

# Part 2A of Form ADV

## Item 1 – Cover Page

Frazier Life Sciences Management, L.P.  
1001 Page Mill Road  
Building 4, Suite B  
Palo Alto, CA 94304  
650-325-5156  
[www.frazierls.com](http://www.frazierls.com)

March 30, 2024

This Brochure provides information about the qualifications and business practices of Frazier Life Sciences Management, L.P. (“Frazier Life Sciences”). If you have any questions about the contents of this Brochure, please contact us at 650-325-5156 and/or [steveb@frazierhealthcare.com](mailto:steveb@frazierhealthcare.com)

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Frazier Life Sciences is a registered investment adviser. Registration of an investment adviser does not imply that Frazier Life Sciences or any of its affiliates or personnel possess any particular level of skill or training. Additional information about Frazier Life Sciences is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search information about the firm on this site by a unique identifying number, known as a CRD number. The CRD number for Frazier Life Sciences is 317522.

## **Item 2 – Material Changes**

Since the last annual amendment filed on March 31, 2023, Frazier Life Sciences Management, L.P. (“Frazier Life Sciences”) filed an other than annual amendment to the Brochure on January 12, 2024 to reflect an update to Frazier Life Sciences’ address and description of Frazier Advisors (as defined below). This annual amendment does not contain any other material changes since its last annual amendment filed on March 31, 2023.

Frazier Life Sciences routinely makes changes throughout its Brochure in an effort to improve and clarify the descriptions of its and its affiliates’ business practices and compliance policies and procedures or in response to evolving industry and firm practices.

We encourage all recipients to read this Brochure carefully in its entirety.

### **Item 3 -Table of Contents**

Item 1 – Cover Page.....	1
Item 2 – Material Changes .....	2
Item 3 -Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fees and Compensation .....	5
Item 6 – Performance-Based Fees and Side-By-Side Management.....	12
Item 7 – Types of Clients.....	15
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	16
Item 9 – Disciplinary Information.....	29
Item 10 – Other Financial Industry Activities and Affiliations .....	29
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading .....	30
Item 12 – Brokerage Practices .....	35
Item 13 – Review of Accounts .....	36
Item 14 – Client Referrals and Other Compensation.....	37
Item 15 – Custody.....	40
Item 16 – Investment Discretion.....	41
Item 17 – Voting Client Securities .....	41
Item 18 – Financial Information.....	42

#### Item 4 – Advisory Business

Frazier Life Sciences is an investment manager focused exclusively on companies developing and commercializing novel therapeutics at all stages, from company formation to public. Frazier Life Sciences was formed in October 2021, started operations January 1, 2022 and is principally owned by Jamie Topper and Patrick Heron. Dr. Topper owns Frazier Life Sciences indirectly through a wholly-owned entity, Topper Family, LLC, and Mr. Heron owns Frazier Life Sciences indirectly through a wholly-owned entity, Galena Holdings, LLC. As of December 31, 2023, Frazier Life Sciences' regulatory assets under management is \$3,560,674,175, all of which is managed on a discretionary basis.

Frazier Life Sciences provides discretionary investment management services to U.S. private investment funds which includes Frazier Healthcare VII, L.P. (managed by its general partner, FHM VII, L.P.), Frazier Healthcare VII-A, L.P. (managed by its general partner, FHM VII, L.P.), Frazier Life Sciences VIII, L.P. (managed by its general partner, FHM Life Sciences VIII, L.P.), Frazier Life Sciences IX, L.P. (managed by its general partner, FHMLS IX, L.P.), Frazier Life Sciences X, L.P. (managed by its general partner, FHMLS X, L.P.), Frazier Life Sciences Public Fund, L.P. (managed by its general partner, FHMLSP, L.P.), Frazier Life Sciences XI, L.P. (managed by its general partner, FHMLS XI, L.P.), and Frazier Life Sciences Public Overage Fund, L.P. (managed by its general partner, FHMLSP Overage, L.P. each a "General Partner," and collectively, together with any future affiliated general partner entities, the "General Partners") (collectively, the "Frazier Life Sciences Funds"). In providing such advisory services, Frazier Life Sciences utilizes strategies based on evaluating pharmaceutical and biotechnology companies developing and commercializing novel therapeutics at all stages, from company formation to public globally. In providing its investment advisory services, each fund's general partner determines when and which investments will be acquired, disposed of, or exchanged on behalf of its fund clients to maintain a portfolio consistent with each client's objectives. Additionally, Frazier Life Sciences has provided and may in the future provide certain current or prospective investors or other persons (including other sponsors, market participants, finders, consultants and other service providers, portfolio company management or personnel, Frazier Life Sciences' personnel and/or certain other persons associated with Frazier Life Sciences and/or its affiliates) the opportunity to participate directly in certain portfolio companies by co-investing alongside the Frazier Life Sciences Funds or in co-invest vehicles that will invest in certain portfolio companies alongside a Frazier Life Sciences Fund.

Frazier Life Sciences Public Fund, L.P. ("FLSPF") and Frazier Life Sciences Public Overage Fund, L.P. ("Overage Fund," and together with FLSPF, the "Public Funds") primarily invest in public pharmaceutical and biotechnology companies, but may also invest up to 20% of their investment portfolio in crossover/mezzanine financings of private companies. All other Frazier Life Sciences Funds primarily invest in private pharmaceutical and biotechnology companies with the ability to invest a limited amount of aggregate subscriptions in public pharmaceutical and biotechnology companies.

Frazier Life Sciences' advisory services to the Frazier Life Sciences Funds consist of (i) investigating, identifying and evaluating investment opportunities; (ii) structuring, negotiating and making investments on behalf of the Frazier Life Sciences Funds; (iii) managing and monitoring the performance of such investments; and (iv) exiting such investments on behalf of

the Frazier Life Sciences Funds. Frazier Life Sciences' advisory services to each Frazier Life Sciences Fund are subject to the specific investment objectives and restrictions applicable to such Frazier Life Sciences Fund, as set forth in such Frazier Life Sciences Fund's limited partnership agreement, confidential private placement memorandum and other governing documents (collectively, the "Governing Documents"). Investors and prospective investors in each Frazier Life Sciences Fund should refer to the Governing Documents of that Frazier Life Sciences Fund for information on the investment objectives and investment restrictions with respect to that Frazier Life Sciences Fund. There can be no assurance that any of the Frazier Life Sciences Funds' investment objectives will be achieved or that investors will not lose investment capital.

One or more of the Frazier Life Sciences Funds or their General Partners have entered and expect in the future to enter into "side letters" or similar agreements with certain investors pursuant to which the Frazier Life Sciences Fund or its General Partner grants the investor specific rights, benefits, or privileges that are not made available to investors generally. Such "side letters" or similar agreements generally are disclosed only to investors in the applicable Frazier Life Sciences Fund that have separately negotiated with Frazier Life Sciences for the right to review such "side letters" or similar agreements. Certain side letter rights are likely to confer benefits on the relevant limited partner at the expense of the relevant Frazier Life Sciences Fund or of limited partners as a whole, including in the event that a side letter confers additional reporting, information rights and/or transfer rights, the costs and expenses of which are expected to be borne by the relevant Frazier Life Sciences Fund.

## **Item 5 – Fees and Compensation**

### *Compensation and Fee Schedules*

Frazier Life Sciences typically receives a management fee from each of the Frazier Life Sciences Funds, which is generally equal to a percentage of the limited partners' capital commitments to such Frazier Life Sciences Fund. The fee percentage and/or the base upon which the fee is calculated may vary with the size of the Frazier Life Sciences Fund and may also vary over the life of the Frazier Life Sciences Fund, as negotiated and determined at the time the Frazier Life Sciences Fund is established and as set forth in its Governing Documents. The management fee percentage generally starts at 2.0-2.25% annually, paid quarterly in advance, and is then generally reduced per year for each annual period beginning at some point after the Frazier Life Sciences Fund's active investment period has ended, and in certain situations, when a successor fund has commenced. However, see below for determination of the management fee for Frazier Healthcare VII, L.P. as well as FLSPF, which differs from the management fee calculations described above. In addition, the Overage Fund does not pay a management fee.

Under the Governing Documents, the management fee will be calculated and charged on a basis that generally is not tied to the Frazier Life Sciences Fund's then-current net asset value. As further specified in the Governing Documents, management fees will initially generally be charged based on a formula tied to the amount of the relevant Frazier Life Sciences Fund's aggregate commitments. However, the management fee for certain older Frazier Life Sciences Funds, including Frazier Life Sciences VII, L.P., is generally reduced beginning at some point after each such Frazier Life Sciences Fund's active investment period has ended, and in certain situations, when a successor fund has commenced, by means of a change in the management fee

base from the limited partners' capital commitments to the cost basis of such Frazier Life Sciences Fund's investments (rather than a stepdown in the applicable management fee rate as described in the previous paragraph). In addition, FLSPF's management fee generally will be charged and calculated based on a formula tied to the sum of (a) each limited partner's pro rata share of (i) the fair market value of FLSPF's investments plus (ii) FLSPF's aggregate unfunded commitments, determined as of the start of each investment period (and redetermined upon the acceptance of each additional commitment) and (b) each limited partner's pro rata share of the cost basis of investments made by FLSPF at the start of the preceding fiscal quarter. As a result, except as described in this paragraph in relation to Frazier Healthcare VII, L.P. and FLSPF, and where a Frazier Life Sciences Fund's Governing Documents expressly provide to the contrary, the amount of management fees generally will not correspond with fluctuations in the Frazier Life Science Fund's net asset value, including where the fair market value of an investment exceeds or falls below the total amount of contributed capital (including, where applicable, a Frazier Life Sciences Fund borrowing component) or the cost basis relating to the Frazier Life Sciences Fund's aggregate investment(s) in its portfolio companies that have not been realized or completely written off for U.S. federal income tax purposes. Therefore, the management fee generally will not be reduced in connection with any partial distributions, partial realizations, reorganizations, write downs, restructurings, roll-over investments, extraordinary dividends made with respect to, or similar transaction related to an investment or in circumstances where one or more other Frazier Life Sciences Fund(s) divest their respective investment(s) in the relevant portfolio company, whether in whole or in part, in each case in circumstances that do not result in the complete disposition of the relevant Frazier Life Sciences Fund's interest therein (even in cases where the value of the Frazier Life Sciences Fund's investment or the Frazier Life Sciences Fund's ownership percentage in such investment has been reduced (including substantially reduced) as a result of such partial distribution, partial realization, reorganization, write-down, restructuring, roll-over investment, extraordinary dividend or similar transaction), and in such cases, limited partners will continue paying management fees based on committed or contributed capital or the cost basis of investments, as applicable, regardless of any such transaction, except as required by the Governing Documents or as described for FLSPF above. The lack of a requirement to reduce the management fee in connection with any partial distribution, partial realization, reorganization, write-down, restructuring, roll-over investment, extraordinary dividend made with respect to, or similar transaction related to, an investment presents certain conflicts between the interests of Frazier Life Sciences and the interests of limited partners, including by incentivizing Frazier Life Sciences to pursue such transactions that would result in the continued payment of management fees.

The Governing Documents set forth the full list of terms under which a Frazier Life Science Fund's management fee will be reduced, offset or otherwise be limited, and consequently investors should expect to bear the full specified management fee in the Governing Documents until they are reduced in the circumstances and on the date(s) specified therein.

Certain Frazier Life Sciences Funds' Governing Documents permit the management fee to be reduced for a reduction in the General Partner's capital contribution obligation for such period. Upon a reduction, the investors in a Frazier Life Sciences Fund are then required to make a pro rata contribution according to their respective commitments to fund any waived management fee that Frazier Life Sciences elects to treat as a contribution and, as a result, the exercise of such waiver may result in an acceleration of investor capital contributions.

As further described in Item 14 “Client Referrals and Other Compensation”, the management fee payable by the relevant Frazier Life Sciences Fund is reduced in whole or in part, although not below zero, by an amount equal to the Frazier Life Sciences Fund’s pro rata share of the aggregate amount of fees and other income (including, Supplemental Fees (as defined below)) Frazier Life Sciences (or its affiliates or employees) receives from portfolio companies (but not by certain amounts paid as set forth in the Governing Documents and discussed in Item 14 and below, including in respect of fees and expenses paid to “Frazier Advisors”). The Governing Documents generally provide that any Supplemental Fees received by Frazier Life Sciences and attributable to the Frazier Life Sciences Fund’s investment in a portfolio company will be credited against management fees otherwise owed to Frazier Life Sciences in a specified percentage (*e.g.*, 100 %). The remaining amount of Supplemental Fees will be retained by Frazier Life Sciences. To the extent that such fee offsets would reduce the management fee payable for a given period below zero, the credit will be carried forward for future application against management fees payable. To the extent any such excess credit remains unapplied upon dissolution of a Frazier Life Sciences Fund, each limited partner of such Frazier Life Sciences Fund will share its share of such unapplied excess, unless such limited partner elects not to receive its share. For the avoidance of doubt, Frazier Life Sciences will not offset compensation received from outside sources, such as residual employee board seats at entities that are no longer Frazier Life Science Fund portfolio companies.

In addition, a related person of Frazier Life Sciences, as General Partner, will typically receive certain allocations and distributions calculated and charged based on a share of capital gains on or capital appreciation of the assets of such Frazier Life Sciences Fund, as negotiated and determined at the time such Frazier Life Sciences Fund is established and as set forth in its Governing Documents. These allocations and distributions are commonly known as “carried interest”.

Certain Frazier Life Sciences Funds or classes of Funds (typically, affiliate funds and co-investment vehicles) are not subject to management fees payable to Frazier Life Sciences and carried interest allocations. In addition, such fees may be reduced or waived entirely by Frazier Life Sciences with respect to any investor in its sole discretion or pursuant to the applicable Governing Documents of a Frazier Life Sciences Fund. Such Frazier Life Sciences Funds that do not pay management fees will not receive the benefit of any offset. Please refer to the Governing Documents of each applicable Frazier Life Sciences Fund for complete information on the fees and compensation payable with respect to such Frazier Life Sciences Fund.

#### *Deduction of Fees; Timing of Payments; Termination*

Frazier Life Sciences is authorized under the Frazier Life Sciences Funds’ Governing Documents to charge and deduct management fees directly from the assets of the Frazier Life Sciences Funds. Payments of management fees are generally made quarterly in advance in accordance with the terms of the Governing Documents. Please refer to the Governing Documents of each of the Frazier Life Sciences Funds for complete information on the timing of management fee payments.

As further described in the Governing Documents of each Frazier Life Sciences Fund, upon termination of any Frazier Life Sciences Fund’s management relationship with Frazier Life

Sciences, any prepaid, unearned management fees (based on daily pro ration of the fee paid in advance for the applicable period) will be promptly refunded to such Frazier Life Sciences Fund, and any earned, unpaid fees will be immediately due and payable.

#### *Other Fees and Expenses*

In addition to any management fees payable to Frazier Life Sciences, each Frazier Life Sciences Fund will incur certain charges imposed by third parties and other expenses. Each Frazier Life Sciences Fund generally bears all fees, costs, expenses and other liabilities related to the organization of the Frazier Life Sciences Fund and the General Partners (and their related entities and affiliates), including costs and expenses attributable to the offer and sale of interest in the Frazier Life Sciences Fund and its affiliates (collectively, "Organizational Expenses"). The amount of such Organizational Expenses charged to a Frazier Life Sciences Fund is subject to a cap as set forth in such Frazier Life Sciences Fund's Governing Documents. The Public Funds are permitted to incur costs of in-house accounting, tax and legal professionals employed by Frazier Life Sciences at rates in excess of such reasonable costs, subject to a cap as set forth in the Public Funds' Governing Documents.

Generally, each Frazier Life Sciences Fund (including any subsidiaries, alternative investment vehicles ("AIVs") or other vehicles through which it will make investments) bears all of the fees, costs, expenses and other liability or obligations relating to or arising from its operations, activities, meetings and eventual liquidation (either directly or indirectly through the payment of such expenses by portfolio companies). The Governing Documents of each Frazier Life Sciences Fund set forth the particulars of such operating expenses that may be borne by the Frazier Life Sciences Fund, but operating expenses generally include (among others) any fees, costs and expenses relating to or arising from: (i) Organizational Expenses; (ii) any taxes, fees or other governmental charges levied against the Frazier Life Sciences Fund and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Frazier Life Sciences Fund; (iii) Management Fees, as well as any out-of-pocket costs, expenses or losses incurred in generating (or in seeking to generate) Supplemental Fees; (iv) placement agent fees and expenses incurred in connection with the admission of limited partners to the Frazier Life Sciences Fund; (v) the business, affairs and operations of the Frazier Life Sciences Fund, including the due diligence, purchase, acquisition, structuring, holding, monitoring, transfer, sale or other disposition of any actual or prospective portfolio investment (whether or not consummated, i.e., "broken-deal" fees and expenses), including all commission, brokerage, finders, placement, underwriting, banking, depositary, registration, legal, accounting, tax advisory, professional or consulting fees and expenses (unless otherwise reimbursed) and travel, business meal and related expenses (including business class and/or first-class travel in certain cases); provided that the General Partners, Frazier Life Sciences and its employees may instead be reimbursed for such expenses by portfolio companies, or merger fees and expenses payable to third parties; (vi) the origination, development, diligence and execution of any portfolio investment, including the employment of any Frazier Advisors (as defined below) in connection therewith and the costs and expenses of any associated "search," "roll-up" or acquisition company (including a SearchCo (as defined below)); (vii) costs and expenses incurred in connection with hedging against changes in the value of the Frazier Life Sciences Fund's assets or liabilities or to protect the Frazier Life Sciences Fund against fluctuations in currency exchange rates or interest rates; (viii) any litigation, investigation director and officer liability or other insurance and indemnification or extraordinary expense or liability relating to



the affairs of the Frazier Life Sciences Fund including the costs of prosecuting or defending any legal, regulatory, administrative or other action (including settlement or review of business activities) of, for or against the Frazier Life Sciences Fund, its General Partner, Frazier Life Sciences, the managers and equity owners of any of the foregoing, or any of their respective affiliates, relating to the affairs of the Frazier Life Sciences Fund; (ix) the administrative, reporting and audit expense of the Frazier Life Sciences Fund (including the fees and expenses of any third-party administrator), and the preparation, printing and distribution of all communications, reports (including financial and tax reports), portfolio valuations and tax returns of the Frazier Life Sciences Fund (including the costs and fees of developing, licensing, maintaining and/or upgrading any web portal, extranet tools, computer software or other administrative reporting tools, including subscription-based services, for the benefit of limited partners, the Frazier Life Sciences Fund or its portfolio investments; (x) all professional fees, costs and expenses (including those relating to legal, advisory, regulatory, administrative, custodial, audit, accounting, consulting, appraisal, valuation and compliance services rendered) of the Frazier Life Sciences Fund, its General Partner and/or Frazier Life Sciences, in each case with respect to the Frazier Life Sciences Fund, including all costs of establishing and operating entities related to any carried interest and all costs and expenses, if any, incurred in connection with the Frazier Life Sciences Fund's legal and regulatory compliance with U.S. federal, state and local and non-U.S. or other law or regulation (including Form PF, CFIUS and FIRRMA requirements, FATCA rules and related foreign account reporting regimes, AIFMD, as each may be amended from time to time, and the preparation and administration of any reports, disclosures, filings or notifications prepared in accordance with the foregoing) or related to the compliance with the provisions of any Governing Documents or any side letter or similar agreements (including, without limitation, the terms of any "most favored nations" provisions therein); (xi) all extraordinary professional fees incurred in connection with the business or management of the Frazier Life Sciences Fund; (xii) in connection with the managed distribution of marketable securities; (xiii) in connection with the securing of financing, including but not limited to the arranging, negotiation, structuring, entering into, amending and all other documentation of agreements with one or more lenders and all principal and interest on, and fees and expenses arising out of, all permitted borrowings and guarantees made by the Frazier Life Sciences Fund; (xiv) all expenses of winding-up and dissolving the Frazier Life Sciences Fund and its related entities, including its General Partner; (xv) in connection with any restructuring or amendments to the constituent documents of the Frazier Life Sciences Fund and related entities, including its General Partner (other than expenses so incurred by the General Partner that solely benefit it or its partners); (xvi) in connection with the formation of special purpose vehicles, including any AIVs (including all costs and expenses related to the presence of the Frazier Life Sciences Fund, any AIVs or any special purpose vehicles in jurisdictions in which such entities or their subsidiaries maintain such a presence, including rent, domiciliation fees, directors fees and other similar costs); (xvii) in connection with multimedia, analytical, database, news or other third party research services and related terminals for the delivery of such services; (xviii) all costs related to the holdings of meetings of the limited partners, the limited partner advisory board and the technical advisory board of the Frazier Life Sciences Fund (in each case, whether individually or as a group and including travel, lodging and meals), all costs related to the activities of the advisory board (including insurance for the benefit of the members of the advisory board and the limited partners they represent for the same purpose), and any reasonable stipends paid to members of the technical advisory board; and (xix) all other expenses approved by the advisory board (including, to the extent set forth in the Governing Documents, reasonable fees and expenses of legal counsel and other consultants engaged by the

advisory board) and all other similar expenses to those described in the Governing Documents.

If a co-investment vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by a Frazier Life Sciences Fund. As described in the Governing Documents for certain Frazier Life Sciences Funds, in the event that any potential investment of a Frazier Life Sciences Fund results in “broken-deal” fees and expenses and all or a portion of such fees and expenses are not paid or reimbursed by any potential co-investment vehicles, co-investors or other third-parties, as applicable, the Frazier Life Sciences Fund shall bear 100% of the amount of any such “broken-deal” fees and expenses. If a co-investment does close, the portion of any unreimbursed transaction expenses incurred by the Frazier Life Sciences Fund in connection with the ongoing monitoring of its investment in the applicable company and any other unreimbursed expenses incurred by the Frazier Life Sciences Fund with respect to such investment that are payable by the co-investors (if any) will be determined on a case-by-case basis. Frazier Life Sciences will have no obligation to cause co-investors to bear any expenses incurred by a Frazier Life Sciences Fund or to bear any particular portion of such expenses (and will have no obligation to pro rate or otherwise reduce the amount paid by a Frazier Life Sciences Fund in respect of any such expenses to take into account the co-investment). In certain cases, potential co-investors will not bear any subscription credit facility fees and expenses (including the costs of establishing, negotiating or maintaining the facility as a whole), which are generally allocated entirely to the applicable Frazier Life Sciences Fund that is the borrower under such facility. In addition, in certain cases, a Frazier Life Sciences Fund has borne and may in the future bear expenses in respect of an existing or prospective portfolio company that will not be borne by other owners or investors in such portfolio company (including co-investors or co-invest funds), where Frazier Life Sciences has determined such arrangement to be in the best interest of such Frazier Life Sciences Fund (e.g., a Frazier Life Sciences Fund engages or pays for a consultant for services in respect of a portfolio company without reimbursement by other owners of the portfolio company).

The types of other fees and expenses incurred and chargeable to a Frazier Life Sciences Fund will vary by each Frazier Life Sciences Fund. Investors should refer to the Governing Documents of each applicable Frazier Life Sciences Fund for more complete information.

Frazier Life Sciences has a fiduciary duty to the Frazier Life Sciences Funds to ensure that fees and expenses charged are appropriate and consistent with the Governing Documents of each Frazier Life Sciences Fund. As a general matter, Frazier Life Sciences Fund expenses typically will be allocated among all relevant Frazier Life Sciences Funds or co-invest vehicles receiving the benefit of such expenses (in the relevant General Partner’s sole discretion) and eligible to reimburse expenses of that kind. Additionally, Frazier Life Sciences must ensure that it allocates such fees and expenses in good faith and that it believes is fair and equitable across all relevant Frazier Life Sciences Funds, considering such factors as it deems relevant. The Frazier Life Sciences Funds have different expense reimbursement terms, including with respect to management fee offsets, which the allocations of such fees and expenses may not be proportional, and any such determination involve inherent matters of discretion, e.g., in determining which Frazier Life Sciences Funds or co-invest vehicles benefit (or the extent to which they benefit) from the relevant service relating to the expenses, or whether to allocate pro

rata based on asset size (including uncalled capital) or investment size, or in any manner determined fair and equitable, in the good faith judgment of Frazier Life Sciences. Further, Frazier Life Sciences reserves the right to consider each relevant Frazier Life Sciences Fund's strategy as a component of its allocation of investment expenses.

Although Frazier Life Sciences selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, Frazier Life Sciences has a potential incentive to recommend a particular service provider because of its financial or other business interest. There is a possibility that Frazier Life Sciences, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Frazier Life Sciences Funds or Frazier Life Sciences), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Frazier Life Sciences may not necessarily seek out the lowest cost options when incurring (or causing a Frazier Life Sciences Fund or its portfolio companies to incur) such expenses. Service provider expenses are required to be reimbursed whether or not there is overlap in expertise, function or services performed by Frazier Life Sciences personnel. Although Frazier Life Sciences generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived quality, sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. In certain circumstances where Frazier Life Sciences commits or has committed to seek "market" or "arms-length" rates or terms, Frazier Life Sciences will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. Frazier Life Sciences reserves the right to deem third-party investment in a transaction to be verification that the transaction was entered into at a value that is "arms-length." Consequently, Frazier Life Sciences undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking ultimately will be accurate, comparable or relate specifically to the assets, services, geographies or comparable markets to which such rates or terms relate. Where such rates or terms include hourly components, Frazier Life Sciences reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest. Whether or not Frazier Life Sciences has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Brokerage fees may be incurred in accordance with the practices set forth in Item 12 "Brokerage Practices" below.

Frazier Life Sciences does not receive any transaction-based compensation from the Frazier Life Sciences Funds for the sale of securities or other investment products to any Frazier Life Sciences Fund, however, if Frazier Life Sciences does receive transaction fees, such fees will be subject to a full management fee offset. Please refer to the subsection titled "*Economic Benefits Received from Third Parties*" in Item 14 below for information on types of compensation that Frazier Life Sciences may receive with respect to investments by the Frazier Life Sciences Funds.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

### *Performance-Based Fees*

As discussed under Item 5 “Fees and Compensation,” a related person of Frazier Life Sciences, as General Partner, will typically receive a carried interest based on a share of capital gains on or capital appreciation of the assets of such Frazier Life Sciences Fund as set forth in such Frazier Life Sciences Fund’s Governing Documents.

Any share of profits allocated and distributed to the General Partner is separate and distinct from the management fees charged by Frazier Life Sciences to such Frazier Life Sciences Fund for advisory services.

Performance-based carried interest arrangements may create an incentive for Frazier Life Sciences to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee or compensation arrangement. Please refer to the Governing Documents of each Frazier Life Sciences Fund for complete information on the “performance-based fee” arrangements of each Frazier Life Sciences Fund.

### *Side-by-Side Management*

Frazier Life Sciences is permitted to provide concurrent advisory services to Frazier Life Sciences Funds that are not charged a performance-based fee or carried interest and Frazier Life Sciences Funds that are charged a performance-based fee or carried interest. Frazier Life Sciences is also permitted to provide concurrent advisory services to Frazier Life Sciences Funds that are charged different performance-based fees or carried interest rates or that, based on investment results at a given time, are more likely to generate performance-based fees or carried interest. As a result, the potential for Frazier Life Sciences’ related persons to receive different fees or carried interest amounts creates a potential conflict of interest with respect to the allocation of investment opportunities because Frazier Life Sciences may have an incentive to direct or to allocate certain investments in favor of the account that pays a more favorable performance fee or carried interest (or pay a performance fee or carried interest sooner).

To mitigate this potential conflict of interest, the allocation of investment opportunities among Frazier Life Sciences Funds is made by Frazier Life Sciences in accordance with the applicable Frazier Life Science Fund’s investment allocation policy, which takes into account multiple criteria, and which may include but not be limited to: (i) whether or not a Frazier Life Science Fund has previously invested in the issuer of such investment, regardless of whether such prior investment would qualify as a an investment in securities of privately-owned companies or investments in securities of publicly-traded companies; (ii) the nature of the investment opportunity (including the size and anticipated follow-on investment requirements); (iii) each Frazier Life Science Fund’s concentration and diversification with regard to an issuer’s geography, commercial strategy and life sciences industry sector exposure(s); (iv) whether or not an attractive and suitable alternative investment opportunity is available; (v) the amount of capital available for investment by each Frazier Life Science Fund as well as each Frazier Life Science’s Fund projected future capacity for investment in a given commercial strategy and life

sciences industry sector; (vi) the existing and projected composition of each Frazier Life Science Fund's investment portfolio; (vii) each Frazier Life Science Fund's investment objectives and investment focus; (viii) each Frazier Life Sciences Fund's liquidity and reserves; (ix) each Frazier Life Science Fund's industry sector and exposure; (x) each Frazier Life Science Fund's minimum and maximum investment size requirements; (xi) tax implications for each Frazier Life Science Fund; (xii) legal, contractual or regulatory considerations of each Frazier Life Science Fund (including, without limitation, restrictions imposed on participation in "new issue" securities under Financial Industry Regulatory Authority Rules 5130 and 5131); and (xiii) any other relevant limitations imposed by, or conditions set forth in, the relevant Governing Documents of each Frazier Life Science Fund. In the event that investment opportunities are suitable for more than one Frazier Life Sciences Fund, Frazier Life Sciences and its related persons seek to derive an allocation that in their judgment is fair and equitable to each Frazier Life Sciences Fund relative to other Frazier Life Sciences Funds over the life of such Frazier Life Sciences Fund, taking into account all relevant facts and circumstances.

Subject to the prior paragraph, Frazier Life Sciences generally will allocate (a) new private investment opportunities to the new Frazier Life Sciences Fund, with any predecessor Frazier Life Sciences Fund potentially also being considered for new investment opportunities if it has available capital and is still permitted to invest in new portfolio companies under its Governing Documents, and (b) new public investment opportunities allocated by the applicable General Partners pursuant to the relevant Governing Documents the allocation policies of Frazier Life Sciences and the Frazier Life Sciences Funds.

A follow-on investment opportunity in an existing portfolio company generally will first be considered as an opportunity for the Frazier Life Sciences Fund that has an existing investment in that company. If more than one Frazier Life Sciences Fund has an existing investment in the portfolio company, the follow-on opportunity will first be considered as an opportunity for those Frazier Life Sciences Funds, in proportion to their pre-existing investments in the portfolio company. However, Frazier Life Sciences may determine that a non-pro rata follow-on investment is appropriate (for example, because one of the Frazier Life Sciences Funds does not have enough unreserved capital left to invest or would exceed certain limitations in the Frazier Life Sciences Fund's Governing Documents if it were to invest its pro rata amount). If, after Frazier Life Sciences has determined how much to invest for the Frazier Life Sciences Funds with priority on such opportunity, there is an additional amount potentially available to the Frazier Life Sciences Funds in respect of such opportunity, Frazier Life Sciences may consider that remaining amount for other Frazier Life Sciences Funds that are then making new investments, subject to any applicable provisions of the Frazier Life Sciences Funds' Governing Documents.

SearchCo investment opportunities will be determined and allocated to the appropriate Frazier Life Sciences Fund taking into account various factors including: (i) Frazier Life Sciences Fund reserves and available investment capital, (ii) compliance with the applicable limited partnership agreements, (iii) the background and industry of the venture partner/executive-in-residence associated with such SearchCo; (iv) the target investment thesis of the applicable Frazier Life Sciences Fund (for example, seeking potential spinout or licensing opportunities of interest to Frazier Life Sciences from pharma, biotech, and institutions and a particular indication or disease); (v) any then-current potential target acquisitions or licensing

opportunities, if any, of the Frazier Life Sciences Fund and applicable SearchCo; and (vi) current financing needs of the SearchCo.

After the applicable Frazier Life Sciences Fund(s) have received their desired portion of a new investment or follow-on investment opportunity, Frazier Life Sciences, in certain cases, has provided and may make additional amounts with respect to such investment opportunity (if any) available for co-investment to one or more current or prospective investors in the Frazier Life Sciences Funds or other third parties (including other sponsors, market participants, finders, consultants and other service providers, portfolio company management or personnel, Frazier personnel and/or certain other persons associated with Frazier and/or its affiliates). Factors that Frazier Life Sciences may consider in allocating any particular co-investment opportunity include, among others: (i) Frazier Life Sciences' perception of the strategic value of a prospective co-investor to the underlying investment opportunity; (ii) how quickly a prospective co-investor is able to conduct its own due diligence and provide a commitment with respect to an investment opportunity; (iii) the historical and expected stability in the investor's leadership and investment strategy; (iv) whether the prospective co-investor has indicated a desire to make investments of the type offered by the investment opportunity; (v) whether the prospective co-investor will represent a good syndicate partner in connection with the Frazier Life Sciences Fund's investment, including by giving confidence that it will be able to meet future investment needs of the business; (vi) any requirements or restrictions relating to such matters in the Frazier Life Sciences Fund's Governing Documents or "side letters"; and (vii) other factors relevant to the relationship of a particular investment opportunity to a given prospective co-investor. Although a prospective co-investor's willingness to invest in future Frazier Life Science Funds may be considered by Frazier Life Sciences, it generally will not be the sole determining factor considered by Frazier Life Sciences in identifying co-investors. Additionally, Frazier Life Sciences reserve the right to permit Frazier Advisors (as defined below), vendors or service providers to co-invest alongside the Frazier Life Science Funds. Furthermore, Frazier Life Sciences or their related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a lender or co-sponsor.

The Frazier Life Science's allocation of co-investment opportunities among investors may not, and often will not, result in proportional allocations among investors that have expressed interest in co-investment opportunities, and it is possible that certain investors may receive multiple opportunities to co-invest while others expressing interest in co-investments may receive none. In order to facilitate the acquisition of a portfolio company, a Frazier Life Science Fund reserves the right to make (or commit to make) an investment in the company with a view to selling a portion of the investment to co-investors or other persons prior to or following the closing of the acquisition. In such event, the relevant Frazier Life Science Fund will bear the risk that any or all of the excess portion of such investment may not be sold or may only be sold on unattractive terms, including for example the risk that a portion of the investment will be syndicated at reduced cost, at cost, or at a lower amount at a time when the General Partner believes the value of such investment has appreciated or should be higher than that paid (or willing to be paid) by a co-investor. To the extent such a syndication is made, the General Partner's interest in limiting the Frazier Life Science Fund's exposure to a given investment while providing a potential benefit to co-investors investing at such lower values will give rise to a potential conflict of interest. As a consequence of a failed co-investment syndication process or

a co-investment syndication on unattractive terms, the relevant Frazier Life Science Fund would be required to (i) bear the entire portion of any break-up, topping or other fees, costs and expenses related to such investment (including the proportionate share of such amounts that were expected to have been borne by co-investors), (ii) hold a larger-than-expected investment in such portfolio company, (iii) receive less-than-fair-market value for the syndicated portion of the investment, and/or (iv) be diluted or realize lower than expected returns from such investment.

Frazier Life Sciences Funds have and, in the future may, as permitted under their respective Governing Documents, cross-invest in portfolio companies in which other Frazier Life Sciences Funds already hold an interest. To the extent that multiple Frazier Life Sciences Funds hold an interest in the same portfolio company, it is Frazier Life Sciences' policy that disposition opportunities with respect to that investment will, to the extent practicable, be allocated among such Frazier Life Sciences Funds on a basis that, in the judgment of Frazier Life Sciences, is fair and equitable to each Frazier Life Sciences Fund relative to other Frazier Life Sciences Funds, taking into account all relevant facts and circumstances, including (without limitation): (i) the relative ownership percentages of the Frazier Life Sciences Funds in the applicable portfolio company; (ii) the strategies, guidelines and restrictions of each Frazier Life Sciences Fund under its Governing Documents; (iii) other relevant provisions in a Frazier Life Sciences Fund's Governing Documents or in other agreements related to the Frazier Life Sciences Fund's investment in such issuer; (iv) liquidity needs for each Frazier Life Sciences Fund and the investment cycle of a particular Frazier Life Sciences Fund; (v) respective holding periods for the investment; (vi) the nature and size of the disposition opportunity; (vii) current and anticipated market conditions; (viii) tax, legal or regulatory considerations; and (ix) the ability of a Frazier Life Sciences Fund to recycle capital.

## **Item 7 – Types of Clients**

Frazier Life Sciences only provides investment advice to pooled investment vehicles, such as the Frazier Life Sciences Funds. Investment advice is provided directly to such Frazier Life Sciences Fund and not individually to the limited partners of such Frazier Life Sciences Funds. The investors in the Frazier Life Sciences Funds have included and, in the future, may include corporations, financial institutions, funds-of-funds, governmental bodies or agencies, insurance companies, endowments, foundations, trusts, estates, high net worth individuals, and pension and profit-sharing plans. The Frazier Life Sciences Funds generally are not required to register under the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act") or register their securities under the U.S. Securities Act of 1933, as amended (the "Securities Act"), pursuant to various exceptions and exemptions provided under those statutes. As a result, Frazier Life Sciences generally offers limited partner (or equivalent) interests in the Funds to a limited number of "accredited investors" as defined in Regulation D under the Securities Act and, in most cases, exclusively to "qualified purchasers" or "knowledgeable employees" as defined under the Investment Company Act and the rules and regulations promulgated thereunder. The Frazier Life Sciences Funds generally require substantial minimum initial investments, which vary by fund from \$1 million to \$5 million. These minimum initial investments may be waived or reduced under certain circumstances by the General Partner.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

**Investing in securities involves risk of loss that clients should be prepared to bear.**

### *Investment Strategy*

Frazier Life Sciences generally seeks long-term capital appreciation through making investments in and creating biopharmaceutical companies in the global healthcare sector and developing novel therapeutics near value inflection points. The instruments in which Frazier Life Sciences invests include privately placed securities, debt securities and private investments in public equity securities (“PIPEs”), investments in mezzanine/cross-over stage companies as well as U.S. and non-U.S. public equities, including investments in special purpose acquisition vehicles (“SPACs”). Frazier Life Sciences attempts to employ a disciplined investment style and achieve diversification within the global healthcare sector, with the goal of creating attractive risk-adjusted returns.

When evaluating securities for investment, Frazier Life Sciences employs various valuation techniques and conducts extensive due diligence, including, but not limited to, company visits, discussions with company management, and qualitative and quantitative screening. Additionally, Frazier Life Sciences representatives may serve as members of, or observers on, portfolio companies’ boards of directors.

### *Investment Risks*

The strategies that Frazier Life Sciences employs entail a significant degree of risk and could result in substantial losses under certain circumstances. Accordingly, an investment in a Frazier Life Sciences Fund should be undertaken only by investors capable of evaluating and bearing the risks of the investment. Please refer to the Governing Documents of the applicable Frazier Life Sciences Fund for more complete information on the investment strategies employed by such Frazier Life Sciences Fund and corresponding risks associated with such investment strategies.

Such risks include those related to Frazier Life Sciences’ focus on the global healthcare sector as well as general risks related to investing in the types of funds and accounts that Frazier Life Sciences manages. Below are summaries of certain of those risks. Prospective fund investors are advised to review the applicable Governing Documents for a more extensive description of the risks of investing in any particular Frazier Life Sciences Fund or strategy.

**Risks of Investing in Healthcare Sector.** The Frazier Life Sciences Funds make investments in the healthcare industry, which is subject to regulatory controls by international, national, and, in some instances, local governmental authorities. The nature and scope of healthcare regulations are generally subject to political forces and market considerations, and recently, the U.S. government and other governments have shown significant interest in pursuing healthcare reform. New laws, regulations and judicial decisions, or new interpretations of existing laws, regulations and decisions that relate to healthcare availability, methods of delivery or payment for products and services, or sales, marketing or pricing, may have a material negative impact on the performance of portfolio companies that operate in this industry. Frazier Life Sciences cannot predict whether new legislation or regulations governing the healthcare industry will be



enacted by legislative bodies or governmental agencies, or what effect such legislation or regulations might have.

In the United States, healthcare providers often rely on governmental and other third-party payers, such as federal Medicare, state Medicaid and private health insurance plans to pay for all or a portion of the cost of the products and services they provide. Their ability to obtain appropriate coverage and reimbursement for their products and services from governmental and other third-party payers is critical to their success. The introduction of cost-containment incentives has and will continue to result in increased discounts and contractual adjustments to charges for products and services in the healthcare industry. Future legislative or administrative changes to the payment system in the United States could significantly reduce the amount of reimbursement available for the products and services provided by portfolio companies from governmental and other third-party payers or result in a denial of coverage entirely.

Further, companies in the healthcare industry are often subject to significant risks related to litigation and liability for damages in connection with their operations, or products and services offered. The litigation and liability environment in the healthcare industry is constantly evolving, and new judicial decisions and legislative activity may increase exposure to any of these types of claims. Even if liability insurance is maintained by a portfolio company, it may not be adequate to cover potential liabilities, including as a result of warranty and product liability claims.

Inflation Reduction Act. On August 16, 2022, President Biden signed into law the Inflation Reduction Act (“IRA”), an omnibus budget law which contains significant reforms affecting prescription drug pricing and reimbursement. These reforms include: (i) manufacturer inflation rebates on drugs covered under Medicare Part B and Medicare Part D, to the extent such products’ prices increase faster than the rate of consumer price inflation, beginning in the fourth quarter of 2022 for Part D drugs and the first quarter of 2023 for Part B drugs; (ii) limits on Medicare Part B and Part D patients’ cost sharing for insulin, beginning in 2023; (iii) Medicare Part D benefit redesign beginning in 2024, including replacement of the “coverage gap discounts” that pharmaceutical manufacturers currently pay with new mandatory manufacturer discounts applicable during all phases of the Part D benefit after satisfaction of the deductible, beginning in 2025; and (iv) federal price negotiation of “maximum fair prices” for certain “selected” high-expenditure drugs under Medicare Parts D and B, applicable beginning in 2026 for Part D drugs and 2028 for Part B drugs, under which maximum fair prices must be made available to pharmacies, physicians, and other entities dispensing or providing drugs covered under Medicare Parts D and B. Additionally, the Biden administration’s FY 2024 budget proposal included provisions that, if adopted by Congress, would expand and accelerate the IRA’s drug pricing rules and would increase the scope and breadth of drugs and reimbursement programs impacted by the IRA. Although the primary effects of the IRA reforms will be felt by manufacturers, Frazier Life Science Funds intend to invest in portfolio companies that will be active in the pharmaceutical and healthcare industries and that have been dependent upon the past price/compensation structure of prescription drugs. Therefore, Frazier Life Sciences Funds may be significantly and adversely impacted.

Nature of Early-Stage Investments. While early-stage investments offer the opportunity for significant capital gains, such investments involve a high degree of business and financial risk that can result in substantial losses. A portion of the Frazier Life Sciences Funds’ investments may be in companies in their early stage of development, many which have little or no operating

history. Many of these companies will operate at a loss, or with substantial variations in operating results from period to period. Many of these companies will need substantial additional capital to support additional research and development activities, expansion or to achieve or maintain a competitive position. Such companies may face intense competition, including from companies with greater financial resources, more extensive development, manufacturing, marketing and service capabilities and a larger number of qualified managerial and technical personnel. Any given investment made by the Frazier Life Sciences Funds may prove worthless and there is a risk that investors could lose their entire investment.

Risks Associated with Investments in Life Sciences and Healthcare Companies. The success of the Frazier Life Sciences Funds' portfolio companies may be dependent upon obtaining certain government approvals. Companies in the life sciences and healthcare industries typically require the approval of agencies such as the U.S. Food and Drug Administration (the "FDA") prior to marketing their products to the public. The approval process is very lengthy and very costly, and there can be no guarantee that a portfolio company will obtain the necessary approvals for its products. If a portfolio company is unable to obtain these approvals in a timely fashion, the portfolio company may experience significant adverse effects, which in turn could negatively affect the performance of the Frazier Life Sciences Funds. Moreover, the current regulatory framework may change or additional regulations may arise at any stage during the product development phase of a portfolio company, which may affect the company's ability to obtain approval of its products.

The Frazier Life Sciences Funds may invest in companies that will need to obtain patents for their products, both in the U.S. and in other countries. The patent protection of the intellectual property of healthcare technology companies in many countries is highly uncertain and involves complex legal, scientific and factual issues. The policy regarding allowable claimed subject matter of life sciences or healthcare technology patents varies from jurisdiction to jurisdiction.

Development and Regulatory Approval. The outcome of the lengthy and complex process of developing new products in the pharmaceutical industry is inherently uncertain and involves a high degree of risk and cost. Drug development is time-consuming, expensive and unpredictable. The process from development to regulatory approval can take many years. Drug candidates can and do fail at any stage of the process, including as the result of unfavorable clinical trial results, including unfavorable new clinical data and additional analyses of existing clinical data. There can be no assurance regarding the ability to meet anticipated clinical trial commencement and completion dates, regulatory submission and approval dates, or as to whether or when regulatory approval would be received, which will depend on the assessment by regulatory authorities of the benefit-risk profile suggested by the totality of the efficacy and safety information submitted. Decisions by regulatory authorities regarding labeling, ingredients and other matters could adversely affect the availability or commercial potential of our products. There is no assurance that we will be able to address the comments in complete response letters received with respect to certain drug applications to the satisfaction of the FDA. In addition, there are risks associated with interim data, including the risk that final results of studies for which interim data have been provided and/or additional clinical trials may be different from (including less favorable than) the interim data results and may not support further clinical development of the applicable product candidate or indication.

Additionally, the SEC has proposed and enacted significant rules that will impact the business of Frazier Life Sciences and the Frazier Life Sciences Funds. In particular, the SEC has adopted a number of new rules that impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose and/or adopt additional rules in the future. Such current and future rulemaking is expected to materially impact Frazier Life Sciences and its affiliates, the Frazier Life Sciences Funds and/or their investments. In addition, the Frazier Life Sciences Funds are expected to bear significant increased costs as a result of such rules, including costs relating to investor reporting and disclosures. Significant time and resources are expected to be required to comply with the new regulations, which potentially will detract from the time and resources dedicated to the Frazier Life Sciences Funds. Certain rules are or may become subject to legal challenge from private fund industry groups and others, and to the extent such legal challenges are successful, investors will not be afforded some or all of the protections provided by these rules.

Uncertainty Related to Health Care Reimbursement and Reform Measures. In both the U.S. and foreign markets, sales of a biotechnology company's products and its success will depend in part on the availability of reimbursement from third-party payors such as government health administration authorities, private health insurers, and other organizations. The levels of revenues and profitability of pharmaceutical companies may be affected by the continuing efforts of governmental and third-party payors to contain or reduce the costs of health care. Significant uncertainty exists as to the reimbursement status of newly approved health care products. There can be no assurance that a company's proposed products will be considered cost-effective or that adequate third-party reimbursement will be available to enable a company to maintain price levels sufficient to realize an appropriate return on its investment in product development.

Dependence on Single Products. Certain companies in which the Frazier Life Sciences Funds invest may only have one product under development. There can be no assurance that the product will be approved for marketing by the FDA or any foreign regulatory agency. Further, competition to the product may develop from other new and existing products. In either case, if a company is dependent on that one product, the consequences of such failure could be devastating to the prospects of such company, which in turn could negatively affect the performance of the Frazier Life Sciences Funds.

Financial Market Conditions and Fluctuations. Investments by certain Frazier Life Sciences Funds will principally be made in securities of private companies without an active trading market. Traditional exit opportunities for venture capital funds, such as certain Frazier Life Sciences Funds, have consisted primarily of initial public offerings and acquisitions of portfolio companies by publicly traded companies, often for stock. The ability of the Frazier Life Sciences Funds to sell securities and realize investment gains will depend upon favorable market conditions. Initial public offering and merger and acquisition opportunities may be limited or non-existent for extended periods of time, whether due to economic, regulatory or other factors. In addition, general fluctuations in the market prices of securities may affect the value of the investments held by the Frazier Life Sciences Funds. Either the lack of favorable market conditions or a highly volatile market could result in substantially lower liquidation values and substantially longer periods before liquidity is achieved and could reduce the internal rate of return ("IRR") that could be achieved by the Frazier Life Sciences Funds.

Non-U.S. Investments. The Frazier Life Sciences Funds may make investments in the securities of issuers that are organized, headquartered and/or have substantial sales or operations outside of the U.S. and Canada. Investing in non-U.S. securities may involve substantially greater risks than investing in U.S. securities including risks relating to: (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various foreign currencies in which the Frazier Life Sciences Funds' non-U.S. investments are denominated, and costs associated with conversion of investment principal and income from one currency to another; (ii) differences between the U.S. and non-U.S. securities markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets; (iii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements, and differences in government supervision and regulation; (iv) certain economic and political risks, including potential exchange control regulations, potential restrictions on foreign investments and repatriation of capital and the risks associated with political, economic or social instability, diplomatic developments, and the possibility of expropriation or confiscatory taxation; and (v) the possible imposition of non-U.S. taxes in income and gains recognized with respect to such securities. While Frazier Life Sciences will take these factors into consideration in making investment decisions for the Frazier Life Sciences Funds and intends to manage the Frazier Life Sciences Funds in a manner to minimize exposure to the foregoing risks, there can be no assurance that Frazier Life Sciences will be able to evaluate the risks accurately or that adverse developments with respect to such risks will not adversely affect the value or realization of investments that are held by the Frazier Life Sciences Funds in certain countries.

Non-Controlling Investments. The Frazier Life Sciences Funds, in some cases, make non-controlling investments in portfolio companies where the Frazier Life Sciences Funds may not be able to control or effectively influence the business or affairs of such entities. Portfolio companies in which the Frazier Life Sciences Funds' investments are made may have economic or business interests or goals which are inconsistent with those of the Frazier Life Sciences Funds, and the Frazier Life Sciences Funds may not be in a position to influence those interests or goals or otherwise protect the value of the Frazier Life Sciences Funds' investments in such entities. In addition, although the Frazier Life Sciences Funds may seek board representation in connection with their investments, there is no assurance that such representation, if sought, will be obtained. In many instances, the Frazier Life Sciences Funds will co-invest in a portfolio company with third parties. Such investments will involve additional risks not present in investments where a third party is not involved, including the possibility that the co-investor may have interests which could be or become inconsistent with those of the Frazier Life Sciences Funds.

Need for Follow-On Investments. Following their initial investment in portfolio companies, the Frazier Life Sciences Funds may be called upon frequently to provide additional funds to portfolio companies or will have the opportunity to increase their investment in a portfolio company. Although Frazier Life Sciences is permitted to use capital commitments to make follow-on investments, there is no assurance that the Frazier Life Sciences Funds and their co-investors will provide all necessary follow-on capital. Accordingly, third-party sources of financing or co-investors may be required, but there is no assurance that such additional sources of financing will be available, or if available, will be on terms favorable to the Frazier Life Sciences Funds. Furthermore, the Frazier Life Sciences Funds' capital is limited and may not be adequate to protect the Frazier Life Sciences Funds from dilution resulting from multiple rounds of

financings of portfolio companies. If the Frazier Life Sciences Funds do not have capital available to participate in subsequent rounds of financing, failure to participate may have a significant impact on the portfolio company as well as the value of the Frazier Life Sciences Funds' investment.

Leverage. Although the Frazier Life Sciences Funds do not intend to borrow, other than certain short-term borrowings, portfolio companies, intermediate entities and acquisition entities are permitted to borrow without limitation. While leverage presents opportunities for the Frazier Life Sciences Funds' total return it also has the effect of potentially constraining its ability to operate its business as desired and/or finance future operations and capital needs as well as potentially increasing losses. If income and appreciation of such portfolio companies are less than the required interest payment on the borrowings, the value of such portfolio companies, and thus of the Frazier Life Sciences Funds' net assets, may decrease or, in extreme cases, the lender could obtain the equity and the Frazier Life Sciences Funds could suffer a total loss. Accordingly, an event that adversely affects the value of an investment by the Frazier Life Sciences Funds may be magnified to the extent that a portfolio company is leveraged. These risks generally are expected to increase as interest rates rise, including in circumstances where a portfolio company's creditworthiness is such that it must borrow at higher interest rates than are available to the relevant Frazier Life Sciences Fund. Except where otherwise required by the relevant Governing Documents, a Frazier Life Science Fund will not be obligated to borrow on behalf of a portfolio company, even in circumstances where the Frazier Life Science Fund's creditworthiness would permit borrowing at a lower rate than is available to the portfolio company.

In certain circumstances, due to separate evaluations of creditworthiness by lenders or facility providers, a portfolio company or other Frazier Life Science Fund subsidiary is expected to bear higher rates under a borrowing facility than are borne by the Frazier Life Science Fund, resulting in a potential net benefit to the Frazier Life Science Fund, or additional potential liquidity constraints or other burdens on the relevant portfolio company or Frazier Life Science Fund subsidiary.

Investment- and Intermediate Entity-Level Borrowing. Under the Governing Documents each Frazier Life Sciences Fund is authorized to incur indebtedness that is secured by any assets of the Frazier Life Sciences Fund (*e.g.*, asset-based borrowing, as well as "back leverage" and net asset value ("NAV") facilities). Even though it presents many of the same risks as fund-level borrowing, indebtedness (including borrowing money from any person, making guarantees or providing other credit support to any person or incurring any other obligation, including other extensions of credit) directly or indirectly through one or more intermediate entities other than a Frazier Life Sciences Fund (including special purpose vehicles, portfolio companies, intermediate entities and acquisition entities) will not be treated as fund-level borrowing for purposes of the Governing Documents, even if the special purpose vehicles or other entities incurring such leverage engage in borrowings that are cross-collateralized with or among multiple investments such that multiple investments and a substantial portion of a Frazier Life Sciences Fund's value are at risk. As a result, these borrowings will not be subject to any limitations on fund-level borrowing in the Governing Documents. Indebtedness is permitted to be incurred for any purpose relating to the activities of the Frazier Life Sciences Fund, including without limitation to: finance any investment-related activities of the Frazier Life Sciences Fund; increase the buying power of the Frazier Life Sciences Fund; provide interim financing to the

extent necessary to consummate the purchase of investments prior to the receipt of permanent financing or capital contributions or distributions (as applicable); pay for Frazier Life Sciences Fund expenses or fund the payment of management fees; make, hold or dispose of investments; provide financing or refinancing; fund the payment of amounts to withdrawing limited partners; fund distributions to the partners; and/or provide collateral to secure outstanding letters of credit or to create reserves, in each case in accordance with the Governing Documents. Since Frazier Life Sciences has more flexibility to engage in these structures, Frazier Life Sciences has an incentive to incur significant leverage at the level of holding companies beneath a Frazier Life Sciences Fund. The negative performance of one asset may materially and adversely impact the performance of other investments or a Frazier Life Sciences Fund as a whole.

Illiquidity of Portfolio Investments. Certain Frazier Life Sciences Funds' investment portfolio will consist primarily of investments in private companies or investments in public companies that are private transactions with securities that may not be registered (such as PIPEs, CMPOs, and other similar structured transactions). There may not be a readily available market for such Frazier Life Sciences Funds' investments and most of such Frazier Life Sciences Funds' investments will be difficult to value. The securities in which the Frazier Life Sciences Fund will invest may be among the most junior in a portfolio company's capital structure, and thus subject to the greatest risk of loss. It is highly speculative whether and when a portfolio company will be able to register its securities so that the securities become eligible for trading in public markets.

Potential Engagement in Shorting or Hedging Investment Activities. Except with respect to transactions entered into for speculative purposes as set forth in the Frazier Life Sciences Fund's Governing Documents, the Frazier Life Science Funds are permitted to engage in any swap, forward, hedge or similar derivative financial transaction, including, but not limited to, the procurement of (i) any warrant, put, call, conversion or similar "long" rights; or (ii) any hedge designed to reduce or eliminate the risk of changes in the value of the Frazier Life Science Fund's assets or liabilities or to protect the Frazier Life Sciences Fund against fluctuations in currency exchange rates. For the avoidance of doubt, the Frazier Life Sciences Fund shall retain the ability to (a) acquire options or warrants exercisable for, or other securities convertible into, equity securities or assets at a pre-determined exercise price or conversion ratio; or (b) purchase derivative securities for the purpose of reducing the Frazier Life Science Fund's risk in holding the securities of portfolio companies. Trading such financial derivatives increases the exposure of the Frazier Life Sciences Fund to counterparty risk. Generally, the more active the trading in the markets included in the Frazier Life Sciences Fund, the higher the transaction costs incurred by all market participants in such trading. Competition for the same or similar positions in these markets may increase the cost of acquiring such positions, thereby reducing what would otherwise have been the value of the Frazier Life Science Fund's portfolio, increasing the cost of hedging contracts and negatively impacting the net asset value of the Frazier Life Science Fund.

United Kingdom ("UK") Exit from the European Union ("EU"). The UK formally left the EU on January 31, 2020 ("Brexit"). After a transition period that ended on December 31, 2020, EU rules ceased to apply in the UK.

Although the terms of the UK's future relationship with the EU were agreed in a trade and cooperation agreement the agreement does not include an agreement on financial services. In the absence of a formal agreement on this issue, UK firms in the financial sector have more

limited access to the EU market than prior to Brexit and EU firms similarly have more limited access to the UK, owing to the loss of passporting rights under applicable EU and UK legislation. Alternative arrangements and structures may allow for the provision of cross-border marketing and services between the EU and UK, but these are subject to legal uncertainty and the risk that further legislative and regulatory restrictions could be imposed in the future.

As a result of the onshoring of EU legislation in the UK, UK firms are currently subject to substantially many of the same rules and regulations as prior to Brexit. However, the UK Government has stated its intention to recast onshored EU legislation as part of UK legislation and regulation, which could result in substantive changes to regulatory requirements in the UK. It remains to be seen to what extent the UK may elect to implement or mirror future changes in the EU regulatory regime, or to diverge from the current EU-influenced regime over time. It is possible that the EU may respond to UK initiatives by restricting third country access to EU markets. If the regulatory regimes for EU and UK financial services change or diverge further, this could have an adverse impact on any Frazier Life Science Fund and its investments, including the ability of a Frazier Life Science Fund to achieve its investment objectives in whole or in part (for example, owing to increased costs and complexity and/or new restrictions in relation to cross-border access between the EU and non-EU jurisdictions).

The legal, political and economic uncertainty and disruption generally resulting from Brexit may adversely affect both EU- and UK-based businesses. Brexit has already led to disruptions in trade as businesses attempt to adapt cross-border procedures and rules applicable in the UK and in the EU to their activities, products, customers, and suppliers. Continuing uncertainty and the prospect of further disruption may result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

International Conflicts. Wars and other international conflicts, such as the Israeli-Palestinian conflict and the ongoing military conflict between Russia and Ukraine have caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place sanctions and other severe restrictions or prohibitions on certain of the countries involved, as well as related individuals and businesses. However, the ultimate impact of these conflicts and their effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Frazier Life Science Funds or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

These conflicts may have a significant adverse impact and result in significant losses to the Frazier Life Science Funds. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of a Frazier Life Science Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which any Frazier Life Science Fund intends to pursue, all of which could adversely affect the Frazier Life Science Fund's ability to fulfil its investment objectives.

Sanctioned Investors. If after subscribing to a Frazier Life Sciences Fund a limited partner is included on a list of prohibited persons maintained by a relevant regulatory or governmental authority (including OFAC or equivalent non-U.S. authorities) (a “Sanctions List”), the relevant General Partner will have the sole discretion to determine the resolution, remedy and manner of compliance of the Frazier Life Sciences Fund with applicable laws, including without limitation a “freeze” on distributions and/or capital calls from the relevant limited partner and reporting to the relevant authorities. Adverse actions by any such authorities, including temporary or permanent stays or holds on the Frazier Life Sciences Fund’s activities, could materially and adversely affect the Frazier Life Sciences Funds.

U.S. Taxation of Carried Interest. U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Frazier Life Science Funds as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three years. Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as a Frazier Life Science Fund (including any carried interest) as ordinary income for U.S. federal income tax purposes that under current law are treated as an allocation of the partnership’s income (and which may be taxed at lower rates than ordinary income). Such rules, as well as any such legislation that may be enacted in the future, could apply to reduce the after-tax returns of individuals associated with a Frazier Life Science Fund, its General Partner, or Frazier Life Sciences who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the relevant General Partner and its affiliates to incentivize, attract and retain individuals to perform services for a Frazier Life Science Fund. This creates potential incentives for Frazier Life Sciences to cause a Frazier Life Science Fund to hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist.

Changes to Benchmark Rates. To the extent that a Frazier Life Science Fund’s investments, borrowing facilities, hedging activities, or other assets or structures are tied to interest rates based on benchmark or reference rates, including the London Interbank Offered Rate (“LIBOR”), Secured Overnight Financing Rate (“SOFR”) or other rates (each, a “Benchmark Rate”), the Frazier Life Science Fund may be subject to certain material risks, including the risk that a Benchmark Rate is terminated, ceases to be published or otherwise ceases to be broadly used by the market. Regulators, central banks, governments and other market participants have transitioned historical instruments and contracts away from LIBOR to new Benchmark Rates. This transition includes the potential to: increase volatility or illiquidity in markets; cause delays in or reductions to financing options for the Funds and their portfolio companies; increase the cost of borrowing; reduce the value of certain instruments or the effectiveness of certain hedges; cause uncertainty under applicable legal documentation; or otherwise impose costs and administrative burdens relating to factors that include document amendments and changes in systems. Future transitions to and from Benchmark Rates have the potential to have similar effects.

Secondaries and other GP-Led Transactions. There continues to be a significant market for secondary sales, GP-led transactions, continuation funds, successor fund investments and other transactions. Many of these transactions involve an auction process run by an investment bank



and a buyer (or buyer group) that agrees to purchase all or a portion of one or more investments that will continue to be managed by Frazier Life Sciences following the transaction. Such transactions are permitted to be undertaken for various reasons, including, for example, to balance competing interests between offering liquidity to existing limited partners and maintaining exposure to an asset where Frazier Life Sciences believes there is the potential for additional value generation. Where undertaken, existing limited partners typically are offered certain options relating to receiving liquidity from the transaction or continuing to maintain exposure to the asset, assets or a new portfolio of assets (including a portfolio that combines assets from multiple Frazier Life Science Funds sponsored by Frazier Life Sciences and its affiliates), often on different terms than their original investment in the Frazier Life Sciences Fund. However, certain of such transactions are expected to involve: a limited partner investing (or being required to invest) additional capital in the existing Frazier Life Science Fund and/or other investment vehicles, a greater exposure to one or more particular portfolio companies, and/or a delay in the full liquidation of the Frazier Life Sciences Fund's investment. In other circumstances, even limited partners that elect to continue to hold a direct or indirect interest in the relevant portfolio company will have their interest adjusted as if distributed (i.e., a portion of such interest will be allocated to the relevant General Partner to the extent of its right to receive carried interest, if any), effectively diluting their interests.

Each of these transactions has the potential for conflicts between the interests of a Frazier Life Science Fund or limited partner and those of Frazier Life Sciences or any buyer group that typically are not applicable to more traditional investment sales. For example, in circumstances where Frazier Life Sciences or an affiliate will continue to manage and receive fees and/or performance-based compensation relating to the subject assets following the transaction, their incentives are expected to diverge from those of limited partners who elect to sell their interests. Similarly, there are potential conflicts of interest among the selling Frazier Life Science Fund, Frazier Life Sciences, the relevant General Partner and any buyer group relating to the valuation and consideration offered for the subject investment(s). To the extent Frazier Life Sciences requires existing limited partners and/or new buyers to commit capital to a continuation fund or another Frazier Life Sciences Fund managed by Frazier Life Sciences in addition to the purchase amount paid in a transaction (including commitments to the relevant Frazier Life Sciences Fund in specified ratios to the purchase price), such requirement is expected to have a dilutive effect on the purchase price for the selling Frazier Life Sciences Fund and its limited partners. There can be no assurance that any such transaction will accurately reflect the fair market value of the investment(s) being sold. Further, the relevant General Partner is expected to be incentivized, including through the possibility of receiving additional compensation, to make investments in portfolio companies with the view of holding such investments for longer periods of time or to make investments that it would not otherwise have made if the possibility of liquidity through a secondary transaction did not exist. Where co-investors historically have been invested in an investment subject to such a transaction, there can be no assurance that they will receive the same liquidity or other options as limited partners in the relevant Frazier Life Science Fund, and in such circumstances Frazier Life Sciences reserves the right to compel co-investors to receive cash or continue to hold an interest in the relevant investment. In other circumstances, certain limited partners will not be permitted to continue to maintain exposure to the asset(s) due to a lack of eligibility to invest in a continuation vehicle under relevant securities, tax or other considerations. Although relevant potential conflicts of interest are disclosed to limited partners and/or the relevant advisory committee(s) prior to the closing of

the transaction, there can be no assurance that Frazier Life Sciences will successfully identify all conflicts of interest or resolve or mitigate all such conflicts of interest in favor of a Frazier Life Science Fund or any individual limited partner or group of limited partners. However, Frazier Life Sciences reserves the right, in its sole discretion, to determine to engage in such transactions, subject to any approvals required in the relevant Governing Documents.

Data Privacy. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations in the United States, Europe and other jurisdictions (collectively, “Privacy Laws”) could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of Frazier Life Sciences, the General Partners, the Frazier Life Science Funds and/or their portfolio companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties or litigation, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Frazier Life Science Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for Frazier Life Sciences, the General Partners, the Frazier Life Science Funds and/or their portfolio companies, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

Certain jurisdictions, including U.S. states, have proposed, adopted or are considering similar Privacy Laws, which if enacted could impose significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include Frazier Life Sciences, the General Partners, the Frazier Life Science Funds and/or their portfolio companies.

Cybersecurity Breaches. Frazier Life Sciences, its service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect a Frazier Life Sciences Fund and/or its limited partners, despite the efforts of Frazier Life Sciences and its service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to a Frazier Life Sciences Fund and its limited partners. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of Frazier Life Sciences, its service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Frazier Life Sciences’ systems to disclose sensitive information in order to gain access to Frazier Life Sciences’ data or that of a Frazier Life Sciences Fund’s limited partners. A successful penetration or circumvention of the security of Frazier Life Sciences’ systems could result in the loss or theft of an investor’s data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with

system repairs. Such incidents could cause a Frazier Life Sciences Fund, Frazier Life Sciences and/or Frazier Life Sciences' service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. Similar types of operational and technology risks are also present for portfolio company investments, which could have material adverse consequences for such investments, and may cause a Frazier Life Sciences Fund's investments to lose value.

Use of Subscription Lines. The Frazier Life Sciences Funds have funded, and may in the future fund the financing of its operations, including the acquisition of, financing or refinancing investments, as well as consolidating or making less frequent capital calls to limited partners, with proceeds from drawdowns under one or more revolving credit facilities (the collateral for which can be, for example, the undrawn capital commitments of investors, i.e., subscription lines) prior to calling capital commitments. The interest expense and other costs of any such borrowings will be borne by the relevant Frazier Life Sciences Fund and, accordingly, may decrease net returns of such Frazier Life Sciences Fund. However, conflicts of interest have the potential to arise in that the use of such subscription lines typically delays the need for limited partner to make contributions to a Frazier Life Sciences Fund which in certain circumstances enhances the relevant Frazier Life Sciences Fund's return calculations and thereby may be deemed to benefit the marketing efforts of the General Partner and its affiliates and increases the likelihood that any hurdle or preferred return component in the Frazier Life Sciences Fund's carried interest arrangements will be met. A portfolio company financing from a subscription line, rather than from a Frazier Life Sciences Fund-level equity commitment, has the potential to increase such returns, particularly in instances where the relevant amount has been drawn for an extended period of time. In other circumstances the use of fund-level borrowing can increase the base of a Frazier Life Science Fund's management fee calculation, such as during periods where management fees are based in whole or in part on an acquisition cost that includes a borrowing component. In light of the foregoing, Frazier Life Sciences has an incentive to cause such vehicle to borrow in this manner in lieu of drawing down capital commitments, subject to the Governing Documents of each Frazier Life Sciences Fund. In addition, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if a Frazier Life Sciences Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder.

Public Health Emergencies; Coronavirus. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and, the Coronavirus Disease 2019 ("COVID-19") pandemic have resulted in historic market disruptions, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Frazier Life Science Funds.

The ultimate impact of any such health emergency — and any resulting decline in economic and commercial activity — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, but could have a significant adverse impact and result in significant losses to the Frazier Life Science Funds. The extent of the impact on the Frazier Life Science Funds' and their portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and

cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Frazier Life Science Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Frazier Life Science Funds intend to pursue, all of which could adversely affect the Frazier Life Science Funds' ability to fulfill their investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Frazier Life Science Funds, their portfolio companies, the General Partners and Frazier Life Sciences may be significantly impacted, or even temporarily or permanently halted, as a result of any such health emergencies, or any measures, restrictions, remote-working requirements and other factors related thereto, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Business Continuity Plans. In the event of unforeseen catastrophic events such as natural disasters, terrorist attacks and epidemics, Frazier Life Sciences will initiate its business continuity plan to safeguard that its employees have the resources and technology necessary to continue their responsibilities and meet portfolio company and investor needs. Frazier Life Sciences is not able to predict the level of disruption that such catastrophic events may have on its operation or the ability of its plan to succeed in a time of crisis. Thus, its business continuity plan may be insufficient to continue operating Frazier Life Sciences' business as usual in light of such unforeseen circumstances. Any insufficiency in the business continuity plan could cause interruptions in the operations of Frazier Life Sciences, the Frazier Life Sciences Funds and their portfolio companies, and/or each of their respective affiliates.

Financial Institution Risk; Distress Events. An investment in a Frazier Life Science Fund is subject to the risk that one or more of the Frazier Life Science Fund's banks, brokers, hedging counterparties, lenders to or other custodians of some or all of the Frazier Life Science Fund's assets (each, a "Financial Institution") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank and Signature Bank in March 2023 (each, a "Distress Event"). Distress Events can be caused by various factors, including eroding market sentiment, significant withdrawals (e.g., a bank run in which depositors collectively withdraw their balances within a short period of time), fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, Frazier Life Sciences, the Frazier Life Science Funds and/or their portfolio companies may not be able to access deposits, borrowing facilities or other services for an extended period of time or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, or the

Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance (including Frazier Life Science Fund assets maintained with qualified custodians pursuant to Rule 206(4)-2 under the Advisers Act) are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of Frazier Life Sciences to manage the Frazier Life Science Funds and their investments, and on the ability of Frazier Life Sciences, any Frazier Life Science Fund and/or portfolio companies to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Frazier Life Sciences is under no obligation to use a minimum number of Financial Institutions with respect to any Frazier Life Science Fund or to maintain account balances at or below the relevant insured amounts. Furthermore, such balances maintained by Frazier Life Sciences and the Frazier Life Science Funds are generally expected to fluctuate, including with respect to the Frazier Life Science Funds in connection with capital calls to limited partners and dispositions of investments, and certain balances will substantially exceed applicable deposit insurance.

#### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Frazier Life Sciences or the integrity of Frazier Life Sciences' management. Frazier Life Sciences has no information applicable to this Item.

#### **Item 10 – Other Financial Industry Activities and Affiliations**

Frazier Life Sciences is affiliated with the General Partners that are also investment advisers registered in accordance with SEC guidance under the Advisers Act pursuant to Frazier Life Sciences' registration. These affiliated investment advisers operate as a single advisory business together with Frazier Life Sciences. All of these advisers are under common control and subject to Frazier Life Sciences' code of ethics and compliance programs adopted pursuant to the requirements of the Advisers Act.

Frazier Life Sciences has an arrangement with Frazier Management, L.L.C. ("Frazier Healthcare"), a registered investment adviser with CRD# 157324, whereby certain persons are employees of both Frazier Life Sciences and Frazier Healthcare, and other persons at Frazier Healthcare provide certain back-office services to Frazier Life Sciences and its General Partners. Frazier Life Sciences will either share costs or reimburse Frazier Healthcare for the employees and services it provides. Additional information regarding Frazier Healthcare may be found in its Form ADV.

#### *Relationships with Related Persons*

Frazier Life Sciences and its related persons are, directly or indirectly, the general partners,

limited partners and/or managing members of the General Partner. Frazier Life Sciences and its related persons expect to spend substantially all of their business time on one or more of the Frazier Life Sciences Funds as required pursuant to the terms of each Frazier Life Sciences Fund's Governing Documents. This can create potential conflicts in the allocation of time, resources and investment opportunities among the Frazier Life Sciences Funds. Investors are requested to refer to the Governing Documents of each Frazier Life Sciences Fund for more complete information on the requisite time commitments (if any) of Frazier Life Sciences and its related persons to the Frazier Life Sciences Funds. Please also refer to the description of Frazier Life Sciences' investment allocation policy described in the subsection "*Side-by-Side Management*" in Item 6 above.

Employees of Frazier Life Sciences and its affiliates, in certain instances, serve as officers, advisors, directors or in comparable management functions for portfolio companies in which the Frazier Life Sciences Funds invest, or provide other services to portfolio companies, and have received, and may in the future receive, compensation in connection therewith. Employees of Frazier Life Sciences also have served, and may in the future serve, on the board of directors or a creditors committee of a portfolio company or be given access for other reasons to confidential information relating to companies in which the Frazier Life Sciences Funds invest. As a result, the Frazier Life Sciences Funds may, under certain circumstances, be prohibited for a period of time from engaging in transactions with respect to the debt or securities of such a portfolio company, which prohibition may have an adverse effect on the Frazier Life Sciences Funds.

Frazier Life Sciences employees invest in other private equity investment vehicles managed by other advisers.

Certain Frazier Advisors (as defined under Item 14 "Client Referrals and Other Compensation" below) with considerable senior-level operating experience are expected at times to serve in interim management roles at the portfolio companies in which the Frazier Life Sciences Funds invest. These individuals provide additional support and guidance to the portfolio company's management team. Deploying senior level talent to portfolio companies (which most young companies could not otherwise afford or attract) for a specific pre-determined period of time is a capital efficient manner for Frazier Life Sciences to add demonstrable value to its companies. In addition, having access to these individuals can help the portfolio company save critical time and scarce resources by avoiding the need to hire executive recruiters, interview potential recruits, negotiate compensation packages and then terminate the person when the specific job has been accomplished. The ability to deploy such individuals to portfolio companies enhances the opportunity set of investments that Frazier Life Sciences can pursue on behalf of its limited partners. To the extent provided by each Frazier Life Sciences Fund's Governing Documents, fees received by a Frazier Advisor from a portfolio company do not offset or reduce the management fees payable by the Frazier Life Sciences Funds. See Item 14 "Client Referrals and Other Compensation" for details on the treatment of compensation Frazier Advisors receive from portfolio companies.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

Frazier Life Sciences has adopted a Code of Ethics which sets forth its high standards of business conduct expected from Frazier Life Sciences' supervised persons, and Frazier Life Sciences'

fiduciary duty to its clients. The Code of Ethics sets forth Frazier Life Sciences' policies and procedures relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, political contributions, and outside business activities and personal securities trading procedures, among others. Under Frazier Life Sciences' Code of Ethics, all of its supervised persons have a duty to act in the best interests of the Frazier Life Sciences Funds and are required to promptly report all violations of the Code of Ethics to Frazier Life Sciences' Chief Compliance Officer. All supervised persons at Frazier Life Sciences must acknowledge the terms of the Code of Ethics annually, or as amended.

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the supervised persons of Frazier Life Sciences will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. In general, supervised persons of Frazier Life Sciences are not permitted to trade a security in their own personal accounts without pre-approval from the CCO if the security is included in the Global Industry Classification Standard 352010 Biotechnology or 352020 Pharmaceutical industry classification. Additionally, supervised persons of Frazier Life Sciences may not purchase securities in an initial public offering or private placement without the prior approval of the CCO and are not permitted to sell short, purchase options or engage in similar "betting against" transactions of portfolio company securities of a Frazier Life Sciences Fund, for so long as the portfolio company remains an investment in a Frazier Life Sciences Fund. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interests of Frazier Life Sciences' clients. Because the Code of Ethics in some circumstances would permit supervised persons to invest in the same securities as clients, there is a possibility that supervised persons might benefit from market activity by a client in a security held by a supervised person. Supervised persons' personal trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Frazier Life Sciences and its clients. Frazier Life Sciences' clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Steve Bailey, Chief Compliance Officer at (650) 325-5156.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Frazier Life Sciences' obligation of best execution. In such circumstances, the affiliated and client accounts will generally share commission costs equally and receive securities at a total average price. Frazier Life Sciences will retain records of the public security trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

Frazier Life Sciences anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Frazier Life Sciences has management authority to effect and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Frazier Life Sciences, its affiliates and/or clients, directly or indirectly, have a position of interest. Accordingly, Frazier Life Sciences may cause a Frazier Life Sciences Fund to engage in "cross transactions" via the purchase of a portfolio investment from, or the sale of a portfolio investment to, another Frazier Life Sciences Fund, provided that

the transaction is consistent with Frazier Life Sciences' fiduciary obligations to each Frazier Life Sciences Fund participating in the cross transaction and subject to any conditions or required consents under a Frazier Life Sciences Fund's Governing Documents. For example, a Frazier Life Sciences Fund has purchased and may in the future purchase securities of one or more portfolio companies that were "warehoused" by a Frazier Life Sciences Fund in contemplation of a transfer to a successor Frazier Life Sciences Fund and/or a still active SearchCo originally seeded by the predecessor Frazier Life Sciences Fund (or other affiliate) that the General Partner determines represents an appropriate investment opportunity of the Frazier Life Sciences Fund (i.e., where the predecessor Frazier Life Sciences Fund does not have enough unreserved capital left to continue to invest in the SearchCo). In such cases, the Frazier Life Sciences Fund will generally pay to the predecessor Frazier Life Sciences Fund the aggregate cost of the securities of SearchCo plus interest, subject to the Governing Documents of the applicable Frazier Life Sciences Funds. Where multiple Frazier Life Sciences Funds invest in the same company at different times, the first Frazier Life Sciences Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Frazier Life Sciences Funds. Frazier Life Sciences also reserves the right to determine that the willingness of a third party to make an investment on the same or similar terms demonstrates the fairness of the relevant transaction (including its value) to the Frazier Life Sciences Fund under then-current market conditions and therefore determine not to obtain a consent or fairness opinion (except where required by applicable law). Similarly, as described in the Governing Documents for certain Frazier Life Sciences Funds, if the potential investment or co-investment is not consummated, the full amount of any expenses relating to such potential but not consummated investment, if not paid or reimbursed by the co-invest fund or other co-investor, will be borne entirely by the primary Frazier Life Sciences Fund or Frazier Life Sciences Funds allocated such investment. Further, there can be no assurance that the relevant Frazier Life Sciences Fund and the other Frazier Life Sciences Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Frazier Life Sciences Funds.

Frazier Life Sciences may, affect principal transactions for the Frazier Life Sciences Funds. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account, buys from or sells any security to any advisory fund. Such transactions will be fully disclosed and the written consent of the appropriate Frazier Life Sciences Fund (which, in certain circumstances, may be provided by the Frazier Life Sciences Fund's advisory board) will be obtained prior to the consummation of any such transactions in accordance with Section 206(3) of the Advisers Act to the extent that such transactions constitute "principal transactions" under Section 206(3).

Conflicts of interest may arise because Frazier Life Sciences personnel may serve as directors of certain companies or other legal entities in which the Frazier Life Sciences Funds have invested. In those instances where the Frazier Life Sciences Funds are not the sole owners of the applicable company or other legal entity, in addition to any fiduciary duties the Frazier Life Sciences personnel owe to the Frazier Life Sciences Funds, as directors of companies or other legal entities, such personnel may owe certain duties to the owners of the companies or other legal entities and to persons other than the Frazier Life Sciences Funds. In general, such director positions are often important to the Frazier Life Sciences Funds' investment strategy and may have the effect of enhancing the ability of Frazier Life Sciences personnel to manage investments. However, such positions may place Frazier Life Sciences personnel in a position where a decision



must be made that is either not in the best interests of the Frazier Life Sciences Funds or not in the best interests of the owners of the company or other legal entity. Should such Frazier Life Sciences personnel make a decision that is not in the best interest of the owners of a company, such decision may subject Frazier Life Sciences and the Frazier Life Sciences Funds to claims that they would not otherwise be subject to as an investor, including claims of breach of the duty of loyalty, securities claims and other director-related claims. In addition, because of the potential conflicting duties, Frazier Life Sciences may be restricted in choosing investments for the Frazier Life Sciences Funds, which could negatively impact returns achieved by the Frazier Life Sciences Funds. In certain instances, Frazier Life Sciences personnel may serve on the board and/or have an interest in certain services providers that provide services to Frazier Life Sciences or the Frazier Life Sciences Funds' portfolio companies.

Additionally, employees of Frazier Life Sciences have in the past held significant operating roles with respect to a SPAC and/or collectively controlled the sponsor the SPAC which may give rise to certain conflicts of interest. When an affiliated SPAC is pursuing an acquisition opportunity, there may be a conflict of interest if such opportunity is appropriate for one or more of the Frazier Life Sciences Funds, and Frazier Life Sciences may have to make determinations relating to the allocation of investment opportunities similar to those arising between investment vehicles, as described in the subsection "*Side-by-Side Management*" in Item 6 above. The various considerations with respect to allocation of investment opportunities among investment vehicles would apply to any affiliated SPAC as well. In addition, while the relevant Frazier Life Sciences employees will continue to devote their time and attention to the investment activities of the Frazier Life Sciences Funds, they will have other obligations with respect to any affiliated SPAC where they serve as board members. In addition, these Frazier Life Sciences employees may regularly obtain confidential information regarding various target companies and other investment opportunities that would be imputed to all of Frazier Life Sciences. Therefore, if a Frazier Life Sciences employee receives confidential information with respect to a company, the Frazier Life Sciences Funds may face certain restrictions on their ability to pursue a transaction with that company or dispose of an investment.

Frazier Life Sciences have and may in the future cause Frazier Life Sciences Funds to make an investment in, or invest alongside, affiliated SPACs sponsored by affiliates of Frazier Life Sciences. In addition, in connection with the completion of an affiliated SPAC's business combination, Frazier Life Sciences Funds may acquire securities issued by the subsequently publicly traded company, to the extent Frazier Life Sciences allocates a portion of such investment opportunity to its clients in accordance with its allocation policies. An affiliated SPAC may also seek to acquire an issuer in which its clients already hold an interest, subject to Frazier Life Sciences' allocation policies. Such investments raise potential conflicts of interest since the value of the sponsor equity held by personnel and affiliates of Frazier Life Sciences is directly tied to the completion of a successful business combination of an affiliated SPAC. Therefore, Frazier Life Sciences' incentives to facilitate a successful business combination through an investment by its clients in PIPEs or other securities issued in connection with an affiliated SPAC's proposed business combination may present a conflict on the part of Frazier Life Sciences in determining whether its clients should participate in any PIPE opportunity pertaining to the affiliated SPAC. Furthermore, in the course of its activities for an affiliated SPAC, Frazier Life Sciences may become aware of investment and business opportunities which may be appropriate for clients and for the affiliated SPAC, and Frazier Life Sciences may be subject to a conflict of interest in determining to which entity a particular business or investment

opportunity should be allocated. As described above, investment opportunities will generally be allocated to and among those clients for whose participation in the respective opportunity is considered appropriate in accordance with Frazier Life Sciences' allocation policies.

Although a Frazier Life Sciences Fund's advisory board is intended to act as the representative of the Frazier Life Sciences Fund's limited partners in respect of certain matters, including addressing potential conflicts of interest, the Frazier Life Sciences Fund's advisory board may not have the same interests as all investors. Furthermore, the Frazier Life Sciences Fund's advisory board cannot be expected to be expert in such matters, and certain of its determinations may, in fact, adversely affect the performance of the Frazier Life Sciences Fund. The composition of an advisory board of a Frazier Life Sciences Fund may have substantial overlap with the composition of an advisory board for another Frazier Life Sciences Fund which could lead to conflicts of interest if there are transactions between such Funds that require advisory board approval. The authority and composition of each Frazier Life Sciences Fund advisory committee is set forth in the Governing Documents and may differ between Frazier Life Sciences Funds. Investors should refer to the Governing Documents of the relevant Frazier Life Sciences Fund for further information on the Frazier Life Sciences Fund's advisory committee.

The Governing Documents provide Frazier Life Sciences with wide-ranging authority to make determinations, including those related to investment purchases and dispositions (and their timing), valuation and other matters that have the potential to affect Frazier Life Sciences' compensation. In making such determinations, Frazier Life Sciences is subject to potential conflicts of interest. For example, the potential to earn additional compensation creates an incentive for Frazier Life Sciences or its affiliates to make investments and to hold investments longer than otherwise would be the case in the absence of the management fee and carried interest compensation arrangements. Frazier Life Sciences expects to be incentivized to cause a Frazier Life Sciences Fund to make, hold, value and/or dispose of investments (and to delay or forego a determination that the investments are disposed of or completely written off for U.S. federal income tax purposes, in the manner described in the Governing Documents (such investments, "Impaired Value Investments")) in order to receive greater ongoing management fees and, potentially, larger carried interest distributions than would otherwise be the case.

Where the management fee is calculated taking into account the valuation of an investment, including a determination of whether an investment has become an Impaired Value Investment, Frazier Life Sciences will have incentives to make determinations that result in the continued payment of, or a higher, management fee. Additionally, the amount of carried interest owed to the relevant General Partner is dependent in part on the amount and timing of investment dispositions, as well as in certain instances determinations that investments are Impaired Value Investments, and the relevant General Partner expects to be subject to related potential conflicts of interest in determining whether and when to dispose of investments, make distributions, and/or determine that an investment is an Impaired Value Investment, within the requirements of the Governing Documents.

The criteria used by Frazier Life Sciences in valuing an investment, or determining whether an investment is an Impaired Value Investment, have the potential to be subjective, to be influenced by market information and other factors, and to vary over time. There can be no assurance that a third party or investor would agree with the substance or timing of Frazier Life Sciences' determination that an investment is an Impaired Value Investment, and, except as set forth in

the Governing Documents, none of Frazier Life Sciences nor its affiliates is obligated to follow any third-party methodology in making its determination on whether an investment meets the relevant standards or whether value can be recovered or retained during the relevant Frazier Life Sciences Fund's holding period. The relevant General Partner is entitled to make its own determination taking into account all facts and circumstances it deems relevant, subject to the provisions of the relevant Governing Documents. As a general matter, the standards for determining Impaired Value Investments are intended to be high and are not intended to apply to investments experiencing partial or temporary declines in value. Because the amount of Frazier Life Sciences' compensation is dependent in part on an investment's status as an Impaired Value Investment, Frazier Life Sciences faces potential conflicts of interest in determining whether an investment meets, or continues to meet, the relevant criteria. For example, under the Governing Documents for the Frazier Life Sciences Funds only once a permitted investment has been disposed of or completely written off for U.S. federal income tax purposes, as determined by the relevant General Partner in its sole discretion, will the management fee base be reduced accordingly (except with regard to the management fee base of FLSPF, which is comprised in part of the fair market value of FLSPF's investments, and which may be reduced on the applicable determination date following a reduction in the fair market value of any such investment, even if the relevant investment has not yet been completely written off for U.S. federal income tax purposes). As a result, management fees are permitted to be charged with respect to a permitted investment (which, for the avoidance of doubt, includes all permitted investments in a portfolio investment in the aggregate) even after it has been written off for accounting purposes, and the relevant General Partner is incentivized to delay writing off Frazier Life Sciences Fund investments.

Although the Governing Documents generally contain broad exculpation and indemnification provisions, Frazier Life Sciences will not interpret such provisions to constitute a waiver of any person's non-waivable federal fiduciary duties to the relevant Frazier Life Sciences Fund under the Advisers Act.

As a general matter, Frazier Life Sciences will determine all matters relating to structuring transactions and Frazier Life Science Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Frazier Life Science Funds. While Frazier Life Sciences endeavors at all times to act in the best interests of the Frazier Life Sciences Funds, investors should be aware that the types of transactions described above create potential conflicts of interest with respect to Frazier Life Sciences and the Frazier Life Sciences Funds.

## **Item 12 – Brokerage Practices**

Frazier Life Sciences is responsible for implementing each Frazier Life Sciences Fund's investment objectives and strategies, as set forth in the applicable Frazier Life Sciences Fund's Governing Documents.

Frazier Life Sciences typically utilizes broker-dealers to purchase public portfolio investments for the Frazier Life Sciences Funds. When it does, Frazier Life Sciences does so in accordance with its duty to seek best execution for the Frazier Life Sciences Funds. The Frazier Life Sciences Funds will come into possession of publicly traded securities (as a result of IPOs, open market

transactions, confidentially marketed public offerings, mergers of Frazier Life Sciences Funds' portfolio companies with public companies or similar transactions with public companies) and Frazier Life Sciences will then need to select a broker-dealer to either sell such shares or distribute them to the investors in the Frazier Life Sciences Funds. In selecting broker-dealers to effect such securities transactions, Frazier Life Sciences seeks to obtain best execution by considering factors including, but not limited to, execution quality, price, the level of service offered, reliability, experience in liquidating distributions from private equity funds and such other factors as Frazier Life Sciences considers relevant and beneficial to the Frazier Life Sciences Funds. Although Frazier Life Sciences generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent.

Frazier Life Sciences has established allocation and aggregation procedures for the allocation of portfolio investment transactions among the Frazier Life Sciences Funds. The allocation and aggregation procedures are designed to ensure that each Frazier Life Sciences Fund is treated fairly and that transactions are allocated in a manner that is fair and equitable to each Frazier Life Sciences Fund relative to the other Frazier Life Sciences Funds, taking into account all relevant facts and circumstances. Frazier Life Sciences will always take into account each Frazier Life Sciences Fund's investment objectives and investment allocation policy in the allocation process. Please also refer to the description of Frazier Life Sciences' investment allocation policy described in the subsection "*Side-by-Side Management*" in Item 6 above.

### **Item 13 – Review of Accounts**

With respect to the Frazier Life Sciences Funds that invest generally in private, illiquid investments, the investment portfolios of such funds are generally long-term in nature and accordingly, Frazier Life Sciences' review of them is generally not directed toward a short-term decision to dispose of securities. However, with respect to all of the Frazier Life Sciences Funds, Frazier Life Sciences closely monitors the portfolio companies of the Frazier Life Sciences Funds and generally maintains an ongoing oversight position in such portfolio companies. The Frazier Life Sciences Fund portfolios are reviewed regularly by the investment professionals and such reviews typically include the composition of the portfolios, relevant pricing information, risk exposure and compliance with any specific portfolio guidelines. Frazier Life Sciences' Chief Financial Officer and Chief Compliance Officer reviews the accounts of each of the Frazier Life Sciences Funds on a quarterly basis and periodically checks to confirm that each Frazier Life Sciences Fund is maintained in accordance with its stated objectives.

Clients generally receive audited annual financial statements, information about their accounts quarterly as well as when a Frazier Life Sciences Fund makes an investment or a distribution. Account statements generally outline the type and size of the investments comprising the relevant client's portfolio.

Investors should refer to the Governing Documents of the relevant Frazier Life Sciences Fund for further information on the reports provided by a particular Frazier Life Sciences Fund to its investors. In addition to the information provided to all investors, Frazier Life Sciences may in circumstances (e.g., in connection with a co-investment opportunity) provide certain investors with additional information with respect to a Frazier Life Sciences Fund or a portfolio company or provide more frequent reports that other investors will not necessarily receive.

## **Item 14 – Client Referrals and Other Compensation**

### *Economic Benefits Received from Third Parties*

In connection with investments made by Frazier Life Sciences Funds, Frazier Life Sciences (or its affiliates or employees) have received, and may in the future receive, directors' fees, officers' fees, topping fees, monitoring fees, success fees, servicing fees, consulting fees, organizational fees, set-up fees, advisory fees, underwriting fees, syndication fees, closing fees, commitment fees, structuring fees, transaction fees, managing or other similar fees (whether in cash, options, warrants or other equity securities, but excluding reimbursements of certain out-of-pocket expenses) ("Supplemental Fees") from portfolio companies in which one or more of the Frazier Life Sciences Fund invests or intends to invest. Frazier Life Sciences (or its affiliates or employees) have received, and may in the future receive, a "break-up" fee from a prospective portfolio company if an investment does not close for certain reasons after a letter of intent related to such investment has been signed with such portfolio company. The amount of any Supplemental Fees that Frazier Life Sciences (or its affiliates or employees) receives from portfolio companies is typically determined by negotiations between Frazier Life Sciences and the applicable portfolio companies.

These types of arrangements present potential conflicts of interest and provide Frazier Life Sciences with an incentive to recommend investments that pay Supplemental Fees. To help mitigate potential conflicts, such benefits or fees received by Frazier Life Sciences (or its affiliates or employees) in connection with services rendered to portfolio companies or transactions of a Frazier Life Sciences Fund are generally offset in whole or in part (and therefore reduce) management fees payable by the relevant Frazier Life Sciences Fund, in accordance with the Governing Documents of such Frazier Life Sciences Fund subject to certain exclusions as set forth in the Governing Documents of each Frazier Life Sciences Fund. For example, the following benefits or fees received will generally not offset the management fee payable by certain Frazier Life Sciences Funds: (1) reimbursement of expenses received from companies for incubator services provided by Frazier Life Sciences or its affiliates, including rent and overhead charges, telecommunications and other office charges and charges for clerical or accounting services, (2) fees received by any partner of the General Partner, a principal or any employee of Frazier Life Sciences for serving as an interim officer of any portfolio company, (3) reimbursement of legal, consulting, travel and similar expenses incurred with respect to a prospective, existing or former portfolio company, (4) any fees or remuneration paid to a Frazier Advisor by a Frazier Life Sciences Fund, its affiliates or a prospective or existing portfolio company, (5) indemnification rights received by the General Partner, Frazier Life Sciences, a principal or affiliate thereof, in its capacity as a director, officer or similar position of a portfolio company, (6) fees received by certain principals of Frazier Life Sciences in respect of certain roles at portfolio company, and (7) fees received from another company which fees do not relate to an actual or proposed investment by a Frazier Life Sciences Fund, as reasonably determined by the relevant General Partner. If the amount of such fees received exceeds the management fee payable in the following year, such excess will be carried forward to reduce the management fee payable in subsequent years.

Frazier Life Sciences generally has discretion over whether to charge Supplemental Fees to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a portfolio company's holding or operating structure. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of Supplemental Fees generally will give rise to potential conflicts of interest between the Frazier Life Sciences Fund, on the one hand, and Frazier Life Sciences, on the other hand.

Frazier Life Sciences and its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Frazier Life Sciences Funds that will not be subject to the management fee offset or otherwise shared with the Frazier Life Sciences Funds, investors and/or portfolio companies. For example, in the course of Frazier Life Sciences' operations, including research, due diligence, investment monitoring, operational improvements and investment activities, Frazier Life Sciences and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to Frazier Life Sciences Funds or portfolio company operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "Frazier Information"). In many cases, Frazier Information will include tools, procedures and resources developed by Frazier Life Sciences to organize or systematize Frazier Information for going or future use. Although Frazier Life Sciences expects the Frazier Life Sciences Funds and their portfolio companies generally to benefit from Frazier Life Sciences' possession of Frazier Information, it is possible that any benefits will be experienced solely by other or future Frazier Life Sciences Funds or portfolio companies (or by Frazier Life Sciences, its affiliates and personnel) and not by the Frazier Life Sciences Fund or portfolio company from which Frazier Information was originally received or derived. Frazier Information will be the sole intellectual property of Frazier Life Sciences and solely for the use of Frazier Life Sciences. Frazier Life Sciences reserves the right to use, share, license, sell or monetize Frazier Information, without offsetting or otherwise reducing management fees, and the relevant Frazier Life Sciences Fund or portfolio company will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization. Additionally, airline travel or hotel stays incurred as fund or account expenses typically result in cash rebates, "miles," "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to Frazier Life Sciences and/or such personnel (and not the Frazier Life Sciences Funds, investors and/or portfolio companies) even though the cost of the underlying service is borne by the Frazier Life Sciences Funds, investors and/or portfolio companies; no such rewards will offset or reduce management fees.

Frazier Life Sciences, its affiliates or its portfolio companies have and will in the future employ, engage or retain one or more (i) investment professionals to serve as "venture partners", "entrepreneurs-in-residence" ("EIR") or "operating professionals" to help source investment opportunities as well as serve as executives of or consultants to the Frazier Life Sciences Funds' portfolio companies, (ii) industry executives to serve as "senior advisors" to provide Frazier Life Sciences and/or any General Partner advice on general industry trends as well as potentially serve as executives or consultants to the Frazier Life Sciences Funds' portfolio companies, and (iii) industry experts and other professionals to provide specific legal, structural, organizational, human capital, recruiting, regulatory, financial and similar types of specialized advice to provide Frazier Life Sciences and/or any General Partner and the Frazier Life Sciences Funds' portfolio companies with operational and financial expertise during the due diligence phase of a

prospective portfolio investment as well as serve as consultants to portfolio companies (each such person, a “Frazier Advisor”). [Frazier Advisors include employees of a subsidiary of Frazier Life Sciences and independent contractors. Frazier retains Frazier Advisors to provide services (including to serve as a member of the board of directors) to or to otherwise consult with portfolio companies of the Frazier Life Sciences Funds. If a portfolio company directly engages any Frazier Advisor, such portfolio company shall bear the expenses in connection with such services, including the compensation of such Frazier Advisor, and therefore the relevant Frazier Life Sciences Fund shall indirectly bear the expense of such services in proportion to its contribution to the operating capital of such portfolio company. Any remuneration, whether in cash, equity, options, restricted stock, warrants, retainers, discretionary bonuses, transaction fees, a profits, participation, equity or in-kind interest (including for reimbursement for certain travel and other costs in connection with their services and for reimbursement of expenses incurred by a Frazier Advisor in connection with the formation and capitalization of a seed-stage company organized by a Frazier Life Sciences Fund and managed by a Frazier Advisor for the purpose of identifying one or more assets to license and/or develop into a potential portfolio company (a “SearchCo”) by a Frazier Life Sciences Fund and managed by a Frazier Advisor), paid to a Frazier Advisor by the Frazier Life Sciences Fund, Frazier Life Sciences, the General Partner, a SearchCo or a prospective or existing portfolio company may be material in amount and will generally not offset or reduce the management fee. Additionally, certain Frazier Advisors are permitted to be compensated directly or indirectly by a Frazier Life Sciences Fund while such Frazier Advisors are actively engaged in seeking investment opportunities for such Frazier Life Science Fund on behalf of a SearchCo. A Frazier Advisor will have his or her compensation paid by a SearchCo, the SearchCo will fund Frazier Advisor expenses such as office lease and travel, and the Frazier Advisors are permitted to receive significant equity in that SearchCo, and also are permitted to invest in portfolio companies of the Frazier Life Sciences Fund. Frazier Advisors’ that are employees of Frazier Life Sciences, or a subsidiary of Frazier Life Sciences, will have their compensation paid by Frazier Life Sciences and the relevant SearchCo will reimburse Frazier Life Sciences for their compensation and benefits. Frazier Advisors are expected to include former employees of Frazier Life Sciences or certain current and former portfolio companies, and in some circumstances former Frazier Advisors are expected to become Frazier Life Sciences employees or employees of portfolio companies. Consequently, the determination of whether individuals are Frazier Advisors is expected to vary and/or be revisited, which poses potential conflicts of interest where certain changes in status or categorization would reduce costs that Frazier Life Sciences otherwise would be required to bear.

To the extent any Frazier Advisor provides services directly to Frazier Life Sciences during the same period in which such Frazier Advisor is providing services to one or more portfolio companies, Frazier Life Sciences bears a portion of the compensation payable to such Frazier Advisor allocable to services provided to Frazier Life Sciences and not directly to such portfolio companies. As noted above under Item 5 “Fees and Compensation”, the applicable Frazier Life Sciences Fund bears all costs and out-of-pocket expenses incurred by the Frazier Advisors in performing such services for such Frazier Life Sciences Fund, including any expenses incurred by a Frazier Advisor in connection with the formation, operation and capitalization of a SearchCo owned by a Frazier Life Sciences Fund and managed by such Frazier Advisor, and whether or not there is overlap in expertise, function or services performed by Frazier Life Sciences personnel. Finally, certain Frazier Advisors, through their limited partner interests in the General Partner, are permitted to be allocated or distributed a portion of the General Partner’s carried interest received from the Frazier Life Sciences Funds. Such carried interest does not offset or reduce the



management fees payable by the Frazier Life Sciences Funds.

For its company creation efforts, Frazier Life Sciences will set up a SearchCo with either a venture partner or an EIR. Typically, the SearchCo is set up as follows: (1) the Frazier Life Sciences Fund will control the board of directors and own a majority of the common stock of the entity, (2) the venture partner or EIR, as applicable, will sit on the board of directors and own a minority of the common stock of the entity, (3) the SearchCo will be funded by a Frazier Life Sciences Fund, typically in the form of a convertible promissory note that converts at a discount into any future equity financing round or that has a premium return in the event of a change of control, and (4) the proceeds of the convertible promissory note are used by the SearchCo both to compensate the venture partner or EIR, as applicable, and to cover expenses (rent, travel, etc.) incurred by the SearchCo and venture partner or EIR, as applicable, as they seek an asset to in-license or develop. In the event that the SearchCo is unsuccessful, the investment by the Frazier Life Sciences Fund can be written off (e.g., if the venture partner or EIR finds a separate opportunity and will no longer be seeking an asset). If the SearchCo is successful in finding an asset to in-license or develop, the returns received by the relevant venture partner or EIR may be substantial.

Please refer to the Governing Documents of the relevant Frazier Life Sciences Fund for more complete information about management fee offsets.

#### *Third Party Compensation for Investor Referrals*

Frazier Life Sciences and related persons of Frazier Life Sciences have previously, and may in the future, entered into cash compensation arrangements with unaffiliated placement agents, or third parties for introducing investors to a Frazier Life Sciences Fund. Any sales charge or placement fee associated with such arrangements will ultimately be payable by Frazier Life Sciences and/or its related persons, either directly or through an offset of the management fee payable by the relevant Frazier Life Sciences Fund to Frazier Life Sciences. Notwithstanding the foregoing, generally, reasonable out-of-pocket expense reimbursements and indemnification payments (if any) to such placement agents or third parties will each be borne by the Frazier Life Sciences Funds and not Frazier Life Sciences.

#### **Item 15 – Custody**

Frazier Life Sciences does not have physical custody of any client funds and securities (other than certain privately offered securities to the extent permitted by the Advisers Act and related SEC interpretive guidance). Frazier Life Sciences and its related persons will be deemed to have custody of the funds and securities of the Frazier Life Sciences Funds as a result of its and its related persons' authority over the Frazier Life Sciences Funds. Other than as mentioned above, Frazier Life Sciences maintains such funds and securities with qualified custodians.

It is Frazier Life Sciences' policy to cause each Frazier Life Sciences Fund with funds and securities over which Frazier Life Sciences and its related persons are deemed to have "custody" (within the meaning of Advisers Act Rule 206(4)-2) to be audited annually and distribute audited financial statements, prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), to investors no later than 120 days after the end of each fiscal year. In addition, upon



the final liquidation of any such Frazier Life Sciences Fund, Frazier Life Sciences will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Frazier Life Sciences Fund to all investors promptly after completion of the audit. Investors will not receive account statements from the bank or other qualified custodian holding physical custody of the Frazier Life Sciences Funds' assets.

#### **Item 16 – Investment Discretion**

Frazier Life Sciences is responsible for implementing each Frazier Life Sciences Fund's investment objectives and strategies, as set forth in the applicable Frazier Life Sciences Fund's Governing Documents. Frazier Life Sciences has full discretionary authority over the investment activities of each Frazier Life Sciences Fund pursuant to each Frazier Life Sciences Fund's Governing Documents. Any limitations on Frazier Life Sciences' discretionary authority with respect to a Frazier Life Sciences Fund's investments are set forth in that Frazier Life Sciences Fund's Governing Documents. Frazier Life Sciences' investment advice is provided directly to the Frazier Life Sciences Funds and not to investors in the Frazier Life Sciences Funds individually. Frazier Life Sciences is not required to contact investors in the Frazier Life Sciences Funds prior to transacting any business for the Frazier Life Sciences Funds.

To invest in a Frazier Life Sciences Fund, an investor must execute a subscription agreement (or similar agreement) with such Frazier Life Sciences Fund. Investors in a Frazier Life Sciences Fund may seek to impose limitations on Frazier Life Sciences' authority with respect to such Frazier Life Sciences Fund through "side letter" or similar agreements, and Frazier Life Sciences, in its discretion, may choose to accept limitations or restrictions that it considers to be reasonable and consistent with the general investment strategy described in such Frazier Life Sciences Fund's Governing Documents.

#### **Item 17 – Voting Client Securities**

Frazier Life Sciences has adopted policies and procedures regarding the voting of proxies as is required under Rule 206(4)-6 under the Advisers Act. These policies and procedures are designed to ensure that proxies received with respect to securities in Frazier Life Sciences Fund accounts where Frazier Life Sciences exercises voting discretion are voted in the best interests of such Frazier Life Sciences Funds and that Frazier Life Sciences maintains records of its proxy voting in compliance with the Advisers Act.

Frazier Life Sciences will vote proxies consistent with general guidelines that Frazier Life Sciences has adopted and which Frazier Life Sciences believes reflect the best interests of its investors, after taking into consideration all relevant facts and circumstances at the time of the vote. Frazier Life Sciences reviews each proposal submitted to the Frazier Life Sciences Funds for a vote on a case-by-case basis. When exercising its voting authority with respect to securities held by a Frazier Life Sciences Fund, Frazier Life Sciences considers information related to the applicable company, evaluates other issues that could have an impact on the value of the Frazier Life Sciences Fund's investment in the applicable company and votes with a view toward maximizing overall value to the Frazier Life Sciences Fund.

Prior to exercising its voting authority, the Frazier Life Sciences related person with primary

responsibility for the applicable portfolio company, in consultation with Frazier Life Sciences' Chief Compliance Officer and outside counsel, if appropriate, reviews the relevant facts and determines whether or not a material conflict of interest may arise due to business, personal or family relationships of Frazier Life Sciences or any of its supervised persons or affiliates. If a material conflict exists, Frazier Life Sciences takes steps to ensure that its voting decision is based on the best interests of the applicable Frazier Life Sciences Fund and is not a product of the conflict. Frazier Life Sciences may, at its discretion, (1) seek the advice of the applicable advisory committee of a Frazier Life Sciences Fund (if any) in voting such security; (2) disclose the conflict of interest to the applicable advisory committee of a Frazier Life Sciences Fund and defer to the recommendation of such advisory committee; (3) (in the case of a publicly traded company) defer to the voting recommendation of an independent third party provider of proxy voting services; and/or (4) take such other actions in good faith (in consultation with Frazier Life Sciences' outside counsel, if necessary) which would serve the best interest of the Frazier Life Sciences Fund. Depending on the particular circumstances involved, the appropriate resolution of one conflict of interest may differ from the resolution of another conflict of interest, even though the general facts underlying both conflicts may be similar (or identical).

Frazier Life Sciences will provide to any investor at no cost a copy of these voting policies and procedures and information regarding how the applicable Frazier Life Sciences Fund's proxies have been voted in the past. Investors or prospective investors wishing to receive Frazier Life Sciences' proxy voting policies and procedures should contact Frazier Life Sciences by telephone at 650-325-5156 during normal business hours.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Frazier Life Sciences' financial condition. Frazier Life Sciences has no financial condition that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.