CATHAY INNOVATION

Investing in Startups Impacting the World

Sustainability Report

• 2025–2026

Cathay Innovation Funds II & III

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1. Foreword – Why Does Sustainability Matter?

Foreword

"Our ambition has always extended beyond returns—we invest to shape the world we want to live in. In this moment of global transition, that mission is more urgent than ever.

From AI-powered drug discovery to platforms driving the circular economy, our portfolio companies are showing what's possible when technology and sustainability converge (one meets the other). These aren't just promising businesses—they're building the future.

This report is more than a snapshot of our ESG performance. It's a reflection of our commitment to act. We are embedding sustainability across every aspect of our investment process, from rigorous due diligence to hands-on support in building more inclusive, resilient, and environmentally conscious business.

Sustainability isn't a trend—it's a transformation. And we're proud to help lead it."



Mingpo Cai,

PRESIDENT AND CO-FOUNDER,
CATHAY INNOVATION

"Sustainability is no longer a sidecar to strategy—it is the engine. In 2024, we doubled down on building the tools, partnerships, and processes to embed ESG into everything we do, from screening and investment to active support of our portfolio companies.

The results speak for themselves: from clean energy scale-ups to AI-native biotech, we're backing founders who turn impact into competitive edge. And we're not just measuring outcomes—we're co-creating roadmaps to go further, faster.

Beyond our flagship fund, where decarbonization and the circular economy remain central pillars of our investment approach, we are introducing a new fund with a stronger emphasis on the 'S' dimension of ESG—addressing global societal health at scale. Our conviction is that capital markets have a vital role to play not only in driving economic value, but also in strengthening the ecosystems that underpin long-term resilience. The journey is ongoing—and we're just getting started.To the founders we back, our limited partners, and our global team: thank you for your trust and your drive.

Together, we are proving that scalable innovation and sustainable impact can —and must—go hand in hand."



Dennis Barrier,

CO-FOUNDER,
CATHAY INNOVATION

AI & Sustainability: a forward-looking perspective on key challenges

The rapid rise of artificial intelligence is reshaping value creation across industries. Yet as AI scales, this transformation comes with profound sustainability implications that investors and companies will need to address. From resilience of technology value chains under physical constraints to the social impact of automation, from the ethical challenges of algorithmic decision-making to questions of digital sovereignty, four interconnected challenges call for an integrated perspective; one that bridges AI as a strategic asset with environmental and social responsibility

1 Resilience of technology value chains in the face of physical constraints

The infrastructure underpinning artificial intelligence is placing growing strain on natural resources. Data centers are consuming growing amounts of electricity, and in some regions, delays in grid connections are already creating constraints on capacity expansion. Water is also becoming a flashpoint, especially in areas already experiencing acute water stress: the vast quantities required for cooling systems increasingly compete with essential local needs, particularly where agricultural demand is high. Further upstream, AI infrastructure is highly dependent on critical minerals and semiconductor manufacturing industries facing growing geopolitical tensions, supply chain concentration, and increasing exposure to the physical effects of climate change.

> For investors, this raises a core sustainability question: how can the physical and resource-related risks embedded in AI infrastructure be identified, assessed, and managed across the investment cycle?

This challenge also points to significant opportunity. Companies pioneering energy-efficient architectures (such as liquid cooling, low-power chip design, and frugal computing) may be well positioned to capture value, as may those investing in dedicated renewable energy capacity and in the emerging circular models for electronic components. During the holding period, we encourage our portfolio companies to analyze how they can reduce this energy intensity, and therefore also the end cost for customers.

2 Social and societal impact

Artificial intelligence is reshaping the world of work. The accelerating deployment of autonomous systems now extends well beyond routine tasks, reaching into qualified and knowledge-intensive functions. This shift calls for a re-examination of the balance between automation and the preservation of meaningful employment, with implications for skills development, organizational models, and social cohesion.

> The sustainability question is therefore clear: how should the respective roles of human and AI systems evolve in the workplace, and what role can businesses play in ensuring that changes in working practices support inclusive economic and social outcomes?

Here too, the challenge brings opportunity. Organizations that invest in AI adoption, upskilling and reskilling, position AI as a tool to augment rather than replace human capabilities and foster active social dialogue around automation may build more resilient and attractive business models, both for talent and for long-term investors.

3 Ethical Considerations

As AI models become more complex and more autonomous, ethical considerations are moving further into the foreground. Algorithmic opacity remains a key concern: where decision-making processes cannot be readily explained or audited, there is a risk that existing biases may be replicated or amplified, while the lack of visibility into how decisions are made raises its own governance challenges. At the same time, the large-scale collection and use of personal data raise important issues around privacy and individual rights, particularly in a rapidly evolving regulatory landscape that includes the European AI Act and the GDPR.

> The sustainability question is therefore twofold: how can organizations move towards greater transparency around the data they process and the algorithms they deploy, and how should governance frameworks evolve fast enough to keep pace with increasingly powerful models?

For forward-looking investors, this is fertile ground. Companies that can demonstrate robust data governance practices, a proactive approach to bias mitigation, and greater transparency around their AI systems and data sourcing to allocate in a fair way the 'knowledge capital', may be building a durable competitive advantage, one that resonates with regulators, customers and capital markets alike.

4 Sovereignty

The AI value chain remains highly concentrated, creating strategic dependencies across three critical dimensions: semiconductor manufacturing, technology platforms and AI models, and the storage and processing of sensitive data.

For Europe, this concentration represents both a vulnerability and a potential investment opportunity. Initiatives such as the European Chips Act, the emergence of sovereign cloud platforms and AI models, and the development of data infrastructure aligned with European standards may help lay the foundations of a distinct ecosystem.

> For investors, the strategic question is how to position themselves within this evolving landscape: by supporting the development of industrial capabilities, sovereign platforms and AI models critical infrastructures and technical skills that can strengthen Europe's capacity to innovate, compete, and protect sensitive data within its own regulatory framework. Working with open-source models combined with edge-AI tailored and designed for each customer's needs is a promising route towards competitiveness and future resilience.

These challenges are considerable, but they also represent significant opportunities for companies and investors alike, to capture value from the deployment of AI at scale, and to help lay the foundations of a more sustainable and responsible AI ecosystem.

Key Figures

$2.6–$4.4 trillion

Generative AI could add between $2.6 trillion and $4.4 trillion per year to the global economy.

mckinsey.com — The economic potential of generative AI

1/3

Of global semiconductor production could be disrupted by climate change within the next decade.

pwc.com/gx/en/issues/esg/pwc-semi-con-report.pdf

2.8x

By 2030, data center electricity consumption could increase 2.8x in Europe and could account for 13% of total electricity consumption.

Rapport du Shift Project 2025 – IA, données, calculs ; BPI France 2024 – Pollution des data centers

40%

Of AI data centers are expected to face power constraints by 2027.

gartner.com – press release 2024-11-12

22%

Of global data centers are currently exposed to moderate or high climate risks.

INR study on climate risks for data centers, 2025

43%

Of global data centers operate in locations subject to water stress.

S&P Global – Rapid data center growth faces sustainability challenges, 2025

765

In 2025, AI-related global water usage totaled around 765 billion liters, which exceeds the total consumption of bottled water worldwide, thus an individual 100-word email generated by a LLM has used the equivalent of a 50cl water bottle (17 oz).

Patterns journal _ Washington Post

60–70%

McKinsey estimates that generative AI could automate activities that currently account for 60 to 70% of employees' time.

mckinsey.com — The economic potential of generative AI

$152B

In 2025, local opposition blocked or delayed dozens of data center projects representing $152B in potential investment in the US.

Data Center Watch, 12/2025

Achieving sustainability through new technologies and AI

We believe that technology is essential to address the complex and interconnected challenges of sustainability.

Our investment strategy is built on a holistic approach—supporting companies that not only develop cutting-edge innovations but also demonstrate a strong commitment to resource efficiency, long-term resilience, and climate action. In this context, artificial intelligence has emerged as a transformative force in advancing sustainable business models.

1.5–4%

According to the European Parliament's Think Tank, AI could help reduce global greenhouse gas emissions by 1.5–4%[1] by 2030.

100%

Of Cathay Innovation III portfolio companies use AI to power their solutions, and in most cases, it is core to their business model.

By enabling predictive maintenance, optimizing resource use, and streamlining reverse logistics, AI can contribute to extending product lifecycles and minimizing environmental impact—making it a powerful tool in the transition to a more sustainable future.

Cathay Innovation's portfolio reflects this synergy between AI and sustainability, with the investment in six new assets that align with this vision in 2025:

UpDoc

UpDoc is advancing clinical care through physician-grade agentic AI designed to support the continuous management of chronic diseases. Integrated into clinical workflows and governed by physicians, its AI agents monitor patients between visits and deliver timely, evidence-based interventions. By expanding clinicians' capacity, improving access to personalized care and helping prevent avoidable complications, UpDoc illustrates how responsible AI can contribute to more accessible, efficient and resilient healthcare systems.

GALAXEA

Galaxea is advancing embodied AI through intelligent robotic systems capable of perceiving, reasoning and acting in real-world environments. By combining proprietary AI models with purpose-built robotic hardware, the company is developing versatile robots for applications such as manufacturing, logistics and quality inspection. These solutions can improve operational efficiency, optimize the use of resources and support workers by automating repetitive or physically demanding tasks, illustrating how AI-powered robotics can contribute to more productive and resilient industrial systems.

DeepWisdom

DeepWisdom is advancing foundation-agent technology through Atoms, a platform where autonomous teams of AI agents collaborate across the full business lifecycle. By coordinating specialized agents for research, product design, software development, testing and operations, the platform enables individuals and small teams to build and run end-to-end software businesses. This approach lowers the cost and technical barriers to entrepreneurship while improving resource efficiency, illustrating how AI can make innovation more accessible, inclusive and scalable.

genlogs

GenLogs is transforming freight intelligence by applying proprietary AI to data from nationwide roadside sensors, satellites and other sources. Its platform provides real-time visibility into truck movements, helping logistics, insurance and government organizations improve carrier sourcing, compliance, risk assessment and asset recovery. By enabling more efficient freight operations, reducing unnecessary journeys and strengthening supply-chain safety and resilience, GenLogs illustrates how AI can support a more secure and resource-efficient logistics ecosystem

Abacum

Abacum is modernizing financial planning through an AI-native platform that centralizes financial and operational data. By applying AI to data cleaning, forecasting, scenario planning and reporting, it enables finance teams to automate manual processes and make faster, more reliable decisions. These capabilities help companies allocate capital and resources more efficiently, supporting more resilient and sustainable business growth

tucuvi

Tucuvi is transforming patient care through clinically validated voice AI that automates follow-ups and care-management workflows. Its AI agent, LOLA, conducts patient conversations, gathers clinical information and alerts healthcare professionals when intervention is required. By expanding care capacity, reducing the burden of repetitive tasks on medical teams and enabling continuous patient monitoring, Tucuvi illustrates how responsible AI can support more accessible, efficient and resilient healthcare systems.

These investments underscore Cathay Innovation's commitment to supporting companies that harness AI to drive sustainable innovation. By integrating AI into their operations, these enterprises not only achieve operational excellence but also contribute to broader environmental and social goals, aligning with our vision of a technology-enabled, sustainable future.

1 European Parliament, Artificial intelligence: threats and opportunities, 2025

2. 2025 ESG Performance Overview

Disclaimer: The results presented in this report are categorized based on the portfolio companies of Cathay Innovation Fund II and Fund III. Fund II comprises a total of 29 companies in the portfolio, while Fund III currently has 21 portfolio companies.
Abacum, Articulat, Tucuvi and Exenote (Innovation III), AI Rudder, Coherent, Fundbox and Medwing (Innovation II) were excluded from the analysis due to data unavailability. As a result, the analysis is based on a total of 42 assets (25 for Fund II and 17 for Fund III). Each of the KPIs listed below focuses on Innovation II and III companies.

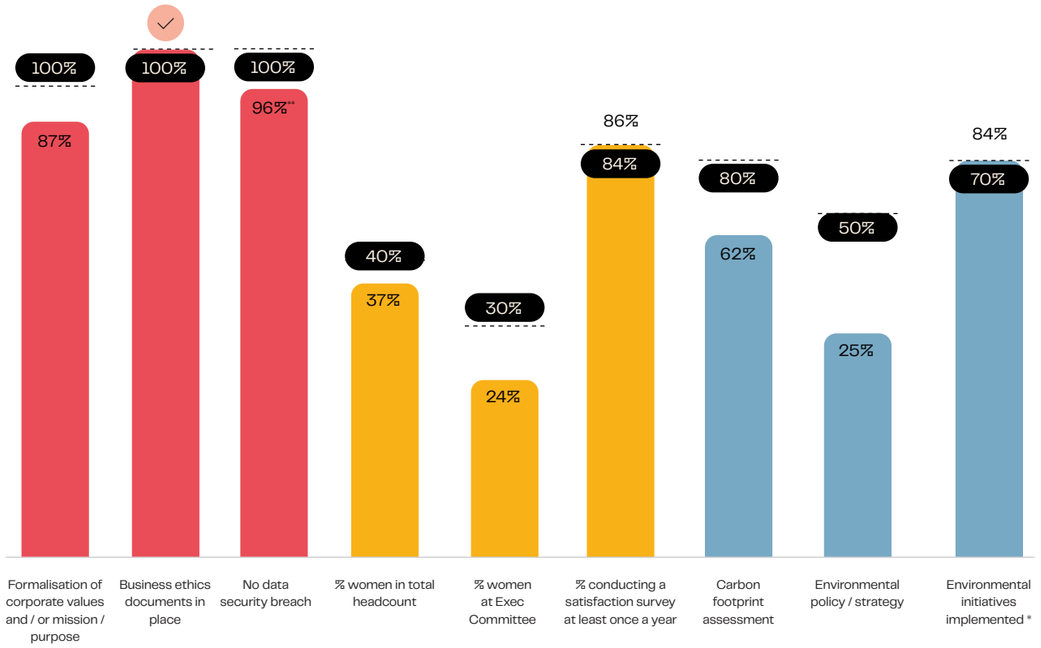
ESG overview

ESG is at the heart of our investment philosophy: in 2025, we made progress in advancing ESG principles and guiding our portfolio companies towards actionable plans.

The scorecard below provides an overview of Cathay Innovation funds II (25 companies) and III (17 companies)' ESG performance. By gathering more than 10,000 employees across portfolio companies' operations, Cathay Innovation aims at fostering positive impacts for all stakeholders.

Environmental policy and carbon footprint scores remain modest, reflecting the recent nature of the investments, while the high level of environmental initiatives implemented highlights encouraging early progress. In addition, other notable achievements include annual satisfaction survey rates exceeding the target and female representation in total headcount remaining close to target. However, women representation at Executive Committee level remains above the objective and will require continued attention. Cathay will support portfolio companies in taking steps to address this issue.

Innovation II

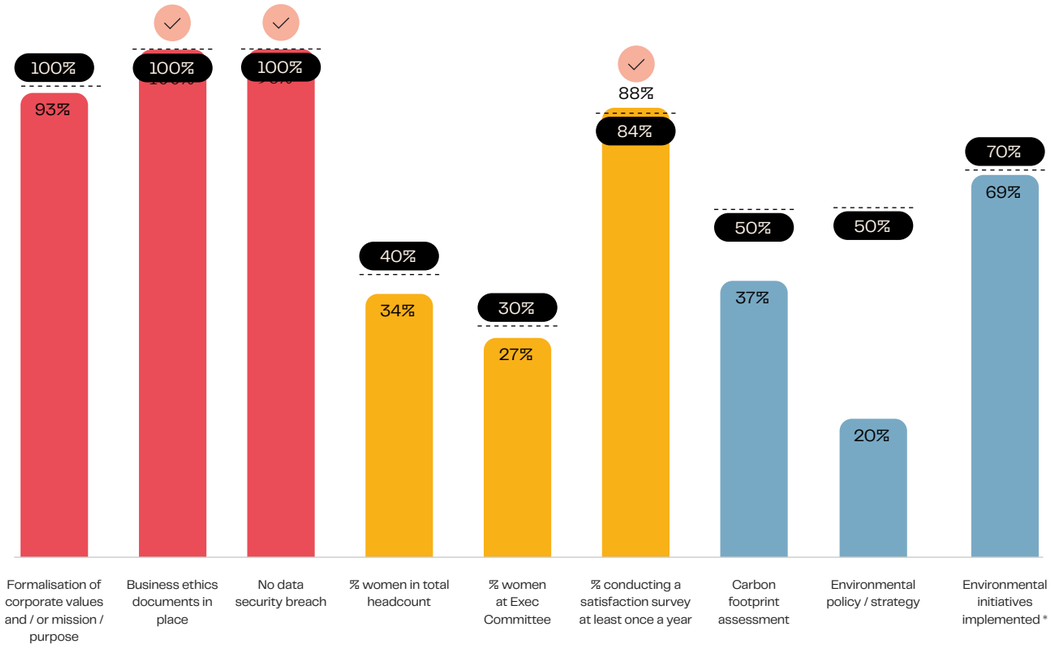


(*) The environmental initiatives are related to portfolio companies' operations and/or products & services, i.e. life cycle analysis, green cloud energy efficiency, waste & water management, remote working policy, low carbon travel policies, use of recycled materials, eco energetical products or services, etc.

(**) Remediation actions have directly been put in place. Cathay tracks data security processes on a quarterly basis for every Cathay Innovation portfolio company as it considers such policy as

(***) Only 15 companies out of 25 (60%) responded to that question.

Innovation III



(*) The environmental initiatives are related to portfolio companies' operations and/or products & services, i.e. life cycle analysis, green cloud, energy efficiency, waste & water management, remote working policy, low carbon travel policies, use of recycled materials, eco energetical products or services, etc.

(**) Only 11 companies out of 17 (64%) responded to that question.

Similarly to Innovation II, environmental policy and carbon footprint indicators remain comparatively weak at this stage. However, Innovation III also shows strong fundamentals, with highly formalized corporate values and no reported data security breaches. Women representation in total headcount and within the Executive Committee are both close to targets, with representation at Executive Committee level little higher than in Innovation II.

Highlights of 2025 main portfolio results

In 2025, portfolio companies also stood out through the implementation of various good practices, reflecting their commitment to sustainability.

90%

Of Cathay Innovation companies have implemented value sharing mechanisms

31%

Of women in Cathay Innovation companies hold managerial positions

54%

Of Cathay Innovation companies have formalised responsibe procuremnet policies

100%

Of Cathay Innovation companies have implemented CSR initiatives (e.g. CSR policy, CSR officer, CSR label, etc.)

90%

Of Cathay Innovation companies have a person responsible for Data Protection matters

97%

Of Cathay Innovation companies have established gender equality inititatives

In 2025, Cathay Innovation has carried out a biodiversity analysis:

97%

Of Cathay Innovation portfolio has a moderate or low level pressure on ecosystem services

Governance | Social | Environment | All ESG matters

(*) 30 companies out of 42 (71%) responded to that question.
(**) 35 companies out of 42 (83%) responded to that question.

ESG highlights at Cathay Innovation level

Our teams collaborate closely with entrepreneurs to magnify impact and integrate sustainability across operations and the value chain. In 2022, we formalized and updated our Sustainable Investment Procedure, delineating sourcing criteria, deal flow qualifications, ESG due diligence, tools for the holding period, and exit procedures. While assessing risks and opportunities occurs before investing, Cathay Innovation's main emphasis lies in co-creating actionable roadmaps with portfolio companies, which involves discussing ESG topics at least once a month.

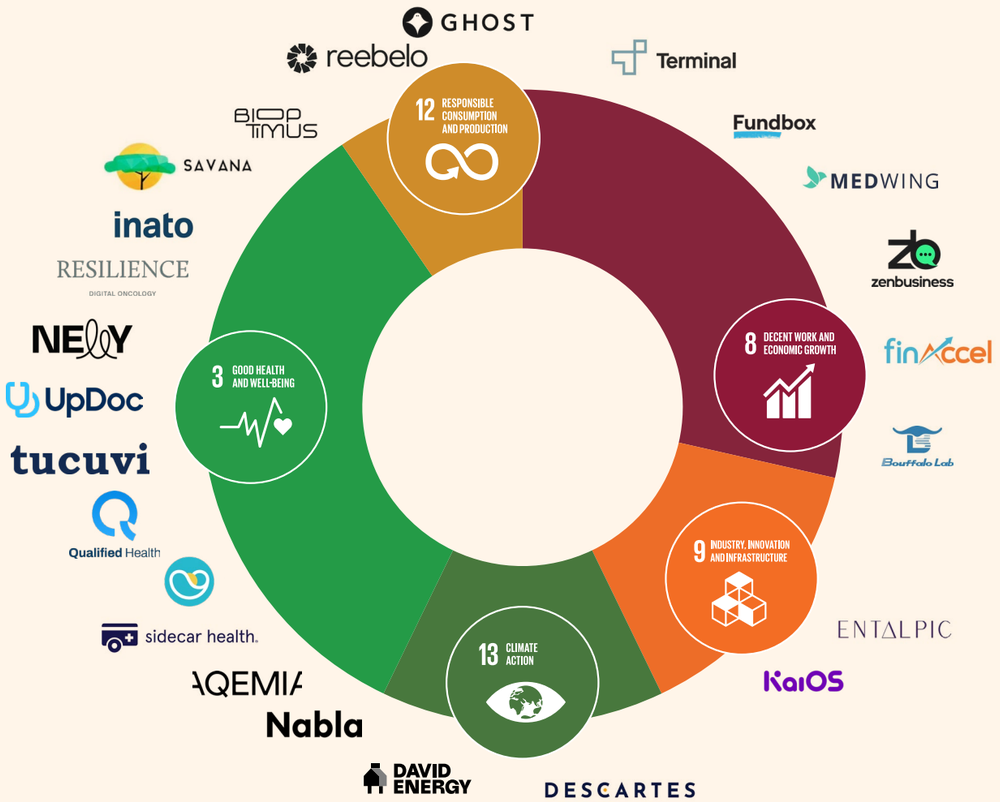
> In 2025, we integrated a DNSH (Do Not Cause Significant Harm) analysis as well as governance essential processes, including safety, data security, and all social due diligence during the acquisition phase of the investment strategy for Cathay Innovation III fund.



Impact overview

We are proud to highlight the commitment and impact of many of our portfolio companies. These companies not only recognize the importance of sustainable practices but also actively strive to enhance their contribution to society. Through their business activities, they play a vital role in working towards broader societal goals.

A significant portion of companies within Cathay Innovation have dedicated efforts to address the United Nations Sustainable Development Goals (SDGs). This demonstrates the transformative power of technology companies as they innovate and take concrete actions to address societal and environmental challenges



2025

In 2025, 6 new investments have been made in the Innovation III fund: Updoc, Galaxea, Mgx-Deepwisdom, Genlogs, Abacum, Tucuvi.

2026

In 2026, Moonshot AI-Kimi, AMI Labs, Qualified Health, Prorata AI, Embat Technologies S.L., Theker Robotics and Antigravity joined the portfolio.

UpDoc, Tucuvi and Qualified Health contribute to SDG 3, aiming to improve access to quality healthcare and strengthen healthcare systems. More specifically, they support Target 3.8 by expanding access to essential healthcare services and enabling the delivery of quality care at scale. UpDoc uses clinical AI to support continuous, evidence-based care between medical appointments, enabling more timely and personalized interventions. Tucuvi uses clinically validated voice AI to automate patient follow-ups and care-management workflows, expanding care capacity while allowing medical teams to focus on patients requiring direct intervention. Qualified Health provides a secure enterprise platform that enables health systems to deploy, govern and scale AI responsibly across clinical and administrative workflows, helping improve patient outcomes, reduce the burden on healthcare professionals and strengthen the efficiency of care delivery.

Meanwhile, portfolio companies within the Innovation II and Innovation III funds continue their contribution to the SDGs.

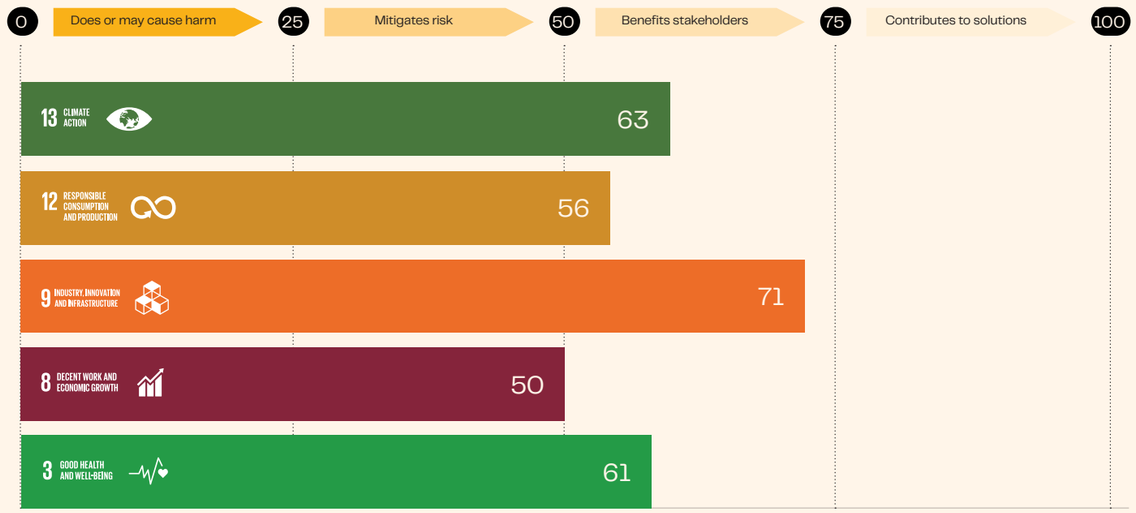
To objectivize this positive impact as much as possible, Cathay Innovation has collaborated with impact experts to quantify portfolio companies' impact. The methodology developed relies on the Impact Management Project's (IMP*) framework and provides an impact score rated on a 0-100 scale. The graph below provides an overview of the aggregate impact of portfolio companies on the five SDGs targeted by Cathay Innovation funds.

As shown, the portfolio not only mitigates negative impact but also creates positive outcomes for stakeholders. Portfolio's impact should continue to increase as companies scale.

*The Impact Management Project (IMP) is a global initiative that provides a framework for measuring, managing, and reporting impacts on sustainability, aligned with the SDGs.
It serves as a methodological reference for organizations aiming to comprehensively assess and improve their social, environmental, and economic impacts.

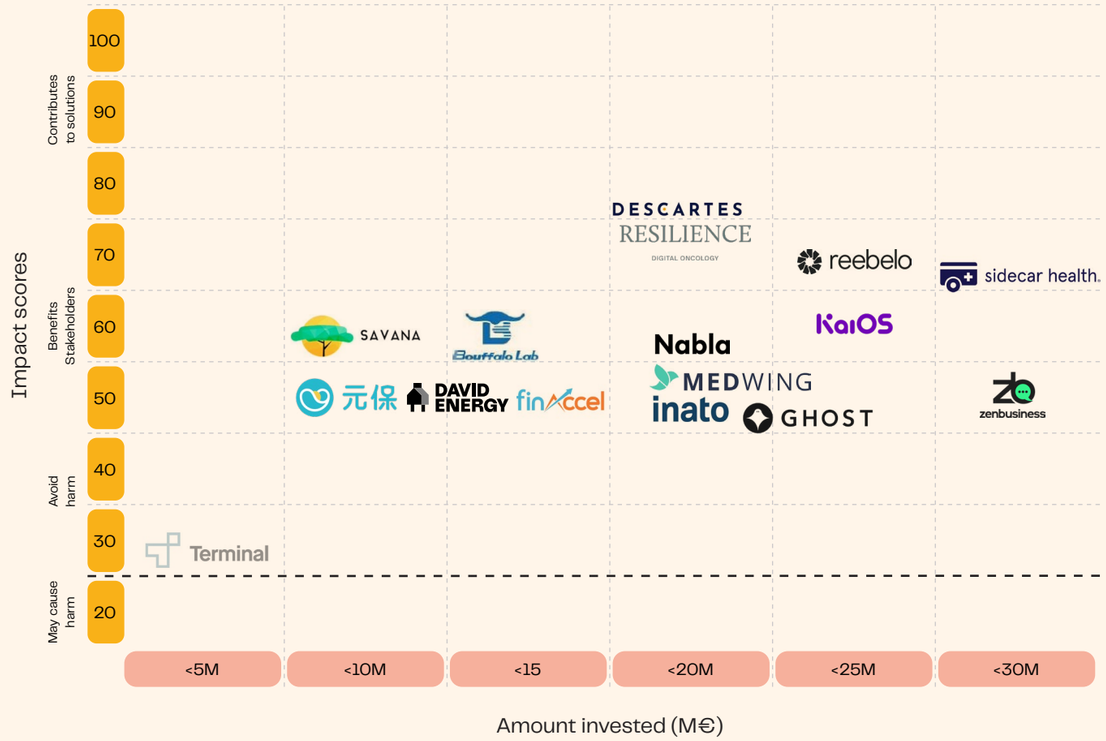
As Bioptimus and Entalpic are still in their early stages of development, and Tucuvi, Updoc, Nelly and Qualified Health are recent investments, no impact KPIs were monitored in 2025. Impact will be measured at a later stage. No impact score was calculated for Fundbox to date.

IMPACT MANAGEMENT PROJECT





Impact score vs amount invested by Cathay Innovation (M€)



3. Sustainability at Cathay Innovation

Our vision and values

We envision a future where responsible and purpose-driven companies thrive. As investors, our aim is to identify and support the most promising companies that embrace sustainability principles, operate ethically, and drive meaningful innovation.

We firmly believe that by empowering entrepreneurs, we can contribute to the development of resilient businesses that not only lead the markets of tomorrow but also foster a transition to a more sustainable and inclusive economy.

By effectively identifying startups worldwide, we are paving the way for transformative change across industries and society. We believe our vision enables us to create impactful partnerships, scaling startups and deliver positive outcomes that benefit both the business world and society at large.

Be the Change
We're committed to leaving the world better than we found it.

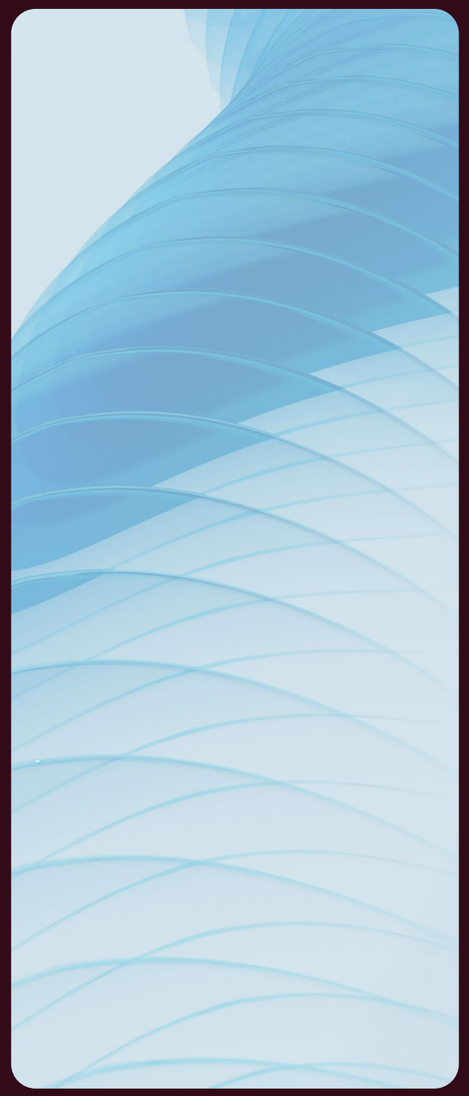
Stay determined
We put in hard work every day believing that determination can move mountains.

Add value, be useful
We exist to be useful to our stakeholders and partners in achieving their goals.

One team for one world
A global company's biggest strength is diversity in cultures, backgrounds, perspectives, and knowledge.

Do what you say
Sincerity, transparency, and trust is at the core of how we operate.

Be grateful
When we drink water, we don't forget those who dug the well.



Our ambitions and commitments

We recognize that compliance is not only a goal to achieve but also a fundamental baseline in our journey towards sustainability. We strongly believe in delivering value with high standards and endeavor to create a positive impact across all our operations, aspiring to act as a catalyst for sustainable change.

1. As a company, we operate globally with agile and diverse teams, with a sense of responsibility everywhere locally.

- Diversity in all forms
- Ethical conduct
- Environmental footprint
- Cyber risk & data privacy

2. As an investor, we create value for society by ensuring that sustainability is embedded not only in our processes but in every portfolio company.

We are committed to being a **responsible investor**, working with companies that share our vision and respect international standards on sustainable investment. As such, we signed the **United Nations Principles for Responsible Investment (UN PRI)**, committing to monitor and report on ESG themes. In 2025, Cathay achieved the following scorecard:

- A score of 3 out of 5 in Policy Governance and Strategy
- A score of 5 out of 5 in Direct – Private Equity
- A score of 4 out of 5 in Confidence building measures
- Not applicable in Direct – Listed equity - Other

Cathay Innovation's **sustainability framework** uses the United Nation Sustainable Development Goals (UN SDGs) with the objective to help portfolio companies enhance and measure their positive impact.

Cathay is committed to the **UN Guiding Principles on Human Rights and the OECD Guidelines for Multinational Enterprises**. In this context, we address the issue of human rights systematically in our pre-investment due diligence approach. In addition, we encourage our portfolio companies to ensure **compliance with the International Labor Organization's ("ILO") Core Labor Standards and Basic Terms and Conditions of Work**, as well as the **International Bill of Human Rights**, in line with the **UN Guiding Principles on Business and Human Rights**.

3.

As an ecosystem partner, our mindset is to share best practices and proven solutions that are set to enable any entrepreneur willing to drive the transition with us.

Cathay is a member of **France Invest network**, which provides access to **financing opportunities**, strategic support, and a **powerful community** of investors and entrepreneurs.

Cathay has been a member of the **iCI (initiative Climat Internationale)** since 2020. The iCI is the first initiative of Capital Investment in favor of companies' management and reduction of greenhouse gas emissions. The signatories of the iCI have decided to contribute to the objectives of COP21 to limit global warming to 1.5°C.

4.

As a corporate citizen, we extend our purpose beyond investment by building bridges between generations, cultures and disciplines to generate long-term societal impact.

Through the **Cathay Capital Foundation**, the Group supports initiatives that strengthen social inclusion, access to opportunity, cultural exchange and the creation and sharing of knowledge.

Since 2021, Cathay has partnered with **Proxité**, a leading French **youth-mentoring association**, connecting young people from priority neighborhoods with **Cathay team members** who share their experience, guidance and professional networks. Together, we have established a presence in Orléans.

In 2026, the Foundation entered into a **long-term partnership with IHES** (Institut des Hautes Études Scientifiques), one of the world's leading centers **for mathematics and theoretical physics**, to support f**undamental research** and the circulation of ideas.



Our sustainability journey

Throughout our sustainability journey starting in 2019, we have continuously strived to refine and enhance our impact initiatives, with the primary focus on defining and measuring the economic and social impacts of our portfolio companies. Through these efforts, we have aimed to assess their ability to promote sustainable development and drive meaningful and lasting positive impacts.

2026–2027

- Update of greenhouse gas (GHG) emissions data across the portfolio
- Extension of our analysis to the energy intensity of AI tools embedded in the solutions developed by our portfolio companies

2025

- Completion of the biodiversity assessment, now covering all new companies joining the Cathay Innovation portfolio, to understand their impacts and dependencies and assess the materiality of biodiversity
- Extension of the DNSH ('do no significant harm') analysis to the entire Cathay Innovation portfolio

2024

- Development of a new fund initiative to tackle a major societal worldwide stake (ESG)
- DNSH analysis for the entire Cathay Innovation III portfolio ('do not cause significant harm') according to the EU Regulation 2021/241 of the European Parliament and the Council of 12 February 2021 establishing the Recovery and Resilience Facility (RRF)
- Biodiversity assessment led by PwC to understand impacts and dependencies of Cathay Innovation's portfolios, which has confirmed the low materiality of biodiversity for portfolio companies
- New investments in sustainability-focused companies with Entalpic on sustainable material discovery through AI, and David Energy on delivering cleaner energy to US customers

2023

- Assessment of Cathay's carbon footprint, covering scopes 1, 2 & 3
  Financial and technical support provided to investees to help them conduct their carbon footprint assessment
- New investments in early-stage sustainable technologies (e.g., Beem solar panels) and circular economy business models (e.g., Reebelo and Ghost)

2022

- First Cathay Innovation III investments
- Launch of Cathay ESG & Impact Resource Hub

2021

- Becoming a UN PRI signatory and attaining a 4-star rating
- Presentation of its strategic sustainability roadmap, first annual sustainability report and development of a set of sustainability tools

2020

- Closing of Cathay Innovation II
- Creation of Chief Impact Officer role

2019

- Definition of Cathay Innovation's Impact Initiative
- Launch of Cathay Smart Energy Fund, a real pioneer in China

2017

- Closing of Cathay Innovation I

2015

- Launch of Cathay Innovation, led by Mingpo Cai and Denis Barrier

Our impact initiative serves several goals:

1. Align portfolio, companies, LPs and fund managers with shared sustainability values and ambitions.
2. Define qualitative and quantitative measures to assess and measure impact.
3. Provide feedback and reporting on a regular basis to fuel progress.
4. Ensure accountability.

Empowering sustainable action: introducing the Cathay ESG & Impact Resource Hub

In 2022, we proudly unveiled the Cathay ESG & Impact Resource Hub, an innovative online platform that fosters knowledge sharing, collaboration, and practical guidance among our portfolio companies. This hub serves as a toolbox, equipping organizations with the necessary resources to swiftly and effectively implement new ESG policies and initiatives.

What can portfolio companies achieve through Cathay's ESG Impact Resource Hub?

- Become a purpose driven company
- Learn about ESG & Impact frameworks
- Upgrade the workplace
- Adopt a sustainable data and AI governance
- Select the right business partners
- Act for the environment & climate

See Appendix I for more information on the ESG & Impact Resource Hub



Sustainability in our investment process

We firmly believe that sustainability is not just a separate consideration but an intrinsic part of the investment process. We are dedicated to supporting companies in maximizing their impact as they grow, and to achieve this, sustainability is integrated into every step of the investment cycle.

With the launch of Cathay Innovation III in 2022, these procedures were systematically rolled out during the investment process, providing a comprehensive overview of each business, enabling the identification of key risks and opportunities in the short-and long-term, and fostering long-lasting positive change while delivering significant value to all stakeholders.

The table below outlines Cathay Innovation's sustainable investment process:

Acquisition

- Exclusion list.
- Sustainability screening performed by the investment team.
- Impact one-pager covering key governance processes, including safety, data security, and social due diligence requirements, together with a Do No Significant Harm (DNSH) assessment for the Cathay Innovation III Fund.
- Letter of intent / deal sheet, which includes a sustainability clause when context permits
- Sustainability due diligence during the investment process or within six months of the investment, including the creation of a roadmap for the integration of sustainable practices.

Holding

- Annual assessment through the ESG risk evaluation tool
- Climate screening mechanism and impact scoring tool
- For high ESG risk companies, annual follow-up reviews track the implementation of their action plan
- Annual and quarterly reporting of sustainability KPIs through Reporting 21
- Annual Cathay Board/executive-level review of aggregated portfolio sustainability positioning and KPIs
- Review of the ESG Resource Hub for sharing best practices and benchmark tools

Exit

- The metric-based performance track record is used to demonstrate sustainability performance, when relevant, during exits or future fundraising rounds.

Please refer to Appendix IV for more information on the various tools Cathay Innovation deploys to manage ESG and impact.

Our ESG governance

ESG is at the core of our investment approach. We prioritize ESG at every level of our organization, guided by strong governance and decision-making practices.

The leadership team, including the Chairman and Fund General Partner, oversees the management of Cathay, ensuring the integration of ESG principles into our operations, strategy, and decision-making. The Investment Committee plays a pivotal role in driving ESG-focused investment and exit decisions. In addition, Cathay appointed Matthieu van der Elst, Chief Impact Officer, in 2020, to take on driving the development of the sustainability vision, roadmap, investment process, and tools for both Cathay Innovation and Cathay Capital.

> To drive sustainability from an operational standpoint, we've decided to encourage all our front-line investors to be in charge to follow-up portfolio companies' activities and report data. It matters to all and not just for a limited appointed squad.

Once that said, we've set up Sustainability Ambassadors (for both PE and Innovation practices) who are responsible to lead our processes and operationalize the sustainability strategy.



Our portfolio companies

This section provides a detailed overview of the **29** companies that make up the Cathay **Innovation II** portfolio. Among them, **25** actively took part in the **2025 ESG reporting campaign**.

Innovation II

	LOCATION	SECTOR	ACTIVITIES
Cloudpick		B2B Software & Services	AI-based smart store solutions
DESCARTES		Financial Industries & Fintech	InsurTech specialised in natural disasters
Kredivo finAccel		Financial Industries & Fintech	Consumer credit platform
HEETCH		Energy, Mobility & Industry	Mobility app providing ride-hailing services with a focus on young people's expectations
inato		Healthcare, Digital Health & Life Sciences	Platform enabling hospitals & patients to access clinical trials
KaiOS		Consumer products & services	Operating system customised for "smart feature phones"
MEDWING		B2B Software & Services	High touch marketplace connecting healthcare workers to health institution
SAVANA		Healthcare, Digital Health & Life Sciences	Transforming health records into big data to accelerate health science
sidecar health.		Healthcare, Digital Health & Life Sciences	Personalised and affordable health insurance for individuals
Terminal		B2B Software & Services	World's first tech-enabled platform for remote engineering teams
LAIYE		B2B Software & Services	Smart robot company with global influence in this era of human-computer symbiosis
Alma		Financial Industries & Fintech	Deferred payment and several instalment payment solutions
zenbusiness		B2B Software & Services	One-stop digital platform to empower small businesses
SkanAI		B2B Software & Services	AI-enabled process discovery and operational intelligence leader
fastone 速石科技		B2B Software & Services	High-Performance Computing (HPC) cloud solution for innovative enterprises
FITURE		Consumer products & services	Home gym expert with AI solutions
TUNGEE		B2B Software & Services	AI-empowered sales intelligence SaaS for small B2B companies
coherent		Financial Industries & Fintech	Igniting business software development for coders and non-coders alike in the hybrid-work era
leadiQ		B2B Software & Services	The next global SaaS leader unifying top of funnel sales with hyper-efficient teams
元保 YUANBAO		Financial Industries & Fintech	Online insurance brokerage company

	LOCATION	SECTOR	ACTIVITIES
UNSUPERVISED		B2B Software & Services	Pioneer in AI augmented analytics
Poroo		Retail	Online shopping marketplace starting with overstock inventory in homeware category in European market
Fundbox		Financial Industries & Fintech	Leading financial technology company that aims to transform the $21 trillion B2B commerce market by launching the world's first global B2B payments and credit network
chatail		B2B Software & Services	Lead capture SaaS company that simplifies lead management and sales prospecting processes
NOTHING		Retail / Manufacturing	Electronics manufacturer and global consumer technology company
UNOMI		Consumer products & services	A Chinese new beauty and dietary supplement brand
Bouffalo Lab		Advanced manufacturing	Leading designer of chip 1/3 smaller than that of the market, wireless connectivity technology of IoT, with lower power consumption and better RF performance
RESILIENCE		Healthcare, Digital Health & Life Sciences	Remote medical monitoring focusing on cancer-fighting
AI RUDDER		B2B Software & Services	Leading voice artificial intelligence startups based in Singapore

This section provides a detailed overview of the **22** companies that make up the **Cathay Innovation III** portfolio. Among them, **17** actively took part in the **2025 ESG reporting campaign**.

Innovation III

	LOCATION	SECTOR	ACTIVITIES
MOGIC		Video marketing	AI-native marketing and creative content production
reebelo		Refurbished tech devices	Leading marketplace for pre-loved tech devices
Flowdesk		Crypto financial services	Trading infrastructure for market making & other crypto-financial services
PING++		Mobile Payment Channels	Providing account/payment/deposit/credit service APIs for the incumbents
GHOST		Inventory Management	B2B platform for excess inventory
Nabla		Healthcare, Digital Health & Life Sciences	AI assistant for clinical documentation
BIOPTIMUS		Healthcare, Digital Health & Life Sciences, Biomedicine	French company developing AI foundation models for biology
DAVID ENERGY		Energy, Mobility & Industry	Provider of smart, clean and reliable electricity solutions
NELLY		Consumer products & services	German fintech streamlining bureaucracy in the medical sector
AQEMIA		Healthcare, Digital Health & Life Sciences	French drug discovery platform leveraging quantum-inspired physics and AI
Range®		Financial Industries & Fintech	US-based AI-driven WealthTech platform
imagino		B2B Software & Services	French customer data platform

	LOCATION	SECTOR	ACTIVITIES
Beatbot		Consumer products & services	Chinese company specialising in robotic pool cleaners
ENTALPIC		Financial Industries & Fintech	French startup using AI to discovery new materials for sustainable chemical processes
UpDoc	NEW	Healthcare / Digital services	Updoc is a telehealth platform that enables users to access online medical consultations and receive prescriptions, certificates and referrals from registered doctors, through a fully digital and on-demand process.
GALAXEA	NEW	AI & Connectivity	Chinese cutting-edge AI company dedicated to advancing embodied AI technologies through innovative robotic systems.
DeepWisdom	NEW	AI & Connectivity	An AI company developing foundationagent technology and Atoms, a multiagent venturebuilding platform that enables autonomous teams of AI agents to design, build and operate endtoend software businesses.
genlogs	NEW	AI & Connectivity	A freightintelligence platform using nationwide roadside sensors, satellites and proprietary data to deliver realtime truck and carrier visibility, supporting sourcing, compliance, risk assessment and asset recovery for logistics, insurance and government sectors.
Abacum	NEW	Fintech & Insurtech	A financial planning platform that helps companies centralize their data, automate budgeting and forecasting, and create clear financial reports to support faster and more reliable decisionmaking
tucuvi	NEW	Healthtech	A healthcare technology company that uses clinically validated voice AI to automate patient follow-ups and care-management workflows.

The “New Investments” shown in the table above correspond to investments made in 2025. To further illustrate the SDGs and impact objectives pursued through Cathay Innovation’s strategy, the impact section also includes information on selected investments completed in 2026.



The Cathay Foundation, a commitment to global community

Focus · Cathay Capital Foundation × Proxité

Believing in every young person

How a shared conviction on equal opportunity turned into a lasting partnership on the ground.

Since 2011, the Cathay Capital Foundation has worked to build bridges between cultures, generations and opportunities. Education and entrepreneurship sit at the heart of that mission. In 2015, we launched French Dream with Proxité, a mentoring programme to help young people from underprivileged backgrounds unlock their potential.

In 2021, the Foundation joined forces with Proxité to give French Dream deeper local roots. A recognized leader in French youth mentoring, Proxité brought two decades of field experience and a nationwide network of neighborhood branches. Together, we opened a Proxité presence in Orléans, connecting young people from priority neighborhoods with committed professionals who give their time, their networks and their trust.

"A company should look beyond its economic goals and contribute to society, mentoring is a powerful tool for that."



Mingpo Cai,
PRESIDENT & CO-FOUNDER,
CATHAY CAPITAL

Who is Proxité?

Founded in 2002, Proxité is a French non-profit that helps young people from disadvantaged neighborhoods succeed at school, choose their own path and move into lasting employment. It runs a national network of local branches, around 58 across some 30 cities in France, where each young person is paired with a volunteer mentor, all of them active professionals, and takes part in tailored group workshops. Its work spans three mentoring programmes, from secondary school through higher education and into the workplace.

PROXITÉ IN NUMBERS

10K
young people supported since 2002

2.7K
mentored in 2024

3K
mentors & volunteers engaged

80%+
gained confidence and improved outcomes by finding training or employment

A SHARED JOURNEY

From a founding conviction to concrete action, year after year.

2015
French Dream is launched by Cathay Capital and aims to open mentoring to young people from disadvantaged backgrounds.

2021
The Foundation partners with Proxité and helps open a branch in Orléans.

2023
Support deepens: 83 young people mentored since the launch of the program through new programmes for vocational schools, opening of a second Orléans location.

2024
A one-week entrepreneurship Summer Camp, co-designed with Proxité, ends with pitches at Cathay Capital's Paris office.

2025
Cathay renewed its partnership with Proxité to work on learning expeditions and new projects

"Our role is to build bridges between worlds that rarely meet, so that everyone can find their own path."



Sébastien Lailheugue,
DIRECTEUR GÉNÉRAL, PROXITÉ

From support to shared commitment

Our partnership goes well beyond funding, it mobilizes Cathay Capital's people, its offices and its entrepreneurial DNA.

1 Colleagues who become mentors

Above all, our partnership lives through Cathay's own people. Since 2021, more than ten mentor–mentee pairs have formed between Cathay collaborators and young people supported by Proxité, some running for over three years, in Nantes, Valenciennes and Paris, both in person and remotely. In March 2025, Proxité was introduced to the team through a testimonial from a former mentor, inspiring colleagues to get involved. It is this personal, human commitment, as much as financial backing, that turns a partnership into shared purpose.

2 Opening entrepreneurship to more young people

It began in August 2024 with a week-long Summer Camp in Orléans, where a group of young people built and pitched their own projects at Cathay Capital's Paris office. In 2025, the Foundation widened its reach with Esprit Entrepreneur, a free online course (MOOC) that opens the same entrepreneurial experience to any young person, at their own pace, turning a one-week camp into training accessible to many more.

The impact of mentoring

Measured across young people, families and mentors (Proxité, 2024–2025)

On young people

83%
met at least part of their initial goals

83%
have one or more professional projects in mind

88%
feel confident about their future path

On families

85%
see greater confidence in their child's ability to progress

89%
feel strongly supported in their child's education

On mentors

1 in 3
has a more positive view of youths

97%
say mentoring helped them grow, personally and professionally

Through French Dream and Proxité, the Cathay Foundation keeps investing where it matters most, in young people, and in the simple conviction that everyone deserves the chance to build their own future.



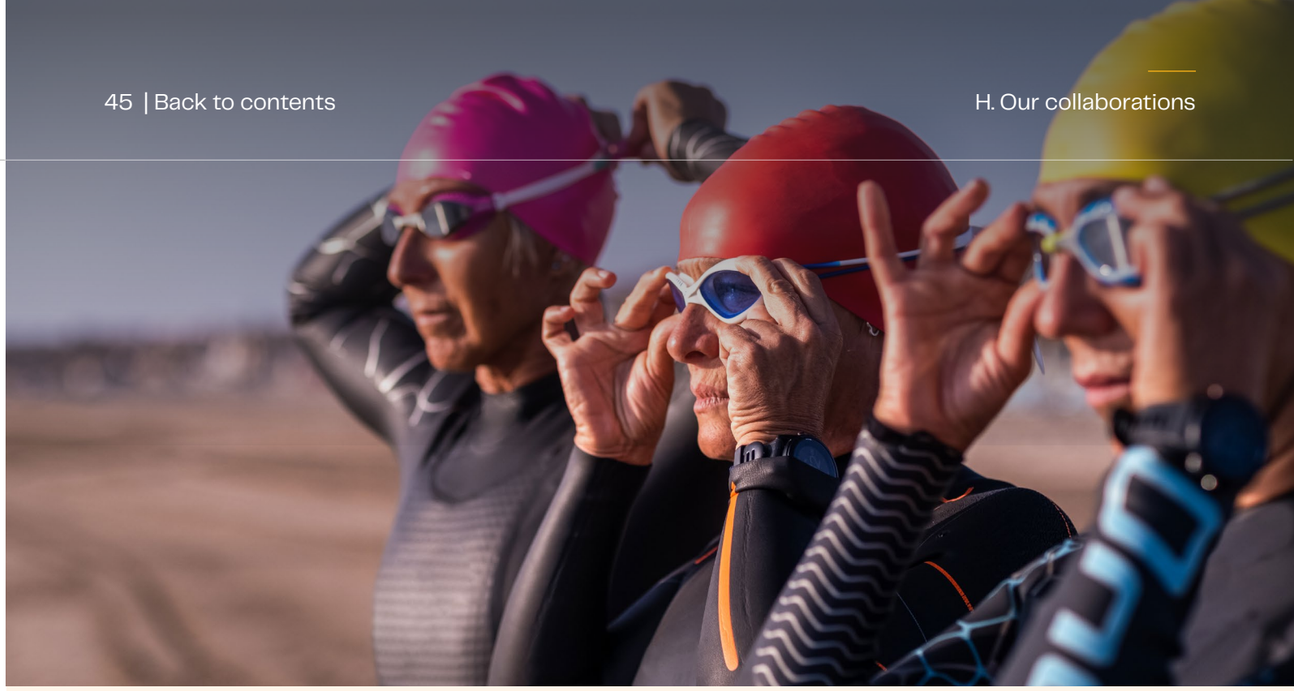




Our collaborations

To build and refine our methodologies and compile this report, Cathay received guidance, collaboration, and recognized industry expertise from four complementary partners (PwC, Sirsa and Greenly). These partners help our portfolio companies with specific topics, such as carbon footprint and biodiversity.





pwc

Founded more than 30 years ago, PwC Sustainability Strategy team support investors and companies of all sizes to better understand, anticipate and address sustainable challenges through innovative approaches. PwC team helps Cathay Innovation monitor its ESG and impact performance, meet regulatory requirements and improve transparency on sustainability matters.

Learn more:
www.pwc.fr/fr/vos-enjeux/conseil-en-developpement-durable.html

greenly

Founded in 2019, Greenly is a company dedicated to helping businesses and individuals track and reduce their carbon footprint. They offer a platform that automatically calculates carbon emissions, providing actionable insights for sustainability improvements. Greenly supports Innovation II and III assets in conducting their carbon footprint assessment.

Learn more:
www.greenly.earth

Reporting21

Cathay Innovation uses Reporting21 to monitor progress on ESG and impact matters across its portfolio quarterly.

Learn more:
https://reporting21.com/

4. 2025 Portfolio Impact

Portfolio impact

In this section, we highlight the impactful companies supported by Cathay Innovation that leverage technology to address sustainability challenges and contribute to the UN SDGs. Guided by five impactful investment themes, we support companies reshaping industries and improving crucial aspects of the economy and society.

When relevant, a focus was made on Cathay Latam portfolio companies contributing to positive impact. This multi-sector fund supports startups that are reshaping industries and society across Latin America.
Learn more: https://cathayinnovation.com/fund/the-cathay-latam-fund/

A. The Future of Fintech

Our mission is to empower individuals and businesses through improved access and affordability of financial products. From credit services to addressing the financial implications of climate change, we make financial empowerment a reality.

In doing so, we support progress towards the following SDGs:



Cathay Innovation Portfolio Companies:

Fundbox

$6[1]BN

total working capital unlocked for SMBs in 2025 (since 2013) (vs. $5 billion in 2024)

170,000

Since 2013, Fundbox has helped over 170,000 small businesses [2]

1 Fundbox Website
2 LinkedIn communication

DESCARTES

674

customers insured in 2024 vs. 59 in 2022.

Delivering a new generation of parametric insurance that builds resilience against climate, cyber and other emerging risks

Kredivo finAccel

See focus on next page

In-depth focus

Kredivo finAccel

Beneficiaries:
Individuals

The challenge

Formal financial services are inadequate in meeting the needs of a large portion of the global population. In Southeast Asia, particularly in Indonesia, 130 million people (half of the country's population) lack access to traditional bank accounts, and only 9.8% have access to credit, the lowest rate in the region. This underscores the urgent need to enhance financial inclusion[1].

The solution

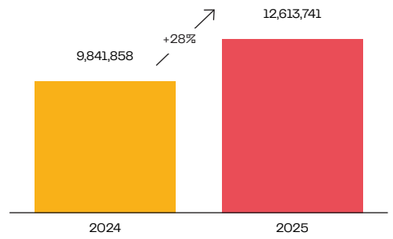
FinAccel is dedicated to delivering faster, more affordable, and easily accessible financial services to the underbanked population in Southeast Asia.

As the leading AI-enabled consumer credit platform in the region, it provides instant credit financing for ecommerce purchases and personal loans. By leveraging deep data analytics, FinAccel helps consumers build credit scores and improve financial inclusion.

The impact

FinAccel is allowing a growing number of individuals throughout Southeast Asia to access credit by offering instant point-of-sale financing and personal loans.

Number of FinAccel customers accessing credit



...with a

95% repayment rate in 2024 (vs. 94% in 2023)

(1) The World Bank 2022, Adoption of digital financial services

Latam Innovation Portfolio Companies:

In-depth focus

xepelin

Beneficiaries:
SMEs

The challenge

Latin American SMEs often face limited access to affordable, real time working capital and financial visibility, struggling with liquidity shortages, opaque credit options and outdated financial processes.[1]

2,3 volume of loans disbursed to SMEs (USD Bn)

6,4% of SMEs in Chile being served by Xepelin

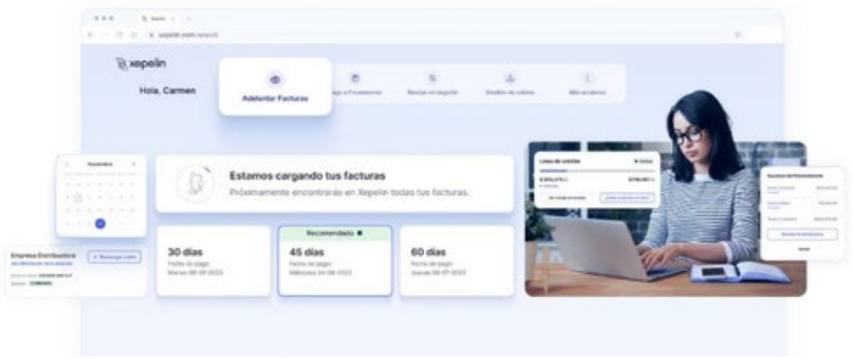
The solution

Xepelin is a Chilean fintech that provides an all-in-one financial services platform for SMEs in Latin America. It offers real-time cash flow visibility, working capital management, and AR/AP financing tools—helping businesses improve liquidity and streamline operations.

The impact

~3,165 companies (~47%) accessing B2B credit like this for the first time

~3,500 companies (~52%) with no viable alternative — above the LatAm Financial Inclusion sector benchmark (top 40%)



(1) The Resilience Advantage: Reasons for Optimism in Mexico, Mexico Business News

B. The future of Healthcare

Our mission is to enhance healthcare accessibility by providing support to companies involved in every aspect of the value chain. This includes accelerating research, expanding coverage, and facilitating efficient monitoring and treatment of chronic illnesses.

In doing so, we support progress towards the following SDGs:

Cathay Innovation Portfolio Companies:

sidecar health.

128,595
claims covered in 2025 (vs 93131 in 2024)

SAVANA

29
research projects since company's creation (vs. 23 in2023)

inato

156
clinical trials since company's creation (vs. 123in 2024)

RESILIENCE
DIGITAL ONCOLOGY

13,163
patients remotely monitored via the app. in2025 (vs. 5,215 in 2023)

NELLY

Hundreds
of thousands of hours saved in healthcare with the digitalization of paper documents and digital process of patients

Nabla

10
hours saved by week for clinical time

AQEMIA

24
hours to test one million molecules

BIOPTIMUS

Bioptimus contributes to both SDG 3 and 9.

2k
users and 1.3m downloads for H-Optimus

UpDoc

See focus on next page

tucuvi

See focus on next page

In-depth focus

UpDoc

Beneficiaries:
Individuals, healthcare professionals and healthcare systems

The challenge

Chronic diseases require continuous monitoring and timely interventions, yet care is often concentrated around occasional medical appointments. Growing patient demand, limited clinical capacity and administrative pressure make it difficult for healthcare professionals to provide personalized care between visits. As a result, changes in a patient's condition may not be addressed promptly, potentially contributing to avoidable complications and higher healthcare costs

The solution

UpDoc is a clinical AI company developing physician-governed AI agents that extend care beyond scheduled medical appointments. Integrated into electronic health records and existing clinical workflows, the platform continuously monitors patient information and implements evidence-based care plans defined by licensed physicians. UpDoc's AI agents can support activities such as patient monitoring, medication adjustments, laboratory coordination and clinical documentation, while keeping healthcare professionals in control of treatment decisions

The impact

81% of patients tested reached optimal insulin dosing within 8 weeks, versus 25% with standard care.

15 days to reach optimal insulin dosing, versus more than 56 days with standard care.



1 Stanford Medicine randomized clinical trial, Managing Insulin With a Voice AI.

In-depth focus

tucuvi

Beneficiaries:
Patients, healthcare professionals and healthcare systems

The challenge

Healthcare systems are facing growing patient demand, workforce shortages and increasing operational pressure. Patient follow-ups and care-management workflows require significant clinical resources, with medical teams spending considerable time on repetitive calls and administrative tasks. This limits their capacity to monitor patients continuously and focus on cases requiring direct clinical intervention.

The solution

Tucuvi is an AI care-management platform built around LOLA, a clinically validated voice AI agent that automates patient follow-ups and high-volume care workflows. LOLA conducts patient conversations, collects clinical information, documents interactions and alerts healthcare professionals when intervention is required. The platform supports more than 50 workflows, including post-discharge follow-ups, chronic disease management, medication adherence, pre-operative assessments and appointment scheduling.

The impact[1]

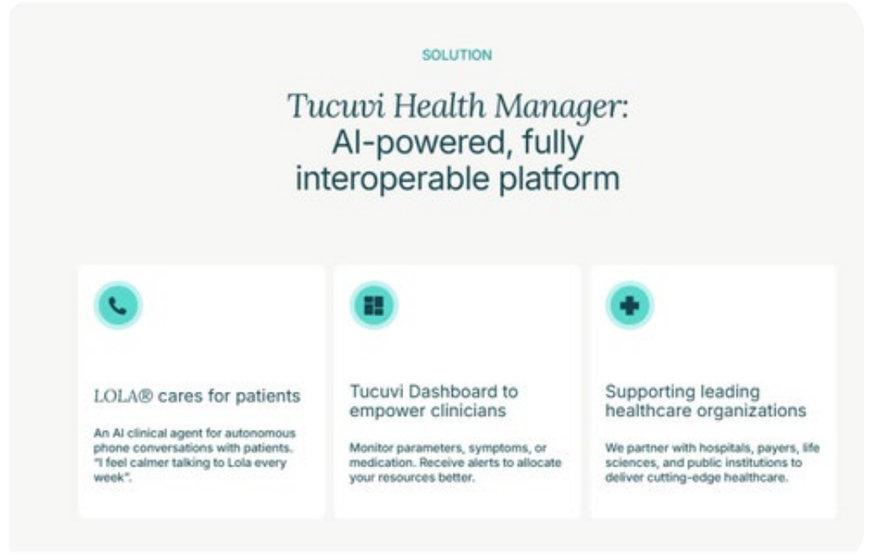
1.5M+ patients engaged

70+ healthcare systems in production

90% average patient engagement rate

80% reduction in nursing call volume

50+ clinical and administrative workflows available



1 Tucuvi Website

C. The future of Mobility & Energy

Our mission is to empower individuals and businesses through improved access and affordability of financial products. From credit services to addressing the financial implications of climate change, we make financial empowerment a reality.

In doing so, we support progress towards the following SDGs:



In-depth focus

DAVID ENERGY

Beneficiaries (direct): Businesses and individuals

Beneficiaries (indirect): The environment

The challenge

The U.S. electric grid is aging and under increasing strain due to rising demand, climate volatility, frequent outages, and outdated infrastructure.1 While renewable energy sources like solar and wind are now among the cheapest, their intermittent nature makes large-scale integration difficult.[2]
Furthermore, the energy sector remains opaque and complex, leaving consumers with little control or understanding of their energy use and costs.

The solution

David Energy is a tech-driven retail energy provider (REP) with the mission of running the grid on clean energy, making it cheaper, cleaner, and more reliable than ever before.
By building a network of connected devices that respond to the fluctuations of clean energy generation in real-time, the company is decarbonizing the largest contributor to climate change—the energy sector.
David Energy also offers a Smart Battery program that intelligently manages home energy storage—optimizing savings and adapting to real-time grid conditions.

The impact[3]

100% clean energy 24/7/365.

1000 locations across Texas, New York, New Jersey and Massachusetts.



1 Utility Drive – US energy infrastructure gets a D+ from American Society of Civil Engineers
2 NPUC – The Cheapest Sources of Electricity in the U.S.
3 David Energy website

D. The future of Tech & Digital

We are committed to supporting companies that develop software and hardware solutions to address a wide array of societal challenges, ranging from reducing greenhouse gas emissions to ensuring universal internet access for all.

In doing so, we support progress towards the following SDGs:



Cathay Innovation Portfolio Companies:

KaiOS

>64.63m

GB data[1] delivered/month

898m

hours of internet usage/month[1]

1 Website KaiOS

Bouffalo Lab

2x

Bouffalo chips are up to 2 times more energy-efficient than comparable products

5

Only 5 chips are needed to cover the Internet of Things (IoT) needs of an entire house

ENTALPIC

As the company is still in its early stages, no impact KPIs were monitored in 2025. Entalpic's impact will be measured at a later stage.

BIOPTIMUS

Bioptimus contributes to both SDG 3 and 9.

For SDG 9 Impact, See focus below.

In-depth focus

BIOPTIMUS

Beneficiaries:
Biomedical researchers, biotech companies, healthcare providers

The challenge

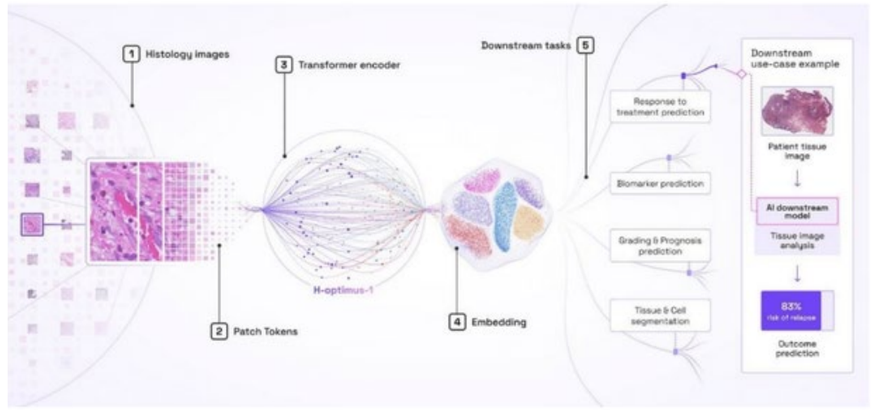
Biological research has traditionally been fragmented, focusing on isolated components like DNA, proteins, or cells. This siloed approach limits the understanding of complex biological systems and hinders the development of comprehensive models that can predict disease outcomes or responses to treatments. Moreover, the integration of diverse biological data types (e.g., genomics, imaging, clinical records) remains a significant challenge, impeding holistic insights into human biology.[1]

The solution

Bioptimus is building the reference AI foundation model in biology to drive advancements in scientific research and biotechnological innovation. This model aims to unify and leverage heterogeneous data sources to simulate complex biological processes, anticipate diseases, and design therapies with unprecedented precision.

The impact

As the company is still in its early stages, no impact KPIs were monitored in 2025. Bioptmius' impact will be measured at a later stage.



1 Bioptimus – news

E. The future of Consumer & Retail

Our mission is to empower companies that revolutionize the consumer experience and expedite the transition towards a sustainable consumption model. This includes initiatives such as diverting surplus e-commerce stock from ending up in landfills, reducing waste and promoting circular economy practices.

In doing so, we support progress towards the following SDGs:

Cathay Innovation Portfolio Companies:

In-depth focus

GHOST

Beneficiaries (direct):
Brands and retailers

Beneficiaries (indirect):
The environment

The challenge

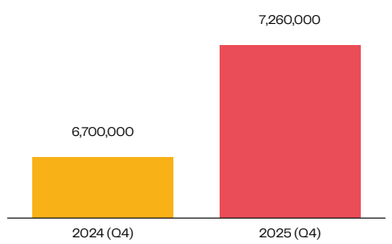
Excess inventory is a $250+ billion problem in the U.S. alone, according to a 2023 Kearney study. On a global scale, U.S. census data shows excess inventory amounts to trillions of dollars1. Beyond the financial cost, this surplus significantly contributes to environmental waste—through overproduction and the disposal of unsold goods.

The solution

Ghost is a B2B platform for brands and retailers to exchange surplus inventory, especially in the textile, cosmetics, and electronics sectors. Ghost's business model promotes resource efficiency and waste reduction by repurposing and refurbishing garments, with the aim of reducing CO2 emissions and increasing circular economy practices and initiatives.

The impact

Value of Goods ($) that avoid landfills/incinerators by using Ghost



In 2025, Ghost enabled **$7.26 m** worth of goods to avoid landfills and incinerators, an 8% increase compared to 2024.

1 Harvard business review - The Next Supply-Chain Challenge Isn't a Shortage — It's Inventory Glut

In-depth focus

reebelo

Beneficiaries (direct):
Individuals

Beneficiaries (indirect):
The environment

The challenge

Every year, millions of electrical and electronic devices are discarded as products break or become obsolete and are thrown away. In 2022, an estimated 62 million tons of e-waste were produced globally. Only 22.3% were documented as formally collected and recycled.[1]

The solution

Founded in 2019, Reebelo is APAC's leading marketplace for secondhand technology devices. Its mission is to refresh the way consumers buy and use tech. Reebelo wants to reduce e-waste by building the circular economy platform for refurbished electronics.

The impact[2]

69 tons of e-waste saved.

1998M liters of water saved.

1 World Health Organization – Electronic waste
2 Reebelo website



Latam Innovation Portfolio Companies:

BACKCHANNEL

Similar business model as Ghost, but focused on the Latin American region. The company has defined impact KPIs but no data was collected in 2025:

- Average use of items reutilization
- Waste reduction
- Level of CO2 emissions

reuse

See focus below

In-depth focus

reuse

Beneficiaries:
Individuals

Region:
Latin America

The challenge

Every year, millions of electrical and electronic devices are discarded as products break or become obsolete and are thrown away. In 2022, an estimated 62 million tons of e-waste were produced globally. Only 22.3% were documented as formally collected and recycled.[1]

The solution

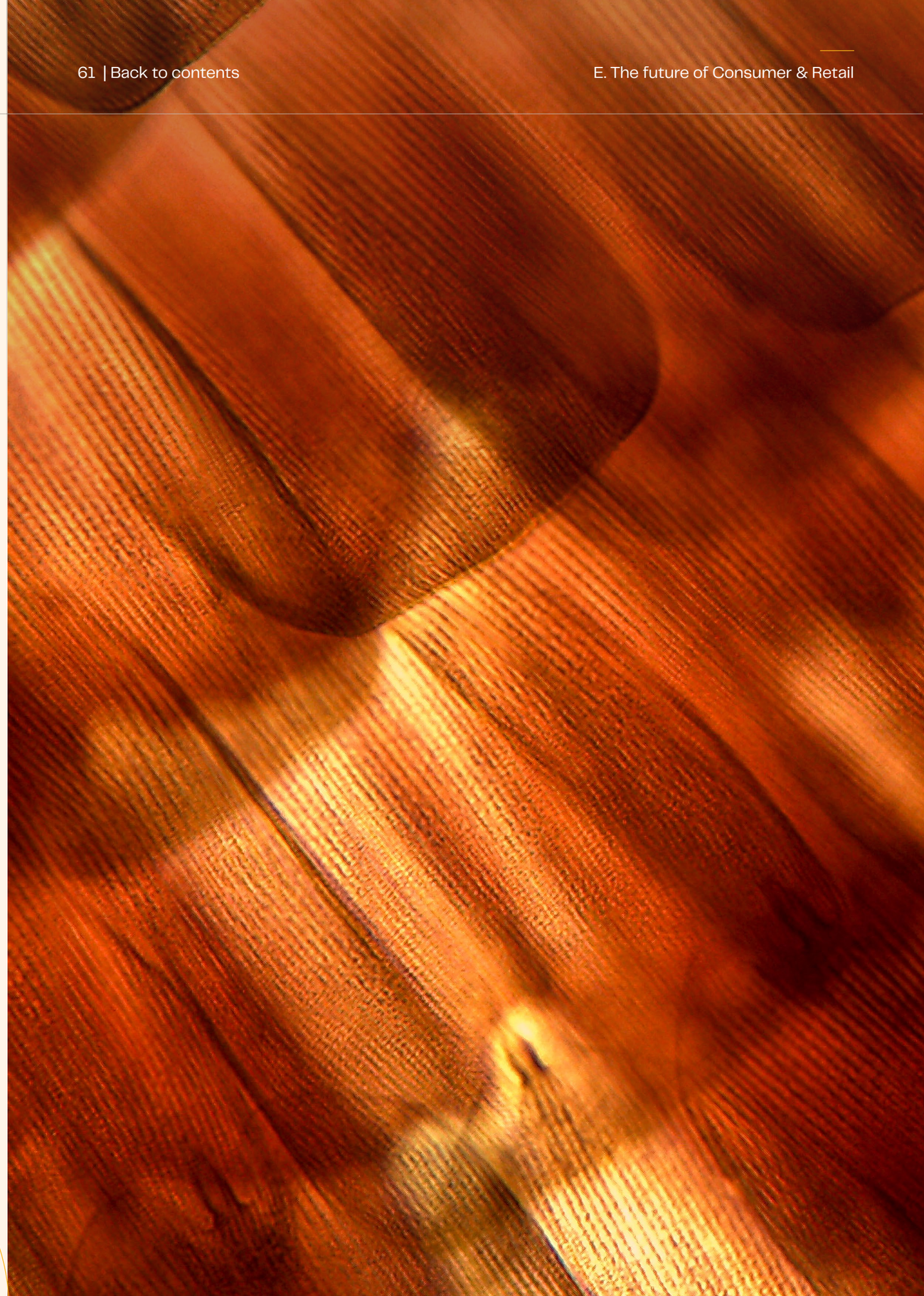
Founded in 2019, Reebelo is APAC's leading marketplace for secondhand technology devices. Its mission is to refresh the way consumers buy and use tech. Reebelo wants to reduce e-waste by building the circular economy platform for refurbished electronics.

The impact[2]

Over 93000 refurbished devices since 2023.

3530 tCO2e emissions avoided in 2025.

1 The Regional E-waste Monitor for Latin America 2022, Unitar



5. 2025 ESG Performance Results



Disclaimer: The results presented in this report are categorized based on the portfolio companies of Cathay Innovation Fund II and Fund III. Fund II comprises a total of 29 companies in the portfolio, while Fund III currently has 21 portfolio companies.
Abacum, Articulat, Tucuvi and Exenote (Innovation III), AI Rudder, Coherent, Fundbox and Medwing (Innovation II) were excluded from the analysis due to non-sufficient data availability. As a result, the analysis is based on a total of 42 assets (25 for Fund II and 17 for Fund III). Each of the KPIs listed below focuses on Innovation II and III companies.
For both qualitative and quantitative questions, when a portfolio company reported in 2024 but not in 2025, the 2024 data has been reused in the absence of updated information.
For each of the indicators, the number of participations considered excludes the assets that did not respond to the question on Reporting 21.

Building a robust governance

Corporate governance

Strong corporate governance ensures long-term resilience and growth. Cathay Innovation supports its portfolio companies in embedding robust governance frameworks, implementing well-established oversight measures, and promoting diversity within their governance bodies.

Key figures (2025)

90%

Of Cathay Innovation companies have formalized corporate values and/or a mission purpose.

90%

Of Cathay Innovation companies have implemented value-sharing mechanisms (e.g., access of employee to capital, incentive plan, employee profit-sharing scheme, etc.).

26%

Of women, on average, in executive committees within Cathay Innovation companies.

43%

Of controversies or litigations in the past three years involving Cathay Innovation companies*.

(*) Over the past three years, eight companies from the Cathay Innovation II and III portfolios have faced human resources or social-related challenges. These incidents were mainly associated with routine organizational changes, employment contract terminations, or employee departures resulting from individual dissatisfaction. Cathay maintains close oversight of these situations and actively supports its portfolio companies in addressing them.



ESG Governance

Cathay Innovation firmly believes that a sound governance system for ESG issues is beneficial to achieving a successful ESG transformation. ESG procedures and initiatives that are appropriately implemented and managed to help embed ESG principles within companies' operations and supply chains, thus improving ESG performance and business resilience in the long term.

Key figures (2025)

90%

Of Cathay Innovation companies have appointed an ESG Manager or committee for ESG issues.

(*) Only 30 companies out of 42 (71%) responded to that question.



Per Jonas Hammes, Chief of Staff in charge of CSR topics at Nelly

While ESG practices are still in the early stages of formalization, Nelly benefits from a deeply embedded ESG culture that is part of its DNA. Driven by growing investors' expectations and a will to remain coherent with their impact business model, the 2021 CSR policy laid the groundwork for a more structured framework. Initiatives to promote employee well-being, diversity, and inclusion—such as flexible remote work, subsidized public transport, Pride Month event, paternity leave, sport membership, stock options (Virtual Stock Option Plan) and strong employee feedback mechanisms (360° feedback and performance review)—are core to the company's identity. With nearly gender parity across the team, diversity and representativity remain a clear priority.

While there is still room to strengthen ESG governance, Nelly's founders are fully supportive and encourage continuous improvement. The company intends to proactively update its ESG reporting, with a sharper focus on material issues. Next steps also include improving emissions tracking, joining relevant ESG initiatives, and formalizing governance policies — all building on a strong internal culture that supports both purpose and progress.

Data protection and business ethics

Cathay Innovation, a technology investor, prioritizes data ethics and security. Effective management and monitoring help to safeguard a company from risks associated with its activities, providing better control over risks should they arise. The adoption of a code of conduct or ethical guidelines is considered a best practice.

Key figures (2025)

90%

Of Cathay Innovation companies have formally assigned responsibility for data protection.

100%

Of Cathay Innovation companies have at least one business ethics document in place (e.g., code of ethics, code of conduct, ethical guidelines, anti-corruption policy, etc.).

3%

Of Cathay Innovation companies have reported data security breaches**.

(*) 26 companies out of 42 (62%) responded to that question.
(**) These 3% of companies having experienced a data breach in 2025 did not involve customers personally identifiable information. Remediation actions have directly been put in place. We do track data security processes on a quarterly basis for every Cathay Innovation portfolio company as we consider such policy as essential for the long-term success of a business.

Focus Inato & Tucuvi

inato

tucuvi

Inato and Tucuvi both operate in highly sensitive healthcare environments where data protection, secure health data management and responsible AI are critical to trust, regulatory compliance and patient safety.

Inato has embedded privacy-by-design principles into its AI-powered clinical trial platform. Its model is designed so that research sites remain in control of patient data, while Inato acts as a data processor under a Data Processing Agreement. Sponsors only receive aggregated feasibility indicators, such as the number of potentially eligible patients, and never access individual patient records, including de-identified data. Inato is also ISO 27001 certified and processes patient data in EU regions, with migration to HDS-certified infrastructure planned for May 2026. Its AI inference is designed to run in EU regions, with a contractual no-training commitment and controls preventing protected health information from transiting through non-EU services.

Tucuvi has built a structured approach to data privacy and responsible AI governance around its voice-based virtual care platform. Its AI assistant, LOLA, collects and structures patient information for clinical follow-up, with alerts reviewed by healthcare professionals through the Tucuvi Dashboard or integrated Electronic Health Record systems. Training purposes rely only on anonymized or non-personal data. Tucuvi Health Manager has been developed in accordance with BS 30440:2023, a validation framework for AI, and the company is part of the AI regulatory sandbox managed by the Spanish Ministry of Digital Transformation, supporting alignment with upcoming EU AI Act requirements.

Together, these two companies show how healthtech innovators can build strong data protection and governance principles into AI-enabled healthcare solutions, combining patient data safeguards, human oversight and regulatory readiness to support responsible digital health innovation.



Empowering people and talent

Health & safety

Ensuring health and safety (H&S) of portfolio companies' employees is crucial to the guaranteeing of their wellbeing, engagement, and, ultimately, company-wide resilience. Cathay monitors portfolio companies through qualitative and quantitative indicators to assess companies' health and safety management systems.

Key figures (2025)

73%

of Cathay Innovation companies have formalized an H&S policy.



Human resources

We are dedicated to fair and just processes regarding human resources among our portfolio companies, efforts that highly contribute to employees' engagement and retention. We understand the importance of implementing a strong human resources management framework and leveraging strategies to nurture talent, ensuring sustainable growth and long-term success.

Key figures (2025)

87%

of Cathay Innovation companies have conducted at least one satisfaction campaign/ survey amongst their employees.

37%

of women in total headcount within Cathay Innovation companies.

97%

of Cathay Innovation companies have established gender equality initiatives (e.g., identification of barriers to entry, culture and leadership, training, analysis of gender pay gap, interventions in schools, etc.).

31%

of high-skilled positions (managerial roles) within Cathay Innovation companies are represented by women.

61%

of employees from Cathay Innovation companies have received training in 2025.

Focus BeatBot

Beatbot

In 2025, BeatBot continued to strengthen its commitment to employee well-being, talent retention, and maintaining a positive and supportive workplace environment. The company has maintained a range of people-focused policies and initiatives, including flexible working arrangements, regular employee feedback mechanisms, team-building activities, and professional development and training programs. BeatBot also continued to promote diversity and inclusion through initiatives aimed at fostering gender equality, awareness, and cultural development across the organization.

To ensure continuous improvement, the company conducts an annual anonymous employee satisfaction survey, enabling management to identify key areas for improvement and implement targeted action plans. These efforts have contributed to a strong Company's Net Promoter Score (eNPS) of 70, reflecting a high level of employee engagement and satisfaction.

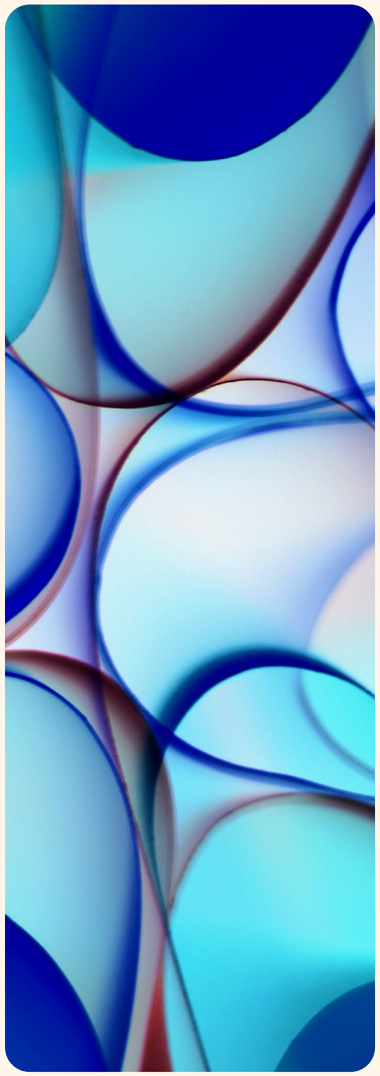
Engaging in environmental efforts

The Relevance and Energy Frugality of World Model

What is a World Model?

In one sentence, a world model is an AI system that learns an internal representation of how the physical world works, thus enabling it to predict consequences, plan actions, and reason about causality rather than just pattern-matching text. Fundamentally, world models aim at understanding and modelling mathematical causal structure rather than relying on probabilistic correlation (GenAI LLM):

Traditional AI (LLMS)	World Models
Predicts: "What token comes next?"	**Predicts:** "What will happen if I take this action?
Operates in: Token / pixel space	**Operates in:** Latent representation space
Learns: Statistical patterns	**Learns:** Physical constraints and dynamics
Reasoning: Linear / context bound	**Reasoning:** Hierarchial, counterfactual



The success of artificial intelligence in generative tasks is impressive. Nevertheless, xgenerative AI has fundamental limitations:

- First, generation relies on learning with no objective other than replicating the statistical distribution of outcomes given the past and present.
- Second: by nature, it requires really massive amounts of data —volume so vast that perfect labeling is impossible. This introduces significant noise [Bottou 2019],
- Third, because of the level of noise, it requires extensive trial and error to produce a reliable outcome.

The concept of a world model is designed to bypass these intrinsic limitations. Inspired by how mammals learn [LeCun 2022], world models promise to consume less data and energy during training, and to naturally support decision-making:

- Approx. 5x fewer training iterations required for equivalent semantic representation [Assran et al. 2023];
- Approx. 2x to 6x higher sample efficiency in vision (depending on use cases) and 100x to 1000x fewer samples in MBRL [Assran et al. 2023 / Hafner et al. 2023];
- 5.3x improvement in task success using 62 hours of video data [Assran et al. 2025]

Why This Matters for Investment Strategy

1. **The Efficiency Multiplier**
   With current implementations like I-JEPA and V-JEPA demonstrate 2x to 6x sample efficiency compared to traditional computer vision models. For robotics and physical AI applications, this translates directly to lower training costs and faster deployment.
2. **The Robotics-Ready Architecture**
   Unlike LLMs that require massive fine-tuning for physical tasks, world models like V-JEPA 2 can perform action-conditioned planning with minimal robot-specific data (62 hours of video training enables real-world manipulation tasks).
3. **The "Common Sense" Moat**
   World models acquire grounded understanding of physics (gravity, inertia, object permanence) through self-supervised observation rather than expensive labeled datasets. This is the path toward systems that don't hallucinate physical impossibilities.

"If LLMs learned to read, world models are learning to understand. An LLM knows that 'apple' follows 'eat the'; a world model knows that if you drop an apple, it falls. One manipulates symbols; the other manipulates representations of physical reality. For robotics, manufacturing, and any AI that must interact with the physical world, world models aren't an upgrade—they're a prerequisite."

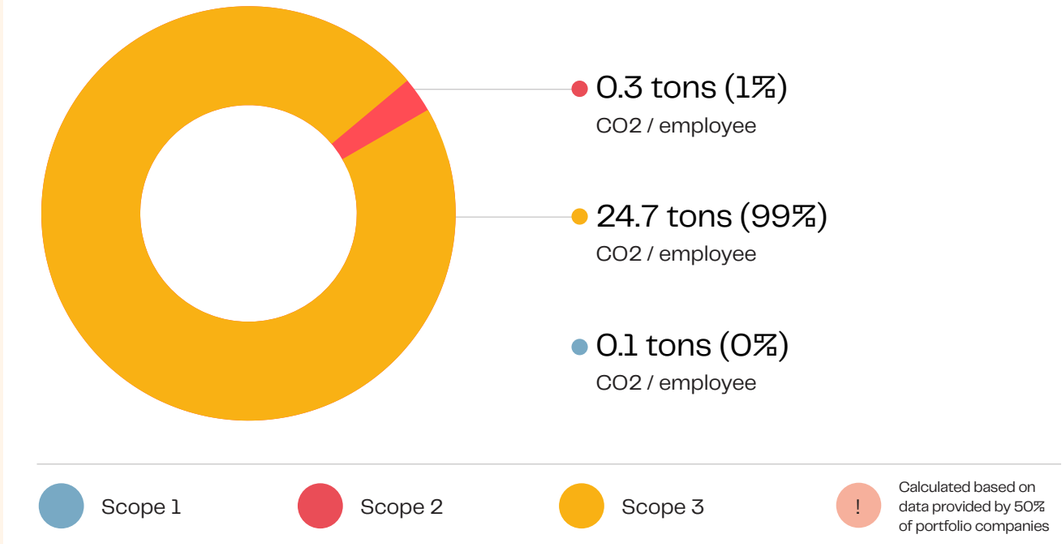


Yann LeCunn
AMI LABS

Carbon footprint

As a digital tech fund, the carbon footprint of Cathay Innovation is largely driven by digital consumption. While these emissions are less substantial compared to industrial or infrastructure funds, we acknowledge the importance of reducing the tech sector's digital carbon footprint.

Since 2023, we have taken concrete steps to enhance climate transparency, beginning with a third-party assessment of our Scope 1 and 2 emissions. Building on this foundation, we are now extending our efforts to include Scope 3 emissions, with a particular focus on the carbon footprints of our investees. To support this initiative, we have partnered with Greenly and Skytech—global leaders in carbon management—to provide our portfolio companies with the tools and guidance needed to measure and manage their emissions effectively.



We have identified a series of concrete actions and best practices that early-stage companies can undertake to reduce their carbon footprint, and we support our portfolio companies in this journey.

Key figures (2025)

78%

of Cathay Innovation companies have implemented at least one environmental initiative at the operational level (e.g., low carbon travel policy, greencloud, purchase of renewable electricity, monitoring and reduction of plane/car travel, reduction of raw materials/paper consumption, etc.).

44%

of Cathay Innovation companies have implemented initiatives in their products and services to reduce environmental impacts, showing a positive evolution throughout time (e.g., life cycle analysis, shorter supply chain, use of recycled materials, eco energetical products or services, etc.).

Biodiversity

In 2025, Cathay Innovation performed a biodiversity assessment to better understand the impacts and dependencies of its portfolios' direct operations and assess the materiality of the biodiversity topic for its portfolio companies. This assessment was conducted by a third-party using the ENCORE[2] and IBAT tools[3]. In 2026, this analysis was extended to the entire portfolio, notably to cover recent acquisitions.

The results of these analyses reveal that the activities of most portfolio companies have a low to medium impact on biodiversity. The primary pressures stem from pollution of water and soil, as well as resource exploitation, largely due to the manufacturing of electronic components. This process poses risks of toxic substance discharge and significant water usage. Additionally, climate change is at high risk due to greenhouse gas emissions from the transport sector.

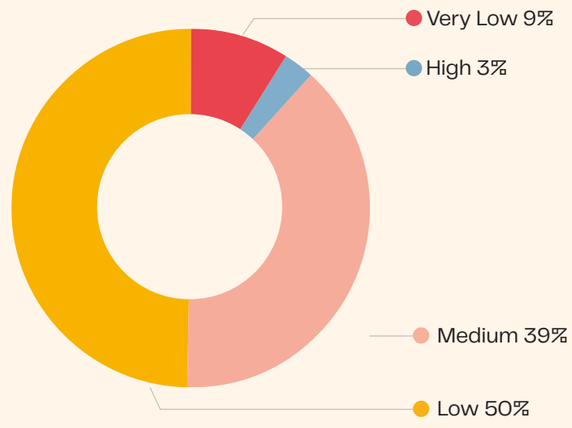
As previously mentioned, within the Innovation Fund's portfolio companies, the activities that potentially have high impacts on biodiversity include the manufacturing of electronic components and land transport.

However, none of these activities are operated in close proximity to biodiversity-sensitive areas or adjacent water courses.

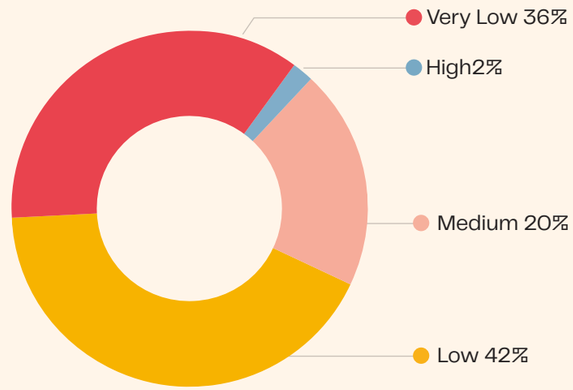
Regarding biodiversity dependency, 98% of the Innovation portfolio has very low to moderate level of dependency on ecosystem services. The main dependency within the Innovation portfolio relates to provisioning services and regulation and maintenance services. One asset shows high dependency on ecosystem services, namely sourcing/ maintenance and regulation services to safeguard infrastructure against extreme climate events such as floods, storms, landslides. The rest of the portfolio shows limited dependency on ecosystem services.

2 Exploring Natural Capital Opportunities, Risks and Exposure: https://encorenature.org/
3 Integrated Biodiversity Assessment Tool: https://app.ibat-alliance.org/users/sign_in

Breakdown of Innovation portfolio pressure levels



Breakdown of Innovation portfolio dependency levels



Circular Economy

Reebelo and Reuse contribute to the development of digital circular economy market in Latin America and show how refurbished electronics can combine environmental impact, affordability and scale, helping move the sector away from a linear “take-make-dispose” model.

Focus Reuse

Reuse promotes circular economy in Latin America by extending the life of electronic devices through trade-in, refurbishment and resale. Active in Chile, Mexico and Peru, the company builds the infrastructure needed to keep used electronics in circulation and out of landfill, helping shift the sector away from a linear consumption model.

Its end-to-end platform covers device intake, AI-assisted grading, secure storage, wiping, testing, refurbishment and resale, creating traceability across the full device lifecycle. As both a B Corp and R2 (Responsible Recycling Operator) certified company, Reuse combines circular economy innovation with recognized standards for the responsible refurbishment of electronic devices.

It has diverted more than 170,000 devices from landfill, contributing to more than 12 million kg of CO_2 emissions avoided and over 250 million liters of water preserved. In 2025 alone, the company diverted around 74,500 units from landfill, professionally refurbished around 32,100 devices, avoided around 3,530 tCO_2e and preserved around 74 million liters of water.

Beyond environmental impact, Reuse also strengthens trust in refurbished electronics through quality control, device wiping, warranties and secure logistics. With refurbished devices offered at an average discount of 28% versus full price, Reuse combines circularity with more affordable access to technology. Through its circular model, Reuse shows how refurbishment and resale can reduce waste and support more sustainable electronics consumption in Latin America



Focus Reebelo

Reebelo is a global marketplace for refurbished electronics and pre-owned lifestyle products. Its model supports circular economy by extending the lifespan of devices such as smartphones, laptops, tablets, smartwatches and home electronics, while making technology more affordable for consumers.

Unlike traditional retailers, Reebelo does not own inventory. It connects customers with certified third-party refurbishers and sellers, which are vetted and required to meet quality standards. The company also provides customer protections such as warranties and return policies, helping build trust in refurbished products.

Following Cathay Innovation’s investment in 2022, Cathay’s Deal Team and Chief Impact Officer worked with the management to address the carbon footprint associated with new device manufacturing. This included encouraging the purchase of refurbished products, implementing a carbon compensation approach for purchases, and monitoring impact KPIs on a quarterly basis.

As of Q4 2025, Reebelo had sold 151,398 devices, contributing to an estimated 28,185 tons of CO_2e avoided, 1,998 million liters of water saved, and 69 tons of e-waste avoided.

Through its marketplace model, Reebelo helps reduce electronic waste and supports more affordable and sustainable technology consumption.



6. Advancing Our Sustainability Journey

Advancing Our Sustainability Journey

As we look forward to the future, Cathay Innovation is committed to deepening its environmental and social commitments and reinforcing its role as a player in sustainable venture capital, while continuing to support and develop outstandingly successful entrepreneurs and companies. Our upcoming actions reflect both our long-term commitment to environmental and social responsibility and our strategic alignment with evolving regulatory and market expectations.

Biodiversity:

establishing a framework for action

In 2025 and 2026, we carried out a biodiversity assessment using the ENCORE and IBAT tools to screen the biodiversity impacts and dependencies of our portfolio companies. These assessments will help us determine the most relevant biodiversity KPIs for our portfolio and develop a comprehensive approach to measure and report on these metrics where relevant.

Climate action:

measuring and reducing portfolio carbon footprint

With the final closing of Cathay Innovation III in 2025, we are now in position to expand our carbon footprint assessments across our portfolio. A new campaign is set to be launched by year end in order to succeed in embarking more companies towards a sustainable journey, as we did so with Cathay Innovation II portfolio. Alongside their impressive growth and their organizational structuring, their upcoming maturity will help us in driving ongoing improvements and adaptations to limit our climate impact.

Investment priorities:

continuing to focus where it matters

Among Cathay Innovation's many sustainability initiatives, we'd like to highlight two priorities for the coming months:

1. AI investments: investing in innovative solutions that address AI's energy and water intensity, as we did with Moonshot AI and AMI Labs.
2. Addressing the societal challenge (ESG) of overweight and obesity, which affects the well-being and longevity of 2bn+ people worldwide. We will focus on a holistic integrated care approach, covering prevention, physical well-being, nutrition, health improvement and social connection.

Doing so, these 3 initiatives in our sustainability journey will reinforce our DNA since our inception: being useful.



Appendices

Appendix I: Cathay Innovation's Resource Hub

In 2022, we proudly unveiled the Cathay ESG & Impact Resource Hub, an innovative online platform that fosters knowledge sharing, collaboration, and practical guidance among our portfolio companies. This hub serves as a toolbox, equipping organizations with the necessary resources to swiftly and effectively implement new ESG policies and initiatives.

The Resource Hub covers a broad range of ESG topics relevant to companies, including Human Resources, Data Governance and Ethics, and Climate Action.

Furthermore, the Resource Hub is accessible to employees, supporting upskilling and ensuring that every frontline investor develops a good understanding of ESG and impact.

Overview of the content available in Cathay Innovation's ESG & Impact Resource Hub

Cathay's ESG & Impact Resource Hub

Becoming a purpose-driven company
- Purpose and value creation

Learning about ESG & impact frameworks
- UN SDGs/Formalizing and measuring impact/ Getting certified/Educating employees on climate change

Upgrading the workplace
- Governance
- Compensation & Benefits
- Diversity & Inclusion
- Employee well-being
- Sustainable workplace

Adopting a sustainable Data & AI governance
- Data privacy/GDPR
- Green IT
- Green cloud
- Unbiased algorithms
- Ethical data annotation
- Synthetic data

Selecting the right business partners
- Software to assess your business partners
- Supply chain

Acting for the environment & the climate
- Carbon footprint analysis
- Carbon offsetting solutions

Appendix II: Framework used

We have developed internal tools to measure companies' impact and assess their exposure to climate physical and transition risks. To ensure robustness, we relied on widely recognized standards and frameworks.

For our impact measurement approach, we leveraged the framework developed by the Impact Management Project (IMP), an international organization that brings together various stakeholders to establish a global consensus on measuring and reporting impact on people and the environment. According to the IMP, there are five complementary dimensions to understand and measure impact:

1.	What	Focus on the main Sustainable Development Goal (SDG) the company contributes to and its performance on associated metrics.
2.	Who	Identify the stakeholders experiencing the outcome and assess their level of underservice.
3.	How much	Quantify the extent of the company's positive or negative contribution, and the number of beneficiaries reached.
4.	Contribution	Evaluation of how efficiently the company addresses the SDG target compared to alternative solutions.
5.	Risk	Exploration of potential positive or negative unexpected impacts.

Using this framework, we developed our own impact measurement approach, detailed in Appendix D, which provides an overall impact score out of 100 for each portfolio company. Based on this score, companies are positioned on the IMP's spectrum, ranging from 'causing harm' to 'contributing to a solution,' reflecting their level of contribution towards attaining the UN-defined SDGs.

TCFD / CDP / SASB

Cathay Innovation developed its climate screening methodology based on guidelines from:

TCFD — The Task Force on Climate-related Financial Disclosures (TCFD) which developed recommendations on the types of information that companies should disclose to help investors appropriately assess and price climate risks.

SASB — The Sustainability Accounting Standards Board (SASB)'s Climate Risk Technical Bulletin which provides an overview of climate risks and opportunities per sector.

CDP — The 2019 Carbon Disclosure Project (CDP) "Major risk or rosy opportunity" report which also describes the climate risks and opportunities faced by companies based, among other things, on the industry in which they operate.

Appendix III: Exclusion list

- Activities involving any use of forced labor or child labor;
- Activities that are illegal under the law of the host country or under international treaty, convention or regulation, in particular activities not consistent with the Kimberley Process concerning trade in diamonds and activities counter to the International Tropical Timber Organization (ITTO) agreement;
- Production of, or trade in, arms or ammunition;
- Production of, or trade in, alcoholic beverages (other than beer and wine);
- Production of, or trade in, tobacco and alternative tobacco products;
- Gambling, casinos and equivalent activities;
- Trade in wildlife and products within the scope of CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora);
- Production of, or trade in, radioactive materials;
- Production of, or trade in, or use of, asbestos;
- Commercial deforestation or purchases of equipment for such purposes in tropical rain forests;
- Production of, or trade in, products containing polychlorinated biphenyl (PCBs);
- Production of, or trade in and storage or transport of significant volumes of dangerous chemicals, or the use of dangerous products for commercial purposes;
- Production of, or trade in, pharmaceutical products subject to international prohibition or destruction requirements;
- Production of, or trade in, pesticides or herbicides subject to international prohibition or destruction requirements;
- Production of, or trade in, ozone depleting substances subject to international destruction requirements;
- Fishing at sea with the use of floating nets of a length exceeding 2.5 km;
- Production on, or investment in, land belonging to, or claimed in an adjudication process by, an indigenous group without the duly documented agreement of that group;
- Activities contrary to applicable ADS or IFC policies (whichever is stricter in the case concerned);
- Threats to the status of individuals, leases, companies or private institutions;
- Production or distribution of, or trade in, pornographic material;
- Prostitution;
- Products and commodities subject to French or European embargo;
- Companies which realize their turnover in any Prohibited Activities;
- Companies which would not represent due compliance with the minimum requirements relating to Employment Conditions or regarding which the Management Company would reasonably determine that they would not comply with these conditions;
- Companies which are established or have part of their business activities in any country listed as a non-cooperative country and territory by the Financial Action Task Force on anti-money laundering and terrorist financing;
- Companies which are established or have part of their business activities in any country which is subject to sanctions imposed by the European Union pursuant to the procedure set forth in articles 96 and 97 of the agreement amending the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou;
- Companies which are established or have a substantial part of their business activities in any country listed as tax heaven or a non-cooperative jurisdiction by the OECD;
- Other investment funds or other pooled investment vehicles, except that the Fund may invest its available cash in money market funds or other short-term negotiable instruments for non-speculative purposes.
- • Companies that generate more than ten percent (10%) of their turnover in coal activities, including but not limited to, coal mining, and/or energy production, and/or coal-fired electricity generation. *

* Only applicable to Innovation III fund

Appendix IV: Cathay's scoring and screening tools

Cathay's ESG Scoring Tool at a Glance

Objectives	• Assessment of the company overall ESG maturity • Provide a follow-up action to be implemented by Cathay Innovation to track
Methodology	• The assessment of the company is based on answers to questions on the topics of Governance & ethics, Human Resources, Climate & Environment impact, External stakeholders (all included in the Reporting questionnaire)
Inputs	• Responses from the Reporting questionnaire
Outputs	• For each company, the tool calculates a rating: at risk, starting up • (potentially unaddressed ESG risks), formalised approach, leadership

Cathy's Impact Scoring Tool at a Glance

Objectives	• Identity which companies positively contribute to the achievement to an SDG target through their value proposition • Assess the extent of contribution & compare companies across the portfolio • Issue recommendations to maximize impacts (due diligence)
Methodology	• The assessment is based on the 5 IMP dimensions: what, who, how much, contribution, risks. Each dimension is scored using a set of qualitative data
Inputs	• Quantitative KPIs tailored to each SDGs target, company (collected through the quarterly impact questionnaire) and country context (database update required annually) • Qualitative assessment (by external experts, during due diligence, and deal teams)
Outputs	• For each company, an Impact score is calculated on a scale from -100 to 100 • The tools give an overview of Cathay Innovation portfolio companies' impact

Cathay's Climate Screening Tool

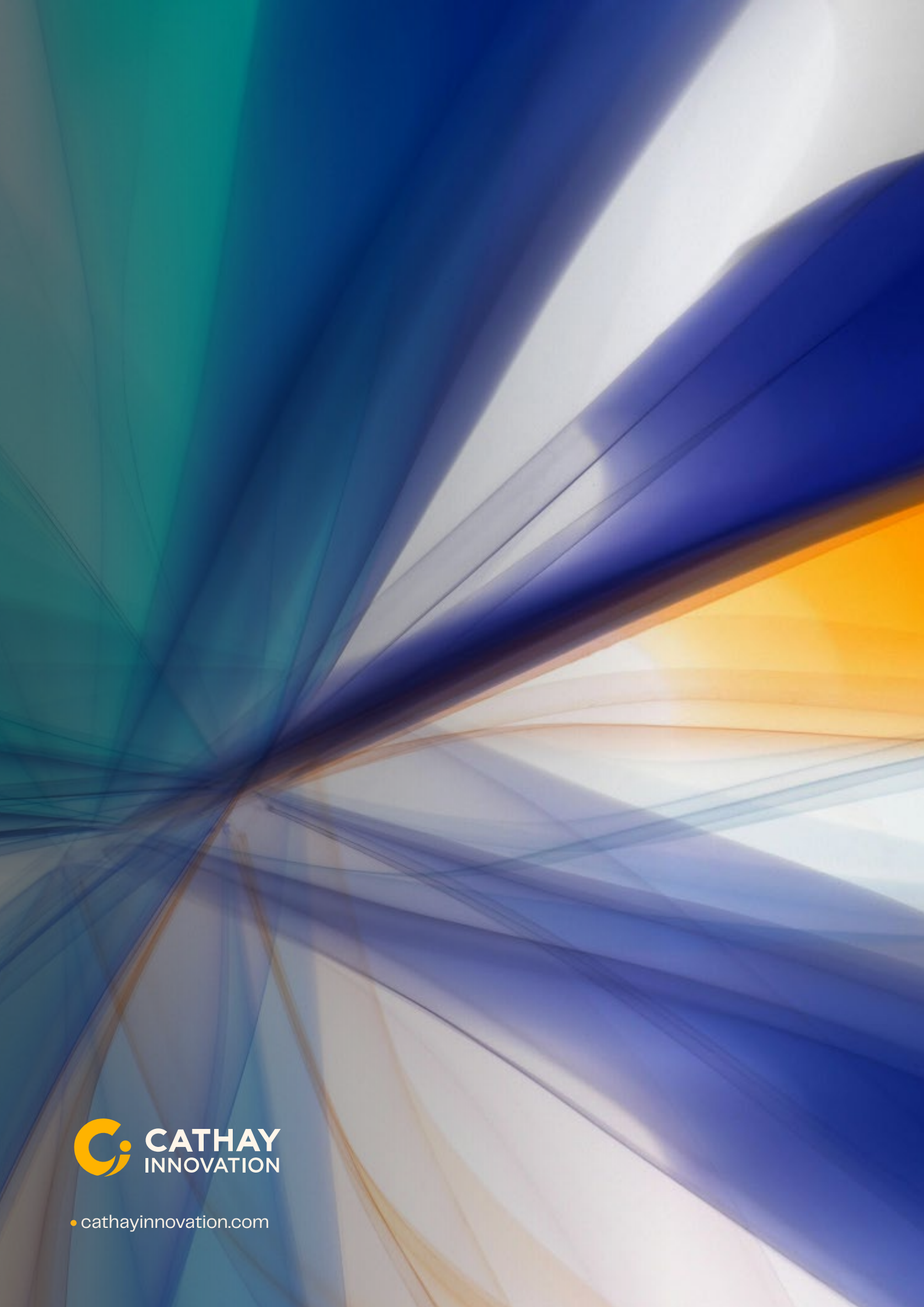
Objectives	• Assess the company climate-related risks and opportunities on 9 major climate-related financial risks and opportunities to propose a tailored approach to climate change issues • Assessment of the relevance of performing a carbon footprint for the company based on the type of products/ services provided, whether physical products are put on the market by the company and potential avoided emissions
Methodology	• The approach analyses the materiality of drivers for potential financial impact on costs, revenues and assets/ capital identified by the CDP for each company based on SASB's Climate Risk Technical Bulletin and climate indexes • It is also aligned with the IC international climate assessment
Inputs	• Quantitative KPIs tailored to each SDGs target, company (collected through the quarterly impact questionnaire) and country context (database update required annually) • Qualitative assessment (by external experts, during due diligence, and deal teams
Outputs	• Materiality assessment for transition opportunities, transition risks and physical risks for each Company • Level of materiality of a carbon footprint and avoided emissions for the company • Recommendations tailored to each Company (ex: climate deep dive, climate action plan)

Appendix V: Our sustainable investment framework

Cathay Innovation partners with visionary entrepreneurs leveraging technology for positive impact. Our sustainable investment framework guides pre-investment decisions, evaluating alignment with our goals. This ensures we collaborate with startups sharing our commitment to sustainability.

Our sustainable investment framework guides decisions and supports companies on their sustainability journey. We address ESG, climate, and impact across the value chain, fostering innovation and driving positive change. With our partner startups, we aim to create a more sustainable future.

		What is assessed?	Associated sustainability theme
IMPACT	**Value proposition**	Impact of company products and/orservices? Value it creates for society? Does it address objectively defined societal needs?	• Societal need addressed • Contribution to SDG target(s) including, when relevant, contribution to a low-carbon economy transition • Relative company impact performance
IMPACT	**Beneficiaries**	Which stakeholders benefit from company products and services? How underserved are they? What impact are these products and/or services on them?	
ESG	**Fundamentals**	In a rapid growth context, what practices and measures are in place to ensure that the company is built upon solid ethical grounds, which in turn inform transparent decision-making?	• Vision and governance • Business and data ethics
ESG	**Human resources**	How are key, strategic human resources issues addressed and managed by the company?	• Talent attraction, retention, and development • Diversity, equity, and inclusion
ESG	**Key business partners**	What is the company buying or outsourcingand what is the impact of this supply chain? Which business partners is the company working with?	• Environmental & social impact of supply chain • Supply chain management • Human rights • Climate risks and opportunities
ESG	**Key activities**	What activities is the company handling directly? How can it limit or offset potential adverse environmental impact of its activities? How is the company engaging with its community?	• Operational eco-efficiency • Circular economy and eco-conception • Carbon footprint • Climate risks and opportunities • Community relations and thought leadership
CLIMATE			


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