



**Information required under the EU
Sustainable Finance Disclosure
Regulations**

For over 15 years, Eurazeo has been at the forefront of responsible investment and has been seeking to integrate the highest Environmental, Social and Governance (ESG) standards. As key instruments of the European Union (EU) Sustainable Finance Action Plan, the Regulation (EU) 2019/2088 (“Disclosure Regulation”) together with the Regulation (EU) 2020/852 (“Taxonomy Regulation”) introduced new regulatory requirements to increase transparency on sustainability among financial market participants and financial products.

The present document provides the required information in a concise manner and refers to additional publications that include more detailed information on Eurazeo Group’s ESG strategy and procedures.

Additional information will be disclosed in accordance with the EU Sustainable Finance regulations’ calendar.

INTEGRATION OF SUSTAINABILITY RISKS IN EURAZEO'S INVESTMENT DECISION-MAKING PROCESS

Environmental, social and governance events can have negative impacts on the value our investments.

As presented in the Responsible Investment policy, available on our website in the Section *Sustainability & Impact*, we integrate ESG risks into every stage of the investment process:

- Eurazeo's exclusion policy, available on our website in the Section *Sustainability & Impact*, excludes investments deriving more than 20% of their overall revenue from sensible sectors (coal, palm oil, nuclear energy) and in securities issued by companies involved in highly controversial activities (such as tobacco production, production of controversial weapons) and in serious breach with the principles of the United Nations Global Compact. Our exclusion policy is an efficient instrument to mitigate a wide variety of sustainability risks, ranging from climate change and biodiversity loss to health issues.
- A due diligence process is exercised in the pre-investment phase in order to identify and analyse all social, environmental, societal, sourcing, ethical and governance considerations, taking into account the United Nations' 17 Sustainable Development Goals, a common framework for addressing sustainable development within organizations. Environmental considerations do not only encompass greenhouse gas emissions but also further environmental dimensions, such as biodiversity and circular economy. Our due diligence is based on the data provided by the company, the opinions and studies conducted by experts consulted as well as publicly available data. Results are formalised in a scoring form.
- Our shareholder's agreement of underlying companies integrates ESG audit and report clauses. ESG indicators are collected annually in order to monitor underlying companies' progress. The indicators cover a wide variety of ESG topics, ranging from climate change and biodiversity to social and governance issues. Reports on progress are published in an annual report.

A more detailed description on how ESG issues are integrated in our investment process can be found in our Responsible Investment Policy.

Sustainability risks are also integrated at Eurazeo level:

- An internal control and risk management system has been established. It is led by a dedicated department under the supervision of the Executive Board, and serves to identify, prevent and limit the impact of these key risks. ESG is an integral part of risk assessments conducted.
- In 2015, Eurazeo established a Code of Conduct, signed by all employees. The implementation of an ethical approach in conducting business allows to reduce sustainability risks.
- Eurazeo has developed a tool for mapping and analyzing the materiality of the ESG risks of a portfolio of suppliers. This analysis serves to select and prioritize suppliers requiring particular vigilance.

More detailed information on sustainability risks at Group level can be found in our Universal Registration Document that is published in the Section *Media Center* of Eurazeo's website.

CONSISTENCY BETWEEN THE REMUNERATION POLICY AND THE INTEGRATION OF SUSTAINABILITY RISKS

Each employee's individual development is essential to collective success. Eurazeo employees are associated with the Company's development and their participation in professional training is encouraged. Eurazeo ensures that its employees receive fair compensation and share in value creation and that paid holidays comply with the law.

ESG criteria are taken into account for the calculation of 15% of the annual variable compensation of the Executive Board members. Since 2019, they are also part of the variable compensation of all members of the Executive Committee. These objectives are assessed for each member, taking into account the results of the investment divisions for division heads and consolidated results for other members.

Furthermore, we encourage our portfolio companies to integrate ESG in their management remuneration schemes since this measure represents one of the 20 "ESG essentials" considered by Eurazeo to define their level of ESG commitment.

More detailed information on Eurazeo's remuneration policy and the ESG progress plan proposed to our portfolio companies can be found in our Universal Registration Document.

ENVIRONMENTAL AND SOCIAL CHARACTERISTICS OF THE FUNDS

O+, Eurazeo's responsible investment strategy aims to drive positive change in society by working towards shared and sustainable prosperity.

O+ has 2 flagship commitments: achieving net zero carbon emissions by 2040 and promoting a more inclusive society.

To achieve net zero carbon emissions by 2040, Eurazeo follows three main objectives:

- Invest in the fast-growing, low-carbon economy
- Reduce portfolio exposure to carbon cost and risk
- Measure carbon footprint throughout the investment lifecycle

To promote a more inclusive society, Eurazeo follows three main objectives:

- End gender inequality
- Drive access to health care coverage and value creation for all
- Champion equal opportunity and philanthropy

These 2 flagship commitments are strengthened by a principle of action to progress on all ESG dimensions, as defined by the Sustainable Development Goals of the United Nations.

The investment decisions made by Eurazeo's management companies aim to contribute to the implementation of Eurazeo's ESG strategy.

In order to provide operational support to the companies in which Eurazeo invests directly to deploy their own ESG roadmap, the Group has developed a progress plan that can be adapted to any company, whatever the size and level of maturity. Built across 4 levels—bronze, silver, gold and platinum—the plan integrates 20 “ESG essentials” that help elaborate a gradual yet solid and comprehensive ESG approach. This system also helps define the minimum level required for companies in which Eurazeo is the majority shareholder, in compliance with its ESG regulatory requirements. For other companies, this level-based system makes it possible to open dialogue and provide the tools required to enable them to adopt and progress.

ESG indicators are collected annually in order to monitor underlying companies' progress. These indicators cover a wide variety of ESG issues, ranging from climate change and biodiversity to social and governance issues. Reports on progress are published in an annual report.

More detailed information on the ESG essentials can be found in Eurazeo's Responsible investment policy.

The integration of Eurazeo's ESG requirements at each stage of the investment process and during holding periods allows for its funds to have ESG characteristics.

For funds that have completed the investment phase, for funds whose sole purpose is to carry co-investments or for funds that invest in other funds, Eurazeo shall not report environmental and social characteristics.

SUSTAINABLE INVESTMENTS

Eurazeo is developing funds dedicated to investments that have sustainable investment as their objective. The first of them is Idivest Sustainable Maritime Infrastructure (ISMI) that supports the transition towards a more sustainable maritime economy and innovative clean technologies. ISMI invests in assets with identified environmental objectives: vessels using eco-friendly technologies, innovative port infrastructure and equipment as well as assets supporting the development of offshore renewable energies.

Additional information on sustainable investments will be disclosed in accordance with the EU Sustainable Finance regulations' calendar.



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