

EXCLUSION

Policy

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EURAZEO

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EXCLUSION POLICY

I. PREAMBLE

A. Scope

This Exclusion policy (the “Policy”) applies to Eurazeo SE, Eurazeo Mid-Cap, Eurazeo Investment Manager, Eurazeo Funds Management Luxembourg, Eurazeo Infrastructure Partners and their wholly owned subsidiaries, herein referred to as “Eurazeo”.

B. Purpose

This Policy sets out Eurazeo’s exclusions regarding sectors or activities with potential negative impacts on the environment, human health or society.

C. Availability

The present Policy along with all documents referred to herein are accessible publicly on Eurazeo’s website and internally on Eurazeo’s intranet. Please note Eurazeo may update this Policy at any time and without prior notice.

II. GENERAL PRINCIPLES

As a global financial institution, the way Eurazeo prioritizes and mobilizes financial resources and the manner in which it does business aims to shape a low carbon, fairer future. Eurazeo recognises that:

- The world faces a certain number of **challenges** posing serious threats for the planet and its inhabitants.
- Some **economic activities** contribute to increasing these challenges.
- It has the capacity to shift its **funding** away from these activities, and by doing so, reducing sustainability risks and thus reinforcing its financial performance.

Eurazeo’s approach aims to be ambitious and balanced at the same time. In this Policy, Eurazeo distinguishes two categories of sectors:

- The **first category** covers sectors whose direct or indirect adverse impacts are **incompatible** with Eurazeo’s responsible investor approach and cannot be tackled through a transformation of the company’s activities.

- The **second category** covers sectors for which a **materiality threshold** is foreseen. This approach allows to avoid excluding companies whose revenues in the concerned sector are below 20% of their total revenues. When a company is concerned by the precited exclusion criteria, Eurazeo is ready to accompany the company in transforming its activities, provided that transformation goals are formalized and ensure compliance with Eurazeo’s Exclusion Policy in the short-term.

Below is a synthesis of the overall exclusion sectors. The details and thresholds for each of them are described later in the present Policy.

	TOLERANCE BASED ON MATERIALITY	EXEMPTION
Sectors with potential negative impacts on the environment		
Fossil energy (coal, oil) generation	No	-
Fossil energy - associated services	Yes	Carbon capture & storage, transition technology
Nuclear energy	Yes	-
Chemical pesticides	Yes	-
Palm oil	Yes	-
Fisheries	Yes	-
Animal testing	Yes	-
Fur	Yes	-
Sectors with potential negative impacts on human health or society		
Weapons	Yes	-
Narcotics	No	For medical purposes (regulated only)
Tobacco	No	For medical purposes (regulated only)
Alcoholic beverages	Yes	Soft alcoholic beverages Hospitality companies
GMOs	Yes	-
Medical activities	Yes	-
Gambling	No	Diversified hotel groups
Pornography	No	-

This Policy is an efficient instrument to mitigate various adverse impacts and sustainability risks, ranging from climate change and biodiversity loss to health issues. As such, it contributes to implement the highest Environmental, Social and Governance (ESG) standards and ensure

compliance with new **regulatory requirements**, including the provisions deriving from the EU Sustainable Finance Disclosure Regulation (SFDR).

To adapt to the evolution of societal and environmental issues, Eurazeo’s exclusion list is **revised** on a regular basis.

Besides, the present Policy also foresees the ban of **general practices** that have harmful societal or environmental impacts (so called “cross-sectoral exclusions” detailed below).

III. CROSS-SECTORAL EXCLUSIONS

Eurazeo aims to drive positive change in society by working towards a shared and sustainable prosperity. With its O+ strategy, Eurazeo has stepped up its commitment to ESG and has made two flagship commitments to drive positive change in society:

CLIMATE Reach carbon net neutrality by 2040	INCLUSION Promote a more inclusive economy
<ul style="list-style-type: none"> Invest in the fast-growing, low carbon an impact economy Reduce exposure to carbon cost and risk Measure carbon footprint throughout the investment lifecycle 	<ul style="list-style-type: none"> End gender inequality Drive access to health care coverage and value creation for all Champion equal opportunity and philanthropy



A. Reach carbon net neutrality by 2040

Climate change is undoubtedly one of the greatest challenges and one of the most complex issues faced by the world today, given its proven impacts on the global economy, physical environment, habitats and human populations, but also its inherent ethical, social and political considerations.

B. Promote a more inclusive economy

Fostering an inclusive economy is critical to generate positive change in society. As a general principle, Eurazeo bans investments related to:

- Activities causing harm to human rights¹
- Activities resulting in the infringement of the rights of indigenous and/or vulnerable groups without their Free Prior and Informed Consent (FPIC)
- Activities that have adverse and direct impact on human health, supported by evidence
- Trading of plant or animal species, or products thereof, in violation of CITES²
- Activities resulting in conversion or degradation of protected areas³ or critical habitats⁴
- Inappropriate practices such as corruption and money laundering

IV. SECTORAL EXCLUSIONS

A. Sectors with potentially negative impacts on the environment

1. Coal⁵

Eurazeo aims to contribute to restraining global warming well below 1.5°C and does not invest in companies whose primary focus is the mining/extraction of thermal coal and the production/trade of coal-fired energy.

Companies providing services to coal-fired power generation projects are authorized for investment as long as:

- Such projects do not exceed 20% of their overall revenue
- Such projects do not involve Mountain Top Removal coal mining
- Such projects are not located on the Arctic circle

Companies operating in energy-intensive activities which derive more than 20% of their energy from coal-fired power fall into the exclusion scope too. Eurazeo may support companies through their transition where a small, legacy element of their overall portfolio is taking longer to phase out.

Eurazeo recognizes that coking coal has no economically viable substitute to date. Companies involved with the production/ trade of coking coal and steel are authorized for investment as long as such activity does not exceed 20% of their revenues.

¹ This applies to the entire spectrum of internationally recognized human rights (as presented by ILO and Global Compact in particular), which includes labour rights such as the abolition of forced labour and child labour.

² Convention on International Trade in Endangered Species of Wild Fauna (www.cites.org)

³ Protected areas: UNESCO World Heritage Sites; Wetlands registered as Wetlands of international importance under the Ramsar Convention on Wetlands. IUCN Protected Area Category I, II, III, IV, V and VI.

⁴ Critical habitat includes areas with high biodiversity value that meet the criteria of the IUCN classification, including habitat required for the survival of critically endangered or endangered species as defined by the IUCN Red List of Threatened Species or as defined in any national legislation; Primary Forest or forests of High Conservation Value shall be considered Critical Habitats.

⁵ See related regulatory framework and / or definitions: https://ec.europa.eu/clima/policies/international/negotiations/paris_en

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Coal-fired power generation companies	Production, Trade	0%	-
Coal-fired power generation projects & services	Production, Trade	20%	Carbon capture & storage, transition technology
Coal extraction & production	Production, Trade	0%	-
Coking coal & steel production	Production, Trade	20%	-
Coal used in energy mix	Procurement, trade	20%	-

2. Oil⁶

Eurazeo aims to contribute to restrain global warming well below 1.5°C and does not invest in companies whose primary focus is the exploration, production, trade, production of components, storage/ transportation of unconventional oil and gas and conventional oil.

Eurazeo recognizes that conventional gas is a fossil energy which can contribute to the overall Paris Agreement objectives as a transition energy source. Therefore, companies involved with conventional gas are authorized for investment provided that they are willing to diversify away over a limited timeframe.

Companies providing services to gas companies are authorized for investment as long as:

- Such services do not involve exploration
- Such projects do not involve tar sands or fracking
- The company is pursuing the diversification of its activity towards renewable sources of energy

The same criteria above apply for companies providing services to oil companies as long as such activities do not exceed 20% of their revenue.

⁶ See related regulatory framework and / or definitions: https://ec.europa.eu/clima/policies/international/negotiations/paris_en

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Unconventional oil & gas (shale gas, shale oil and tar sands) and conventional oil	Exploration, Production, Trade, Production of components, Storage, Transportation	0%	-
Conventional oil exploration	Exploration	0%	
Conventional oil associated services	Production, Procurement	20%	Carbon capture & storage, transition technology

3. Nuclear energy

Eurazeo aims to contribute to restraining global warming well below 1.5°C and recognizes that nuclear energy and its low GHG emissions can contribute to the overall Paris Agreement objectives as a transition source of energy. However, such activity comes with negative externalities, in particular nuclear waste management and nuclear radiation risk.

Nuclear power generation projects and companies providing services to nuclear power plants are authorized for investment without limitation if their activity is eligible with the latest version of the EU Taxonomy.

For the activities which are not included in the latest version of EU Taxonomy, investments are authorized as long as:

- Nuclear power plants do not exceed 20% of their revenue or the company commits to reduce this activity down to 20% within an agreed timeframe
- The company is pursuing the diversification of its activity towards renewable sources of energy

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Nuclear power generation	Production, Production of components, Storage, Transportation	20%	New nuclear plant projects with existing technologies for energy generation of electricity or heat ("Generation III+") - Until 2045
Nuclear power plant services	Production, Trade, Waste management	20%	Upgrades and modifications of existing nuclear plants for lifetime extension purposes - Until 2040 Research, development and deployment of advanced technologies ("Generation IV") that minimise waste and improve safety standards

4. Pesticides⁷

Eurazeo does not wish to be involved in activities that have proven negative effects on both people’s physical and mental health and biodiversity, as is the case with chemical pesticides.

Eurazeo recognizes that some chemical pesticides have no economically viable substitute to date. Companies involved with the production and trade of chemical pesticides are authorized for investment as long as such activity does not exceed 20% of their revenue. Companies involved with biocontrol technologies are authorized for investment.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Chemical pesticides	Production, Trade	20%	Biocontrol products

⁷ See related regulatory framework and / or definitions: <http://www.fao.org/3/a-i5008e.pdf> ; <https://www.francechimie.fr/responsible-care>

5. Palm oil⁸

Eurazeo recognizes that the agri-commodities sector in general and palm oil in particular pose sustainability risks such as:

- Deforestation: Agriculture may involve clear-cutting of forest. Deforestation is of concern as forests are a prerequisite for biodiversity. Forests also serve as carbon sinks and therefore play an important role in climate change mitigation.
- Peatland degradation: Peatlands may be drained for agricultural purposes. This causes degradation and the emission of methane into the atmosphere contributing to climate change. Besides, drainage increases the risk of fire and flooding.
- Land issues: Large-scale land acquisitions for the purpose of plantations for agriculture may lead to land disputes with local communities.
- Working conditions: Working conditions in the agri sector may be hazardous, for example because of lack of protection and the use of chemicals and pesticides. Child labour may also be an issue.
- Water & soil pollution: The use of pesticides, herbicides and chemicals in agriculture may result in pollution of water and soil.

However, Eurazeo recognizes that banning and substituting palm oil with other agri-commodities in full might result in even greater sustainability risks. Consequently, palm oil related companies are authorized for investment as long as:

- The company meets the sectoral best practices for a sustainable palm oil
- The company is diversifying away to use sustainable alternatives

Companies involved with palm oil that does not meet yet the sectoral best practices are authorized for investment as long as:

- They commit to the requirements listed above
- Palm oil does not exceed 20% of their revenue

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Crude palm oil (plantations and/or mills)	Production, Trade, Procurement	0%	-
Palm oil	Production, Trade, Procurement	20%	-

⁸ See related regulatory framework and / or definitions: <https://rspo.org/> ; <https://rsis Ramsar.org/> ; <http://whc.unesco.org/en/list> ; <http://highcarbonstock.org/the-high-carbon-stock-approach/> ; <http://www.responsiblesoy.org/?lang=en>

6. Fisheries⁹

Eurazeo is committed to preserving biodiversity as well as the 'does not harm' principle, which applies to animal welfare. Eurazeo recognizes that some practices in industrial fisheries may result in adverse impact on marine life including fish, plants, corals and other organisms that play a major role in the planet's temperature regulation and carbon sequestration. Eurazeo does not invest in companies primarily engaged in fisheries based on such all-encompassing practices as bottom trawling, longlining, dynamiting or poisoning.

Eurazeo may invest in companies which products or services may be accessory to the fishing practices described above. Consequently, Eurazeo may invest in those companies as long as such products or services do not exceed 20% of their revenue and with a commitment to exit those products or services.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Bottom trawling, longlining, dynamiting, poisoning	Production, Trade	0%	-
Products or services accessory to bottom trawling, longlining, dynamiting, poisoning	Production, Trade	20%	-

7. Animal testing

Eurazeo is committed to the 'does not harm' principle which applies to animal welfare. Eurazeo recognizes the right of animals to be free from hunger and thirst, free from discomfort, free from pain, injury or disease, free to express their normal behaviour and free from fear and distress (also known as the Five Animal Freedoms)¹⁰. Hence, Eurazeo will not invest in animal testing.

However, Eurazeo does wish to be able to support medical research. Consequently, Eurazeo may invest in companies producing, buying or selling medical supplies and other product categories where animal testing is a necessity, as long as such activities does not exceed 20% of their revenue.

The table below summarizes this framework:

⁹ See related regulatory framework and / or definitions: <http://www.fao.org/3/v9878e/v9878E.pdf>

¹⁰ See related regulatory framework and / or definitions: https://ec.europa.eu/food/animals/animal-welfare_en

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Animal testing	Production, Trade, Procurement	20%	-

8. Fur¹¹

Eurazeo is committed to the 'does not harm' principle which applies to animal welfare. Eurazeo recognizes the right of animals to be free from hunger and thirst, free from discomfort, free from pain, injury or disease, free to express their normal behavior and free from fear and distress (also known as the Five Animal Freedoms). Eurazeo does not invest in the fur industry, whether fur farming or manufacturing.

However, Eurazeo does wish to be able to support diversified companies in the apparel industry. Consequently, Eurazeo may invest in companies producing, buying or selling clothes with fur as long as such clothes do not exceed 20% of their revenue.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Fur farming	Production, Trade, Procurement	0%	-
Fur manufacturing	Production, Trade, Procurement	0%	-
Fur apparel	Production, Trade, Procurement	20%	-

¹¹ See related regulatory framework and / or definitions: https://ec.europa.eu/food/animals/animal-welfare_en

B. Sectors with potentially negative impacts on human health or society

1. Weapons¹²

Eurazeo is committed to the 'does not harm' principle which applies to the defence industry and acknowledges that the weapons industry poses sustainability risks, such as:

- **Human rights violations:** weapons or dual use goods and technologies that may contribute to human rights violations in the hands of oppressive regimes
- **Proliferation of controversial weapons:** components or techniques may be used in the manufacturing process of controversial weapons
- **Corruption:** trade of weapons in fragile states may be associated with corruption

Eurazeo will **not invest in companies engaged in both conventional and controversial weapons** including small arms and light weapons and goods which have no practical use other than for the purpose of "capital punishment, torture or other cruel, inhuman or degrading treatment or punishment".

Eurazeo recognizes that some equipment, services and software with dual use may be needed for self-defence or civilian use. Companies involved in such activities are authorized for investment as long as they do not exceed 20% of their revenue.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Antipersonnel landmines	Production, Trade, Procurement, Production of components, Storage/ Transportation	0%	-
Cluster munitions	Production, Trade, Procurement, Production of components, Storage/ Transportation	0%	-
Nuclear weapons	Production, Trade, Procurement, Production of components, Storage/ Transportation	0%	-

¹² See related regulatory framework and / or definitions: Ottawa convention; Oslo convention on cluster munitions; Fissile Materials Cut-off Treaty (FMCT); Biological and Toxin Weapons Convention (BTWC); Convention on Certain Conventional Weapons; EU Council Regulation No 1236/2005; Common Military List of the European Union; EU report on 'Human rights and technology: the impact of intrusion and surveillance systems on human rights in third countries' (2014/2232(INI))

Biological weapons	Production, Trade, Procurement, Production of components, Storage/ Transportation	0%	-
Conventional weapons deemed excessively injurious or have indiscriminate effects	Production, Trade, Procurement, Production of components, Storage/ Transportation	0%	-
Goods which have no practical use other than for the purpose of "capital punishment, torture or other cruel, inhuman or degrading treatment or punishment"	Production, Trade, Procurement, Production of components, Storage/ Transportation	0%	-
Small Arms and Light Weapons	Production, Trade, Procurement, Production of components, Storage/ Transportation	0%	-
Military equipment	Production, Trade, Procurement, Production of components, Storage/ Transportation	20%	-
Services, software, or equipment destined for use in the surveillance of citizens' private communications through internet or other means of telecommunication	Production, Trade, Procurement, Production of components, Storage/ Transportation	20%	-

2. Narcotics¹³

Eurazeo does not wish to be involved in activities that have both proven negative effects on people's physical and mental health and addiction capacity.

Eurazeo will not invest in companies whose focus is the production, trade, procurement, production of substances, storage/ transportation of narcotic drugs and psychotropic substances. The legality of some substances may vary by country, as is the case for cannabis. Eurazeo will not invest in companies engaged with cannabis unless it is used for medical purpose.

¹³ See related regulatory framework and / or definitions: http://www.unodc.org/pdf/convention_1988_en.pdf; https://www.unodc.org/pdf/convention_1961_en.pdf

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Illicit narcotic drugs	Production, Trade, Procurement, Production of components	0%	-
Cannabis	Production, Trade	0%	For medical purpose (regulated)

3. Tobacco¹⁴

Eurazeo does not wish to be involved in activities that have both proven negative effects on people's physical and mental health and addiction capacity, though legal.

Eurazeo does not invest in the cigarette industry, specifically manufacturers and wholesale traders of cigarettes, tobacco, e-cigarettes and associated smoking products. Eurazeo does not invest in tobacco leaf growing companies unless such growers sell their production for medical purpose.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Tobacco & cigarettes	Production, Trade, Production of components	0%	-
e-cigarettes	Production, Trade, Production of components	0%	-
Tobacco leaves	Production, Trade	0%	For medical purpose (regulated)

4. Alcohol¹⁵

Eurazeo does not wish to be involved in activities that have both proven negative effects on people's physical and mental health and addiction capacity, though legal.

¹⁴ See related regulatory framework and / or definitions: https://www.who.int/fctc/text_download/en/

¹⁵ See related regulatory framework and / or definitions: https://www.who.int/health-topics/alcohol#tab=tab_1

However, Eurazeo does wish to be able to support diversified companies in the hospitality, beverage and agricultural industries.

Consequently, Eurazeo may invest in hospitality companies serving alcoholic beverages, as long as the revenue related to such activity does not exceed 20% of the total revenue of the company. Eurazeo may invest in companies farming plants and grains for the beverage industry or in beverage producers and distributors as long as their activity is either restricted to soft alcoholic beverages¹⁶ or do not exceed 20% of their total revenue.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Farming for alcoholic beverages	Production, Trade, Procurement, Production of components	20%	Soft alcoholic beverages
Alcoholic beverages	Production, Trade, Procurement, Production of components	20%	Soft alcoholic beverages

5. Genetically Modified Organisms (GMOs)¹⁷

Eurazeo is committed to the ‘does not harm’ principle and does not wish to be involved in activities that may have negative effects on both people’s health and biodiversity.

Eurazeo recognizes that life science research and biotechnologies bear significant potential for innovation and life welfare. However, such innovation may also result in significant adverse impact on the very same life welfare. Based on the precautionary principle, Eurazeo does not invest in companies that derive more than 20% of their revenue from the production, trade and production of components associated with GMOs.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
GMOs	Production, Trade, Production of components	20%	-

¹⁶ Soft alcoholic beverage relates to cat 3 of French Public Health Code Article L 3321 1

¹⁷ See related regulatory framework and / or definitions: <http://www.fao.org/fao-who-codexalimentarius/en/>

6. Medical activities

Eurazeo supports scientific and technological progress to promote public health. However, some medical activities may have negative impacts on people's health or pose ethical questions.

Eurazeo does not invest in human cloning or human genome editing, gestational surrogacy, post-mortem medically assisted procreation or euthanasia and assisted suicide.

Based on the precautionary principle, Eurazeo does not invest in companies that derive more than 20% of their total revenue from the production and trade of over-the-counter medicines.

Eurazeo may invest in research on human stem-cells, human genetic screening, algorithmic processing for preventive, diagnostic or therapeutic procedures, in line with the French bio-ethics regulation.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Human cloning/ eugenism	Production, Trade, Production of components	0%	-
Human genome editing	Production, Trade, Production of components	0%	-
Gestational surrogacy	Production, Trade, Production of components	0%	-
Post-mortem medically assisted procreation	Production, Trade, Production of components	0%	-
Euthanasia and assisted suicide	Production, Trade, Production of components	0%	-
Over-the-counter medicines	Production, Trade	20%	-

7. Gambling¹⁸

Eurazeo does not wish to be involved in activities that have both proven negative effects on people’s mental health and addiction capacity, though legal.

Eurazeo will not invest in the gambling activity, be it online or offline. Eurazeo may invest in hotel groups where casino activity is hosted, as long as such activity does not exceed 20% of their revenue.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
e-Gambling	Production, Trade	0%	-
Casinos	Production, Trade	0%	-
Hotel groups with casino activity	Trade	20%	-

¹⁸ See related regulatory framework and / or definitions: <https://iagr.org/sites/default/files/IAGReGamblingGuidelines-October2018.pdf>

8. Pornography

Eurazeo does not wish to be involved in pornography activities, though legal. Eurazeo will not invest in the pornography industry.

The table below summarizes this framework:

	Activity banned	Materiality threshold (% revenue)	Activity authorized
Pornography and porn media	Production, Trade, Procurement, Production of components	0%	-

V. INTEGRATION IN THE INVESTMENT PROCESS

The present Exclusion Policy applies to investments in direct issuers (equity or debt) as well as to commitments in newly created funds (so-called “primary funds”) and direct equity investments realised alongside other private equity firms (so-called “direct equity co-investments”) based on available information at the time of the investment.

In case Eurazeo intends to acquire positions in an existing private equity fund, or a portfolio of private equity funds, the eligibility of the investment is assessed using a look-tough approach corresponding to the weight of exposed assets to the total portfolio.

A. Before investment

Any new incoming deal is categorized by sector using the GICS® nomenclature. Each GICS® sector is associated with Eurazeo’s exclusion list when material. Any such considered investment must abide by the minimum requirements set by the policy:

- If the deal concerns a **strict exclusion**, it is automatically declined, unless the excluded activity represents less than the materiality threshold.
- If the deal falls below the **materiality threshold**, the investment team has to run through the requirements and provide an improvement plan to transform and adapt the company’s activities to avoid harm and / or diversify away from the critical sectors over a limited timeframe.
 - These analyses are discussed jointly between the Eurazeo’s investment and ESG teams. They can refer to a dedicated ESG Advisory Panel composed of external experts, able to provide technical pieces of advice. Such ESG Advisory Panel is consultative.

- If the minimum requirements can be met and the improvement plan is deemed feasible without jeopardizing the investment case, the investment process goes on. Only then can a Letter of Intent or Term sheet be sent to the company.
- The deal then falls into usual due diligence, integrating specific ESG due diligence with the exclusion sector concerned.

ESG analyses are systemically included in the investment memorandum and discussed at Investment Committees.

B. During holding period

All portfolio companies are to report annually on ESG reporting as per the Responsible Investment Policy. Progress on improvement plans must be reported and monitored with a specific discussion at the company's Board at least once a year. Any new reinvestment must take into consideration both exclusion criteria and progress made according to plan, if any. Specific audits can be conducted on such risks.

C. At exit

A specific vendor due diligence may be conducted to assess if the progress on improvement plans results in lower investment risk over a new timeframe horizon or in an increased value created, contributing to a better pricing of the company. Such analyses are integrated in exit datarooms.

VI. SCREENING FOR FUNDRAISING OPPORTUNITIES

As a global financial institution, Eurazeo consistently aims to mobilize capital that does not result from activities that contravene with the very objectives which are intended to be reached by allocating this capital. As a consequence, Eurazeo applies screening not only to investment opportunities but also to fundraising opportunities.

A. Negative screening

Eurazeo does not accept subscriptions from organizations headquartered in countries that are listed on the FATF-GAFI list of high-risk jurisdictions. The Financial Action Task Force (FATF) is the global money-laundering and terrorist-financing watchdog. This inter-governmental body sets international standards that aim to prevent these illegal activities and the harm they cause to society. Should the FATF-GAFI bring modifications to this list overtime, this procedure will be updated accordingly. At the time this procedure is published, the list of high-risk jurisdictions is as follows: Democratic People's Republic of Korea, Iran.

The FATF also identifies a number of countries with Anti-Money Laundering (AML)/Combating of Financing of Terrorism (CFT) deficiencies, these are part of the list of “Jurisdictions under increased monitoring”. Prior to accepting subscriptions from organizations headquartered in jurisdictions under increased monitoring, Eurazeo performs in-depth AMF/CFT due diligence on potential investors.

B. Positive screening

In case an investment fund is oversubscribed, Eurazeo will make its best reasonable endeavours to discriminate in favour of non-profit organizations such as foundations.

DISCLAIMER

Completed in October 2020.

Last updated in October 2022.

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