

# Eurazeo Corporate Social Responsibility

03

03

<b>3.1 ESG Strategy</b>	<b>58</b>
3.1.1 O <sup>+</sup> : Powering a fairer and more sustainable society	58
3.1.2 Climate: Achieve carbon net neutrality (O)	59
3.1.3 Inclusion: Foster a more inclusive society (+)	64
3.1.4 ESG at all levels of the organization	67
3.1.5 A recognized ESG commitment	69
<b>3.2 Non-Financial Performance Statement</b>	<b>74</b>
3.2.1 Summary table of risks and opportunities	74
3.2.2 Investment activity	75
3.2.3 Employee-related matters	84
3.2.4 Environmental matters	92
3.2.5 Ethics	94
3.2.6 European Taxonomy	97
<b>3.3 Key Performance Indicators Table</b>	<b>98</b>
<b>3.4 Methodology</b>	<b>100</b>
<b>3.5 Independent Third Party Report</b>	<b>103</b>
<b>3.6 Vigilance Plan</b>	<b>108</b>
3.6.1 Introduction	108
3.6.2 Fundamental principles and frameworks	108
3.6.3 Mapping, identification, analysis and ranking of risks	109
3.6.4 Regular evaluation procedures	109
3.6.5 Actions adapted to risk mitigation or prevention of serious harm	110
3.6.6 Whistleblowing system	110
3.6.7 Measurement monitoring system	110

## 3.1 ESG Strategy

### 3.1.1 O<sup>+</sup>: POWERING A FAIRER AND MORE SUSTAINABLE SOCIETY

Managing ESG considerations and integrating them at the core of the business model helps avoid stranded assets, anticipate market trends and identify future-proof companies that create value. This has been Eurazeo's conviction for nearly 20 years, making it a pioneer and one of the most recognized Groups in the field of ESG.

In 2020, Eurazeo launched its new ESG strategy called O<sup>+</sup>, structured around two flagship commitments: achieving carbon net neutrality (O) and fostering a more inclusive society (+) so as to contribute to the emergence of a fairer and more sustainable society. The O<sup>+</sup> strategy binds the Group and its portfolio companies, making it a significant driver of transformation.



The implementation of O<sup>+</sup> is detailed in Sections 3.1 and 3.2, as well as in Eurazeo's Responsible Investment Policy, available on the website.

### 3.1.2 CLIMATE: ACHIEVE CARBON NET NEUTRALITY (O)

Global warming poses increased risks for health, food security, water supply, personal safety and economic development. Companies' activities and their entire value chain are directly affected by the degradation of ecosystems, scarcity of resources and multiplication natural disasters, to name but a few.

Contributing to fighting climate change must be a priority for all. Eurazeo is part of a global movement to bring about carbon net neutrality, which the Group seeks to achieve by 2040 at the latest by activating the three levers detailed hereafter.

#### 3.1.2.1 LEVER #1: INVESTING IN SOLUTIONS

Eurazeo finances companies providing “solutions” that contribute to **climate change mitigation and adaptation** through their businesses, products or services. The Group seeks investment opportunities that significantly reduce or avoid greenhouse gas (GHG) emissions in sectors such as electric mobility, thermal insulation, the circular economy, animal protein alternatives, hydrogen, chemical fertilizer substitutes, etc. This is illustrated by Eurazeo's portfolio companies, and more specifically its three dedicated funds:

■ **Eurazeo Sustainable Maritime Infrastructure** (Article 9 – SFDR) aims to support and accelerate the ecological and energy transition of the shipping industry, in line with the decarbonization pathway of the International Maritime Organization, targeting innovative sustainable technologies applied to maritime assets. It thus contributes to the achievement of the Sustainable Development Goal (SDG) 9 “Industry, innovation and infrastructure” and SDG 13 “Climate action”;

■ **Eurazeo Transition Infrastructure Fund** (Article 9 – SFDR) seeks to accelerate the transition to a low-carbon economy by making sustainable investments in the energy and digital transition. It thus contributes to the achievement of the SDG 7 “Clean affordable energy”, SDG 9 “Industry, innovation and infrastructure” and SDG 13 “Climate action”;

■ **Eurazeo Smart City II** (Article 8 – SFDR) aims to help cities accelerate their transition and strengthen their resilience by investing in the most promising start-ups in the fields of energy, mobility, proptech and logistics. Part of the portfolio contributes to the achievement of SDG 11 “Sustainable cities and communities” and SDG 13 “Climate action”.

#### Dedicated funds

##### EURAZEO SUSTAINABLE MARITIME INFRASTRUCTURE (Article 9 – SFDR)



##### EURAZEO TRANSITION INFRASTRUCTURE FUND (Article 9 – SFDR)



##### EURAZEO SMART CITY II (Article 8 – SFDR)



#### Portfolio companies



Non exhaustive list, for illustration purposes.

**€1.6 BILLION\*** CONTRIBUTING TO A **LOW-CARBON ECONOMY**  
Source: Eurazeo, data as of December 31<sup>st</sup>, 2022.

\* 1.6 billion corresponds to companies identified as having a business, products or services that contribute to a low-carbon economy across all of Eurazeo's investment activities (Private Equity, Private Debt and Real Assets), calculated on the basis of their valuations as of December 31, 2022.

**3.1.2.2 LEVER #2: ACCOMPANYING TRANSITIONS**

The ambitious objective of achieving carbon net neutrality applies to the entire Eurazeo group. Consequently, the decarbonization pathway is deployed at both Group and portfolio level, in line with the goals of the Paris Agreement to limit the temperature increase to 1.5°C. Eurazeo's climate commitments include two steps: measuring and reducing the carbon footprint of Eurazeo and its portfolio.

**Measuring the carbon footprint**

Eurazeo measures its carbon footprint according to the **GHG Protocol** (or Greenhouse Gas Protocol), which provides an international framework for accounting and measuring GHG emissions. It differentiates three scopes: Scope 1 corresponds to direct GHG emissions, Scope 2 to indirect energy-related emissions, and Scope 3 regroups all other indirect emissions, for the upstream or downstream activity. Eurazeo's carbon footprint <sup>(1)</sup> breaks down as follows:

**2022 Carbon footprint**Total: 3,958,713 tCO<sub>2</sub>e**SCOPE 1**

**DIRECT GHG EMISSIONS**  
related to Eurazeo's onsite energy consumption (gas, fuel)

**SCOPE 2**

**INDIRECT GHG EMISSIONS**  
related to Eurazeo's energy consumption produced offsite (electricity) <sup>(2)</sup>

**SCOPE 3**

**INDIRECT GHG EMISSIONS**  
related to Eurazeo's purchases of products and services and business travels

**SCOPE 3**

**INDIRECT GHG EMISSIONS**  
related to the activities of companies financed by Eurazeo <sup>(3)</sup>

3,945,351 tCO<sub>2</sub>e14 tCO<sub>2</sub>e  
65 tCO<sub>2</sub>e  
13,283 tCO<sub>2</sub>e

<sup>(2)</sup> According to the Scope 2 Market-based emissions calculation method taking into account the company's supply contracts and other contractual instruments such as Energy Attribute Certificates (EAC).

<sup>(3)</sup> Calculated on a pro-rata basis of the current net asset value of the companies in Eurazeo's portfolio. Source: Eurazeo, data as of December 31<sup>st</sup>, 2022.

- **Scope 1 and 2: Direct and indirect GHG emissions related to Eurazeo's energy consumption (79 tCO<sub>2</sub>e, i.e. 0.002% of total emissions).** It includes the offices in Paris, Berlin, Frankfurt, Luxembourg, New York, Seoul, Singapore, Madrid, London and Shanghai, representing a permanent workforce of 421 employees (compared to 338 in 2021). See Section 3.2.4 for more information.
- **Scope 3:** Due to the nature of its investment activity, Eurazeo has the particularity of having a Scope 3 which is divided into two parts:
  - **Indirect GHG emissions related to Eurazeo's purchases of products and services, and business travels (13,283 tCO<sub>2</sub>e, i.e. 0.336% of total emissions),** corresponding to categories 1 "Purchased Goods and Services" and 6 "Business Travel" of Eurazeo's Scope 3 emissions

according to the GHG Protocol. In 2023, Eurazeo equipped itself with a tool to assess and monitor its GHG emissions with the aim of being able, in the future, to measure and monitor its impact on other categories of Scope 3. See Section 3.2.4 for more information; and

- **Indirect GHG emissions related to Eurazeo's portfolio (3,945,351 tCO<sub>2</sub>e, or 99.662% of total emissions),** corresponding to category 15 "Investments" of Eurazeo's Scope 3 emissions according to the GHG Protocol. The portfolio's GHG emissions assessment covers portfolio companies' Scope 1, 2 and 3 emissions. It is based on the monetary emissions factors related to each company's business sector (from the CDP database, applied according to turnover). The total is calculated on a pro-rata basis of the current net asset value of the companies in Eurazeo's portfolio.

(1) The emissions factors come from the Intergovernmental Panel on Climate Change (IPCC) 2006 (combustibles and fuel) and the International Energy Agency (IEA) (electricity consumption), in accordance with the methodology of the Greenhouse Gas (GHG) Protocol.

Eurazeo publishes its carbon footprint and **reports annually on its progress based on the recommendations of the Task Force on Climate related Financial Disclosures (TCFD)** <sup>(1)</sup>, which calls on the financial sector to consider and be more transparent about climate issues.

### Reducing the carbon footprint

#### Scope covered by the SBTi commitment

##### Objectives

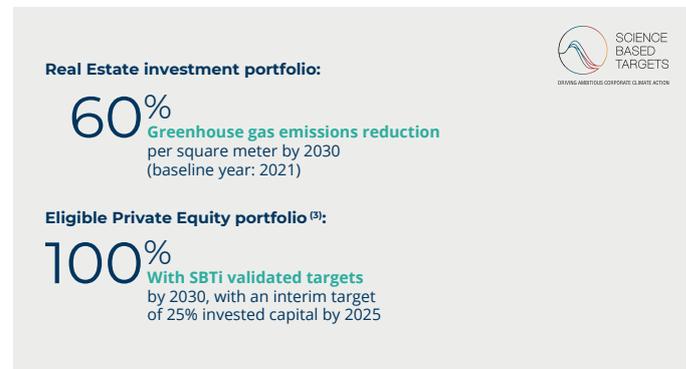
In order to ensure that decarbonization occurs in sufficient proportions and at the pace required to meet the goals of the Paris Agreement, Eurazeo committed to the Science Based Targets initiative (SBTi) <sup>(2)</sup> – the leading initiative to help companies decarbonize their activities – as early as 2020.

Eurazeo was therefore able to define "science-based targets", greenhouse gas (GHG) emissions reduction targets aligned with recommendations made by the international scientific community, as well as the scope of its commitment according to existing SBTi methodologies. These targets were officially validated by SBTi at the beginning of 2022:

#### SBTi validated targets for Eurazeo group



#### SBTi validated targets for the portfolio



##### Progress

#### At Group level:

Eurazeo significantly reduced its Scope 1 and 2 emissions between 2021 and 2022, from 180 tCO<sub>2</sub>eq. to 79 tCO<sub>2</sub>eq., a 56% decrease, by significantly increasing its renewable electricity supply. The Group's offices in Paris and London have had green electricity contracts since 2021 and 2022, respectively. In offices in Europe and the United States where the Group has no control over the supply contracts, Eurazeo has purchased Guarantees of Origin (GO) and Renewable Energy Certificates (REC) to cover its electricity consumption <sup>(4)</sup>.

As a result, since 2017 (baseline year), Eurazeo has reduced its Scope 1 and 2 emissions by 54% in absolute terms, close to its target of 55% and increased its electricity consumption from renewable sources from 9% to 97%, exceeding its annual target of 80%.

#### At portfolio level:

As mentioned in the section "Measuring carbon footprint", Eurazeo's portfolio emissions correspond to almost all of its emissions. It is therefore essential for the Group to engage the companies it finances in the decarbonization of their activities.

(1) Created by the Financial Stability Board, a set of recommendations on the types of information that businesses should disclose to help investors, lenders and insurance subscribers appropriately assess and quantify a specific set of risks relating to climate change.  
 (2) The Science Based Targets initiative (SBTi) is a joint project of the Carbon Disclosure Project (CDP), the UN Global Compact, the World Resources Institute (WRI) and the World Wildlife Fund (WWF). It supports and provides businesses with a framework for defining greenhouse gas (GHG) emission reduction targets in line with the recommendations of the international scientific community so as to comply with the goals of the Paris Agreement. The targets cover eligible investment activities in accordance with SBTi methodologies: Private Equity and Real Estate. Methodologies for debt, funds of funds and infrastructure are still under development.  
 (3) The targets cover eligible investment activities in accordance with SBTi methodologies: Private Equity and Real Estate. Methodologies for debt, funds of funds and infrastructure are still under development.  
 (4) Ademe defines GO as "an electronic document available in all EU countries that provides consumers with a guarantee on the production of electricity from renewable energies". REC is the US-equivalent of GO.

In 2022, Eurazeo has notably implemented:

- **a module dedicated to decarbonization in the annual ESG reports of the portfolio companies**, to raise their awareness of the decarbonization efforts they need to undertake. In particular, it includes the measurement of each company's carbon footprint (Scope 1, 2 and 3) and carbon intensity (in tCO<sub>2</sub>eq per million euros of revenue), and the calculation of an illustrative decarbonization pathway in line with the Paris Agreement, valued financially using the shadow price of carbon; and
- **a program to assist its portfolio companies in establishing and implementing their climate strategy**. It includes a training component, to raise their awareness of climate issues and develop their decarbonization skills, and an operational component, offering a selection of digital tools and partners at preferential rates, to render their approach concrete.

As a result, at the end of December 2022, **eligible portfolio companies within the scope of the SBTi commitment showed the following progress:**

- 38% measured their carbon emission footprint across Scope 1, 2 and 3 emissions using real data <sup>(1)</sup>;
- 40% implemented carbon reduction initiatives; and
- 2% committed to the Science Based Targets initiative (SBTi) to set science-based carbon reduction targets.

#### Scope not covered by the SBTi commitment

Part of Eurazeo's Scope 3 emissions is not included in the scope of the SBTi commitment:

- **those related to Eurazeo's purchases of products and services and business travels as they have reduced materiality in its Scope 3 compared to the emissions of its portfolio companies**. However, as part of its responsible investor approach, Eurazeo has set itself a target to reduce these emissions by 30% in absolute terms (relative to 2019) by 2030 (taking into account the Group's growth). To this end, Eurazeo is working on designing and implementing a carbon budget per team as well as setting up a carbon monitoring program with its main service providers; and
- **those related to portfolio companies that do not meet the eligibility criteria provided by SBTi and/or for which SBTi methodologies (debt, funds of funds and infrastructure activities) are still under development**. However, as part of its responsible investor approach, Eurazeo actively encourages these companies to implement carbon reduction initiatives and set decarbonization objectives for their Scope 1, 2 and 3 emissions, in line with the goals of the Paris Agreement. To this end, Eurazeo provides all its portfolio companies with resources to measure and monitor their greenhouse gas (GHG) emissions and collects their GHG emissions annually. See Section 3.2.2 for more information. At the end of December 2022, these portfolio companies delivered the following results: 34% measured their carbon footprint across Scope 1, 2 and 3 emissions using real data<sup>(1)</sup>; 42% implemented carbon reduction initiatives; 4% committed to SBTi to set science-based reduction targets; and 2% have targets validated by SBTi.

#### **Additional actions**

Eurazeo's priority is to reduce its GHG emissions. In addition, Eurazeo is taking additional action to preserve carbon sinks. Eurazeo has indexed ESG criteria in its syndicated credit line since 2019. This allowed to finance reforestation projects in France, labelled Low Carbon, in partnership with the National Forestry Office (ONF). These projects are expected to absorb 14,000 metric tons of CO<sub>2</sub> between 2028 and 2029. The projects are located in Aisne, Alsace and Vosges.

(1) Eurazeo measures the carbon footprint of its portfolio companies (excluding Private Funds Group (PFG)) using proxy data when real data is not provided.

### 3.1.2.3 LEVER #3: EXTENDING OUR COMMITMENT

Aware that environmental considerations go beyond the challenges related to global warming alone, Eurazeo is committed to safeguarding planetary boundaries – those within which we must maintain the Earth to ensure its resilience and stability, so that it remains a suitable habitat for humans<sup>(1)</sup>. In practice, this involves analyzing the materiality of these planetary boundaries for companies financed by Eurazeo and formalizing progress plans where appropriate.

#### Biodiversity strategy

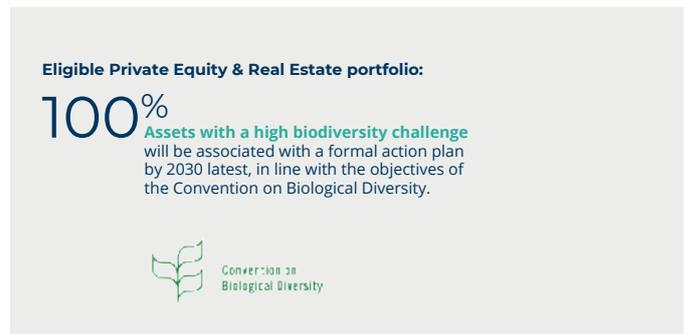
In 2022, Eurazeo focused its efforts on the planetary boundary related to biodiversity erosion. Biodiversity is a subject of growing concern, included in the new sustainable finance regulations.

The Group has defined **a strategy aimed at contributing to the protection and restoration of biodiversity**<sup>(2)</sup>. The objective is for all assets identified as having a high biodiversity challenge to have a formalized action plan by 2030 in line with the Convention on Biological Diversity<sup>(3)</sup>.

This strategy was **established according to the principles of the Science Based Targets for Nature methodology** developed by the Science Based Targets Network (SBTN) association<sup>(4)</sup>, the SBTi “equivalent” for setting scientific objectives with regard to nature.

As such, the biodiversity commitment scope was set according to the same criteria as the decarbonization commitment scope, i.e., eligible portfolio companies in Private Equity and Real Estate.

#### Target for the portfolio



#### Progress

Eurazeo began to integrate biodiversity considerations into ESG due diligence nearly 10 years ago, in particular by identifying dependencies (on natural raw materials) and major areas of impact of an investment target on biodiversity.

At the beginning of 2022, Eurazeo decided **to strengthen this analysis by establishing a partnership with a specialist provider**. A detailed analysis was carried out on the investments of the Small-mid buyout and Mid-large buyout funds. Mainly drawing on data from the Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) database<sup>(5)</sup>, the Group was able to measure, for each company financed:

- the level of dependence regarding 21 ecosystem services<sup>(6)</sup>, including the provision of resources (such as water, fiber, natural resources), regulatory services (bioremediation, filtering, etc.), or protection (disease control, erosion control, etc.); and

- the level of pressure broken down into 11 impact factors, such as pollution (water, soil, etc.), ecosystem use (terrestrial, freshwater, marine) or GHG emissions.

The results of this analysis form the essential preliminary basis for developing personalized progress plans for each company, where applicable.

In addition, Eurazeo was named **co-manager for the France Invest working group "GT Biodiversity - subgroup II"** since its launch in early 2022 and as such contributes to its work to determine the most appropriate methodology for private equity. In this context, Eurazeo proposed to one of its portfolio companies that is sensitive to biodiversity issues to participate in a pilot project. The biodiversity impact of 32 agricultural raw materials is currently being evaluated using the Global Biodiversity Score (GBS) metric<sup>(7)</sup>.

(1) The international team led by Johan Rockström of the Stockholm Resilience Center identified nine planetary boundaries, explained and quantified in the publication “A safe operating space for humanity” (Rockström, J., Steffen, W., Noone, K. et al. Nature 461, 472–475 (2009)).  
 (2) Biodiversity refers to all living beings and the ecosystems in which they live. It is assessed by considering the diversity of ecosystems, species and genes in space and time, as well as their interactions. It plays a key role in climate regulation because it is thought to absorb half of the carbon emissions emitted by human activities.  
 (3) The Convention on Biological Diversity is an international treaty on “the conservation of biological diversity, the sustainable use of its components and the fair and equitable sharing of benefits arising out of the use of genetic resources”.  
 (4) The SBTN is a collaboration of global organizations that supports stakeholders in defining scientific objectives for all Earth systems.  
 (5) The Natural Capital Finance Alliance and the UN Environment World Conservation Monitoring Center have created ENCORE, a web-based tool that allows users to identify significant risks to the natural capital of a given industry and assess these risks by location, based on current environmental data.  
 (6) Ecosystem services represent the benefits provided to human societies by ecosystems. They are most often classified into four categories of services: provisioning services, regulating services, supporting services, and cultural services. Source: Millennium Ecosystems Assessment, MA Conceptual Framework, Ecosystems and Human Well-being: Current State and Trends, UNEP, 2005.  
 (7) The Global Biodiversity Score (GBS) is a tool developed by CDC *Biodiversité* which enables businesses and financial institutions to measure their biodiversity footprint.

Furthermore, Eurazeo identifies **the companies in its portfolio that have a negative impact on sensitive biodiversity areas** through the Principal Adverse Impact (PAI)<sup>(1)</sup> indicator n°7. It aims to measure the share of investments whose sites and operations are located in or near sensitive biodiversity areas, where the activities of these companies have a negative impact on these areas. This information is collected as part of the annual ESG reporting

campaign. See Section 3.2.2 for more details on ESG Reporting. At the end of December 2022, 4% of portfolio companies declared that they had activities with adverse impacts on biodiversity sensitive areas. However, this result should be treated with caution as this indicator has been newly integrated into the reporting framework.

### 3.1.3 INCLUSION: FOSTER A MORE INCLUSIVE SOCIETY (+)

Inequalities continue to grow globally as reflected in the numerous national movements around social, environmental or identity issues. They have been amplified by the Covid-19 pandemic, the war in Ukraine, inflation, and the impact of climate change.

An asset management company like Eurazeo plays a role in reducing these issues to create a fairer, more equal and cohesive society because it can act not only on its direct scope but also on the companies in its portfolio. Eurazeo believes it can accelerate the transition toward a more inclusive society by activating the three levers detailed hereafter.

#### 3.1.3.1 LEVER #1: INVESTING IN SOLUTIONS

Eurazeo invests in **companies that contribute to social inclusion** through their businesses, products or services. Eurazeo places particular emphasis on the **healthcare sector**, which is key in improving social well-being and economic development. In particular, the Group finances companies that carry out reindustrialization, relocation, prevention development, R&D and innovation, telemedicine, and digitalization in the healthcare sector. This is illustrated by Eurazeo's portfolio companies, and notably within:

- **Kurma Partners**, a French-based management company specialized in biotechnology and health technology, 70.6% owned by Eurazeo. It contributes to the achievement of SDG 3 "Good health and well-being" and SDG 9 "Industry, innovation and infrastructure". With more than €700M assets under management and five funds currently being raised or deployed, Kurma Partners is one of the most credible players in financing innovation in the biotech and health tech sector, from pre-seed to growth capital. Eurazeo also became a cornerstone investor in

funds managed by Kurma Partners and is providing operational support, as well as its international network, to help it become a European leader in the field of medical innovation; and

- **Nov Santé Actions Non Cotées** (Article 9 – SFDR), launched during the COVID-19 health crisis at the initiative of *France Assureurs* and *Caisse des Dépôts*, this Fund seeks to support the sovereignty of the French healthcare system by investing in solutions that enhance collective health and well-being. It therefore contributes to the achievement of the SDG 3 "Good health and well-being" and SDG 9 "Industry, innovation and infrastructure". As such, the Fund received the "Relance" label by the French government. The Fund focuses on improving health around major public health issues (and in particular prevention and personal services), strengthening health industries throughout the sector and locating companies and production in France and the European Union.

#### Strategic acquisition

##### KURMA PARTNERS

Eurazeo holds 70.6% in this management company specialized in biotech and medical innovation.

#### Dedicated fund

##### NOV SANTÉ ACTIONS NON COTÉES (Article 9 – SFDR)



labelRelance

#### Portfolio companies



Non exhaustive list, for illustration purposes.

**€2.7 BILLION\***  
CONTRIBUTING TO A MORE INCLUSIVE ECONOMY  
Source: Eurazeo, data as of December 31<sup>st</sup>, 2022.

\* 2.7 billion corresponds to companies identified as having a business, products or services that contribute to a more inclusive economy across all of Eurazeo's investment activities (Private Equity, Private Debt and Real Assets), calculated on the basis of their valuations as of December 31, 2022 and the amounts raised but not called.

(1) Principal Adverse Impacts (PAI) are "negative effects, material or likely to be material on sustainability factors that are caused, aggravated by or directly linked to investment decisions and advice performed by the legal entity".

### 3.1.3.2. LEVIER #2: ACCOMPANYING TRANSITIONS

Eurazeo encourages the implementation of more inclusive and fairer practices within the Group and the companies in its portfolio. Its efforts focus (but are not limited to) three priority areas: foster all types of diversity, broaden access to healthcare coverage and promote greater sharing of the value created.

#### Foster all types of diversity

##### At Group level:

Among others, the promotion of diversity within Eurazeo translates into:

##### ■ the setting of quantitative targets by Executive Management for 2030:

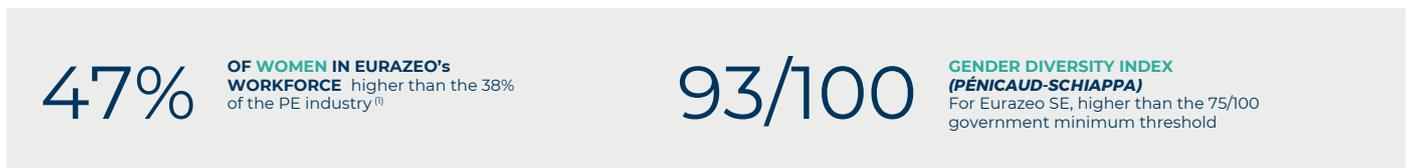
- Reduce the difference between both genders in the entire workforce to less than 20%,
- Achieve a score of  $\geq 85/100$  on the Gender Diversity Index (*Pénicaud-Schiappa*),
- Reach an unadjusted gender pay gap of 13%,
- Ensure the least represented gender occupies at least 40% of Senior Management positions,
- Ensure the Supervisory Board comprises  $\geq 40\%$  of the least represented gender;

■ **deploying specific Human Resources (HR) actions within the framework of all HR processes**, in particular concerning recruitment (so that it is non-discriminatory and the pool of candidates diversified), co-parental leave and maternity leave policy, and the organization of specific training and mentorships for employees and the publication of a Diversity, Equity and Inclusion (DEI) charter and policy; and

■ **highlighting and sharing good practices within the industry** through employee testimonials (portraits, interviews) in the media and active commitments to professional associations. See Section 3.2.3 for more information.

For illustrative purposes, below are two indicators relating to the Eurazeo group for 2022:

#### Gender diversity



(1) According to the BVCA/Level 20 Diversity & Inclusion Survey 2021. Source: Eurazeo, data as of December 31<sup>st</sup>, 2022.

Note: the *Pénicaud-Schiappa* index is a French regulatory requirement. The international benchmark indicator is the unadjusted gender pay gap. At the end of 2022, it stood at 26% for the Eurazeo group<sup>(2)</sup>, surpassing the French average score for financial services of 31%<sup>(3)</sup>.

Furthermore, after having worked hard to promote gender diversity, Eurazeo aims to broaden the scope of its actions to include diversity in all its forms, especially with regard to the LGBTQIA+ community.

Eurazeo also works to foster social diversity within the industry, through, among other things, its involvement in the #TechYourPlace initiative and its engagement with the association Mozaik RH since 2022.

##### At portfolio level:

Eurazeo mobilizes the companies in its portfolio to develop and strengthen their diversity practices, in particular to ensure gender parity of at least 40% in the various management bodies. At the end of 2022, 20% of portfolio companies had at least 40% of the least represented gender in their first decision-making body.

In addition, to meet the growing demands of US Limited Partners, the Group has strengthened its DEI reporting for its activities in the United States. The latter now includes indicators relating to diversity beyond gender, in accordance with the recommendations of the Institutional Limited Partners Association (ILPA).

#### Broaden access to healthcare coverage and promote greater sharing of the value created

Social protection, well-being and equity are key concerns for Eurazeo. The Group has undertaken to extend health, life and disability insurance to all its employees and adopt measures to enable them to benefit from the value created. Eurazeo encourages companies in its portfolio to do the same.

(2) Excluding Kurma Partners.

(3) Source: european Commission, Eurostat, Table 2: The unadjusted gender pay gap by economic activity (%), 2021.

**At Group level:**

Fundamental though it is, health coverage — mandatory or otherwise — as established by various states, is (still) not provided systematically and does not meet the same quality standards everywhere. Eurazeo is committed to ensuring that all its employees around the world benefit not only from health insurance but also life and disability insurance.

Similarly, the extent to which the value created by companies is shared with employees (voluntary or state-mandated schemes)

varies considerably from one country and sector to another. Eurazeo is committed to ensuring that all its employees benefit from the value created by the Group. This is notably done through profit-sharing or participation agreements (depending on the entities) and distribution of free shares every year, to more closely associate its employees with the development and performance of Eurazeo. In 2021, Eurazeo carried out a capital increase reserved for employees, in which 91% of eligible employees opted in.

For illustration purposes, below are two indicators relating to the Eurazeo group for 2022:

**Healthcare coverage**

**100%** OF EURAZEO EMPLOYEES COVERED BY HEALTH AND LIFE/DISABILITY INSURANCE

Source: Eurazeo, data as of December 31<sup>st</sup>, 2022.

**Profit-sharing**

**100%** OF EURAZEO EMPLOYEES ELIGIBLE TO AT LEAST ONE PROFIT-SHARING SCHEME

**At portfolio level:**

The Group also actively encourages portfolio companies to ensure their employees have appropriate healthcare coverage (and to promptly take necessary measures if they do not). At the end of 2022, 95% of the employees of portfolio companies were covered by health insurance.

In addition, in early 2022, Eurazeo changed its health benefits policy to ensure equal access to health services for all US-based employees, regardless of where they live. For example, if care is not

available within 100 miles, insurance policies will cover travel and treatment costs.

Furthermore, Eurazeo encourages companies in its portfolio to ensure that at least 75% of their employees benefit from a profit-sharing scheme, regardless of the mechanism put in place. At the end of 2022, 46% of the employees of portfolio companies benefited from a value creation sharing scheme.

**3.1.3.3 LEVER #3: EXTENDING OUR COMMITMENT**

Rooted in its commitment to bring about a more inclusive society, Eurazeo's philanthropic approach is fully in line with its desire to **reduce social divides and champion equal opportunities**. This approach, which dates back to 2004, focuses on the protection and education of young people. It includes combating poverty and exclusion, defending human rights and furthering medical research. Each year, the Group reinforces its commitment to increase its societal impact. In response to emergency situations, Eurazeo mobilizes funds to support organizations operating in the field and working with vulnerable groups.

In 2022, **Eurazeo provided active support to projects run by 19 French and international non-profit organizations** (compared with 17 in 2021), donating €860,000 (compared with €802,000 in

2021). In addition to financial support, the teams were involved throughout the year in organizing initiatives for the non-profits they represent.

Moreover, in light of the economic and human impact of the war in Ukraine, Eurazeo **mobilized €1 million to help the Ukrainian people**, including Ukrainian employees of its portfolio companies. Eurazeo's donations helped to collect and distribute basic necessities; organize the transportation and accommodation for refugees; assist students through scholarships; and intervene on the ground in conflict zones to provide emergency shelter and psychological support.

## 2022 Philanthropy activity



(1) Excluding emergency support. Source: Eurazeo, data as of December 31<sup>st</sup>, 2022.

## Emergency support to Ukraine



### 3.1.4 ESG AT ALL LEVELS OF THE ORGANIZATION

As ESG issues become more strategic and increasingly regulated, it is critical that Eurazeo ensures alignment of interests at all levels of the organization.

#### 3.1.4.1 ESG GOVERNANCE

Eurazeo has clear ESG governance, strengthened over the years:

- **ESG at the highest levels of governance:** A CSR Committee was created within the Supervisory Board in 2014 to orient the Board's position on ESG topics, anticipate risks and opportunities, and make recommendations on the Group's ESG strategy. It is currently composed of Mrs. Mathilde Lemoine, Mr. Roland du Luart and Mrs. Stéphane Pallez and is chaired by Mr. Emmanuel Russel representing JCDecaux Holding SAS<sup>(2)</sup>. Their work covers environmental, social, ethical, human rights and governance topics at the level of Eurazeo and its portfolio companies. ESG is also represented on the Executive Board by Sophie Flak, Managing Partner ESG and Digital<sup>(3)</sup>. Her main duties with regards to ESG involve defining and deploying Eurazeo's ESG strategy, developing new sustainable investment products, engaging with stakeholders and overseeing the ESG team.
- **A dedicated ESG team:** Eurazeo has had a dedicated ESG team since 2008, composed of six full-time members. Its main role is to ensure the proper implementation of the ESG strategy within the

Group and its investments. This mainly includes supporting the various teams on ESG issues related to their activity. For example, it supports investment teams in applying the Exclusion Policy, achieving ESG due diligence, and defining objectives and action plans for portfolio companies. ESG team members are also responsible for conducting the annual ESG reporting campaign, producing ESG documentation, and developing the Group's ESG policies and processes and maintaining them at the highest standards – in conjunction with the various stakeholders.

- **An internal network of ESG delegates:** Since 2021, the ESG team has been supported by ESG delegates in each investment team, creating a network of expertise throughout the Group. As key contact points for the ESG team, they coordinate ESG activities within their team to facilitate the deployment of ESG progress plans and strengthen synergies.

(2) Following the decision of the Supervisory Board meeting of March 7, 2023.  
(3) Source: Eurazeo, information as of February 6, 2023.

### 3.1.4.2 ESG TRAINING

ESG is at the heart of Eurazeo's activity and is a key differentiating factor. It is therefore essential that employees, including executives and Supervisory Board members, feel comfortable with key ESG concepts and are able to convey Eurazeo's ESG speech. Eurazeo has set up ESG training for its employees:

- **An introductory session** is planned for each newcomer as part of their onboarding to get acquainted with the Group's ESG strategy, actions and practices;
- **Annual sessions** are planned to address the specific ESG needs and challenges of each team. For example, sessions with investment teams focus on ESG integration at each stage of the investment cycle; and
- **Themed conferences** with third-party specialists are regularly offered to all employees to raise their awareness of ESG topics. Eurazeo stepped up the frequency of these conferences in 2022.

### 3.1.4.3 ESG IN COMPENSATION

Eurazeo strengthens the alignment of interests between its stakeholders by **incorporating ESG objectives in up to 15% of the annual variable compensation of its Executive Management**. After doing so into the variable compensation of Executive Board members in 2014 and Managing Partners in 2019, Eurazeo extended the practice to members of investment teams of funds classified as Article 9 (SFDR). The inclusion of ESG criteria in the variable compensation of Managing Directors will be implemented in 2023. The nature of these objectives and their assessment varies depending on their position in the company. The extent to which each member has achieved its ESG objectives is assessed and reviewed each year by the Compensation, Appointments and Governance (CAG) Committee.

#### Executive Board

The ESG appraisal is based on:

- progress with the commitment of financed companies to deliver the SBTi decarbonization target (see Section 3.2.4.2) and
- annual progress of the unadjusted gender pay gap (see Section 3.2.3.3).

See Section 5.8 for more information.

In 2022, the Group strengthened its ESG training cycle:

- **Awareness raising workshops -Climate Fresk and 2Tonnes-** were offered to all employees, including members of the Executive Board and Managing Partners, empowering them to take ownership of issues related to climate change and carbon net neutrality. Eurazeo wishes to systemize these workshops to new employees; and
- **A tailor-made training course** on ESG language was created to enable employees to understand key ESG concepts and to better convey Eurazeo's commitments. Initially addressed to members of the Executive Board, Managing Partners and ESG coordinators, the training is being rolled out to other teams.

In addition to the regular meetings of the CSR Committee, Sophie Flak intervenes annually at the Supervisory Board by presenting the performance of the O<sup>+</sup> strategy, including the roll-out of the decarbonization pathway across the Group and the portfolio companies, an update on Eurazeo's non-financial performance and the development of its impact strategies.

#### Partners Committee

Each Managing Partner has quantitative objectives, tailored according to their position and/or business line. These objectives are linked to the extent to which: ESG criteria are integrated into the investment cycle, the ESG strategy of each fund has been deployed and/or gender diversity in the teams has improved.

For example, specific criteria may include the compliance of each investment with Eurazeo's Exclusion Policy, the systematic achievement of ESG due diligence prior to investing, the implementation of sustainability-linked loans, the integration of ESG clauses in the legal documentation of transactions, the achievement of sustainable objectives for Article 9 (SFDR) funds, the deployment of the SBTi pathway or gender balance in investment teams recruitment.

#### Investment teams of funds classified as Article 9 (SFDR)

ESG also forms part of the variable compensation mechanisms of the investment teams of Eurazeo's three funds classified as Article 9 (SFDR): Eurazeo Sustainable Maritime Infrastructure, Eurazeo Transition Infrastructure Fund and Nov Santé Actions Non Cotées. Compensation will therefore depend both on the funds' financial performance and their non-financial performance in relation to their sustainable investment objectives.

## 3.1.5 A RECOGNIZED ESG COMMITMENT

### 3.1.5.1 HISTORY OF THE COMMITMENT

#### 2023:

- Integration of Eurazeo into the new Euronext CAC® SBT 1.5° non-financial index

#### 2022:

- Adherence to the #TechYourPlace movement which helps Tech players boost diversity and inclusion
- Participation in the 5<sup>th</sup> One Planet Summit as member of the OPSWF
- Formalization of a biodiversity strategy
- Launch of the “climate strategy” program for portfolio companies
- Indexation of ESG objectives to the variable compensation of investment teams of funds classified as Article 9 (SFDR)
- Validation of carbon reduction objectives by the Science Based Targets initiative (SBTi)
- Mobilization of an emergency support package for the Ukrainian population
- Publication of the Diversity, Equity and Inclusion (DEI) Charter and Policy
- Publication of the Human Rights Policy
- Publication of the Responsible Marketing and Sales Policy

#### 2021:

- Signing of the ILPA's (Institutional Limited Partners Association) “Diversity in Action” Charter, which seeks to promote Diversity, Equity and Inclusion in the Private Equity sector
- Adherence to the One Planet Summit initiative for energy transition and the fight against climate change
- Launch of three ESG funds: Eurazeo Smart City II, Eurazeo Transition Infrastructure Fund and Eurazeo Sustainable Maritime Infrastructure
- Raising of the stake in Kurma Partners, a management company specialized in medical innovation and biotechnologies
- Set-up of a network of ESG delegates within each investment team
- Announcement of the new Eurazeo brand “Power Better Growth”, demonstrating strong ESG commitment

#### 2020:

- Decision by *France Assureurs* and the *Caisse des Dépôts* to entrust Eurazeo with the management of the Nov Santé Actions Non Cotées fund of €420 million
- Presence in the guide “Science-Based Targets: Financial sector Science-Based Targets guidance”
- Launch of Eurazeo's new 2020-2040 ESG strategy named O+
- Publication of the Exclusion Policy
- Creation of the Eurazeo Endowment Fund
- Mobilization of an emergency aid package in the fight against the Covid-19 epidemic
- Commitment to the Science Based Targets initiative (SBTi)
- Appointment of the ESG and Digital Director to the Partners Committee
- Launch of Connect, a digital platform for portfolio companies to share ESG knowledge

#### 2019:

- Signing of the French Business Climate Pledge, an initiative supported by MEDEF and signed by 99 French businesses
- Signing of the Global Investor Statement to Governments on Climate Change, an initiative launched by The Investor Agenda before COP 25
- Signing of the SISTA charter, which aims to improve diversity in digital
- Signing of the France Invest's "Parité" charter which aims to improve gender equality in Private Equity
- Indexation of ESG objectives to the variable compensation of the Partners Committee
- Measurement of the fund's carbon intensity (first edition)

#### 2018:

- Achievement of the TCFD reporting (first edition)
- SDG assessment of the portfolio (first edition)

#### 2017:

- Indexation of ESG objectives to the variable compensation of the Executive Board
- Launch of a stakeholder consultation campaign
- Measurement of the socioeconomic footprint (first edition)
- Signing of the Manifesto to decarbonize Europe, a call initiated by Shift Project
- Signing of the “Letter from institutional investors to leaders of the G7 and G20 nations”, an initiative supported by the PRI
- Publication of climate reports per fund (first edition)
- Inclusion in families of non-financial indices (MSCI, FTSE4Good and STOXX ESG Leaders Indices)

#### 2016:

- Response to CDP's climate questionnaire (first edition)
- Inclusion in the Euronext Vigeo non-financial index family

#### 2015:

- Publication of the integrated report (first edition)
- Publication of the Code of Conduct
- Launch of the “responsible procurement” program for portfolio companies
- Publication of the Code of Conduct for Commercial Relations
- Recentring of the philanthropic approach on young people and education
- Measurement of impact reduction (first edition)
- Co-founding of the Initiative Climat International (formerly Initiative Carbone 2020) during COP 21

#### 2014:

- Launch of the Eurazeo “Pluriels” program to promote diversity for portfolio companies
- Publication of the 2014-2020 ESG strategy
- Creation of the Supervisory Board's CSR Committee
- Signature of the United Nations' Global Compact

#### 2013:

- Sharing of tools and methodologies in open source
- Inclusion in the Ethibel Sustainability Index (ESI) non-financial index family

- **2012:**
  - First distinction by a non-financial index, *ASPI Eurozone Index*
- **2011:**
  - Linking of the ESG team to a member of the Executive Board
  - Publication of the Responsible Investment Policy (first edition)
- **2010:**
  - Integration of ESG criteria in the investment process
  - Achievement of the Group and portfolio ESG reporting (first edition)
- **2009:**
  - Mapping of stakeholders (first edition)
  - Signing of the United Nations' Principles for Responsible Investment (PRI)
  - Publication of the ESG Charter
- **2008:**
  - Portfolio ESG diagnosis (first edition)
  - Creation of the ESG team
- **2004:**
  - Launch of Eurazeo's philanthropic approach

3.1.5.2 ESG RATINGS AND NON-FINANCIAL INDEXES

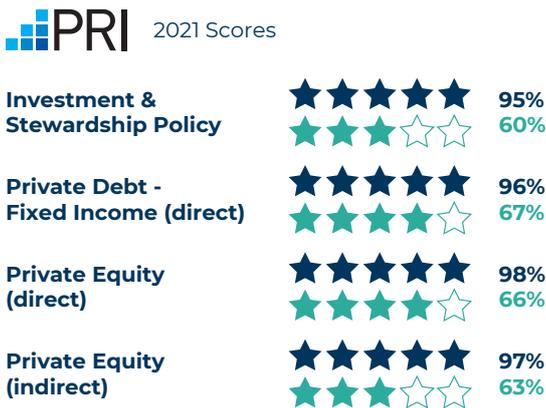
ESG ratings

Eurazeo's commitment and steady progress in ESG are acknowledged by **the main international non-financial rating agencies**. In 2022, this was demonstrated once again with Eurazeo outperforming the industry's median scores.

The Principles for Responsible Investment (PRI): As part of the latest annual PRI assessment (in 2021 using 2020 data), **Eurazeo achieved the maximum five-star score in the four assessment modules relating to its businesses**, thus surpassing the median sector scores in each of these categories. Eurazeo made its assessment report public on its website. It should be noted that in 2021, the alphabetic grades from A+ to E were replaced by numeric grades ranging from 1 to 5 stars. PRI signatories are required to fill out a questionnaire each year to publicly report on their commitment to responsible investment.

MSCI ESG: In 2022, **Eurazeo maintained its MSCI ESG rating at AA**, placing the Group in the "leaders" category. MSCI ESG ratings aim to measure a company's resilience and management of financially significant ESG risks and opportunities. MSCI pinpoints "leaders" (AAA, AA), "average" (A, BBB, BB) and "laggards" (B, CCC) of each sector based on their exposure to ESG risks and how they manage those risks relative to their peers.

**PRI**  
Highest scores in all eligible modules



<b>EURAZEO</b>	<b>MODULE MEDIAN</b>
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Reflects PRI modules which are relevant to Eurazeo's activities. For more details on PRI scores, please consult the PRI website at [www.unpri.org](http://www.unpri.org) and the 2021 PRI Assessment & Transparency Reports in the Responsibility section at [www.eurazeo.com](http://www.eurazeo.com)

**MSCI ESG Rating**  
Maintaining the AA rating



2022	<b>AA</b>
2021	<b>AA</b>
2020	<b>AA</b>
2019	<b>AA</b>

<b>EURAZEO</b>
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The use by Eurazeo of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Eurazeo by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

**Sustainalytics:** In 2022, **Eurazeo improved its Sustainalytics rating from Medium Risk to Low Risk**, placing the Group in the top 6% (22<sup>nd</sup> out of 44) in the Asset Management & Custody Services category. More specifically, the Group received an ESG risk rating of 17.7 and was assessed by Sustainalytics as having a low risk of experiencing material financial impacts because of ESG factors. The Sustainalytics' ESG rating measures a company's exposure to industry-specific material ESG risks and how it manages those risks.

**CDP:** In 2022, **Eurazeo improved its CDP rating from B to A-**, reaching the "leadership" category, surpassing both the European average of B and the financial services sector average of B-. CDP measures, among other items, the completeness of information disclosed, risk management and best practices, such as setting ambitious and meaningful targets on climate change, forests, and water safety and security.

**Sustainalytics**  
Improving from Medium risk to Low Risk



2022	17.7	27.5
2021	20.07	
2020	22.19	
2019	10.73	



<b>EURAZEO</b>	<b>AVERAGE</b>
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**CDP Climate change**  
Improving the rating to A-



2022	A-	B-
2021	B	B
2020	B	B
2019	B	C

Rating on a scale of A to D- (A being the best)

<b>EURAZEO</b>	<b>AVERAGE (Financial Services)</b>
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**Moody's ESG Solutions:** In 2022, **Eurazeo improved its ESG rating from 65/100 to 66/100**, above the European average of 37/100 (ranking 2<sup>nd</sup> out of 98 entities) and the global average of 34/100 for the Financial Services sector. All sectors combined, the Group ranks regionally in the top 5% (78<sup>th</sup> out of 1,609 entities assessed in

Europe) and globally in the top 2% (84<sup>th</sup> out of 4,814 entities assessed across the world). Moody's ESG assessments evaluate how a company manages its exposure to ESG risks and opportunities that are material for its activity and stakeholders.

**Moody's ESG Solutions**  
Improving the score to 66/100

Financial Services category

2022	66	37	34
2021	65	35	32
2020	67	33	30
2019	n/a*		

Score on a scale of 1 (worst) to 100 (best)

<b>EURAZEO</b>	<b>AVERAGE - Europe</b>	<b>AVERAGE - World</b>
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\*Eurazeo was not rated in 2019.

## Inclusion in non-financial index families

Eurazeo SE is the only listed investment company to be included in five non-financial index families: **Ethibel**, **Euronext Vigeo**, **MSCI ESG & Climate Indexes**, **Stoxx ESG Leaders Indices** and **FTSE4Good**. In December 2022, Eurazeo SE was incorporated into the new **Euronext CAC® SBT 1.5°** non-financial index, which includes companies whose carbon reduction targets have been validated by

the Science Based Targets initiative (SBTi). It requires a double commitment from companies to reduce their direct emissions from production processes by at least 50% by 2030 and to start reducing their indirect emissions, in line with the goals of the Paris Agreement.

## Integrated in top 5 families of non-financial indexes



## 3.1.5.3 AWARDS

- ▲ 2023:
  - Eurazeo Capital V winner of **Real Deals Future 40 ESG Innovators**, which showcases alternative fund managers and advisors who are leading the way in transforming the industry's approach to ESG.
- ▲ 2022:
  - Eurazeo was awarded the **2022 Sustainable Finance Transparency Label** by AGEFI.
  - Eurazeo was named **International General Partner of the Year** by the Private Equity Women Investor Network (PEWIN).
  - Eurazeo was awarded the **GP company France Invest prize** for its active gender diversity policy within investment team.
  - Eurazeo Sustainable Maritime Infrastructure was a finalist in the Impact Investment Fund category at the **Real Deals ESG Awards 2022**.
- ▲ 2020:
  - Winner of the **SWEN Multi-Strategy Investment award**.
- ▲ 2019:
  - Amandine Ayrem, Managing Director Mid-large buyout, received the **France Invest Grand Prize** which recognizes the excellence of female investors in private equity companies.
- ▲ 2018:
  - **HSBC Global Research** considered Eurazeo as one of the most advanced listed companies in terms of ESG.
  - After carrying out thematic studies, the rating agency Vigeo-Eiris ranked Eurazeo among **the world's top 5 in the Financial Services General** sector and in the highest 1% of top performers in regard to Human Rights.
  - Winner of **Private Equity Magazine's** ESG Sustainable Development Award.
  - Winner of the **Swen ESG Best Practices Honors** for Private Debt activity.
  - Finalist in the SME/Mid-cap category at the **Integrated Thinking Awards**.
- ▲ 2017:
  - Winner of the **Swen ESG Best Practices Honors** for Venture Capital activity.
  - Finalist in the SME/Mid-cap category at the **Integrated Thinking Awards**.
- ▲ 2016:
  - Winner of the **Swen ESG Best Practices Honors** for Private Debt activity.
  - Winner of **Private Equity Magazine's** ESG Sustainable Development Award.

### 3.1.5.4 TRADE ASSOCIATIONS

Eurazeo partners with peers and trade associations in the Private Equity industry **to raise awareness and develop practices** to fight against global warming and support greater diversity, equity and inclusion (DEI). The Group promotes the sharing of tools and methodologies, as evidenced by **its open-source policy since 2013**, and is involved in **various initiatives and networks**.

- **Invest Europe:** In 2023, Erwann Le Ligné, a member of EMC's Executive Board, was appointed **Chairman of the ESG Committee** of Invest Europe, a European private equity association, after serving as Vice-Chairman for four years. This committee aims to promote and encourage responsible investment practices among Invest Europe members and more broadly across the Private Equity industry.
- **Private Equity Women Investor Network (PEWIN):** Adrienne Shapira, Managing Director Brands, is a member of PEWIN's **Steering Committee and Executive Board**, which aims to recognize organizations that are transforming the Private Equity sector by supporting greater gender diversity.
- **Institutional Limited Partners Association (ILPA):** Eurazeo is a signatory to the ILPA's **Diversity in Action**, an initiative that promotes diversity, equity and inclusion in the Private Equity sector through a range of actions including talent management, investment management and industry commitment.
- **Conseil National du Numérique (CNUM):** Sophie Flak, member of Eurazeo's Executive Board, Managing Partner ESG and Digital, was **a member of the CNUM** from 2018 to January 2021, contributing in particular to the work related to the ecology and digital.
- **European Financial Reporting Advisory Group (EFRAG):** Sophie Flak, member of Eurazeo's Executive Board, Managing Partner ESG and Digital, joined the EFRAG's **non-financial reporting standards task force** for 2020.
- **France Digitale:** Benoist Grossmann, CEO of EIM and Managing Partner Venture & Growth, has been **Co-President** of France Digitale since 2019, which works on impact and diversity issues within the Tech community in Europe.
- **LEVEL 20:** Caroline Hadrbolec, Managing Partner Human Resources, is **a founding member of the France Chapter Committee** for the LEVEL 20 initiative, launched in 2019, which aims to improve female representation in Private Equity. Eurazeo notably supports **Mentorship and Outreach programs** to improve gender diversity in Private Equity and inspire women to join the industry.
- **Principles for Responsible Investment (PRI):** Eurazeo has been a **PRI signatory** since 2009 and as such, is committed to integrating ESG considerations into its investment decisions. In 2019, Eurazeo was appointed to the **Private Equity Advisory Committee** (PEAC). Matthieu Baret, Managing Partner Venture, was a member of the **Board of Directors** from 2015 to 2017.
- **Initiative Climat International (iCI):** The initiative Carbone 2020 (iC20), renamed the initiative Climat International (iCI), **was launched in 2015 under the leadership of Olivier Millet**, member of Eurazeo's Executive Board and Managing Partner Small-mid buyout. It is the first international private equity initiative trying to achieve the objectives of the Paris Agreement by encouraging industry players to manage and reduce the GHG emissions of their portfolio companies. This initiative is supported by the PRI.
- **One Planet Sovereign Wealth Funds (OPSWF):** In 2021, Eurazeo joined the **One Planet Summit initiative via the OPSWF working group**, which seeks to mobilize the private sector in the fight against climate change. Eurazeo, along with several sovereign funds, asset managers and investment firms, signed the **One Planet Private Equity Funds Statement on Climate-Related Financial Disclosures**, confirming its commitment to follow the recommendations of the Task Force for Climate Related Financial Disclosures (TCFD) as part of its reporting. The One Planet Summit was launched by French President Emmanuel Macron in 2017. It is an initiative to accelerate the transition to a low-carbon economy in line with the objectives of the Paris Agreement.
- **Mouvement des entreprises de France (MEDEF):** Olivier Millet, member of Eurazeo's Executive Board and Managing Partner Small-mid buyout, was also a member of MEDEF's **Executive Committee** from 2018 to 2020, as well as a member of the **Commissions for New Entrepreneurial Responsibilities and Ecological and Economic Transition**. In the latter Commission, he chaired the Sustainable Finance and Non-Financial Performance working group.
- **France Invest:** In 2009, Olivier Millet, member of Eurazeo's Executive Board and Managing Partner Small-mid buyout, set up at France Invest **the Sustainable Development Club which later became the ESG Commission**, which he chaired for 6 years until 2015. Through these bodies, he contributed to societal commitment approaches and measures for the French private equity sector. He participated in France Invest's **signing of the PRI** in 2013, and in the preparation of the association's new professional charter in 2014. Olivier is also Chairman of the France Invest association's **Appointments Committee** and was **Chairman** of the Association from June 2016 to June 2018. Since 2021, Caroline Hadrbolec, Managing Partner Human Resources, has been **a member of the Female Talents Prize jury** of France Invest. In 2022, Eurazeo was appointed as co-responsible of **GT Biodiversity- sub-group II**, a working group on biodiversity for 2022, within the France Invest ESG Commission.
- Since 2015, **roadshows and meetings specifically dedicated to Socially Responsible Investment (SRI)** have been organized to meet specialized SRI investors. Twelve were organized in 2022.

## 3.2 Non-Financial Performance Statement

### → Details relating to this section

This section meets the requirements of the Non-Financial Performance Statement, covering the investment company Eurazeo SE together with its regulated affiliates. For the second

consecutive year, the ESG chapter of the NPFS focuses on Eurazeo's investor business. A comprehensive methodology is available in Section 3.4.

### 3.2.1 SUMMARY TABLE OF RISKS AND OPPORTUNITIES

Eurazeo may be concerned by risks that could affect its investment activity. 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 the risk assessments conducted.

The analysis methodology is explained in Section 3.4.

In 2021, the Eurazeo group refocused its non-financial risk analysis on its investor and asset management activity. This renewed approach was driven by several factors:

- the business model's development towards third-party asset management which represents 71% of assets under management as of December 31, 2022. The Eurazeo business model is presented in Section 1.4;
- growth in the teams of the investment company Eurazeo SE, the management companies that it controls and its foreign offices;
- the desire to strengthen specific presentation, success and progress of third-party asset management, which includes ESG at every stage, from fundraising to investment.

This refocusing also provided an opportunity to clarify the structure of the Group's ESG publications which have two complementary and individually robust approaches:

- this NPFS, refocused around Eurazeo's activity as an investor and asset manager;
- the O+ progress report, published in the second quarter of 2023, which presents ESG progress for assets under management.

On January 1, 2023, Eurazeo determined that it now satisfies the criteria of an Investment Entity as defined in IFRS 10, *Consolidated financial statements*. This standard provides an exemption whereby Investment Entities need not present consolidated financial statements (see Section 6.1.6, Note 1.1).

The following factors were also considered by Eurazeo for this refocusing decision:

- the sharply dwindling proportion of controlled and consolidated companies in the managed assets (11% of AUM as of 12/31/2021 and 12% as of 12/31/2022), considering the increasing weight of new strategies often invested in minority stakes; accordingly, the ESG issues creating risks and opportunities for controlled companies are too limited to be representative of the entire investor activity of Eurazeo and its portfolio;

- for controlled companies, the growing proportion of entities in the portfolio that are smaller than the previously held assets and the lack of companies exceeding the NPFS thresholds within this scope;
- the movements (portfolio entries and exits) which make the ESG data for the scope of controlled companies incomparable from one year to the next.

Accordingly, in the 2022 NPFS, Eurazeo presents non-financial risk factors for the following scope:

- Eurazeo SE, an investment company listed on Euronext Paris;
- Eurazeo Mid Cap (EMC), a portfolio management company certified by the French Financial Markets Authority (AMF) as an alternative investment fund manager (AIFM) within the meaning of Directive 2011/61/EU; under the registration number GP97-117;
- Eurazeo Investment Manager (EIM), a portfolio management company certified by the French Financial Markets Authority (AMF) as an alternative investment fund manager (AIFM) within the meaning of Directive 2011/61/EU; under the registration number GP 97-123;
- Eurazeo Funds Management Luxembourg, a Luxembourg-registered management company certified as an AIFM and central administration and registrar and transfer agent by the Commission de Surveillance du Secteur Financier, the Luxembourg financial services regulator; under the registration number A00002174;
- Eurazeo North America, an asset manager governed by US law, which obtained the status of US Investment Advisor with the Securities and Exchange Commission on June 28, 2019;
- Eurazeo Infrastructure Partners, authorized as a Portfolio Management Company on November 29, 2021 by the *Autorité des marchés financiers* (AMF) under number GP 202173 under the AIFM Directive;
- Eurazeo UK Limited (FRN: 955720), a company governed by English law, certified by the Financial Conduct Authority since May 23, 2022;
- Kurma Partners, a portfolio management company certified by the French Financial Markets Authority (AMF) as an alternative investment fund manager (AIFM) within the meaning of Directive 2011/61/EU; under the registration number GP 0900027.

This is a scope comprising a total workforce of 431 employees as of December 31, 2022.

The non-financial risk factors specific to the Group's investor and asset manager activity reflecting the policies rolled out and coordinated by Eurazeo are as follows:

Principal Risks	<b>3.2.2 Investment activity-related matters</b> 3.2.2.1 Consideration of ESG impact and dependencies throughout the investment cycle 	<b>3.2.3 Employee-related matters</b> 3.2.3.1 Working conditions and freedom of association 	<b>3.2.4 Environmental matters</b> 3.2.4.1 Climate change 	
	3.2.2.2 Change in regulations 		3.2.3.2 Equal treatment and value-sharing 	<b>3.2.5 Ethics</b> 3.2.5.1 Anti-corruption 
	3.2.2.3 ESG data quality 		3.2.3.3 Attractivity and employability 	
	3.2.2.4 ESG integration throughout the client relationship 			

PROBABILITY/IMPACT MINOR MEDIUM STRONG VERY STRONG

### 3.2.2 INVESTMENT ACTIVITY

#### 3.2.2.1. CONSIDERATION OF ESG IMPACTS AND DEPENDENCIES IN THE INVESTMENT PROCESS

##### Description of main issues creating risks and opportunities

OBJECTIVE	RISK FACTORS	RISK ASSESSMENT METHODS
Ensure that environmental, social and governance criteria are taken into account in investment decision-making and portfolio management	<ul style="list-style-type: none"> <li>Diversity of investment targets' and portfolio companies' business lines and regions</li> <li>Variety of sizes and financing methods</li> </ul>	<ul style="list-style-type: none"> <li>Systematic ESG due diligence for each new investment</li> <li>Annual ESG reporting</li> <li>Calculation of the Principal Adverse Impacts (PAIs)</li> </ul>

#### RISK MANAGEMENT

##### At Eurazeo level

- Formalization and deployment of an exclusion policy and a responsible investment policy
- Identification of an ESG coordinator in each investment team
- Training of investment teams on the integration of ESG criteria

##### At investment activity level

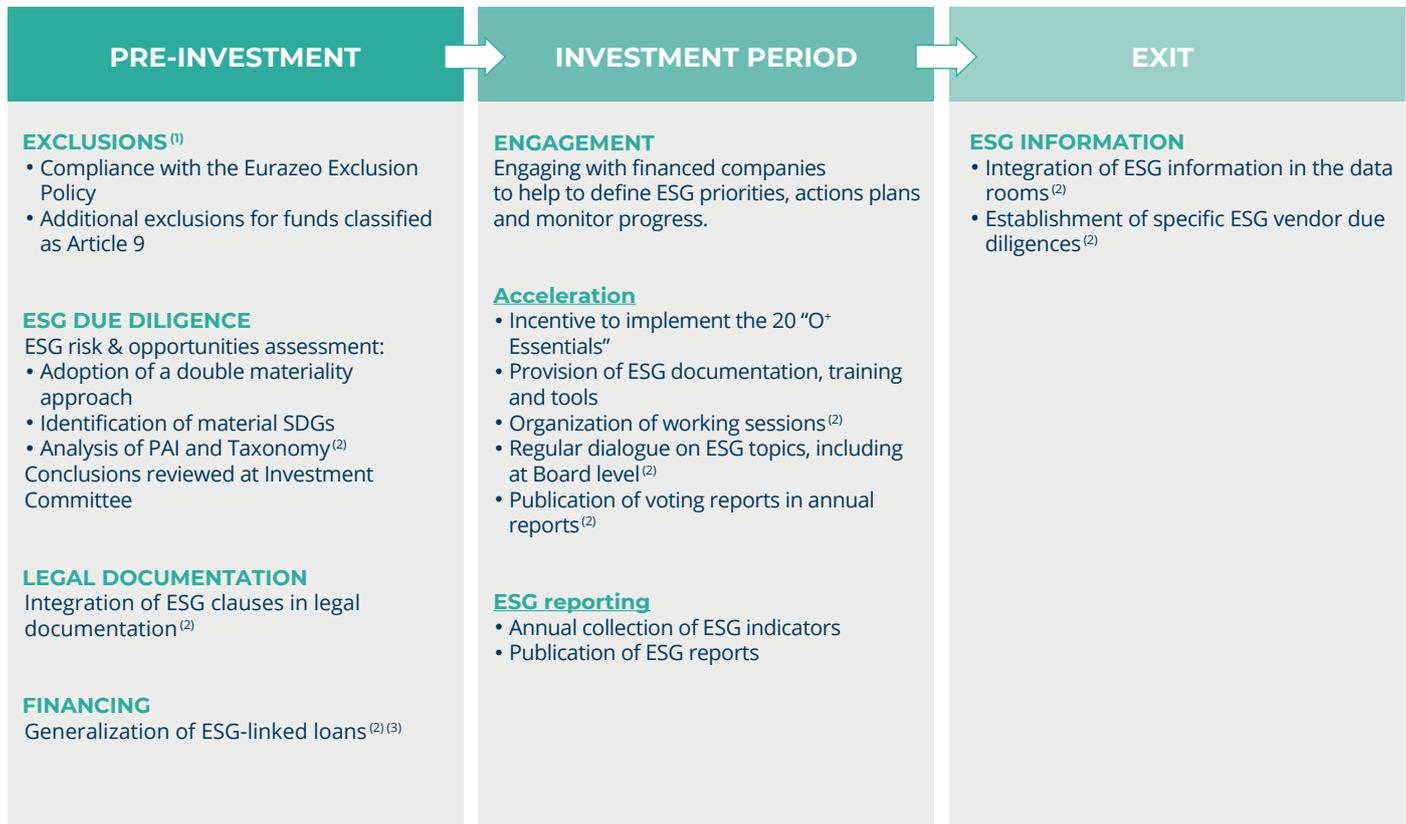
- Acquisition ESG due diligence (including, as appropriate: European taxonomy, Do No Significant Harm criteria, minimum safeguards, etc.)
- Deployment by funded companies of an ESG road map
- Provision of a platform for exchange of and access to ESG resources for funded companies

#### Policy applied at Eurazeo level

The integration of environmental, social and governance (ESG) criteria the whole way through the investment process is at the heart of Eurazeo's business model. It participates in the transformation and sustainable growth of financed companies, and influences investment, reinvestment or divestment decisions. The non-inclusion of ESG criteria at each decision-making phase would generate a fiduciary, regulatory and reputational risk.

To address this issue, Eurazeo has defined a responsible investment policy applicable to all its Private Equity, Private Debt and Real Assets activities. Its compliance and deployment are monitored through the reporting of specific indicators, included in the executive variable compensation criteria presented in Section 3.1.4.3.

### ESG embedded at every step of the investment process



(1) Please refer to the Eurazeo Exclusion Policy. (2) When relevant. (3) ESG-linked loans or ratchets include margin adjustments on the interest rate of a loan indexed on the achievement of pre-defined ESG targets.

It must be noted that depending on the industry, the type of investment and the amount invested, the criteria may apply differently and/or may not be relevant. Nevertheless, the following are systematically implemented:

- the investment target's compliance with Eurazeo's Exclusion Policy;
- the implementation of ESG due diligence for and before each investment;
- the measurement of ESG integration into the business models of financed companies.

Since 2021, these indicators have been subject to consistency checks by an independent third-party body, PwC, whose limited assurance report is available in Section 3.5.

In addition, in order to ensure proper compliance with ESG policies, a significant proportion of Eurazeo executives' variable compensation is based on these indicators (see Section 3.1.4.3).

#### Focus on the specificities related to Article 9 funds

Eurazeo Article 9 funds strictly follow Eurazeo's Responsible Investment Policy and implement reinforced requirements because of their sustainable investment objective. These conditions are detailed in fund documentation, regulatory publications and specific progress reports.

### Pre-investment

#### Compliance with the Exclusion Policy

Eurazeo has adopted an ambitious and balanced approach to accelerate the transition to a more inclusive, low-carbon economy.

Eurazeo's Exclusion Policy formalizes investment restrictions on companies that operate in sectors or have activities with potential negative impacts on the environment, human health or society. It distinguishes two categories: strict exclusions and threshold restrictions for investments.

- the first category encompasses certain sectors whose negative direct or indirect impacts are incompatible with Eurazeo's strategy as a responsible investor or cannot be overcome through transformation. Eurazeo will not invest in these sectors. In particular, investments in companies principally involved in the production or marketing of coal, oil, gas, palm oil or in the pornography sector are prohibited;
- the second category encompasses sectors for which a materiality threshold has been determined. This approach is used to prevent the exclusion of companies whose revenue for the relevant sectors is less than 20%. If necessary, Eurazeo is ready to support companies in the transformation of their activities provided that the transformation objectives are formalized to ensure compliance as soon as possible.

The list of sectors included in the Exclusion Policy is periodically revised to take into account any socio-environmental changes.

In addition, and regardless of the economic sector, certain practices are also banned such as corruption, money laundering, violations of human rights, activities in war-torn areas and breaches of International Labor Organization (ILO) principles, *i.e.*:

- violation of the freedom of association and effective recognition of the right to collective bargaining;
- all forms of forced and compulsory labor;
- child labor;
- all forms of discrimination in respect of employment and occupation.

#### Integration in the investment decision

Each investment team ensures the investment target's compliance with Eurazeo's Exclusion Policy. A digital tool has been developed internally to facilitate the correct implementation of this policy. The compliance of the investment target with the Exclusion Policy is reviewed by the Investment Committee and is an essential prerequisite for any financing.

#### Focus on the specificities related to Article 9 funds

Beyond compliance with Eurazeo's Exclusion Policy, additional investment restrictions may apply to Article 9 funds according to their sector and/or sustainable investment objective.

#### Performing ESG due diligence

##### Examined criteria

During the due diligence phases, Eurazeo's goal is to identify and analyze the main ESG impacts and dependencies for the investment target. The approach covers the following areas: social, environment, societal, supply chain, ethics and governance.

To perform these analyses, Eurazeo applies the double materiality principle, which consists of assessing the impact of ESG risks on the company and those risks that the company imposes on society. The analysis is also guided by the SDGs framework aiming to identify positive contributions and negative impacts (or obstruction) of the relevant investment's activities. Eurazeo conducts this assessment for companies' operations and for its products and services.

Since 2021 and when apt to do so, Eurazeo has assessed the eligibility and alignment of investment targets with regard to the European Taxonomy by analyzing compliance with Do No Significant Harm (DNSH) criteria.

The diagram below provides a non-exhaustive list of the criteria considered during ESG due diligence. It derives in particular from recommendations and/or requirements related to the following initiatives, standards and regulations:

- the Non-Financial Performance Statement (NFPS);
- the 10 principles of the United Nations Global Compact;
- the United Nations Sustainable Development Goals (SDGs);
- the United Nations' Principles for Responsible Investment (PRI);
- the Sustainability Accounting Standards Board (SASB) Materiality Map;
- the adverse impact indicators included in the draft regulatory technical standards related to Regulation (EU) 2019/2088 ("Disclosure" regulation);
- the Paris Agreement objectives;
- the Task Force on Climate-related Financial Disclosure (TCFD);
- the European Taxonomy (Do No Significant Harm criteria, minimum safeguards);
- the Principal Adverse Impacts (PAIs);
- the Duty of Vigilance Law.

RELATED SDGs	THEMES			
ENVIRONMENT		<b>General policy</b> Approach, awareness raising/training, risk prevention, provisions and guarantees  <b>Climate change</b> Sources of emissions, decarbonation trajectory, physical and transition risks, resilience, contribution	<b>Water</b> Fresh water, ocean, impact assessment, ability to reduce impact, protect  <b>Biodiversity</b> Impact assessment on species and areas, ability to reduce impact, protect	<b>Other Planetary Boundaries</b> Impact assessment, ability to reduce impact, protect  <b>Taxonomy eligibility and alignment</b>  <b>Principal Adverse Impacts</b> related to environmental issues (10 indicators) <sup>(1)</sup>
	SOCIAL		<b>Employment</b> Effectifs, évolutions, turnover et rémunérations  <b>Organization of work</b> Working time, absenteeism  <b>Training</b> Policy, hours delivered	<b>Labour relations</b> Organization of social dialogue, collective agreements  <b>Health and safety</b> Working conditions, health insurance, workplace accidents  <b>Equal treatment</b> Gender equality, fight against discrimination
SOCIETAL			<b>Territorial, economic and social impact</b> Employment, local development  <b>Relations with stakeholders</b> Expectations, dialogue, partnership  <b>Corporate philanthropy</b> Donations to associations	<b>Suppliers and subcontractors</b> Procurement policy and subcontracting  <b>Social and environmental impacts</b> Related to the supply chain
	ETHICS & GOVERNANCE		<b>Fair trade practices</b> Ethics, corruption, tax  <b>Health and safety of consumers and users</b> Quality, communication, transparency  <b>Human rights</b> Actions undertaken	<b>Company governance and gender equality and independence</b> on the Supervisory Board (SB)  <b>Risk management and internal control tools</b>  <b>Crisis management and reputation</b>



Due diligence carried out with a double materiality approach. The aforementioned criteria are applied only when relevant.

(1) GHG emissions, carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity sensitive areas, emissions to water, hazardous waste ratio and the absence of carbon emission reduction initiatives.

(2) Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises and exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons).

ESG due diligence can involve:

- documentary research based on reports, sector and thematic benchmarks and press articles on the sector of activity and on competitors;
- an analysis of the documents made available via the data room; and
- the analysis of an ESG questionnaire completed by the investment target management.

Depending on the case, more in-depth research may be carried out in the form of interviews with management, experts or through due diligence conducted by external firms, and site audits.

Consideration in the investment decision

ESG due diligence findings are included in the Investment Committee's investment note to inform its decision-making. Performing ESG due diligence for each investment is a prerequisite for any financing.

**ESG clauses in legal documentation**

Once the pre-contractual documents have been sent to target investments, Eurazeo informs the company of its ESG commitments and expectations. These commitments and expectations are then reflected in the final legal documentation (shareholders' agreement, side letters, etc.).

These clauses are defined according to the nature of the investments and mainly concern exclusion criteria, annual ESG reporting to assess the deployment, progress and results of ESG programs or measurement of the deployment of a decarbonization strategy (carbon footprint, decarbonization objectives, etc.). In 2022, 85% of investment legal documentation included ESG clauses.

**Funding-backed ESG targets**

After becoming a pioneer in indexing its syndicated credit facility to ESG criteria since 2020, Eurazeo negotiated the first ESG unitranche for one of its investments. Backed by 5 ESG criteria, the margin of this financing is reviewed annually depending on the achievement of those objectives. Since then, this practice has become widespread for new investments, all strategies combined at Eurazeo level. More generally, it is now widespread practice within the financial sector, gradually raising ambitions of the ESG criteria defined. In 2022, 55% of financing incorporated ESG criteria. This is standard practice within Private Debt, with 87% of financing incorporating ESG criteria in 2022. The criteria including all ESG dimensions are adapted to the Company's most significant challenges.

**Investment period: commitment**

Eurazeo supports financed companies throughout the duration of the investment. Depending on the strategies, this support can take different forms. Nevertheless, a common base, detailed below, is put in place for all investments. To ensure its deployment, the ESG team works closely with the investment teams.

**Progress plan: the “O+ Essentials”**

Eurazeo has developed an ESG progress plan to enable financed companies to incorporate ESG into their business model and gradually make progress, whatever their size or maturity in terms of ESG.

This plan includes 20 “O+ essentials” that help to draw up a balanced, efficient and comprehensive ESG road map. The companies' progress is measured across four levels – bronze, silver, gold and platinum – according to the number of criteria adopted.

This system also makes it possible to define the target level required for companies in which Eurazeo is a majority shareholder, namely the gold level, in accordance with the Group’s ambitions and regulatory requirements.

These criteria will evolve over time, taking ESG developments into account.

The deployment of these criteria by portfolio companies is presented annually in Eurazeo’s O+ progress report and made available to the Group’s various stakeholders.

**O+ Essentials**

 <p><b>Global criteria</b></p>	<ul style="list-style-type: none"> <li>- Formalize a CSR policy / charter</li> <li>- Appoint a CSR coordinator</li> <li>- Define CSR objectives</li> <li>- Carry out a CSR reporting</li> <li>- Carry out a SDGs assessment</li> </ul>
 <p><b>Environmental criteria</b></p>	<ul style="list-style-type: none"> <li>- Measure the carbon footprint</li> <li>- Implement carbon emissions reduction initiatives</li> <li>- Set a decarbonization pathway</li> <li>- Formalize a biodiversity strategy</li> <li>- Formalize a water management policy</li> </ul>
 <p><b>Social criteria</b></p>	<ul style="list-style-type: none"> <li>- Ensure health, life and disability insurance for all employees</li> <li>- Implement a profit-sharing scheme for at least 75% of employees</li> <li>- 40% of the least represented gender at Board level</li> <li>- 40% of the least represented gender in the 1st decision-making body</li> <li>- Implement a responsible procurement approach (Vigilance Plan)</li> </ul>
 <p><b>Governance criteria</b></p>	<ul style="list-style-type: none"> <li>- Discuss CSR at Board level</li> <li>- 30% of independent members at Board level</li> <li>- Set up Audit and Compensation Committees</li> <li>- Implement a Business Ethics and Anti-corruption program</li> <li>- Integrate CSR criteria in the CEO’s compensation scheme</li> </ul>

**Dashboard**



**Annual ESG reporting**

Eurazeo measures the integration of ESG in financed companies’ business models through annual ESG reporting, including the Principal Adverse Impacts (PAIs) since 2021.

Since 2008, Eurazeo has implemented an ESG reporting campaign to collect and share information on the main ESG actions implemented within portfolio companies. Initially deployed for its majority direct investments, this practice has gradually been deployed for all investments, all strategies combined. In 2022, ESG reporting covered 480 companies (compared to 320 in 2021).

Each year, Eurazeo updates the reporting framework to take regulatory developments into account. Companies are then trained to ensure that the guidelines are understood. These guidelines are made available to them on a digital platform.

After the reporting, Eurazeo shares an ESG report consolidating all the data collected with each company: a comparison against past and benchmark data (when available). Since 2021, Eurazeo has also calculated an illustrative decarbonization pathway for each company, with an associated carbon cost scenario.

Following the reporting, working sessions can be organized with companies to discuss results and identify priorities for the current year. These meetings are systematic for majority investments in buyout.

Focus on the specificities related to Article 9 funds

The reporting frameworks for Article 9 funds include specific indicators to assess the financed companies’ alignment with fund objectives.

### Provision of ESG resources, tools and training

To facilitate the understanding and integration of ESG issues, in 2020 Eurazeo developed Connect, a digital platform open to all its portfolio companies. A community focusing on responsibility enables the ESG managers of companies to access documents, tools and training covering various ESG concepts.

For example, the platform includes an ESG reporting tool, a carbon calculator and a supplier ESG risk assessment tool. *Via* this platform, Eurazeo regularly organizes webinars in which experts discuss topics such as climate change, responsible digital technologies or new consumer expectations.

### Voting policy

The Eurazeo Group invests in companies for the long term. A true partner, the Group maintains a regular dialogue with the management of the companies it finances. This occurs particularly with Supervisory Boards and Boards of Directors. The Group has adapted its strategy of dialogue and engagement with the companies it finances through debt instruments to take into account its more limited role as a lender in the company's governance. The Group primarily manages unlisted assets. However, the Group's Engagement policy regarding shares traded on a regulated market is rolled out through the Voting policy.

### Divestment

During the divestment phase and depending on the materiality of the issues at stake, an ESG overview is carried out and made available to the buyer to report on the progress achieved since the acquisition and the non-financial performance of the sold company.

For its buy-out activities, ESG information is systematically provided in the dataroom. Eurazeo seeks to extend this practice to all its business divisions. In certain cases, Eurazeo may request specific ESG vendor due diligence by an external third party.

### Eurazeo results and performance indicators

	2022	2021
Percentage of acquisitions aligned with the exclusion policy	100%	100%
Percentage of acquisitions subject to ESG due diligence <sup>(1)</sup>	100%	100%
Percentage of investments that responded to ESG reporting <sup>(2)</sup>	71%	69%

(1) Depending on the business divisions and the type of investment, ESG due diligence may be performed internally in the form (1) of an ESG questionnaire together with a specific internal or external analysis, depending on the case. The specificities are described in Section 3.4.

(2) Excluding Private Funds Group activity.

### Specificities according to strategies

- Article 9 funds: the ESG reporting framework includes questions to assess the alignment of the investment target with the fund's mandate and its ability to achieve the sustainable investment objective;
- minority investments: in collaboration with investment teams, Eurazeo encourages companies to deploy the O+ Essentials by providing companies with the ecosystem of tools, services and partners developed by Eurazeo;
- debt: Eurazeo has widened the implementation of financing based on ESG criteria, linked to climate (decarbonization) and inclusion. This financing is a powerful tool to unite different parties around efforts to work towards achieving ESG objectives;
- fund of funds: Eurazeo systematically integrates ESG into its legal clauses. Eurazeo therefore imposes certain criteria through the use of side letters, particularly the consideration of ESG criteria in investment selection and management, and also in annual ESG reporting.

### 3.2.2.2 CHANGE IN REGULATIONS

#### Description of main issues creating risks and opportunities

OBJECTIVE	RISK FACTORS	RISK ASSESSMENT METHODS
Ensure activities' compliance with local and European regulations	<ul style="list-style-type: none"> <li>■ Expansion and development of national and European ESG regulations</li> <li>■ Non-convergence of various regulations</li> <li>■ Regular development of the texts to be applied</li> </ul>	<ul style="list-style-type: none"> <li>■ Permanent control of the correct application of Sustainable Finance regulations by the Compliance team</li> </ul>

#### RISK MANAGEMENT

##### At Eurazeo level

- Team training on ESG regulations, particularly Sustainable Finance
- Regulatory monitoring by legal and ESG teams
- Regulatory publications at the level of Eurazeo SE and the management companies
- Control plans put in place by the Compliance team

##### At investment activity level

- Regulatory publications at funds level

#### Policy applied at Eurazeo level

Since 2020, the ESG regulatory environment has changed dramatically and is experiencing an unprecedented acceleration, particularly because of "Sustainable Finance Disclosure Regulation" (SFDR) and the European Taxonomy. These regulations apply to both management companies and funds. To ensure the legal monitoring and proper application of these texts, Eurazeo's ESG team works closely with the Group's legal and compliance teams as well as with external advisors.

#### SFDR regulation

Sustainable Finance Disclosure Regulation (SFDR) entered into effect on March 10, 2021. It requires asset managers and investment advisors to disclose specific information on how they take sustainability risks into account and the principal adverse impacts of their financial products. SFDR distinguishes the different obligations required for various information referred to by the articles defining them:

- **Article 6:** for financial products that can take ESG characteristics into account without promoting them or making them the core of their business;
- **Article 8:** for financial products that promote ESG characteristics. For Eurazeo, this applies to the exclusion policy, ESG due diligence, the deployment of ESG progress plans (or ESG-related loans for debt), etc.;
- **Article 9:** for financial products that have a sustainable investment objective (ex: ETIF, ESMI, Nov Health).

This involves preparing documents in a standardized format and integrating them into existing publications or documentation.

#### The European Taxonomy

2018 marked a turning point in ESG regulation with the launch of the European Taxonomy. For the first time, the EU published a "green rating" system which recognizes certain economic activities as green or "environmentally sustainable". Such activities are those that contribute to at least one of the EU's climate and environmental objectives and respect minimum safeguards without significantly undermining any of the other objectives.

#### For funds classified under Article 6, this means:

- a regulatory statement included in fund regulations, and updated according to changes in the applicable texts;
- a regulatory statement included in the annual fund management reports.

#### For funds classified under Article 8 and 9, this means:

- duly completed SFDR pre-contractual annexes included in fund regulations, and updated according to changes in the applicable texts;
- periodic SFDR templates included in the annual management reports of each fund;
- Principal Adverse Impacts (PAIs) calculated since 2022 using 2021 data, and reported annually to the Limited Partners (LPs);
- specific information made available to LPs on the Group's website.

For the Eurazeo group this means:

- from 2021, the publication of an updated "Principal Adverse Impact (PAI) statement" on the website;
- the publication of information required by EU sustainable finance regulations on the website.

In 2022, Eurazeo equipped itself with a particular tool for measuring and calculating the eligibility and alignment of investment activities with the European Taxonomy. Eligibility was calculated for all Article 8 and 9 classified funds, and companies subject to the NFRD. Alignment was calculated for Article 9 classified funds. The eligibility results of Eurazeo's activities are detailed in Section 3.2.6.

### The French Energy Climate Law

Article 29 of the French Law no. 2019-1147 of November 8, 2019 on energy and climate (known as "LEC") requires portfolio management companies to make available to their subscribers and the public a document outlining their policy on the inclusion of investment strategy in environmental, social and governance criteria and the means implemented to contribute to the energy and ecological transition, as well as a strategy for the implementation of this policy.

Each year, the Eurazeo group publishes the information required by Article 29 of the Energy Climate Law in a dedicated report, available on the company website.

### The NFRD and CSRD directives

The Non-Financial Reporting Directive (NFRD) is currently being revised and will be replaced by the Corporate Sustainability Reporting Directive (CSRD) in 2024. The CSRD sets standards and obligations for non-financial reporting. In particular, it requires those concerned to monitor and publish an non-financial balance sheet, in addition to the financial balance sheet. Its objective is to improve the accuracy and reliability of information and to standardize this information in a report published according to European standards.

The CSRD also introduces the concept of double materiality and the obligation to communicate the impact of the company's activities on people and the climate, and how sustainability issues influence the company.

The CSRD's scope of application stretches wider than that of the NFRD. The latter only applied to large companies with more than 500 employees. The CSRD will gradually be applied, first to companies with more than 250 employees (from 2025 for the 2024 financial year) and then to listed SMEs with more than 50 employees.

### Eurazeo results and performance indicators

	2022	2021
Percentage of Article 8 and 9 classified funds raised or deployed <sup>(1)</sup>	90%	83%
Percentage of Article 9 funds whose sustainability indicators have been verified by an independent third-party	100%	100%

#### 3.2.2.3 QUALITY OF ESG DATA

##### Description of main issues creating risks and opportunities

OBJECTIVE	RISK FACTORS	RISK ASSESSMENT METHODS
Capacity to calculate and publish regulatory indicators	<ul style="list-style-type: none"> <li>▲ Incomplete data</li> <li>▲ Incorrect data</li> </ul>	<ul style="list-style-type: none"> <li>▲ Consistency checks through sampling</li> </ul>

#### RISK MANAGEMENT

##### At Eurazeo level

- ▲ Definition and calculation formulas aligned with regulatory frameworks
- ▲ Use of reference reporting frameworks
- ▲ Data verification loops

##### At investment activity level

- ▲ ESG reporting training for internal teams and portfolio companies

#### Policy applied at Eurazeo level

Non-financial challenges are having a growing impact on company performance. They must be managed more and more carefully: hence the vital importance of data quality. With the vast majority of companies financed by Eurazeo subject to non-financial disclosure requirements through transparency (*i.e.* due to the regulatory requirements applicable to Eurazeo), important work must be carried out by Eurazeo to train and raise awareness so that companies are able to produce quality data. Tools, support from external experts and a verification and continuous improvement process have been set up for this purpose.

(1) Funds currently being invested or raised, excluding the Private Funds Group.

### Clarification and definition of ESG reporting framework

As part of the preparation for ESG reporting, Eurazeo clearly defines each indicator to ensure that respondents understand the reference framework. If the indicators are to be calculated by the company, the formulas are astutely detailed. All the way throughout the reporting campaign, the ESG team and investment teams take care to communicate with companies.

Eurazeo's reporting framework is updated annually to reflect regulatory developments and to align with the most demanding international standards.

### Data source

Eurazeo uses an online platform to enable companies to respond to the ESG reporting. When available, data from the previous year is indicated along with the variation between the new data recorded and the data from the previous year.

Eurazeo estimates the carbon footprint of its entire portfolio using a revenue proxy cross-referenced with the sector of activity. The data

source has been selected after an in-depth study of various data providers. Data estimates are replaced by the real company data when the carbon footprint assessment is completed.

### Assessment of data consistency

Eurazeo has put in place both algorithmic and human processes to verify data and improve quality. If discrepancies or doubts arise concerning the achievement of an indicator, the society which provided the data is contacted to explain or update the indicator in question.

### Focus on the specificities related to Article 9 funds

Eurazeo carries out specific audits for each of its Article 9 funds. From the moment that the fund objectives are defined, methodologies and indicators are also defined, then verified each year by independent and specialist external third parties.

### Eurazeo results and performance indicators

	2022	2021
Percentage of ESG indicators calculated based on real data	97%	Not communicated
Percentage of Article 9 funds whose sustainability indicators have been verified by an independent third-party	100%	100%

### 3.2.2.4 INCLUSION OF ESG AT EVERY STAGE OF THE CLIENT RELATIONSHIP

#### Description of main issues creating risks and opportunities

OBJECTIVE	RISK FACTORS	RISK ASSESSMENT METHODS
Ensure that ESG is taken into account throughout the client relationship	<ul style="list-style-type: none"> <li>▲ Increased client demand</li> <li>▲ Diversity of commitments to clients</li> </ul>	<ul style="list-style-type: none"> <li>▲ Permanent control by Legal and Compliance teams</li> </ul>

#### RISK MANAGEMENT

##### At Eurazeo level

- ▲ Training of Investment Partners teams
- ▲ Provision of reporting including ESG data
- ▲ Standardization of responses to questionnaires
- ▲ Consideration of non-financial preferences of clients when starting up a relationship

OBJECTIVES	OPPORTUNITY FACTORS
Promote sustainable investment	<ul style="list-style-type: none"> <li>▲ Development and marketing of Article 9 classified funds</li> </ul>

#### Policy applied at Eurazeo level

The way in which Eurazeo and its employees interact with their investors is a key factor in the Group's success. Eurazeo collaborates with various investors across the world and aims to build long-term relationships with them.

The Responsible Marketing and Sales Policy defines the values, principles and guidelines that steer Eurazeo's marketing and sales activities. Eurazeo expects all its employees that lead marketing and sales activities to comply with the applicable ethical, commercial and legal standards.

#### Fundraising period

Eurazeo's marketing and sales teams handle the relationships with potential investors during fundraising. Prior to the investment, due diligence almost systematically includes ESG issues. In some cases, ESG-dedicated due diligence can be organized. Eurazeo uses the due diligence questionnaires provided by ILPA, the market benchmark standard, which contain a comprehensive section on ESG issues.

ESG information is added systematically to datarooms. This provides information on both Eurazeo SE, and the management companies and relevant funds.

At the same time, Eurazeo also adopts a process to select fundraising opportunities. By way of example, Eurazeo does not accept subscriptions from organizations whose headquarters are based in countries featuring on the list of GAFI-FATF high-risk jurisdictions.

#### Investment period

Eurazeo's Client Services team handles the relationship with investors during the investment period. As part of this role, they respond to investor queries, support them in the subscription and purchase of shares and keep them informed on fund performance.

As part of ESG regulation developments, particularly given the entry into effect of the SFDR, the role of Eurazeo's Client Services team is developing to integrate these new challenges. In direct collaboration

with the ESG team, they are in charge of responding to reporting questionnaires and proactively provide investors with ESG information regarding funds.

#### Dialogue with investors

Eurazeo regularly communicates with its investors about ESG during the Shareholders' Meeting, publishing its Universal Registration Document, O' Progress Report, or dedicated fund reports. Ad hoc exchanges are also organized. An ESG-dedicated session is on the agenda of Eurazeo's Shareholders' Meeting.

#### ESG product development

90% of Eurazeo funds currently being raised or deployed are classified Article 8 or Article 9 according to the SFDR (as of 12/31/2022). Eurazeo is also deploying funds dedicated to climate (see Section 3.1.2) and inclusion (see Section 3.1.3).

#### Results and performance indicators

	2022	2021
Number of ESG meetings organized with investors	44	Not communicated

### 3.2.3 EMPLOYEE-RELATED MATTERS

#### 3.2.3.1 INTRODUCTION

##### Description of main issues creating risks and opportunities

Eurazeo identified three major issues arising from employee-related impacts on its business:

- working conditions and freedom of association;
- equal treatment;
- attractivity and employability.

The risks, opportunities, policies and procedures relating to these issues are described in the relevant sections of this document.

##### Policy applied at Eurazeo level

The Group has endeavored to set up a constructive dialogue and working environment that promote the respect and well-being of its employees. The Eurazeo Group therefore proposes the following selection of measures:

##### ■ working conditions and freedom of association

Eurazeo is committed to creating social dialogue and ensuring respect for the freedom of association and representation, with the creation of a Social and Economic Committee (SEC) and employee representation on the Supervisory Board. In 2019, Eurazeo signed a charter on remote working which became widespread and adapted in 2021.

Eurazeo ensures the well-being of its employees by fitting out its infrastructures and premises, providing a secure working environment, building adapted wellness areas and measuring psychosocial risks;

##### ■ equal treatment

Eurazeo strives to prohibit any form of discrimination and promote equal treatment for employees during their recruitment and development and in their daily activities;

##### ■ attractivity and employability

The Group acts to develop the employability of all its employees *via* a training, skills development and assessment, high-potential employee identification and succession plans program.

## Eurazeo results and performance indicators

	2022	2021
Total workforce	431	347
Permanent workforce	421	338
Percentage of women in the permanent workforce	47%	43%
Percentage of managers in the permanent workforce	99%	85%
Percentage of non-permanent workforce in relation to the total number of employees <sup>(1)</sup>	2%	3%

The coverage rate for Eurazeo was 100% in 2022.

(1) The total number of employees includes the permanent (employees with open-ended contracts) and non-permanent (employees with fixed-term contracts) workforce.

Eurazeo calculates the turnover (departure rate), which for 2022 stands at 9.59%, compared to 9.71% in 2021.

## 3.2.3.2 WORKING CONDITIONS AND FREEDOM OF ASSOCIATION



## Description of main issues creating risks and opportunities

OBJECTIVE	RISK FACTORS	RISK ASSESSMENT METHODS
<b>Promote respect for the fundamental rights and the provision of decent work</b>	<ul style="list-style-type: none"> <li>Ignorance of local and international laws and regulations</li> <li>Use of subcontractors in at-risk countries</li> <li>High-intensity business sector with low qualified labor</li> <li>Industrial activity in at-risk countries</li> </ul>	<ul style="list-style-type: none"> <li>Assessment of measures undertaken to ensure compliance with regulations (e.g.: hours worked) and proper working conditions for all employees (e.g. signing of agreements)</li> <li>Study on lack of job security (e.g. non-permanent employees, part-time workers, etc.)</li> <li>Measurement of commitment (e.g. employee satisfaction survey)</li> </ul>
<b>RISK MANAGEMENT</b>		
<b>At Eurazeo level</b>		
<ul style="list-style-type: none"> <li>Formalization and roll-out of a Code of Conduct</li> <li>Performance of an employee satisfaction survey every three years</li> <li>Set-up of an ethics whistleblowing line</li> </ul>		
<b>At investment activity level</b>		
<ul style="list-style-type: none"> <li>Acquisition due diligences: integration of employee-related aspects (see Section 3.1.4)</li> </ul>		
OBJECTIVE	OPPORTUNITY FACTORS	
<b>Offer employees working conditions that boost their commitment and performance</b>	<ul style="list-style-type: none"> <li>Be mindful of employee working conditions, beyond legal requirements, create well-being, greater commitment and boost appeal as an employer</li> </ul>	

## Policy applied at Eurazeo level

As an employer, Eurazeo must ensure that all of its employees work in a healthy and stimulating environment that respects human dignity. Eurazeo is particularly mindful of its employees' working conditions and undertakes to ensure compliance with freedom of association and its employee representation in accordance with applicable labor law. The policies on these topics are set up by the Human Resources and Risk Departments.

Eurazeo has signed nine collective agreements concerning: a Time Savings Account (*Compte Épargne Temps* – CET), Remote Working, various types of Holiday Leave, Organization and duration of work, supplementary and additional Pension Plans, Health insurance, Profit Sharing, a Company Savings Plan (*Plan d'Épargne Entreprise* – PEE) and a Group Retirement Savings Plan (*Plan d'Épargne de Retraite Collectif* – PERCO).

At Eurazeo, dialogue is based on proximity between management and employees, and the ability to hold discussions in an atmosphere of trust and transparency. The current measures are as follows:

- two employees are members of the Eurazeo Supervisory Board;
- 100% of employees in France are represented by the Social and Economic Committees (SEC) relating to each legal entity (Eurazeo SE, EMC, EIM).

Eurazeo focuses on implementing policies and measures to promote social dialogue. The Social and Economic Committees (SECs) systematically hold monthly meetings to ensure continuous dialogue and collective feedback from employees to take their interests into consideration. The SECs cover the following topics: the Company Savings Plan, incentive scheme, Gender Equality index, new work arrangements, preparation of festive events, etc.

Eurazeo pays close attention to its employees' working conditions. The Group creates a stimulating, collaborative and inclusive working environment that boosts performance and talent development. Mindful of the well-being of its employees, Eurazeo proposes schemes to promote their professional and personal development:

- remote working charter created in 2019 and adaptation of the working from home system in response to the Covid situation in 2021;
- flexible work organization, ensuring autonomy and a working arrangement adapted to each employee;
- new collaborative working methods: shared offices to encourage knowledge sharing between young and experienced employees;
- aid for young parents, financing up to 100% of nursery places, supply of Universal Service Employment Vouchers (CESU) to facilitate the daily lives of employees;
- dedicated areas for discussions, creativity, relaxation and well-being;
- ergonomic and adaptable desks and provision of IT tools;
- spacious, modern and eco-responsible premises;
- sports activities: gym, group classes, participation in inter-company events, partnership with sports clubs giving access to a large number of sports classes;
- internal events to promote close bonds between all employees;
- breakfast meetings;
- webinars to raise awareness on health and well-being at work (e.g.: naturopathy);
- access to the SEC and/or a platform giving access to a large number of discounts.

The Group fosters a relationship in which it listens to employees. Based on their feedback, ideas on how to adapt spaces and organize work emerge, resulting in the joint creation of a healthy working environment. To demonstrate its commitment, Eurazeo conducts regular surveys. In 2019, 90% of employees took part in the engagement survey, representing an overall commitment rate of 8.3/10.

Current or partial reorganizations of the company (takeovers or mergers with other companies), their impacts and their risks and changes are discussed within the Social and Economic Committee.

In 2019, an agreement on the organization of working time was signed. Its purpose is to set up and govern the various practical ways of organizing working time. It also governs the establishment of a Time Savings Account (*Compte Épargne Temps* – CET), giving employees an alternative way to manage the holidays they are entitled to, by allowing them, in particular, to accumulate unused holidays in order to finance time off or retirement savings.

In 2021, over 85% of employees took part in a survey to identify new working and office space optimization methods.

Eurazeo has also resolved to ensure the health, safety and well-being of its employees by respecting the laws in force and preventing health and occupational risks. All employees must integrate the health and safety component in their conduct by respecting the guidelines and notifying any risk identified.

The nature of Eurazeo's business greatly limits the risk of serious accidents occurring in the workplace. Occupational health-safety risk is assessed annually in the Single Risk Assessment Document in which no "high" level risks have been identified.

In 2018, Eurazeo conducted a study of psychosocial risks at its Paris premises. An analysis was carried out using a self-assessment tool developed from the work of reference bodies such as the INRS (French National Research and Safety Institute). The impact of psychosocial risks on the company and employees was judged to be low. Two components were assessed as having a moderate risk level: work intensity and working time. These issues are regularly covered in awareness-raising sessions. SEC members have been trained on psychosocial risks at work: training which was renewed in April 2021, following the renewal of the SEC mandate. They are able to identify warning signs in the event of chronic stress or burn-out suffered by an employee.

As part of the updating of the Single Occupational Risk Assessment Document (which must be updated once a year), Eurazeo called upon an external company to be supported in this and a prevention expert, who is IPRP-authorized by the DREETS (*Directions régionales de l'économie, de l'emploi, du travail et des solidarités*) visited. This made it possible to identify and prioritize the risks that could cause work-related accidents or occupational health problems, and to identify preventive and curative action methods.

Eurazeo analyzes the absenteeism rate once a year along with the rate of work-related accidents, both of which are around 1%. In addition to this, Eurazeo analyzes the reasons for employee departures, in order to detect the potential links between mental overload, stress, or management problems. Eurazeo establishes the possible actions to be taken with its employees based on these elements.

Eurazeo makes sure to discuss workload during the year-end evaluation between employees and their managers. The Group also implements awareness-raising and prevention measures regarding physical and mental health at work.

In connection with the measures already adopted in 2020, and in response to the development of the health situation in 2021 and 2022, Eurazeo continued to set up a number of measures to ensure the health and safety of all employees:

- set-up of a specific health protocol in line with government guidance;
- supply of masks and hand sanitizer;
- creation of a tracing unit in the event of employees testing positive;
- regular exchanges and a close relationship with the occupational physician.

### Eurazeo results and performance indicators

	2022	2021
<b>Working hours (% of permanent workforce)</b>		
Percentage of full-time employees	97%	99%
Percentage of part-time employees	3%	1%
<b>Health and safety conditions (permanent and non-permanent workforce)</b>		
Absenteeism rate	1.3%	0.8%
<b>Effective wages, duration and organization of working hours</b>		
Percentage of employees with health insurance	100%	100%
Percentage of employees with personal accident insurance	100%	100%

The coverage rate for Eurazeo was 77-100% in 2022.

Absenteeism rate = the number of days absent, paid or not/the number of theoretical days worked. The absenteeism rate is calculated on the total workforce (permanent and non-permanent).

#### 3.2.3.3 EQUAL TREATMENT



#### Description of main issues creating risks and opportunities

OBJECTIVE	RISK FACTORS	RISK ASSESSMENT METHODS
<b>Avoid any discrimination</b>	<ul style="list-style-type: none"> <li>■ Recruitment process lacking transparency and equality</li> <li>■ Lack of diversity within teams</li> </ul>	<ul style="list-style-type: none"> <li>■ Study of policies against discrimination and for the promotion of diversity</li> <li>■ Analysis and monitoring of diversity in governance bodies and among employees</li> </ul>

#### RISK MANAGEMENT

##### At Eurazeo level

- Formalization and roll-out of a Code of Conduct
- Annual monitoring of gender diversity indicators
- Set-up of an ethics whistleblowing line
- Promotion of gender diversity within governance and management bodies
- Formalization and roll-out of a Diversity, Equity and Inclusion (DEI) Charter and Policy
- Update of HR processes, paying particular attention to Diversity, Equity and Inclusion aspects

##### At investment activity level

- Acquisition due diligences: integration of gender diversity criteria (see Section 3.1.4)
- Annual monitoring of gender diversity indicators through ESG reporting
- Measurement of the Principal Adverse Impacts (PAIs) related to gender diversity

OBJECTIVE	OPPORTUNITY FACTORS
<b>Ensure talent diversity</b>	<ul style="list-style-type: none"> <li>■ Talent diversity is a key factor for innovative and sustainable growth</li> </ul>

#### Policy applied at Eurazeo level

Since 2015, a Code of Conduct (available at [www.eurazeo.com](http://www.eurazeo.com)) must be systematically signed by all employees. This Code prohibits any form of discrimination based on gender, age, ethnicity, nationality, social origin, marital status, religion, sexual orientation, physical appearance, state of health, disability, state of pregnancy, union

membership or political views. Eurazeo thus seeks to apply an equitable human resources policy that complies with the laws and regulations in force, and in so doing promote diversity and prohibit all forms of discrimination and harassment. Eurazeo promotes equal opportunity for its employees and candidates in terms of

recruitment, access to training, remuneration, social protection and professional development. Eurazeo has set-up an ethics whistleblowing line to report behavior contrary to the principles of the Code of Conduct and prevailing laws. All employees can thus exercise their right to report, in all confidentiality, actual or potential violations of the Code of Conduct, particularly in relation to cases of discrimination.

To comply with the recommendations of the AFEP-MEDEF code, Eurazeo undertakes to roll out its gender diversity policy within management bodies. Furthermore, as part of the ESG O<sup>+</sup> strategy launched in 2020 and the challenges for a more inclusive economy, a certain number of objectives and measures have been announced to ensure gender equality in the workplace. Specific measurement tools (Key Performance Indicators – KPIs) were proposed to gauge and monitor its commitment.

Since Diversity, Equity and Inclusion represent a societal issue and a lever for improving performance, Eurazeo strives to create conditions to ensure a greater representation of women within its teams, especially in management teams.

The promotion of gender equality at Eurazeo resulted in the deployment of:

- a Diversity, Equity and Inclusion (DEI) Charter and Policy;
- quantified objectives set by Executive Management;
- Human Resource processes that take the concept of gender equality into account;
- agreements promoting an improved work/life balance;
- a DEI program in the form of a working group open to all employees;
- awareness-raising and training initiatives.

Eurazeo pursues its gender equality and diversity commitment through various actions:

- encouragement of applications from women in the recruitment process. The HR team systematically asks recruitment agencies to submit applications from equal numbers of men and women for available positions, particularly at “graduate” level where women and men are equally represented. Eurazeo also takes part in “Outreach” events with students from various schools held to promote the Private Equity business. In 2022, Eurazeo members participated in 4 of the 10 Outreach events organized by LEVEL 20 (as 2 events out of the 10 were postponed to 2023, Eurazeo took part in an event in early 2023 and a 4<sup>th</sup> is planned for later in the year);
- diversification of candidates, *via* a partnership with Mozaik RH, an association which supports businesses in their recruitment of more diverse profiles, the implementation of inclusive practices and employee DEI and recruitment training;
- relations with the “Equal opportunities” departments of partner schools to make the finance and Private Equity professions more accessible;
- commitment to offering maternity leave policies and co-parental leave policies (applicable for either parent, the father, or same-sex couples) to support parenthood. For maternity leave, Eurazeo offers 45 days 100% covered or 90 days 50% covered, on top of the regulations, as well as a 45 days leave for breastfeeding for Eurazeo SE and 6 weeks for EIM. For

international entities, maternity leave covers 20 to 22 weeks at 100%, regardless of the local regulations. Co-parental leave is also flexible: it is 6 weeks in all entities (*i.e.* two weeks more than the duration required by French regulations), 100% covered. Eurazeo commits to giving its employees more organizational flexibility, either through working from home (charter set up before the Covid-19 crisis and extended since then), 100% financing of nursery places, or the distribution of Universal Service Employment vouchers to facilitate the daily lives of families;

- development of a campaign to raise awareness and provide training on cognitive biases, particularly “everyday sexism”. In 2021, the Group organized a conference open to all employees on “Gender stereotypes and cognitive biases in the workplace”. In 2022, the HR team organized and ran an online webinar for all employees, presenting DEI progress and new actions to be launched by Eurazeo;
- enhancement of training programs. Eurazeo seeks to offer its female employees the chance to unlock their potential and meet their needs and expectations in terms of development. Accordingly, the Group deploys training programs relating to technical and behavioral skills. Eurazeo also commits to the development of its employees through the deployment of a digital learning platform which allows them to stay informed and train up at any point in time;
- expansion of personalized guidance with external coaches and specific cross-mentoring programs for women within the Private Equity industry (through LEVEL 20 sponsorship). Particular consideration is given to women during key moments of their career: *e.g.* when they come back to work from maternity leave or during promotions.

In addition to the measures adopted within the company and with the daily observation of a lack of gender equality and diversity in the Private Equity sector, Eurazeo has been working for several years to encourage gender diversity and women in leadership, as well as social inclusion, in order to change practices across its ecosystem and lead by example. Accordingly, Eurazeo sought to increase its involvement in LEVEL 20. Eurazeo has also demonstrated its commitment by signing the SISTA Charter in 2019, the Charter for Diversity launched by France Invest in 2020 and the ILPA’s (Institutional Limited Partners Association) “Diversity in Action” Charter in 2021. Finally, Eurazeo has supported the initiative promoting social inclusion within start-ups, #TechYourPlace, since 2022 and actively participates in France Invest’s Talent & Diversity Commission.

All of Eurazeo’s actions to promote gender equality and diversity are bearing fruit and have been recognized by the association France Invest, which in 2022 bestowed Eurazeo with the High Prize for being the General Partner company that leads the most active policy in terms of feminization actions in its Investment Teams.

Eurazeo goes beyond the issues of gender parity and social inclusion, by promoting employment for people with disabilities, through various actions: during the recruitment process, considering all candidates with disabilities whose profile corresponds to the position requested, supporting employees who are officially recognized as having disabilities (*RQTH*).

### Value sharing

To ensure equal treatment and value sharing in Eurazeo, the Group decided to enable employees to share in the Company's success and solid performance by setting up an incentive agreement, which is renewed every three years. In 1998, Eurazeo SE signed its first incentive agreement, which is renewed every three years. Eurazeo SE's incentive agreement was renewed in 2022 and applies to fiscal years 2022 to 2024. The scheme is optional for the companies and Eurazeo has also elected to use all the possibilities offered by the

PACTE Law to benefit employees. The funding for this incentive scheme is the maximum amount provided by French law.

In 2021, Eurazeo also performed a share capital increase reserved for eligible employees, with a participation rate of over 91%.

The action plan relating to workplace gender equality is reviewed at the start of each year and is accompanied by the monitoring of key indicators at Group level.

### Eurazeo results and performance indicators

The action plan relating to workplace gender equality is presented at the start of each year, accompanied by the monitoring of key indicators at Group level and the identification of new measures intended to reduce inequalities in the workplace.

#### Findings on professional equality at the end of 2022:

- the Executive Board, comprising 6 members, is headed by a woman, Chairwoman of the Executive Board, Virginie Morgon;
- women make up 32% of management teams <sup>(1)</sup>, compared to 10% of women in senior positions in the Private Equity (PE) industry according to the BVCA/LEVEL 20 2021 survey. They head up many departments (HR, ESG, Financial matters, Consolidation, Accounting, Communication, Securities & Compliance, Legal M&A);
- women make up 35% of the investment teams (exceeding the PE industry average of 20% according to the BVCA/LEVEL 20 2021 survey);

#### In addition to its achievements, Eurazeo has set objectives for 2030:

- 40% for the least represented gender in the executive teams by 2030;
- difference of less than 20% between both genders in the entire workforce by 2030;
- achieve an unadjusted pay gap of 13% by 2030;

- women make up 47% of the workforce (compared to 38% in the PE industry according to the BVCA/LEVEL 20 2021 survey);
- Eurazeo adheres to the Cope-Zimmermann Law (40% of the least represented gender on Boards of Directors), as demonstrated by its Supervisory Board being made up of 42% women.

#### Gender Equality Index (Pénicaud-Schiappa)

- the Gender Equality index (Pénicaud-Schiappa) of Eurazeo SE is 93/100, *i.e.*, 18 points above the regulatory 75/100 score, and breaks down as follows:
  - pay gap: 33 (35 in 2021),
  - differences in individual pay rises: 35 (35 in 2021),
  - percentage of employees with a pay rise upon returning from maternity leave: 15 (15 in 2021),
  - number of employees of the least represented gender among the top 10 compensations: 10 (5 in 2021).
- Gender Diversity Index (Pénicaud-Schiappa) greater than or equal to 85/100, by 2030;
- maintain a representation greater than or equal to 40% for the least represented gender on the Supervisory Board.

	2022	2021
<b>Diversity</b> (permanent staff)		
Percentage of women	47%	44%
Percentage of women among managers in the permanent workforce	47%	43%
Average M/F pay gap <sup>(1)</sup>	26%	Not communicated
Percentage of women on the SB or BD <sup>(2)</sup>	42%	42%
Percentage of women on the primary decision-making body <sup>(3)</sup>	17%	17%

The coverage rate for Eurazeo was 100% in 2022.

(1) Excluding Kurma. Kurma: 55%

(2) Supervisory Board (SB) or Board of Directors (BD).

(3) The primary decision-making body at Eurazeo is the Executive Board, composed of six members at the end of 2022.

(1) Management teams include Managing Partners, Partners, Managing Directors and directors of Corporate departments.

## 3.2.3.4 ATTRACTIVITY AND EMPLOYABILITY



## Description of main issues creating risks and opportunities

OBJECTIVE	RISK FACTORS	RISK ASSESSMENT METHODS
Have the necessary talents for growth	<ul style="list-style-type: none"> <li>■ Non-identification of needs in terms of skills and talents</li> <li>■ Inability to retain and attract talents</li> <li>■ Poorly adapted or insufficient recruitment and training policies</li> </ul>	<ul style="list-style-type: none"> <li>■ Study of the number of available positions</li> <li>■ Analysis of systems for assessing performance, training and the sharing of value creation</li> </ul>

## RISK MANAGEMENT

## At Eurazeo level

- Annual monitoring of specific indicators
- Implementation of adapted HR processes
- Sharing of value creation or company profits with employees

## At investment activity level

- Pre-acquisition labor due diligences: analysis of vacant positions and loyalty building schemes (see Section 3.1.4)
- Annual monitoring of attractivity and employability indicators through ESG reporting

OBJECTIVE	OPPORTUNITY FACTORS
Ensure that employee skills contribute to the Company's performance over the long term	<ul style="list-style-type: none"> <li>■ The set-up of a recruitment and integration policy leading to training and career development schemes is essential to building employee loyalty</li> </ul>

## Policy applied at Eurazeo level

Each employee's individual development is essential to collective success. Eurazeo involves its employees in its development and encourages their participation in individual or group training and coaching or mentoring sessions, because Eurazeo is certain of the importance of supporting career management and training employees. In 2023, Eurazeo wishes to go even further and make its employees actors in their own development by offering them a self-learning online platform.

Eurazeo ensures that its employees receive fair compensation and share in value creation and that holiday leave complies with legal provisions.

The compensation policy for members of the Eurazeo Executive Board is consistent with the AFEP-MEDEF recommendations (see Section 5.8).

The fixed and variable compensation of all employees is reviewed annually and analyzed against internal tables and a review of compensation in the markets where Eurazeo operates. Employees are also eligible for collective compensation in the form of incentive and/or profit-sharing schemes. Eurazeo firmly believes in allowing employees benefit from growth in the company's earnings. The Group therefore encourages the sharing of value creation, notably by granting free shares and/or stock options. Furthermore, ESG criteria have been taken into account since 2014 for the calculation of the variable compensation of Executive Board members, and more particularly since 2020 when ESG strategy objectives were factored into the individual assessment representing 15% of this

variable compensation. Since 2019, ESG criteria have also been taken into account for the calculation of the variable compensation of all Partners Committee members with specific objectives depending on their scope of responsibility. For more details, refer to Section 5.8.2.2.1.

Eurazeo attempts to anticipate the needs of its employees in terms of job and skills in both the short and long term. In keeping with this, the Human Resources Department has chosen to organize its development policy into the following lines of action:

- **monitoring of recruitment needs**

The HR department supervises and accompanies the Group's development by annually collecting the recruitment needs of the various departments. It then determines a strategy and the most appropriate recruitment channel, coordinates this process and ensures that positions are filled in line with the forecast and validated annual budget;

- **onboarding process**

One of the distinguishing features for employees who join Eurazeo is the possibility of being able to meet several employees and team leaders during the first month of employment. This process set up by the Human Resources Department enables employees to better understand the functioning and interactions between the various departments and quickly integrate into the daily life of the Company;

#### ■ evaluation process

To measure the achievement of employee objectives and identify areas of development, Eurazeo rolls out an evaluation program including: annual and semi-annual performance reviews (self-assessment then discussion with managers), and 360° evaluations consolidating the feedback from immediate supervisors and team members as well as from peers. Eurazeo trains and also encourages its managers to share continuous feedback throughout the year. Due to this process, new tangible development and training measures are defined and proposed to each employee, so that every employee may continue to develop the necessary skills for their business and career;

#### ■ individual and collective training programs

Eurazeo seeks to offer its employees the chance to unlock their potential, by constantly improving and evolving, to become more and more qualified. With this in mind, this year Eurazeo is developing a bespoke training plan, adapted to each population. This training plan encompasses hard skills and soft skills. In

addition to the training program, Eurazeo organizes individual training sessions to meet the growing needs for skills identified during the evaluation process.

In addition, the annual training program is presented and discussed within the Social and Economic Committee;

#### ■ identification and monitoring of high-potential employees

Eager to develop and retain its talents, Eurazeo has set up a program to identify and monitor high-potential employees to better support the development of these employees and ensure a succession plan for key positions.

The processes put in place in the Human Resources Department are relevant for all stages of the HR cycle. They are crucial as part of a career management plan that is transparent, established and individual to each employee, and takes various factors, like experience, progression and individual performance, into account.

### Eurazeo results and performance indicators

Several types of training were offered to Eurazeo employees in 2022:

- training in behavioral skills, including feedback, good managerial practices, presentation and communication skills, etc.;
- training in technical skills relating to the investment business: Cheat-sheet for CFOs in time of inflation, Pricing strategies in an inflationary context, Foreign Direct Investment, Procurement & Supply Chain in time of high inflation, etc.;
- training to raise awareness on health and well-being at work, through naturopathy;
- series of training sessions on ESG issues with Climate Fresk & 2Tonnes workshops for all Eurazeo employees.

	2022	2021
<b>Hires and departures</b> (permanent workforce, number of employees)		
Hires	102	88
Departures	38	32
<b>Compensation and benefits</b> (permanent and non-permanent workforce, in millions of euros)		
Total payroll <sup>(1)</sup>	93	63
Amount of mandatory collective bonus or profit-sharing schemes <sup>(2)</sup>	4	3
Amount of incentive or collective bonus schemes <sup>(3)</sup>	3	2
Percentage of employees benefiting from a value creation sharing scheme	97%	82%
<b>Training</b> (permanent and non-permanent workforce)		
Total number of training hours	3,136	2,823
Percentage of employees who attended at least one training course during the year	76%	84%

The coverage rate for Eurazeo was 96-100% in 2022.

(1) Of the total workforce (permanent and non-permanent).

(2) Within the permanent workforce. Only applies to EIM.

(3) Only applies to Eurazeo SE, EMC and Kurma.

## 3.2.4 ENVIRONMENTAL MATTERS

### 3.2.4.1 INTRODUCTION

#### Description of main issues creating risks and opportunities

Eurazeo identified climate change as the primary issue arising from the environmental impacts of its business: The risks, opportunities, policies and procedures are described in Section 3.2.4.2.

#### Policy applied at Eurazeo level

Eurazeo firmly believes that a business can create sustainable value while minimizing its environmental impacts and strives to attain the highest environmental standards.

Eurazeo's environmental policy and commitments are formalized in its responsible investment policy, exclusion policy and O<sup>+</sup> strategy with the aim of reaching carbon net neutrality, as described in Section 3.1.2.

In 2022, Eurazeo's commitment was strengthened following the validation of its decarbonization pathway by the Science Based Targets Initiative (SBTi).

### 3.2.4.2 CLIMATE CHANGE



#### Description of main risk factors and opportunities

OBJECTIVE	RISK FACTORS	RISK ASSESSMENT METHODS
<b>Physical risks</b> Manage and reduce site exposure to natural hazards	<ul style="list-style-type: none"> <li>Presence in locations exposed to direct short- and medium-term physical risks</li> </ul>	<ul style="list-style-type: none"> <li>Assessment of the degree of exposure, the ability to implement risk mitigation measures and the existence of insurance coverage.</li> </ul>
<b>Transition risks</b> Ensure the resilience of the business activity	<ul style="list-style-type: none"> <li>Use of natural resources exposed to supply sustainability issues</li> <li>Lack of substitution capacity for potentially scarce resources</li> <li>Unfamiliarity with regulations: total or partial prohibition of the activity or the use of raw materials</li> <li>Poor anticipation of client behavior changes</li> </ul>	<ul style="list-style-type: none"> <li>Assessment of critical supply chains and possible substitutions</li> <li>Study of regulatory risks</li> <li>Analysis of consumer trends and NGO campaigns</li> </ul>
<b>Ensure the resilience of the industrial model</b>	<ul style="list-style-type: none"> <li>Inability to adapt production and distribution facilities when faced with regulatory, energy or supply chain constraints</li> </ul>	<ul style="list-style-type: none"> <li>Assessment of technical, technological and financial feasibility</li> </ul>
<b>Ensure the resilience of the business model</b>	<ul style="list-style-type: none"> <li>Company's inability to maintain a level of economic performance if it faces some or all of the risks mentioned above</li> </ul>	<ul style="list-style-type: none"> <li>Modeling of test scenarios</li> </ul>

#### RISK MANAGEMENT

##### At Eurazeo level

- Annual monitoring of related environmental indicators
- Encouragement of companies to reduce their environmental footprint, particularly their carbon emissions
- Keeping abreast of regulatory changes

##### At investment activity level

- Acquisition due diligence on exposure to climate change (see Section 3.1.4)
- Measurement of the Principal Adverse Impacts (PAIs) related to climate change
- Deployment of a support program

OBJECTIVE	OPPORTUNITY FACTORS
Improve energy performance and obtain energy from renewable or low-emission sources	<ul style="list-style-type: none"> <li>Creation of energy performance projects that will generate potential financial gains</li> <li>Promotion of renewable energies to reduce exposure to a possible increase in fossil fuel prices and costs relating to greenhouse gas emissions.</li> </ul>
Design products or services with a reduced carbon footprint	<ul style="list-style-type: none"> <li>Competitiveness gain</li> <li>Diversification of the offering</li> <li>Development of innovations contributing to energy transition</li> <li>Response to a growing consumer demand</li> </ul>

#### INITIATIVE EXAMPLE

■ **Eurazeo** has developed and deploys three dedicated funds: Eurazeo Sustainable Maritime Infrastructure Fund, Eurazeo Transition Infrastructure Fund and Eurazeo Smart City Fund II (see Section 3.1.2.1)

OBJECTIVE	OPPORTUNITY FACTORS
Ensure sustainability throughout the supply chain	<ul style="list-style-type: none"> <li>Continuous supply chain sustainability, anticipation of risks of shortages and/or price increases</li> </ul>

#### INITIATIVE EXAMPLE

■ **Eurazeo** coordinates a “Responsible Procurement” awareness-raising cycle for its portfolio companies to raise awareness on the ESG issues relating to their supply chains, identify potential risks and implement mitigation plans with the help of the tools at their disposal.

OBJECTIVE	OPPORTUNITY FACTORS
Invest in new high growth potential sectors	<ul style="list-style-type: none"> <li>Value creation by investing in high growth potential sectors</li> </ul>

#### INITIATIVE EXAMPLE

■ **Eurazeo** finances companies providing “solutions” that contribute to climate change mitigation and adaptation through the nature of their activities, products or services (see Section 3.1.2.1).

### Policy applied at Eurazeo level

In 2015, Eurazeo gave its commitment to combating climate change a solid footing by founding Initiative Climat 2020, renamed Initiative Climat International in 2019, with four other private equity companies. ICI has been supported by the PRI since 2018.

During COP 25, Eurazeo signed a joint declaration with 630 investors (representing over €37,000 billion in assets) to state leaders and organized by the Investor Agenda. In addition, during MEDEF's *La Rencontre des Entrepreneurs de France* (LaREF), Eurazeo signed the “French Business Climate Pledge”, a commitment by French businesses to the climate (see Section 3.1.6.3).

Eurazeo has responded to the CDP's Climate Change questionnaire since 2016 to contribute to the approach adopted by companies to ensure transparency in their “Climat” reporting.

Each year Eurazeo updates its carbon footprint measurement. Two important emissions sources for the Group are buildings and employees' business travel. For buildings, Eurazeo relocated in 2016 to an office building that has earned an Exceptional rating under the High Environmental Quality (HQE) standard, Excellent status under the BREEAM (Building Research Establishment Environmental Assessment Method) standard and low energy consumption status (*Bâtiment Basse Consommation* – BBC). In 2018, Eurazeo took out a 100% renewable energy contract for its Paris headquarters. Since 2016, Eurazeo has widely deployed video conferencing and remote working tools to reduce employee travel while improving their quality of life at work.

2020 marked a new chapter in the Group's quest to combat climate change and accelerate the emergence of a low carbon economy with the launch of its new O<sup>+</sup> strategy (see Section 3.1.2). Under the O<sup>+</sup> strategy, Eurazeo aims to align its activities with a scenario limiting global warming to well below the 1.5°C threshold and has set an ambitious target to reach carbon net neutrality by 2040 at the latest.

Eurazeo was the first Private Equity player in Europe to commit, as of 2020, to defining a decarbonization pathway in accordance with scientific recommendations to achieve the Paris Agreement objective. The carbon reduction targets of Eurazeo and its portfolio companies were validated by the Science Based Targets initiative (see Section 3.1.2.2):

- **Eurazeo SBT pathway (Group level) – Scopes 1 and 2**
  - Eurazeo undertakes to reduce by 2030 its scope 1 and 2 emissions by 55% compared to 2017,
  - Eurazeo undertakes to increase its renewable electricity supply from 9% in 2017 to 80% in 2025;
- **Eurazeo portfolio SBT pathway – Scope 3**
  - Eurazeo undertakes to reduce by 2030 the GHG emissions of its Real Estate activity by 60% per square meter compared to 2021,
  - Eurazeo undertakes to ensure that 25% of its private equity portfolio that is eligible in terms of invested capital have decarbonization pathways validated by SBTi by 2025, and 100% by 2030.

### Eurazeo results and performance indicators

In 2021, 100% of electricity consumed at Eurazeo's Paris headquarters was generated by renewable sources, thanks to the subscription to a green energy contract.

For its offices abroad, Eurazeo has purchased renewable energy certificates, the energy supply being managed by lenders who do not

yet wish to upgrade their energy supply contracts to renewable sources.

In 2022, Eurazeo's CDP score increased from B to A-. The group is now in the "leadership" category, therefore exceeding the European average of B, and the B- average of the financial services sector.

	2022	2021
<b>Energy consumption excluding fuel (in MWh)</b>		
Electricity <sup>(1)</sup>	28	540
Renewable energies	961	531
Natural gas	165	30
<b>TOTAL ENERGY CONSUMPTION</b>	<b>1,153</b>	<b>1,101</b>
Share of renewable energies	83%	48%
<b>Fuel consumption (in liters)</b>		
Gasoline	14,129	6,130
Diesel	2,355	5,387
<b>TOTAL FUEL CONSUMPTION</b>	<b>16,484</b>	<b>11,517</b>
<b>GHG emissions (in metric tons of CO<sub>2</sub> equivalent)</b>		
Scope 1 <sup>(2)</sup>	65	34
Scope 2 – market-based <sup>(3)</sup>	14	146
Scope 2 – location-based <sup>(3)</sup>	104	174
<b>TOTAL (SCOPES 1 + 2) <sup>(4)</sup></b>	<b>79</b>	<b>180</b>
Scope 3 <sup>(5)</sup>	13,283	11,797
<b>TOTAL (SCOPES 1 + 2 + 3) <sup>(4)</sup></b>	<b>13,362</b>	<b>11,977</b>

The coverage rate for Eurazeo was 100% in 2022.

(1) Excluding renewable energies.

(2) Eurazeo's scope 1 emissions are related to fuel consumption in offices (natural gas) and fuel consumption in company vehicles.

(3) Eurazeo's scope 2 emissions are linked to the generation of consumed electricity.

Eurazeo's scope 2 emissions are linked to the generation of consumed electricity. Eurazeo publishes the market-based and location-based Scope 2 to comply with the best practices recommended by the GHG Protocol and Carbon Disclosure Project.

Market-based: Scope 2 emissions calculation method taking into account the supply contracts of the company and other contractual instruments such as Energy Attribute Certificates (EAC). Location-based: Scope 2 emission calculation method that takes into account the average emissions related to electricity production in the area where it is consumed.

(4) Calculated with scope 2 market-based.

(5) Eurazeo's scope 3 emissions are emissions related to business travel and purchasing of products and services.

### 3.2.5 ETHICS

Risk prevention and compliance with internal procedures is the responsibility of everyone within the organization. The internal control system is therefore based on an environment that promotes honest and ethical behavior, particularly through the communication of a certain number of essential principles, values and practices.

Eurazeo has a Code of Conduct available at [www.eurazeo.com](http://www.eurazeo.com). It defines the values and principles that must guide the behavior of its employees and the stakeholders with which Eurazeo has a relationship. In particular, the Code covers certain commercial

practices (notably the number of gifts received from outside), the management of conflicts of interest, the confidentiality of information, respect for persons and private life, data protection, the use of Company assets and the prevention of corruption and influence peddling. Each employee formally undertakes to comply with this Code.

Two issues are covered in greater detail in the following sections: anti-corruption and the fight against tax evasion.

### 3.2.5.1 ANTI-CORRUPTION



#### Description of main issues creating risks and opportunities

OBJECTIVE	RISK FACTORS	RISK ASSESSMENT METHODS
<p><b>Comply with national and international anti-corruption laws</b></p>	<ul style="list-style-type: none"> <li>Unfamiliarity with applicable laws and regulations</li> <li>Low levels of awareness among employees exposed to corruption risk</li> </ul>	<ul style="list-style-type: none"> <li>Risk assessment using the documentation of a map dedicated to corruption</li> <li>Country risk assessment using the corruption perception index</li> </ul>
<p><b>Adopt an ethical approach in Eurazeo's third party business and relationships</b></p>	<ul style="list-style-type: none"> <li>Country where a third party is domiciled and country where the relationship is established; typology of the third party and nature of the business relationship</li> <li>Business sector/third party/location of targets</li> </ul>	<ul style="list-style-type: none"> <li>Integrity assessment for third parties and of the nature of the business relationship with them</li> </ul>

#### RISK MANAGEMENT

##### At Eurazeo level

- Formalization and roll-out of a Code of Conduct (systematically signed by new employees)
- Set-up of a prevention system (mapping, third party assessment, whistleblowing mechanism, training)

##### At investment activity level

- Measurement of the Principal Adverse Impacts (PAIs) related to human rights

OBJECTIVE	OPPORTUNITY FACTORS
<p><b>Improve transparency in business affairs</b></p>	<ul style="list-style-type: none"> <li>Guide the behavior of each stakeholder with which Eurazeo has a relationship</li> <li>Support portfolio companies in strengthening their anti-corruption system</li> </ul>

#### Policy applied at Eurazeo level

Eurazeo had adopted a “zero tolerance” approach vis-a-vis active or passive corruption and influence peddling. Eurazeo prohibits all forms of corruption in the conduct of its activities and has pledged to comply with the international anti-corruption agreements. This is notably the case for anti-corruption laws in those countries where the Group has business operations and particularly the French Law no. 2016-1691 of December 9, 2016, known as the Sapin II law. This commitment applies to all employees.

The Eurazeo Code of Conduct is available on the Company's website. It is the basis of the corruption prevention system built around the eight pillars defined by the French Sapin II Law. By way of illustration, this prevention system includes:

- a risk mapping which identifies and prioritizes corruption risks in relation to their occurrence and impact. It is used to define the corruption prevention system in proportion to the Company's specific issues;

- a third-party assessment process prior to starting up a relationship or continuing an existing business relationship. These assessments are conducted in proportion to the third-party risk profile and the nature of the relationship. This process is designed to classify the nature of the relationship and assess third party integrity by distributing questionnaires and using a reputation analysis tool, and, where necessary, through extensive due diligences performed by external experts;

- an internal whistleblowing mechanism which, while keeping the whistleblower's identity strictly confidential, is designed to report conduct or situations that may represent a crime, offense, serious or obvious breach of the law or a regulation, serious damage for the general interest, or violations of the Eurazeo Code of Conduct;

- an anti-corruption training program which enables Eurazeo employees to better grasp the regulatory environment and adopt the key procedures and tools of the prevention system. In addition, employees formally renew every year their individual commitment to act in accordance with the values and principles of the Code of Conduct.

### Eurazeo results and performance indicators

- 100% of new third parties with whom Eurazeo seeks to start up a business relationship are assessed and authorized beforehand by the Compliance Department (under the direction of the General Secretary);
- a training campaign that enables employees to master the Eurazeo anti-corruption system (principles, rules, tools and

procedures to comply with) was set up in 2019: 98% of employees likely to be exposed to corruption risk due to their responsibilities within the organization attended an in-person training course and 96% of the other employees received online training. A new training campaign for all employees was launched at the very end of 2021.

	2022	2021
<b>Ethics</b>		
Percentage of new employees who signed the Code of Conduct during onboarding	82%	100%

### 3.2.5.2 TAXATION

#### Policy applied at Eurazeo level

Tax risk management forms an integral part of Eurazeo's general risk management process. The Tax Structuring Department informs the Executive Board and the Audit Committee of the general tax situation, the status of risks and litigation and the impact of the main expected measures or changes.

Tax risks can result from uncertainties in the interpretation of laws and regulations applicable to commercial transactions performed by Eurazeo group members, or changes in the group's activities or structure. Eurazeo proactively endeavors to identify and appropriately manage potential risk elements.

Eurazeo ensures compliance in all the countries where it operates with the tax regulations applicable to its activities pursuant to international agreements and national laws. This implies that all tax returns required by law and regulations be filed in a timely manner and all taxes and debits be paid.

Eurazeo ensures that cross-border intragroup transactions comply the arm's length principle pursuant to OECD recommendations and the organization of our investments meets the operational and financial objectives of our projects.

Eurazeo recognizes its responsibilities to its shareholders, as well as other stakeholders (such as employees or co-investors), and the tax authorities in the countries where Eurazeo and its group members operate. Eurazeo's tax strategy must take these various interests into account whilst respecting all laws and regulations.

Eurazeo has set up country-by-country reporting as well as complete documentation in terms of transfer pricing (Master File and Local File) pursuant to French regulations and international recommendations.

Eurazeo adopts a responsible approach in managing and verifying its taxes, based on a documentation and rigorous internal control of tax processes involving accounting, tax and legal teams with support, where necessary, of external tax experts or advisors. The Eurazeo group supports different OECD and government initiatives to combat tax evasion.

As a parent company and pursuant to local regulations, Eurazeo publishes a tax strategy report on behalf of its British subsidiaries relating to the management of tax risks and the stance to adopt for tax planning in the United Kingdom.  
(<https://www.eurazeo.com/sites/default/files/infos-reglementees/Eurazeo%20-%20UK%20Tax%20Strategy%202021%20%28003%29.pdf>).

### Results and performance indicators

The effective tax rate for Eurazeo Group companies is lower than the standard corporate income tax rate applicable in France, where the Company is headquartered. The difference between the effective tax rate and the standard corporate income tax rate in France (25.83% for fiscal 2022) is explained in Note 11.1 Tax proof to the consolidated financial statements.

The Eurazeo entities are regularly audited by the relevant tax authorities. Regarding the Eurazeo SE tax group, these audits did not give rise to any significant reassessment.

	2022	2021
<b>Taxation</b>		
Reporting to the Executive Board on changes in tax risks	6	Not communicated

### 3.2.6 EUROPEAN TAXONOMY

As a listed financial company subject to the DEPF (Direction des Etudes et Prévisions Financières), Eurazeo is required to publish, for the second consecutive year, information on the eligibility of its portfolio companies in regards to the European Taxonomy. Given the changes in the scope of the Eurazeo group, which focus on the asset management activities of its subsidiaries, Eurazeo has taken a deliberate approach: identifying the Taxonomy-eligible companies within its own portfolio, as investors on their own account, and, through transparency, Taxonomy-eligible companies within the portfolios of its subsidiaries.

In accordance with Article 8 of the Taxonomy Regulation, data relating to the eligibility of companies concerns financial companies and non-financial companies that are themselves required to publish a non-financial performance statement. 22 companies have been identified as having Taxonomy-eligible economic activity (among businesses subject to the NFRD).

	2022 amount (in € millions)	% of outstanding investments
Assets under management	34,051	100%
Outstanding investments in sovereign bonds	Not applicable	Not applicable
Outstanding investments in derivative products	Not applicable	Not applicable
Investments in companies not subject to the NFRD <sup>(1)</sup>	24,683	72%
Investments in companies subject to the NFRD <sup>(1)</sup>	2,628	8%
Investments in economic activities that are not taxonomy-eligible <sup>(2)</sup>	1,125	3%
Investments in economic activities that are taxonomy-eligible <sup>(2)</sup>	1,502	4%
Unallocated assets under management <sup>(3)</sup>	6,740	20%

(1) Analysis performed across all strategies, excluding Private Funds, Rhône and MCH.

(2) The scope of this indicator only covers companies subject to the NFRD, i.e. 51 companies identified in 2022.

(3) Private Funds, Rhône and MCH assets under management.

## 3.3 Key Performance Indicators Table

		2022 <sup>(3)</sup>	2021 <sup>(2)</sup>	2020 <sup>(1)</sup>	
<b>Consideration of ESG impacts and dependencies in the investment process</b>	Percentage of acquisitions aligned with the exclusion policy	100%	100%	100% <sup>(4)</sup>	
	Percentage of acquisitions subject to ESG due diligence	100%	100%	100% <sup>(4)</sup>	
	Percentage of investments that responded to ESG reporting	71%	69%	100% <sup>(4)</sup>	
<b>Change in regulations</b>	Percentage of Article 8 and 9 classified funds	90%	83%	-	
	Percentage of Article 9 funds whose sustainability indicators have been verified by an independent third-party	100%	100%	-	
<b>Quality of ESG data</b>	Percentage of ESG indicators calculated based on real data	97%	-	-	
<b>Inclusion of ESG at every stage of the client relationship</b>	Number of ESG meetings organized with investors	44	-	-	
<b>Working conditions and freedom of association Equal treatment Attractivity and employability</b>	<b>Total number and breakdown of employees</b>				
	Total workforce	431	347	-	
	Permanent workforce	421	338	272	
	Percentage of women in the permanent workforce	47%	43%	-	
	Percentage of managers in the permanent workforce	99%	85%	89%	
	Percentage of non-permanent workforce in relation to the total number of employees	2%	3%	2%	
	<b>Geographic breakdown of the permanent workforce</b>				
	France	82%	82%	86%	
	Europe excluding France	10%	10%	5%	
	USA	5%	6%	7%	
	Other regions	3%	2%	3%	
	<b>Working hours (% of permanent workforce)</b>				
	Percentage of full-time employees	97%	99%	98%	
	Percentage of part-time employees	3%	1%	2%	
	<b>Health and safety conditions (permanent and non-permanent workforce)</b>				
	Absenteeism rate	1.3%	0.8%	0.7%	
	<b>Health insurance cover (permanent employees)</b>				
	Percentage of employees with health insurance	100%	100%	100%	
	Percentage of employees with personal accident insurance	100%	100%	100%	
	<b>Equal treatment</b>	<b>Gender diversity (permanent workforce)</b>			
		Percentage of women	47%	44%	45%
		Percentage of female managers	47%	43%	44%
		Percentage of women on the SB or BD	42%	42%	46%
Percentage of women in the primary management body		17%	17%	25%	
Average M/F pay gap		26%	-	-	

		2022 <sup>(3)</sup>	2021 <sup>(2)</sup>	2020 <sup>(1)</sup>
<b>attractivity and employability</b>	<b>Hires and departures (permanent workforce, number of employees)</b>			
	Hires	102	88	32
	Departures	38	32	18
	<b>Compensation and benefits (permanent workforce, in millions of euros)</b>			
	Total payroll	93	63	53
	Amount of mandatory collective bonus or profit-sharing schemes	4	3	2
	Amount of incentive or collective bonus schemes outside legal obligations	3	2	2
	Percentage of employees benefiting from a value creation sharing scheme	97%	82%	90%
	<b>Training (permanent and non-permanent workforce)</b>			
	Total number of training hours	3,136	2,823	3,543
Percentage of employees who attended at least one training course during the year	76%	84%	79%	
<b>Ethics</b>	Percentage of new employees who signed the Code of Conduct during onboarding	82%	100%	-
<b>Taxation</b>	Reporting to the Executive Board on changes in tax risks	6		
		2022 <sup>(3)</sup>	2021 <sup>(2)</sup>	2020 <sup>(1)</sup>
<b>Climate change</b>	<b>Energy consumption excluding fuel (in MWh)</b>			
	Electricity	28	540	396
	Renewable energies	961	531	504
	Natural gas	165	30	3
	Total energy consumption	1,153	1,101	903
	Share of renewable energies	83%	48%	56%
	<b>Fuel consumption (in liters)</b>			
	Gasoline	14,129	6,130	5,705
	Diesel	2,355	5,387	3,971
	Total fuel consumption	16,484	11,517	9,676
	<b>GHG emissions (in metric tons of CO<sub>2</sub> equivalent)</b>			
	Scope 1	65	34	24
	Scope 2 – market-based	14	146	-
	Scope 2 – location-based	104	174	-
	Total (Scopes 1 + 2)	79	180	111
	Scope 3	13,283	11,797	7,386
	Total (scopes 1 + 2 + 3)	13,362	11,977	7,521

(1) 2020: the indicators cover the activities of Eurazeo SE in Paris and Shanghai, Eurazeo Mid Cap (EMC), Eurazeo Investment Manager (EIM) in Paris, Eurazeo Funds Management Luxembourg (EFML) and Eurazeo North America.

(2) 2021: the indicators cover the activities of Eurazeo SE and its offices in Paris, London and Shanghai, Eurazeo Mid Cap (EMC), Eurazeo Investment Manager (EIM) and its offices in Paris, Berlin, Frankfurt, Madrid, Seoul and Singapore, Eurazeo Funds Management Luxembourg (EFML) and Eurazeo North America.

(3) 2022: the indicators cover the activities of Eurazeo SE and its offices in Paris, London and Shanghai, Eurazeo Mid Cap (EMC), Eurazeo Investment Manager (EIM) and its offices in Paris, Berlin, Frankfurt, Madrid, Seoul and Singapore, Eurazeo Funds Management Luxembourg (EFML), Eurazeo North America and Kurma. The coverage rate for Eurazeo was 77-100% in 2022.

(4) The indicators cover the activities of Eurazeo SE in Paris and Shanghai, Eurazeo Mid Cap (EMC), Eurazeo Funds Management Luxembourg (EFML) and Eurazeo North America.

## 3.4 Methodology

### PERIOD AND FREQUENCY

The report covers the calendar year from January 1 to December 31, 2022. Eurazeo's Non-Financial Performance Statement has been included in its Universal Registration Document every year since 2011.

### SCOPE

Section 3.2 meets the requirement of the Non-Financial Performance Statement. In 2021, Eurazeo decided to restructure its approach to ESG publications and non-financial reporting. In 2021, the ESG chapter of the NFPS will focus on Eurazeo's investor business, particularly the inclusion of ESG in the investment process. This scope includes:

- Eurazeo SE, the investment company listed on Euronext Paris;
- Eurazeo Mid Cap, a portfolio management company certified by the French Financial Markets Authority (AMF) as an alternative investment fund manager (AIFM) within the meaning of Directive 2011/61/EU;
- Eurazeo Investment Manager, a portfolio management company certified by the French Financial Markets Authority (AMF) as an alternative investment fund manager (AIFM) within the meaning of Directive 2011/61/EU;
- Eurazeo Funds Management Luxembourg, a Luxembourg-registered management company certified as an AIFM and central administration and registrar and transfer agent by the *Commission de Surveillance du Secteur Financier*, the Luxembourg financial services regulator;
- Eurazeo North America, an asset manager governed by US law, which obtained the status of US Investment Advisor with the Securities and Exchange Commission on June 28, 2019;
- Eurazeo Infrastructure Partners, authorized as a Portfolio Management Company on November 29, 2021 by the French Financial Markets Authority (AMF) under number GP 202173 under the AIFM Directive;

- Eurazeo UK Limited (FRN: 955720), a UK company, certified and regulated by the Financial Conduct Authority since May 23, 2022;
- Kurma Partners, a portfolio management company certified by the French Financial Markets Authority (AMF) as an alternative investment fund manager (AIFM) within the meaning of Directive 2011/61/EU under the registration number GP 0900027.

*i.e.* a scope comprising a total workforce of 431 employees.

This renewed strategy was attributable to the strong growth in the Group's assets under management and the marked increase in its workforce (431 employees as of December 31, 2022). This new approach consists in:

- guaranteeing the consistency of non-financial reporting, between the NFPS and French and European regulations on Sustainable Finance (see above);
- presenting non-financial information in the NFPS for the entire Group scope, for all its investment activities, rather than for the former scope which included Eurazeo and fully consolidated investments. This former scope now covers less than 11% of assets under management.

The results from this ESG data collection, including all information for the portfolio as a whole (over 300 companies), will be published in the O<sup>+</sup> report.

#### 3.4.1.1 METHODOLOGICAL DETAILS RELATING TO RISK AND OPPORTUNITY ANALYSIS

The analysis of ESG issues that create risks and opportunities was published for the third time in this document to satisfy the Non-Financial Performance Statement (NFPS) regulation.

#### ESG ISSUES CREATING RISKS AND OPPORTUNITIES FOR EURAZEO

The issues were identified using the risk matrix prepared jointly by the ESG, Legal, Digital, IT and Risk Departments.

The list of ESG issues that create risks and opportunities for Eurazeo is available in Section 3.2.1. The risks and opportunities relating to these issues as well as the policies and procedures rolled out are described in the Universal Registration Document in the relevant sections on each issue.

#### STAKEHOLDERS

Discussions with stakeholders allow Eurazeo to achieve one of its vital missions: anticipating the challenges, expectations, risks and opportunities of an evolving world to help the Group and its portfolio companies to develop sustainable and responsible activity. Since 2015, mapping these stakeholders has made it possible to pinpoint the key representatives and identify their expectations.

#### PERFORMANCE INDICATORS

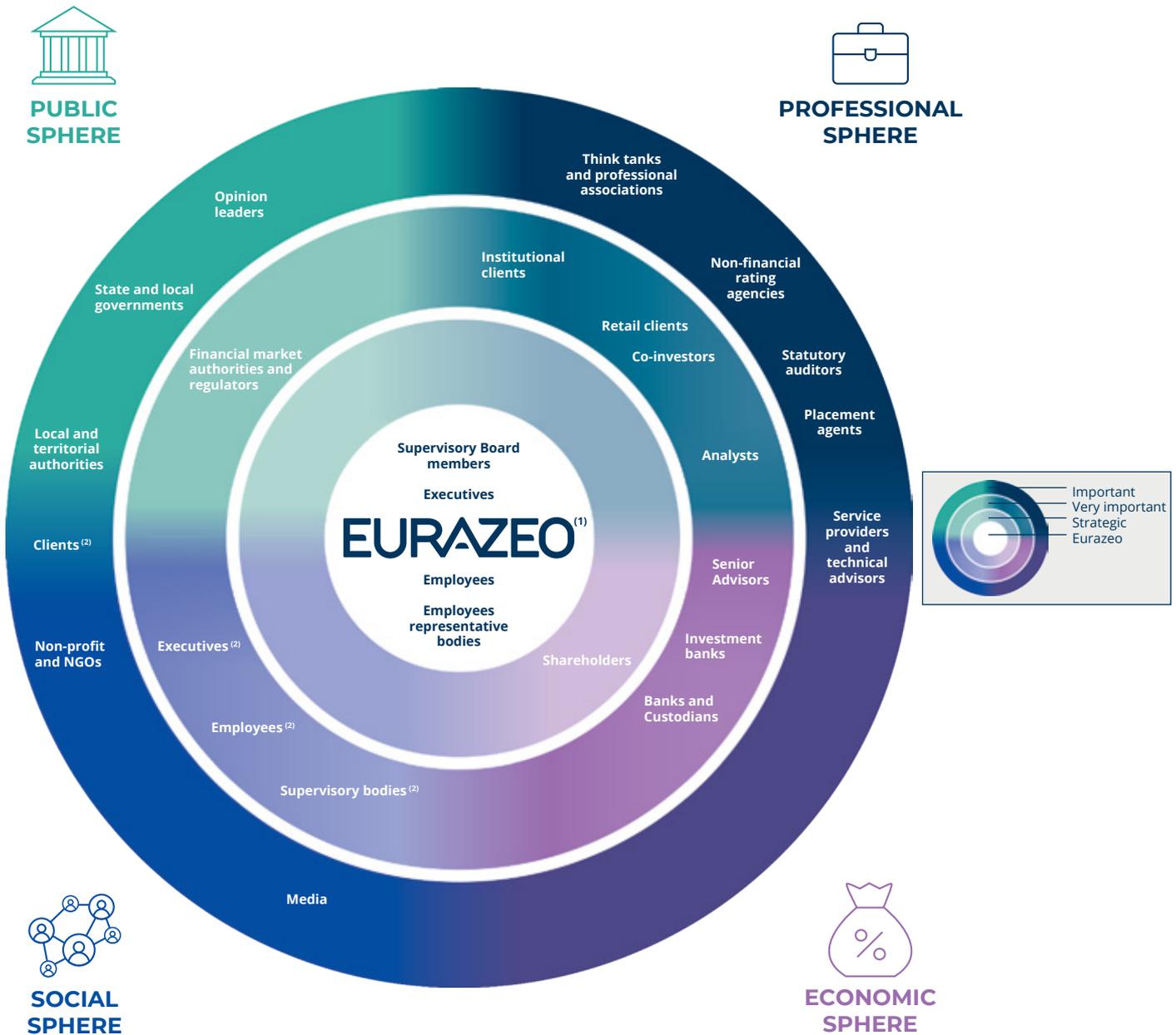
Eurazeo identified the material indicators that can be used to enhance risk and opportunity assessment for each issue. These indicators can be used to monitor how risks are taken into account and managed by Eurazeo.

**INVESTMENT PROCESS**

The format and performance of the ESG vendor due diligence vary according to the business divisions and the type of investment. For majority investments, it is performed or overseen by the ESG team, in cooperation with the investment teams. Depending on the business sector, it may take the form of an ESG questionnaire reviewed and analyzed by the ESG team, and/or include a specific analysis conducted by an independent third-party expert. By way of example, a Health and Safety due diligence is systematically performed for any acquisitions comprising a production or industrial site.

The minority investments of the Debt and Fund of Funds activity also systematically include an ESG due diligence. In this case, it takes the form of an ESG questionnaire based on a scoring model.

These ESG analyses are systematically submitted to the Investment Committee to deliver insight for its decision-making.



(1) Scope: Eurazeo SE, EMC, EIM, EFML, Eurazeo North America, EIP, Eurazeo UK Limited, Kurma Partners.  
(2) Scope: Eurazeo's portfolio companies.

### 3.4.1.2 ORGANIZATION OF PERFORMANCE INDICATOR COLLECTION

#### Reporting tool

To collect and consolidate non-financial information, Eurazeo used an online collection, processing and consolidation tool for quantitative and qualitative data. The ESG reporting software breaks down the indicators into four themes: labor impacts, environmental impacts, respect of human rights and governance and ethics.

#### Data control, consolidation and verification

The software also contains the data from previous years to facilitate consistency checks, with an alert system when a 10% variation appears between the current year and the previous year. Each indicator is accompanied by a precise definition in French and English.

At Eurazeo, several internal controls have been established to ensure data reliability:

- consistency check with the data of the previous year;
- automatic calculation of ratios and totals in the software;

Finally, the data are also checked on consolidation. PwC, a Statutory Auditor appointed as an independent third party by Eurazeo, reviewed the ESG information published in this report (see the report in Section 3.5).

#### Choice of indicators

Eurazeo's choice of ESG indicators is aimed at achieving two main objectives: managing the ESG performance of Eurazeo and its portfolio companies, and meeting reporting requirements as laid down by Non-Financial Performance Statement (NFPS) regulations. The indicators are reviewed each year with a view to achieving continuous progress. In 2021, Eurazeo's reporting framework comprised more than 100 quantitative and qualitative indicators.

#### Frameworks used

The indicators were defined by Eurazeo in accordance with the NFPS regulation requirements in collaboration with the Statutory Auditors and the portfolio companies.

A cross-reference table (see Chapter 9, Section 9.7) indicates the cross-references with different standards used:

- the **NFPS (Non-Financial Performance Statement) regulation**, presented in Section 3.2;
- the **Sustainable Finance Disclosure Regulation (SFDR)**, which introduces transparency requirements for financial market

players regarding the integration of sustainability risks in their investment process, consideration of the negative impacts of their investment decisions (PAIs) and financial products that "promote environmental or social characteristics" or have a "sustainable investment objective" (Article 8 and Article 9 classified funds, respectively);

- the **European Taxonomy**;
- **Article 29 of the French Energy Climate Law**, which tightens reporting requirements for institutional investors and focuses on the inclusion of environmental, social and governance quality criteria in investment policy and the means of contributing to the energy and ecological transition;
- the **TCFD** (Task Force on Climate-related Financial Disclosures) which includes 4 guidelines to reinforce transparency on the consideration of climate issues within businesses;
- the **Sustainability Accounting Standards Board (SASB)**, an international framework which establishes industry-specific standards for the consideration and disclosure of ESG information. Eurazeo adopts this framework proactively throughout the investment process;
- the United Nations **Global Compact**, a voluntary commitment framework through which companies are invited to comply with the ten principles covering human rights, labor standards, the environment, and anti-corruption. As a signatory since 2014, Eurazeo offers Advanced level reporting on its progress regarding the Compact's universal principles;
- the **United Nations Sustainable Development Goals (SDGs)**, a framework defining global priorities for 2030. Eurazeo uses this framework voluntarily to measure its impacts compared to these objectives;
- the **France Invest Charter of Commitments for Investors in Growth**, which defines 16 commitments to disseminate ESG best practices in the private equity sector. Eurazeo has been a signatory of this charter since its publication in 2008.

Eurazeo has chosen to incorporate these international and French reference standards into its cross-reference table to make its non-financial report easier to understand.

#### Coverage rate

The information is available for the entire scope covered by the NFPS, *i.e.*, Eurazeo, the three management companies EMC, EIM and EFML and Eurazeo North America.

As certain human resources information was not available for some of the Group's foreign offices, the coverage rate of these indicators may vary between 77% and 100%.

## 3.5 Independent Third Party Report

### REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

(For the year ended December 31, 2022)

*This is a free translation into English of the report by one of the Statutory Auditors, appointed as an independent third party issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the Shareholders,

In our capacity as Statutory Auditor of Eurazeo SE (hereinafter the "entity"), appointed as an independent third party and certified by Cofrac (Cofrac Inspection Accreditation n°3-1862, whose scope is available at [www.cofrac.fr](http://www.cofrac.fr)), we conducted our work in order to provide a report expressing a limited assurance conclusion on the historical information (observed and extrapolated) in the consolidated non-financial information statement (hereinafter respectively the "Information" and the "Statement"), prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2022, included in the Group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

#### CONCLUSION

Based on the procedures performed, as described in the "Nature and scope of our work" section, and the elements that we have collected, nothing has come to our attention that causes us to believe that the consolidated non-financial information statement is not in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly and in accordance with the Guidelines.

#### COMMENT

Without qualifying our conclusion and in accordance with Article A. 225-3 of the French Commercial Code, we have the following comment: As indicated in paragraph 3.2.1 of the Statement, the scope of reporting does not include the activities of controlled holdings within the meaning of Article L. 233-16 of the French Commercial Code.

#### PREPARATION OF THE NON-FINANCIAL INFORMATION STATEMENT

The absence of a generally accepted and commonly used framework or established practices on which to evaluate and measure the Information permits the use of different, but acceptable, measurement techniques that may affect comparability between entities and through time.

Consequently, the Information needs to be read and understood with reference to the Guidelines, significant elements of which are presented in the Statement.

#### INHERENT LIMITATIONS IN PREPARING THE INFORMATION

The Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and due to the quality of the external data used. Certain Information is sensitive to the methodological choices, assumptions and/or estimates used to prepare the Information presented in the Statement.

#### THE ENTITY'S RESPONSIBILITY

The Executive Board is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing the Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented in light of those risks and the outcomes of said policies, including key performance indicators and the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- preparing the Statement in accordance with the entity's Guidelines as mentioned above; and
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Executive Board.

**RESPONSIBILITY OF THE STATUTORY AUDITOR, APPOINTED AS AN INDEPENDENT THIRD PARTY**

On the basis of our work, our responsibility is to provide a reasoned opinion expressing a limited assurance conclusion on:

- ▲ the compliance of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- ▲ the fairness of the historical information (observed and extrapolated), provided in accordance with Article R. 225-105 I, 3 and II of the French Commercial Code, i.e., the outcome of the policies, including key performance indicators, and the measures implemented in light of the principal risks.

As we have been engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to comment on:

- ▲ the entity's compliance with other applicable legal and regulatory provisions (in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax evasion legislation);
- ▲ the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- ▲ the compliance of products and services with the applicable regulations.

**APPLICABLE REGULATORY PROVISIONS AND PROFESSIONAL STANDARDS**

The work described below was performed in accordance with the provisions of Articles A. 225-1 *et seq.* of the French Commercial Code, with the professional guidance of the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes* – CNCC) applicable to such engagements, in particular the CNCC technical opinion – Statutory Auditor engagement – Independent third party engagement – Non-financial information statement, and with ISAE 3000 (Revised) – Assurance engagements other than audits or reviews of historical Financial Information.

**INDEPENDENCE AND QUALITY CONTROL**

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of Statutory auditors. In addition, we have implemented a system of quality control including documented policies and procedures to ensure compliance with the ethical requirements, French professional guidance and applicable legal and regulatory requirements.

**MEANS AND RESOURCES**

Our work was carried out by a team of six people between December 2022 and March 2023 and took a total of ten weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted fifteen interviews with people responsible for preparing the Statement, including from the CSR, Compliance, and Human Resources Departments, and the General Secretary.

**NATURE AND SCOPE OF OUR WORK**

We planned and performed our work considering the risk of material misstatement of the Information.

We consider that the procedures we performed based on our professional judgment allowed us to express a limited assurance conclusion:

- ▲ we obtained an understanding of all the consolidated entities' activities and the description of the principal risks;
- ▲ we assessed the appropriateness of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, where appropriate;
- ▲ we verified that the Statement includes each category of labor and environmental information set out in Article L. 225-102-1 III, as well as information regarding compliance with human rights and anti-corruption and tax evasion legislation;
- ▲ we verified that the Statement presents the information set out in Article R. 225-105 II where relevant to the principal risks and includes, if applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, 2;
- ▲ we verified that the Statement presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its business relationships and products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators related to the principal risks;

- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks and the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the appendix. For two of the risks (anti-corruption and taxation), our work was carried out at parent entity level; for the other risks, work was carried out at parent entity level and at the level of a sample of entities (Eurazeo Investment Manager (“EIM”), Eurazeo Mid Cap (“EMC”), Eurazeo Infrastructure Partners (“EIP”) Eurazeo SE, Eurazeo Fund Manager Luxembourg (“EFML”), Kurma Partners);
- we verified that the selection of entities covers the scope of consolidation, i.e., all the companies included in the scope of consolidation in accordance with Article L. 233-16 within the limitations set out in the paragraph 3.2.1 of the Statement;
- we gained an understanding of the internal control and risk management procedures the entity has put in place and assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in the appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of detail, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out with a selection of contributing entities, i.e., EIM, EMC, EIP, Eurazeo SE, EFML and Kurma Partners and covers between 35% and 100% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities included in the scope of consolidation.

The procedures performed in a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional guidance of the CNCC; a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly sur Seine, March 20, 2023  
One of the Statutory Auditors  
PricewaterhouseCoopers Audit

**David Clairotte**  
Partner

**Sylvain Lambert**  
Partner, Sustainable Development Department

## APPENDIX: LIST OF CSR INFORMATION THAT WE CONSIDERED TO BE THE MOST IMPORTANT

Key performance indicators and other quantitative outcomes:

Main issues	Sections of the Universal Registration Document regarding policies, actions and associated results reviewed as part of our work
Incorporating ESG impacts and constraints into the investment cycle	<ul style="list-style-type: none"> <li>■ Section 3.2.2.1 Incorporating ESG impacts and constraints into the investment cycle</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Percentage of acquisitions aligned with the exclusion policy</li> <li>• Percentage of acquisitions subject to ESG due diligence</li> <li>• Percentage of acquisitions that responded to ESG reporting</li> <li>• Percentage of legal documentation for investments that include ESG clauses</li> <li>• Percentage of ESG-linked loans</li> </ul> </li> </ul>
Regulatory developments	<ul style="list-style-type: none"> <li>■ Section 3.2.2.2 Regulatory developments</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Percentage of funds raised or being deployed classified as Article 8 and Article 9 under the SFDR</li> <li>• Percentage of funds classified as Article 9 whose sustainability indicators are verified by an independent third party</li> </ul> </li> </ul>
Quality of ESG data	<ul style="list-style-type: none"> <li>■ Section 3.2.2.3 Quality of ESG data</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Percentage of ESG indicators calculated on the basis of actual data</li> <li>• Percentage of funds classified as Article 9 whose sustainability indicators are verified by an independent third party</li> </ul> </li> </ul>
Incorporating ESG at every stage of the customer relationship	<ul style="list-style-type: none"> <li>■ Section 3.2.2.4 Incorporating ESG at every stage of the customer relationship</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Number of ESG meetings held with investors</li> </ul> </li> </ul>
Equal treatment	<ul style="list-style-type: none"> <li>■ Section 3.2.3.3 Equal treatment</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Percentage of women</li> <li>• Percentage of women among managers in the permanent workforce</li> <li>• Average salary gap M/F</li> <li>• Percentage of women on the Supervisory Board or Board of Directors</li> <li>• Percentage of women on the primary decision-making body</li> <li>• Number of participants in Outreach events</li> </ul> </li> </ul>
Working conditions and freedom of association	<ul style="list-style-type: none"> <li>■ Section 3.2.3.2 Working conditions and freedom of association</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Percentage of full-time employees</li> <li>• Percentage of part-time employees</li> <li>• Rate of absenteeism</li> <li>• Percentage of employees with health insurance</li> <li>• Percentage of employees with personal accident insurance</li> </ul> </li> </ul>
Attractivity and employability	<ul style="list-style-type: none"> <li>■ Section 3.2.3.4 Attractivity and employability</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Total workforce (permanent and non-permanent)</li> <li>• Number of hires and number of departures</li> <li>• Total payroll</li> <li>• Amount of mandatory collective bonus and profit-sharing schemes</li> <li>• Amount of voluntary profit-sharing and collective bonus schemes</li> <li>• Percentage of employees benefiting from a value creation sharing scheme</li> <li>• Total number of training hours</li> <li>• Percentage of employees who attended at least one training course during the year</li> </ul> </li> </ul>
Climate change	<ul style="list-style-type: none"> <li>■ Section 3.2.4.2 Climate change</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Energy and fuel consumption</li> <li>• Percentage of renewable energy</li> <li>• Scope 1 emissions</li> <li>• Scope 2 emissions</li> <li>• Scope 3 emissions</li> </ul> </li> </ul>
Anti-corruption	<ul style="list-style-type: none"> <li>■ Section 3.2.5.1 Anti-corruption</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Percentage of new employees who signed the Code of Ethics during onboarding</li> <li>• Percentage of employees trained in anti-corruption practices</li> </ul> </li> </ul>
Taxation	<ul style="list-style-type: none"> <li>■ Section 3.2.5.2 Taxation</li> <li>Indicator:               <ul style="list-style-type: none"> <li>• Reporting to the Executive Board on changes in tax risks</li> </ul> </li> </ul>

**Qualitative information (measures and outcomes):**

- Application of the exclusion policy
- Systematic ESG due diligence prior to any investment
- Commitments in terms of ESG communication to investors
- Calculation of a decarbonization pathway for portfolio companies
- Tool for measuring the alignment of investments with the European Taxonomy
- Deployment of audits for Article 9 funds
- ESG communications to limited partners (LPs), publications, meetings and ad hoc exchanges
- Participation in Outreach events
- HR team's progress on diversity and inclusion
- Renewal of the profit-sharing scheme
- Formalization and deployment of the Code of Conduct
- Development of a program to identify and monitor high potential employees
- Decarbonization pathway through the Science Based Targets initiative (SBTi)
- A- CDP rating
- Anti-corruption training campaign

## 3.6 Vigilance Plan

### 3.6.1 INTRODUCTION

Pursuant to Article L. 225-102-4 of the French Commercial Code, Eurazeo's Vigilance Plan aims to cover reasonable vigilance measures to identify risks and prevent serious harm to human rights and fundamental freedoms, personal health and safety and the environment, resulting from Eurazeo activities and the activities of companies which it controls directly or indirectly, as well as the activities of subcontractors or suppliers with which it has an established business relationship, when these activities are linked to this relationship.

This vigilance approach is aligned with the Eurazeo's ESG strategy described in this document in Section 3.1 as well as on the Eurazeo's website in the Responsibility and Impact section. This Section 3.6 aims to only cover the specific provisions relating to the Duty of Vigilance Law.

Actions to encourage best practices to prevent risks of serious harm to human rights, fundamental freedoms, personal health and safety and the environment in this Vigilance Plan are reasonable due diligence actions which should be implemented by Eurazeo, Eurazeo's suppliers, companies controlled by Eurazeo and their own suppliers. It is recalled that the companies controlled by Eurazeo are extremely varied in nature. Accordingly, the Vigilance Plan cannot be applied uniformly across the entire scope or be considered to cover all the risks of each entity; each company must therefore initiate and adapt this plan to reflect its effective risks.

As part of a continuous improvement approach, this plan will be regularly reviewed and there will be close collaboration between the ESG department and the different departments involved: audit and risks, legal and HR.

### 3.6.2 FUNDAMENTAL PRINCIPLES AND FRAMEWORKS

Eurazeo is an investment company whose controlled portfolio companies operate in over 50 countries in varied contexts and with varied activities likely to present risks covered by the Duty of Vigilance Law.

In addition to compliance with applicable regulations in each of the countries where Eurazeo and its portfolio companies operate, Eurazeo relies on frameworks and fundamental principles as well as risk management systems of a very high standard.

The Vigilance Plan is based first and foremost on Eurazeo's Code of Conduct, which aims to define the key values and principles as part of the Company's development, so that the conduct of all personnel and stakeholders linked to Eurazeo (business partners, shareholders and portfolio companies) can be guided by these core values and principles.

This Code of Conduct underlines Eurazeo's adherence to international standards, particularly the principles of the Universal Declaration of Human Rights, the International Labor Organization (ILO), and the Organization for Economic Co-operation and Development (OECD). This Code of Conduct, which can be viewed on the Eurazeo website, is given to every Company employee and is made available to its stakeholders.

The Code of Conduct is supplemented by the Code of Conduct for commercial relations and is the foundation of commitments expected by Eurazeo from its suppliers, particularly in terms of respect for national and international laws and regulations, human rights and the environment.

Eurazeo also bases itself on strong ESG and ethical principles which guide its activity as a responsible investor. Since 2014, Eurazeo adheres to and obtained the highest score for the 10 principles of the UN Global Compact regarding respect for Human Rights and international labor, environmental and anti-corruption standards. Eurazeo has also been a signatory of the Principles for Responsible Investment (PRI) since 2009, and in 2022 achieved the maximum score of A+ for each of the four assessment categories relating to its businesses.

### 3.6.3 MAPPING, IDENTIFICATION, ANALYSIS AND RANKING OF RISKS

A comprehensive mapping of ESG risks was carried out as part of the Non-Financial Performance Statement and made it possible to pinpoint Eurazeo's main challenges. These issues and their identification, ranking and analysis methodology are described in Section 3.2.1.

A more specific mapping, notably including the maturity level of every Eurazeo-controlled company, is carried out for the three issues covered by the Duty of Vigilance Law.

RISK ASSESSMENT INDICATORS	
<b>Human rights and fundamental freedoms</b>	<ul style="list-style-type: none"> <li>▲ Forced labor</li> <li>▲ Child labor</li> <li>▲ Non-respect of freedom of association and collective bargaining</li> <li>▲ Unequal opportunities and discrimination</li> <li>▲ Non-respect of international labor standards for migrant workers</li> <li>▲ Non-respect of data privacy</li> <li>▲ Excessive working hours</li> <li>▲ Inadequate social benefits and social security</li> <li>▲ Harassment and abuse/disciplinary practices</li> <li>▲ Other</li> </ul>
<b>Health and safety</b>	<ul style="list-style-type: none"> <li>▲ Occupational health and safety risks</li> <li>▲ Failure to protect the end customer's health and safety</li> <li>▲ Site safety risks and industrial accidents</li> <li>▲ Other</li> </ul>
<b>Environment</b>	<ul style="list-style-type: none"> <li>▲ Air pollution</li> <li>▲ Water pollution</li> <li>▲ Soil pollution</li> <li>▲ Inadequate waste management</li> <li>▲ Raw materials/resource depletion</li> <li>▲ Water scarcity</li> <li>▲ Destruction of land/ecosystems/biodiversity</li> <li>▲ Greenhouse gas emissions</li> <li>▲ Other</li> </ul>

In order to identify the ESG issues linked to suppliers, a specific tool was developed by Eurazeo in 2015. This tool to map the materiality of ESG risks for a supplier portfolio helps to identify and rank the suppliers who require specific vigilance. It is available to all portfolio companies *via* the Connect digital platform. Eurazeo organizes annual training on supplier mapping. Each company is responsible for implementing this mapping.

### 3.6.4 REGULAR EVALUATION PROCEDURES

Eurazeo has a collaborative, pragmatic and constructive ESG approach with its portfolio companies, which respects the autonomy of legal entities. Systems put in place by companies are evaluated in several stages:

- ▲ acquisition due diligence during which Eurazeo systematically includes issues in relation to human rights, health and safety and the environment as described in Section 3.2.2.1 on the criteria studied. The conclusions drawn from these due diligences are subject to an action plan presented to company management post-acquisition;
- ▲ specific interviews conducted post-acquisition to evaluate the company's actual level of maturity as well as to define an adapted road map;
- ▲ regular follow-ups during Audit Committee meetings and at least once a year during a Supervisory Board meeting;
- ▲ annual feedback of quantitative and qualitative indicators as part of the ESG reporting.

### 3.6.5 ACTIONS ADAPTED TO RISK MITIGATION OR PREVENTION OF SERIOUS HARM

Eurazeo pursues objectives with regard to each issue relating to the Duty of Vigilance Law.

Specific action plans are determined with each of the companies controlled by Eurazeo by relying on the fundamental principles and references described in Section 3.6.2.

#### HUMAN RIGHTS

- promote respect for the fundamental rights of workers and the provision of decent work throughout the supply chain;
- avoid any discrimination.

#### HEALTH AND SAFETY

- ensure that all employees benefit from working conditions that minimize risks to their health and safety;
- ensure that employees are covered by health insurance;
- promote well-being to improve performance.

#### ENVIRONMENT

- improve energy performance and obtain energy from renewable or low-emission sources;
- ensure safety for sites, employees and local communities;
- limit discharges and ensure their optimal treatment;
- avoid all pollution likely to harm employees, inhabitants and biodiversity in the short, medium and long term;
- encourage a reasoned use of resources while promoting the circular economy;
- avoid any activity likely to damage biodiversity.

Regarding suppliers, Eurazeo encourages companies in which it is a shareholder to formalize and disseminate a Responsible Procurement charter (or Code of Conduct for commercial relations) and to deploy the means to control the implementation of a Responsible Procurement approach. Priority supplier audit plans identified through a materiality analysis are determined by each portfolio company.

### 3.6.6 WHISTLEBLOWING SYSTEM

Eurazeo encourages each employee to be active in preventing and detecting the risk of a breach of the Group's principles and values.

The workplace whistleblowing system put in place by Eurazeo allows any employee to exercise their whistleblowing right. This right allows employees to report violations of domestic law and international agreements ratified by France or serious threats or harm to the general interest, as well as conduct or situations that are contrary to the Company's Code of Conduct, or any infringement of human rights and fundamental freedoms, personal health and safety and the environment.

This system is secure, and its purpose is to guarantee the confidentiality of any notification from an employee acting as a whistleblower.

As part of the application of the Duty of Vigilance Law, Eurazeo encourages controlled companies to implement their own whistleblowing systems.

### 3.6.7 MEASUREMENT MONITORING SYSTEM

In order to ensure the continued deployment of the Vigilance Plan, Eurazeo relies on the monitoring procedures and tools made available to controlled companies.

The ESG reporting system is used to monitor specific indicators for the three issues covered by the Duty of Vigilance Law. The ESG reporting results are shared with the Eurazeo Audit and CSR Committees at their meetings, with the management of the portfolio companies at special work meetings and at least once a year with the Supervisory Board.