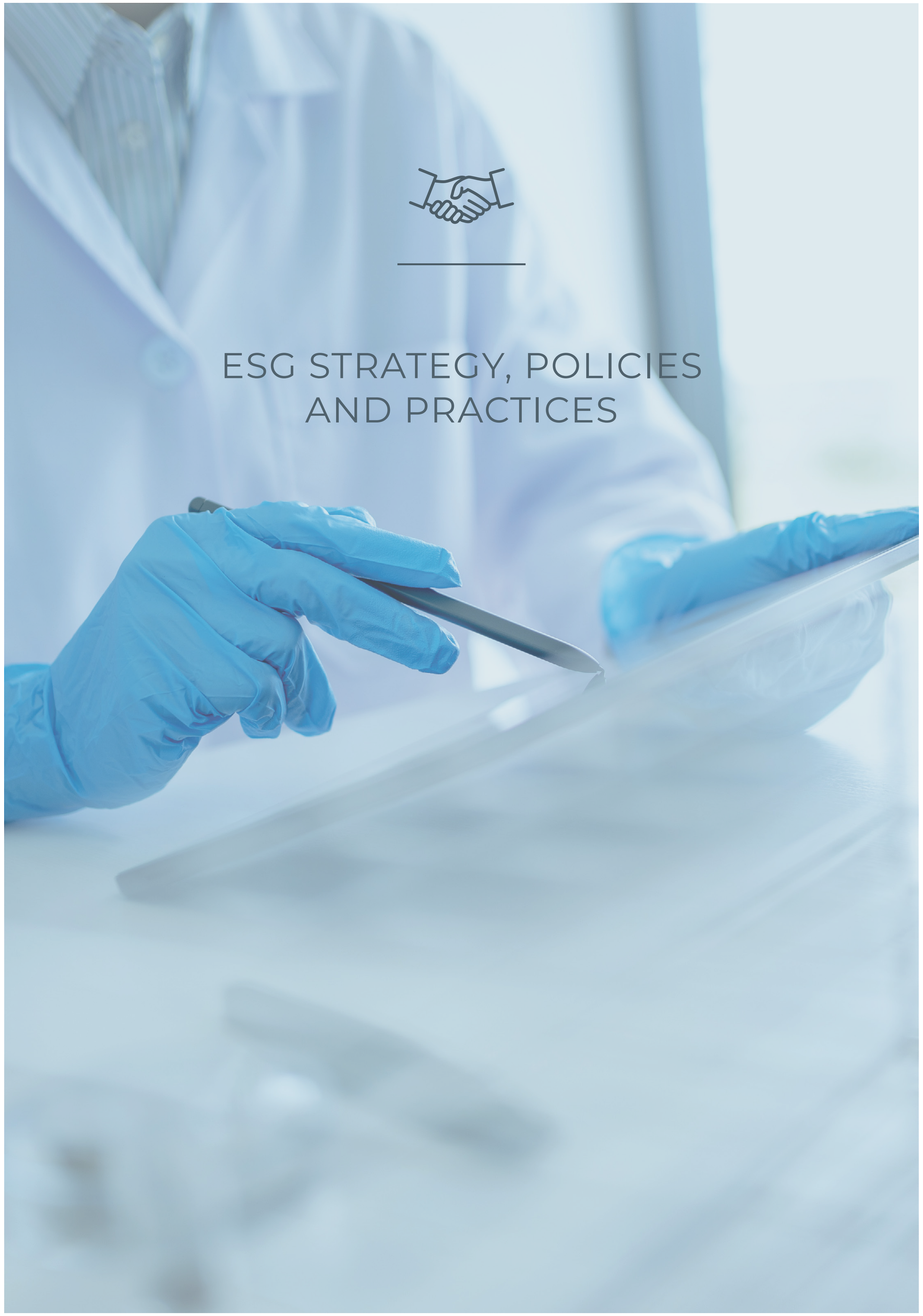
ANNUAL TOTAL COMPENSATION RATIO

The ratio of total annual compensation between the organisation's highest-paid individual and the median of all other employees is:

Ratio	Numerator value
1:2	49.74

The ratio of the percentage increase in annual total compensation for the highest-paid individual compared to the median increase for all other employees is:

Ratio	Numerator value
0:0.0114	1.11



ESG STRATEGY, POLICIES AND PRACTICES

STATEMENT ON SUSTAINABLE DEVELOPMENT STRATEGY

At Xlife Sciences AG, sustainable development is regarded as a fundamental value rather than a stand-alone initiative. It is integrated into the organisation's mission, strategy, and day-to-day operations. The company's purpose of bridging the gap between research and the healthcare market is guided by a strong commitment to environmental responsibility, societal impact, and long-term value creation.

In 2022, Xlife Sciences AG established a dedicated ESG Committee, comprising members of the Board of Directors, the management team, and representatives from portfolio companies. This body is tasked with embedding ESG principles across both strategic and operational levels, ensuring that sustainability considerations are systematically addressed in decision-making processes.

Sustainable development is considered vital in addressing unmet medical needs, advancing innovation, and promoting diversity and digitalization, while also minimizing environmental risks. The company seeks to deliver healthcare solutions that not only respond to market demand but also enhance patient wellbeing and reduce ecological impacts.

The highest governance body and senior leadership are fully committed to integrating sustainability into the company's DNA.

POLICY COMMITMENTS

Xlife Sciences AG and its portfolio companies uphold clear policy commitments for responsible business conduct, guided by international standards and regulatory requirements.

These commitments reflect a strong focus on quality, safety, ethics, and compliance, which are embedded into both internal operations and external business relationships. Portfolio companies adhere to internationally recognized instruments and frameworks, including ISO 9007 (Quality Management Systems), GLP (Good Laboratory Practice), GMP (Good Manufacturing Practice), EU Medical Device Regulation (MDR), and U.S. Food and Drug Administration (FDA) requirements. Such compliance ensures alignment with authoritative intergovernmental instruments and underscores a commitment to conducting business responsibly.

Due diligence processes are an integral component, particularly for companies active in clinical and medical fields. These processes include ongoing monitoring, documentation, and evaluation to safeguard compliance and mitigate risks. In addition, the precautionary principle is applied within quality management systems, particularly by companies engaged in clinical studies and product development, where prioritizing safety and minimizing risks associated with new technologies is critical.

Respect for human rights is indirectly supported through adherence to these international standards and reinforced by company-level codes of conduct and employee training on privacy, safety, and ethical practices. Special attention is given to potentially vulnerable groups, such as clinical trial participants, ensuring their rights and welfare are protected in line with established ethical standards.

Policy commitments are approved at senior management levels or by quality assurance departments, ensuring alignment with strategic priorities and operational requirements. They apply broadly across internal operations, such as clinical research, manufacturing, and product development, and extend to business relationships with contractors, suppliers, and clinical partners, who are expected to meet the same standards of ethical and regulatory compliance.

Communication of these commitments is ensured through training sessions, operational guidelines, and quality management handbooks, providing clarity to employees, business partners, and other stakeholders.

EMBEDDING POLICY COMMITMENTS

Xlife Sciences AG embeds its policy commitments for responsible business conduct across all levels of the organisation and throughout its business relationships. These commitments form part of the company's broader ESG strategy, which is designed to ensure that ethical, sustainable, and responsible practices are systematically integrated into both operations and partnerships.

Oversight of policy commitments is assigned to the ESG Committee, which provides governance at the highest level. At the operational level, responsibility is shared among employees, portfolio companies, and business partners, all of whom are expected to comply with the Code of Conduct. This Code serves as the foundation for ethical practice and provides guidance for consistent implementation across the portfolio. The Code of Conduct is tailored by each portfolio company to align with its specific context, thereby ensuring that commitments are embedded into organisational strategies, operational policies, and day-to-day procedures. In this way, ethical and sustainable practices are systematically applied across diverse activities in the life sciences and diagnostics sectors.

Commitments are further advanced through business relationships, where partners and suppliers are expected to uphold the same standards of conduct. ESG criteria are applied when evaluating and engaging new research and business partners, ensuring that collaborations contribute positively to long-term sustainability. This process strengthens accountability while aligning with the company's commitment to innovation, diversity, responsible work culture, and environmental risk management.

To support implementation, ESG reporting has been introduced across portfolio companies, with monitoring of key performance indicators (KPIs) linked to responsible business practices. This provides a framework for assessing progress and aligning company-wide performance with international sustainability standards and the UN Sustainable Development Goals (SDGs).

In addition, training and awareness activities ensure that employees and business partners understand their role in embedding these commitments. These initiatives reinforce ownership of responsible practices in daily operations and encourage continuous improvement across the organisation's activities and partnerships.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS

Xlife Sciences AG is committed to preventing, addressing, and remediating any negative impacts that the organisation may cause or contribute to. This commitment is anchored in the company's Code of Conduct, which outlines clear expectations for ethical behaviour, compliance, and accountability. In cases where adverse impacts are identified, the company acts promptly to implement remediation measures, either directly or in cooperation with affected stakeholders and business partners.

The company's approach to grievance management is built on a structured and transparent mechanism designed to ensure accessibility, responsiveness, and confidentiality. Employees, portfolio companies, and external stakeholders may raise concerns through formal channels, including direct supervisors or the independent compliance office. Additionally, a dedicated whistleblower tool allows for the anonymous reporting of suspected violations, helping to foster a culture of trust and responsibility.

Remediation processes are not limited to internal measures. Xlife Sciences AG actively collaborates with its portfolio companies, partners, and other stakeholders to address negative impacts, whether they concern environmental risks, ethical business practices, or social issues. This cooperative approach ensures that corrective actions are comprehensive, timely, and effective.

The design and ongoing improvement of grievance mechanisms involve feedback from the intended users, ensuring that the system remains responsive to stakeholder needs. To evaluate the effectiveness of these mechanisms, the company tracks case resolution times, the adequacy of corrective measures, and stakeholder satisfaction with outcomes. Regular reviews allow for continuous refinement, strengthening the overall capacity to mitigate harm and reinforce ethical standards across the organisation. Through these processes, Xlife Sciences AG demonstrates its accountability to stakeholders and its commitment to ensuring that any adverse impact is met with effective remediation.

CLEANER, SAFER WATER IN CAMBODIA

At Xlife Sciences, we actively work to minimize our carbon footprint. To this end, we're proud to have supported the Cleaner, Safer Water in Cambodia programme in 2024, run by the social enterprise Hydrologic. This programme provides rural communities in Cambodia with clean, drinkable water at home, improving public health and helping to prevent deaths caused by waterborne diseases.

It's a Gold Standard-certified carbon offsetting project, designed to address a number of UN SDGs. The Gold Standard is a best practice standard, established by WWF and other international NGOs, to ensure carbon projects hold the highest levels of environmental integrity and sustainable development.

The programme provides clean, filtered water to Cambodian households, ensuring families can drink safely. By eliminating the need to boil water, it reduces indoor air pollution from wood burning, lowers household fuel costs, and helps protect Cambodia's vulnerable forests.

Project impacts and benefits:

- 90,000 tonnes of CO_2e saved per year (equivalent to taking 36,000 cars off the road).
- 600,000+ Filters distributed to date providing clean water to nearly two million Cambodians.

We value sustainability, health and entrepreneurship: values that align closely with the mission of this programme. Supporting this transformative initiative doesn't just offset our carbon footprint, it also sets an example for our portfolio companies to take similar steps to increase their sustainability.

You can read more about the project here:
Gold Standard - Cleaner, safer water in Cambodia.

Gold Standard®

STAKEHOLDER ENGAGEMENT

APPROACH TO STAKEHOLDER ENGAGEMENT

At Xlife Sciences AG, stakeholder engagement is a central pillar of our strategy to create long-term value and advance sustainable development. Our approach is built on active listening, transparency, and collaboration, ensuring that we align our activities with the expectations of those who are directly or indirectly impacted by our business.

We engage with a wide range of stakeholders, including employees, portfolio companies, research partners, investors, regulators, and local communities. These groups are identified based on their influence on, or interest in, our activities and outcomes.
Each stakeholder category plays a unique role: employees contribute to operational excellence, research partners support innovation, investors provide critical resources, regulators ensure compliance, and communities help us remain socially and environmentally responsible.

The purpose of this engagement is to foster collaboration, build trust, and ensure accountability. We actively involve stakeholders in shaping our practices by maintaining regular communication through meetings, progress reports, collaborative platforms, and formal consultations. This allows us to incorporate diverse perspectives into our decision-making processes, particularly in the areas of innovation, compliance, and sustainability.

To ensure that engagement remains meaningful and impactful, we regularly assess the effectiveness of our interactions through feedback mechanisms and structured evaluations. Stakeholder input is carefully considered and integrated into our ESG strategy, enabling us to refine our approach, strengthen compliance with ethical and legal standards, and enhance the long-term positive impact of our work.

In this way, stakeholder engagement is not a one-off activity but a continuous dialogue that supports innovation, strengthens relationships, and advances our mission of bridging research and healthcare markets responsibly and sustainably.

MEMBERSHIP ASSOCIATIONS

Xlife Sciences actively participates in several industry and membership associations to foster collaboration, knowledge exchange, and advocacy within the life sciences sector. These include:

- Swiss Biotech Association – supporting the advancement of biotechnology and representing the interests of biotech companies in Switzerland.
- Swiss Cancer Foundation – contributing to initiatives that advance cancer research, treatment, and awareness.
- Swiss Healthcare Licensing Group – engaging in professional exchange and promoting best practices in healthcare licensing and business development.

Through these memberships, Xlife Sciences strengthens its network, contributes to sector-wide initiatives, and ensures alignment with national and international standards in research, development, and responsible business conduct.

Swiss Biotech Association

SWISS CANCER FOUNDATION

SWISS HLG
MORE THAN NETWORKING

MATERIAL TOPICS

PROCESS TO DETERMINE MATERIAL TOPICS

Xlife Sciences AG applies an impact-based materiality approach to determine ESG topics that are most significant to its stakeholders, the environment, and broader society. This approach emphasizes external impacts while ensuring alignment with internal priorities.

IDENTIFICATION OF ACTUAL AND POTENTIAL IMPACTS

The process begins with a comprehensive review of both internal operations and external business relationships to identify actual and potential positive and negative impacts, including implications for human rights:

- Internal and External Analysis: Evaluation of environmental practices, ethical considerations, and social responsibility across all operations and partner relationships.
- Impact Assessment: Assessment of positive impacts, such as innovation in life sciences and job creation, alongside potential negative impacts, including resource use, environmental risks, and ethical considerations related to research and testing.
- Alignment with ESG Goals: Consideration of the company's ESG strategy and the UN Sustainable Development Goals to ensure relevance to both internal and external stakeholders.

PRIORITIZATION OF MATERIAL IMPACTS

Topics are then prioritized based on their significance to both business operations and stakeholders:

- Stakeholder Feedback: Input is gathered from employees, investors, research partners, and communities to inform the prioritization process.
- Impact Severity and Likelihood: Positive and negative impacts are evaluated for their potential magnitude and probability, with higher priority given to those with the greatest potential effect on the economy, environment, or society.
- Business Relevance: Topics directly tied to core business activities—such as life sciences innovation, resource use, and social responsibility—receive elevated priority.

This structured methodology ensures that reporting focuses on topics that are truly material, reflecting both stakeholder interests and the organisation's operational realities. The engagement of a diverse set of stakeholders provides critical perspectives that guide the materiality assessment and prioritization process.

OUR PEOPLE

Employees of Xlife Sciences and our portfolio companies, including management, board of directors, advisory board and operational team members who provide insights on business practices, ethical considerations and environmental impacts.

RESEARCH PARTNERS

Universities, research institutions and scientific collaborators, whose expertise helps identify which activities most affect the economy, the environment and wider society.

INVESTORS

Both private and institutional investors, who provide feedback on sustainability and governance issues critical to our long-term value.

PROFESSIONAL ADVISORS

Legal, industry and regulatory professionals who ensure that our material topics align with compliance requirements and ethical standards.

MATERIAL TOPICS

MATERIALITY MAP

Very high

Data privacy

- Substantiated complaints concerning breaches of customer privacy and losses of customer data.

Very high

Diversity & equality

- Gender breakdown within governance bodies and employee lists.

Very high

Biodiversity

- Any IUCN Red List species and national conservation list species with habitats in areas affected by our operations.

Very high

Local communities

- Operations with local community engagement and impact assessments.

High

Training & education

- Average hours of training per year, per employee
- Programmes for upgrading employee skills and transition assistance programmes
- Percentage of employees receiving regular performance and career development reviews.

High

Emissions

- Scope 3 greenhouse gases emissions.

High

Materials

- Materialsused (by weight or volume).

High

Energy

- Reduction of energy use.
- Energy intensity

Medium

Waste

- Waste sent to landfill.
- Waste recycled.
- Waste generated.
- Management of significant waste-related impacts.

Medium

Water

- Focused on water consumption.

MATERIALITY HIGHLIGHTS

These figures are based on data provided directly by our portfolio companies. Measurements are taken from internal monitoring systems or utility bills, without additional adjustments or conversions. We assume that reported values reflect actual annual consumption. While some companies operate in facilities where resource consumption can be monitored directly, others are located in shared laboratories or university environments where usage may be estimated or only partially attributable.

357,398 watt-hours

Total energy consumption within the organisation, in joules or multiples.

In 2024, total electricity consumption was **357,398 kWh**, compared to **362,399 kWh in 2023.** Of the 2024 total, **3,254.65 kWh** came from renewable sources.

0.41 megaliters

Total water consumption from all areas in megaliters.

In 2024, total water consumption decreased significantly to **0.41 megaliters**, compared to **1.43 megaliters in 2023 — a reduction of more than 70%.**

30.78 metric tons

Total weight of waste generated in metric tons.

Total hazardous waste reported: **0.96 t**
Reported by: Axenoll Life Sciences AG, Veraxa Biotech AG, and saniva diagnostics GmbH.

250.12 t CO_2

Total indirect greenhouse gas emissions in metric tons of CO_2.

- For 2024, the methodology was expanded to include detailed survey data on business travel (vehicles and flights) and employee commuting (distances and modal split).
- Conservative assumptions applied where exact data were unavailable:
  - 220 working days per year for commuting calculations.
  - Standard emission factors (DEFRA/BAFU 2024): 0.180 kg CO_2e/km for passenger cars, 0.254 kg CO_2e/km for short-haul flights, 0.150 kg CO_2e/km for long-haul flights, and 0.041 kg CO_2e/km for public transport.
  - Zero emissions assumed for commuting by bicycle or walking.

1% of operations

Operations with local community engagement, impact assessments, and development programmes.

In 2024, approximately **1% of operations** at Xlife Sciences AG and its portfolio companies had formalized processes for local community engagement, impact assessments, or development programmes. While still limited, these initiatives reflect a growing recognition of the importance of stakeholder dialogue, environmental monitoring, and inclusive practices.

Social Impact Assessments

Although comprehensive social impact assessments remain at an early stage, the organisation promotes inclusive practices with a particular focus on gender diversity and equal opportunity. These efforts are reflected in hiring processes, flexible working arrangements, and part-time opportunities. In 2024, several portfolio companies, including Veraxa Biotech AG, Palleos Healthcare GmbH, and Axenoll Life Sciences AG, increased their training investments to strengthen employee development and foster equity.

Environmental Impact Assessments and Monitoring

Environmental impacts are regularly monitored through Scope 1–3 carbon accounting, with consolidated survey-based activity data collected across 11 portfolio companies in 2024. This included commuting, air travel, and vehicle use. While project-specific environmental assessments remain the responsibility of individual portfolio companies, Xlife Sciences AG ensures group-wide consistency in reporting by applying the GRI Standards and the GHG Protocol.

Public Disclosure of Assessments

Findings from both environmental and social impact assessments are disclosed transparently in the annual ESG Report. In 2024, disclosures included a total Scope 3 footprint of approximately 188 tCO_2e from commuting and business travel, alongside reporting on training activities, headcount, and donations. These results are communicated openly to stakeholders through ESG reports and investor updates.

Local Community Development Programmes

Xlife Sciences AG does not operate direct community development programmes at group level. However, certain portfolio companies contribute to local initiatives on an ad hoc basis. In 2024, for example, Xlife Sciences AG sponsored the EZH graduation event. Beyond this, no additional donations were reported, underlining the opportunity to expand structured community contributions in the future.

Stakeholder Engagement Plans

Engagement with stakeholders (including local communities, employees, investors, and research partners) is structured around stakeholder mapping and materiality assessments. This approach ensures that interactions remain targeted, effective, and aligned with ESG priorities.

Engagement with Vulnerable Groups

Commitment to inclusive engagement extends to vulnerable populations, particularly patients facing severe or life-threatening conditions. Portfolio companies such as VERAXA Biotech AG and Lysatpharma GmbH advance new treatment pathways to address unmet medical needs, reflecting a responsibility to contribute solutions where conventional medical options are limited.

Worker Representation
Given the small size and early-stage profile of many portfolio companies, formal works councils or occupational health and safety committees are not yet in place. Instead, companies maintain direct communication between management and employees, enabling timely attention to workplace concerns and supporting a collaborative working environment.

Community Grievance Processes
While no formal grievance mechanisms for local communities currently exist, Xlife Sciences AG provides a whistleblower channel accessible to employees, partners, and stakeholders. This mechanism ensures that concerns can be raised confidentially and addressed swiftly, in line with the Code of Conduct.

€45,727 — Programmes for upgrading employee skills and transition assistance programmes

In 2024, Xlife Sciences AG and its portfolio companies invested approximately **€45,727 in employee education and training**.

Training activities covered a broad range of topics and formats, including:

- **Technical and scientific skills:** laboratory practices, clinical development, and innovation-related expertise.
- **Regulatory and compliance knowledge:** training on Good Laboratory Practice (GLP), Good Manufacturing Practice (GMP), and data protection.
- **Professional and soft skills:** project management, leadership development, and communication skills—particularly emphasized in larger portfolio companies.

While larger firms invested in structured external workshops and specialized certifications, smaller companies provided training on an ad hoc basis, reflecting their early-stage development and lean workforce structures. Some companies reported symbolic or minimal investments (e.g., saniva diagnostics GmbH), while others had no structured training expenditure in 2024.

Percentage of employees receiving regular performance and career development reviews

68% Of female employees (non-management)	62% Of male employees (non-management)
80% Of employees in Management roles	64% Of all employees in non-management roles

Diversity of governance bodies and employees

	Female	Male
Governance bodies	36%	64%
Employee population	52%	48%

MATERIAL TOPIC: EVALUATION & TRACKING

The effectiveness of actions is monitored through a structured framework that combines regular ESG reporting, internal audits, and stakeholder feedback. This includes insights gathered through extensive stakeholder engagement to ensure that performance evaluations reflect both internal objectives and external expectations.

Key Performance Indicators (KPIs) are established across core areas, enabling systematic measurement and evaluation. These include:

- **Environmental performance** – monitoring carbon emissions and resource efficiency.
- **Ethical compliance** – assessing adherence to codes of conduct, international standards, and regulatory requirements.
- **Economic contributions** – evaluating value creation, innovation, and sustainable growth across portfolio companies.

This process ensures that performance is continuously tracked, transparently reported, and aligned with strategic ESG commitments.

THE ROAD AHEAD

At Xlife Sciences AG, we remain deeply committed to advancing sustainability, responsible business conduct, and long-term value creation for our stakeholders. This report provides an overview of our current status, highlights key areas of progress, and reflects the ongoing integration of ESG principles across our organisation and portfolio companies.

Our work does not end here. Sustainability is a continuous journey, and we will continue to refine our practices, strengthen our impact, and report transparently on our progress.

We thank our stakeholders for their trust and collaboration, and we look forward to sharing further achievements and developments in our next report. **Until then, we remain committed to building a responsible and innovative future.**

Xlife sciences

GRI Content Index

GRI content index

Statement of use:	Xlife Sciences AG has reported in accordance with the GRI Standards for the period 1 January to 31 December 2024.
GRI 1 used:	GRI 1: Foundation 2021
Applicable GRI sector standards:	Asset management.

Disclosure	Disclosure name	Pages
GRI 2: General Disclosures 2021		
Disclosure 2-1	Organizational Details	p. 02, 04-07
Disclosure 2-2	Entities included in the organization’s sustainability reporting	p. 07
Disclosure 2-3	Reporting period, frequency and contact point	p. 02
Disclosure 2-4	Restatements of information	p. 07
Disclosure 2-5	External assurance	pp. 08-09
Disclosure 2-6	Activities, value chain and other business relationships	pp. 10-13
Disclosure 2-7	Employees	pp. 12-13, 34-35
Disclosure 2-8	Workers who are not employees	pp. 12-13, 34-35
Disclosure 2-9	Governance structure and composition	pp. 14-16
Disclosure 2-10	Nomination and selection of the highest governance body	p. , 17
Disclosure 2-11	Chair of the highest governance body	pp. 05, 17
Disclosure 2-12	Role of the highest governance body in overseeing the management of impacts	pp. 16-20
Disclosure 2-13	Delegation of responsibility for managing impacts	pp. 16-17
Disclosure 2-14	Role of the highest governance body in sustainability reporting	pp. 16-18
Disclosure 2-15	Conflicts of interest	p. 18
Disclosure 2-16	Communication of critical concerns	p. 18
Disclosure 2-17	Collective knowledge of the highest governance body	pp. 16-18
Disclosure 2-18	Evaluation of the perform ance of the highest governance body	p. 27
Disclosure 2-19	Remuneration policies	pp. 16-18
Disclosure 2-20	Process to determine remuneration	p. 19
Disclosure 2-21	Annual total compensation ratio	p. 20
Disclosure 2-22	Statement on sustainable development	pp. 22-23
Disclosure 2-23	Policy commitments	pp. 23-24

GRI Content Index

Disclosure	Disclosure name	Pages
Disclosure 2-24	Embedding policy commitments	pp. 23-24
Disclosure 2-25	Processes to remediate negative impacts	pp. 24-25
Disclosure 2-26	Mechanisms for seeking advice and raising concerns	pp. 25-27
Disclosure 2-27	Compliance with laws and regulations	pp. 06-08
Disclosure 2-28	Membership associations	p. 27
Disclosure 2-29	Approach to stakeholder engagement	pp. 26-27
Disclosure 2-30	Collective bargaining agreements	pp. 26-27
GRI 302: Energy 2016		
Disclosure 302-1	Energy consumption within the organisation	p. 32
GRI 303: Water and Effluents 2018		
Disclosure 303-5	Water consumption	p. 32
GRI 304: Biodiversity 2016		
Disclosure 304-4	IUCN Red list species and national conservation list species with habitats in areas affected by operations	p. 32
GRI 305: Emissions 2016		
Disclosure 305-3	Other indirect (Scope 3) GHG emissions	p. 32
GRI 306: Effluents and Waste 2016		
Disclosure 306-1	Waste generation and significant waste-related impacts	p. 32
Disclosure 306-2	Management of significant waste-related impacts	p. 33-34
GRI 413: Local Communities 2016		
Disclosure 413-1	Operations with local community engagement, impact assessments, and development programmes	pp. 33-34