



Guidelines to financial intermediaries on the Venture Centre of Excellence (“VCoE”)

A. The VCoE

VCoE is an embedded and inseparable part of the SDUF Health Compartment. It aims to become the "first of its kind" Pan-European collaboration and investment syndication framework between life science VC funds in which the SDUF Health Compartment has invested (i.e. the Financial Intermediaries), their respective portfolio companies and investors in the SDUF Health Compartment (e.g. corporates, health insurance companies and family offices).

The underlying features of the collaborative framework essentially comprise establishing a privileged community that enables networking, knowledge sharing, strategic collaborations as well as bilateral sharing of investment opportunities.

To benefit from a commitment from the SDUF Health Compartment, the managers of funds applying for an investment by the SDUF Health Compartment shall formally consent to adhere to the terms and conditions of the VCoE as summarized below.

B. The rationale for establishing VCoE

Europe is at the forefront of life sciences innovation in many domains although still lagging behind in terms of translating this innovation into new treatments and technologies. This can be attributed to various factors: for instance, lower availability of financing for projects/companies, as compared to other developed markets and a lack of systematic collaboration on a Pan-European level between the various parties within the innovation ecosystems, notably start-up companies, venture capital investors, health insurer investors and corporates.

The objective of the VCoE is to achieve a higher integration of the key players in the European life sciences ecosystem, and to provide for additional synergies, interactions and cross-fertilisation in the sector. Ultimately, this will contribute to the conversion of European life sciences R&D innovation into high value products, treatments and technologies with a higher goal of retaining disruptive and high growth life sciences companies in Europe.

The COVID-19 outbreak is a demonstration of how important it is to further support research, investments and collaboration in the sector of life sciences, and to modernise and strengthen the capacity of healthcare systems across Europe. VCoE aims to contribute towards the development of a more integrated European life sciences ecosystem, of strengthening the life sciences ecosystem in the aftermath of COVID-19 and to face with more resilience and readiness similar health crises that may arise in the future.

C. Value added of VCoE to Financial Intermediaries and their portfolio companies

(a) Privileged access to a Pan-European selection of corporates, health insurers and philanthropic/academic investors in the therapeutics, med-tech and digital health sectors, by:

- a. Participating in periodic regular events (in suitable bespoke formats) organised by EIF and EIT-Health, typically on a biannual basis, aimed at fostering networking, relationships and the continuous exchange of market developments and strategic insights between investors in the SDUF Health Compartment and managers of venture capital funds invested by the SDUF Health Compartment. These events will be exclusive to the members of the VCoE;
- b. Developing bilateral relationships between investors in the SDUF Health Compartment and managers of venture capital funds in which the SDUF Health Compartment is invested or committed with the support of EIF and EIT Health;
- c. Benefiting from strategic collaborations and increasing possibilities to exit portfolio companies due to the established bilateral relationships.

(b) Opportunities relating to co-investment/sharing of deal flow:

- a. Managers of venture capital funds in which the SDUF Health Compartment will be invested or committed will have the opportunity, at their discretion, to share selected deal flow with the investors in the SDUF Health Compartment, either directly or by referring opportunities to a VCoE central deal-sharing digital portal.
- b. Managers of venture capital funds in which the SDUF Health Compartment will be invested or committed will have the possibility to present direct investment opportunities in their portfolio companies to Investors in the SDUF Health Compartment
- c. Managers of venture capital funds in which the Health Compartment will be invested or committed will likewise have the opportunity to use the VCoE centralised deal-sharing digital portal as a source of deal flow stemming from:
 - i. Investors of the SDUF Health Compartment,
 - ii. a selection of [EIT Health](#) Accelerator and Innovation programmes, including a vetted selection of other start-ups by EIT-Health,
 - iii. deal flow supported by the European Innovation Council ("[EIC](#)") Accelerator.

D. VCoE Terms and Conditions applicable to Financial Intermediaries

(a) Participate in VCoE community meet-ups:

- i. Regular all-member bi-annual meetings;
- ii. Non-regular thematic meet-ups;
- iii. Undertake, on a best efforts basis, to provide relevant market content for the above-mentioned meetings. This may include, for instance, presenting in or contributing to the content of such sessions on topics such as (but not limited to) market trends and dynamics, evolving challenges, the future of the healthcare markets or emerging areas in healthcare as well as showcasing portfolio companies.

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(b) At their full discretion and in the best interest of their LPs:

- i. Refer selected deal flow to the central deal-sharing digital portal;
- ii. Share selected deal flow directly with the Investors of the SDUF Health Compartment;
- iii. Share co-investment opportunities with the Investors of the SDUF Health Compartment;
- iv. Access deal flow shared by Investors in the SDUF Health Compartment as well as by EIT Health.

(c) Refer deal flow deemed non-strategic to the Financial Intermediaries via the central deal-sharing portal.

E. The organizations behind VCoE

VCoE was jointly developed by the EIF and EIT Health in line with their common objective to support innovation in Europe and in particular in the European life sciences sector.

The EIF and EIT Health will manage the VCoE jointly¹ and participation thereto will be exclusive to the investors of the SDUF Health Compartment and the managers of participating Financial Intermediaries, which will constitute the members of the VCoE.

F. EIT Health

EIT Health is a Knowledge and Innovation Community established by the European Institute of Innovation & Technology (EIT), an independent EU body set up in 2008 to promote innovation and entrepreneurship across Europe. It is one of the eight verticals in which EIT operates – Climate, Digital, Food, Health, InnoEnergy, Manufacturing, Raw Materials, Urban Mobility – in line with EU priority sectors.

EIT Health has a network of co-location centres acting as local headquarters in various cities around Europe helping to ensure local partner engagement. EIT Health's members network includes 140 leading organisations spanning key areas of healthcare, such as pharma, med-tech, health insurance companies, research institutions and universities. Its corporate partners' network includes some 50 organisations including top-tier players in the pharma and med-tech industry. For further information please click [here](#).

G. Investors of the SDUF Health Compartment

EIF is the largest investor in the SDUF Health Compartment via the contribution from the European Fund for Strategic Investments (EFSI) and its own resources. The SDUF Health Compartment seeks to raise additional capital from other investors looking to achieve distinct strategic objectives linked to the accessing to innovation combined with risk-commensurate return expectations. Such investors are expected to be corporates operating

¹ EIF and EIT Health may avail themselves of third party service providers in order to carry out specific tasks connected to the VCoE.

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in the pharma and med-tech industries, mutual health insurance companies, foundations, European Member States as well as additional stakeholders to the life sciences industry.