

CAPZA

Responsible Investment Policy

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A. CAPZA'S STRATEGY AND GOVERNANCE ON SUSTAINABILITY

1. Our Strategy




Sustainable development has been a major concern for CAPZA for many years. We began our ESG adventure by signing the PRI (United Nations Principles for Responsible Investment), over 10 years ago now (in 2011). At the time, we were among the first to publicly commit to taking extra-financial criteria into account in the analysis of our investments. As early as 2016, we introduced an extrafinancial reporting and an annual analysis of the extrafinancial risk and maturity of our portfolio companies with the help of Reporting 21 a Leading ESG & sustainability-focused SaaS platform and consultancy. As part of our fiduciary duty, ESG criteria and risks were fully integrated at each step of the investment process.

Today, the term "ESG" has expanded to cover the search for "sustainability". From a vision focused on risks, we have moved on to the search for financial value creation and impact.

To maximize our impact we instill sustainability and impact in CAPZA's 4 domains of actions. :

 <p>Supporting portfolio companies</p> <ul style="list-style-type: none">• Supporting companies to build ESG Action plans, monitoring the progress and seeking to help companies reach their trajectory• We seek to align interest by integrating ESG criteria in transaction structuring and pricing and management compensation structures...	 <p>Providing sustainable solutions to investors</p> <ul style="list-style-type: none">• Develop process, funds and solutions to meet investors expectations on ESG• Deliver high quality ESG reporting• and measuring our impact <p>100% OF FUNDS LAUNCHED SINCE 2017 ARE ARTICLE 8 OR ARTICLE 9 FUNDS*</p>
 <p>Engaging CAPZA: leading by example</p> <ul style="list-style-type: none">• Applying ourselves the same standards of transparency, alignment of interest and transformation levers as those applied to portfolio companies• Through CAPZA for Good, our CSR Committee	 <p>Collaborate with our ecosystem</p> <ul style="list-style-type: none">• Through active participation in industry forums• By gathering our ESG ecosystem and facilitating cross fertilization 

Although our approach to sustainability is holistic especially when it comes to risks, we defined three priorities to drive positive impact. These priorities are translated into specific targets for our portfolio and for CAPZA.

UN SDG	TARGET : PORTFOLIO	TARGET : MANAGEMENT COMPANY
 <p>13 CLIMATE ACTION</p>	<p>CARBON NEUTRALITY BY 2050</p> <ul style="list-style-type: none"> ▪ Alignment on a 1.5° trajectory ▪ Commitment to align with Net Zero in all our investments in equity ▪ Provide climate training to portfolio companies ▪ 70% AuM in Equity on a net zero trajectory by 2030 ▪ 50% AUM in Debt on a net zero trajectory by 2030 	<ul style="list-style-type: none"> ▪ 5% decarbonation per FTE and per year (French perimeter for 2023, extend to all offices in 2024) ▪ Provide climate training (La fresque du climat) to employees
 <p>15 LIFE ON LAND</p>	<p>LIMITING BIODIVERSITY LOSS</p> <ul style="list-style-type: none"> ▪ Annual full biodiversity analysis ▪ 100% of companies (equity) with very high stake on biodiversity implement responsible purchasing and action plan ▪ 100% of companies (equity) with very high stake on water implement water management policy ▪ Develop and promote CAPZA Responsible purchasing and water management policy 	<ul style="list-style-type: none"> ▪ No plastic
 <p>10 REDUCED INEQUALITIES</p>	<p>PROMOTING INCLUSION AND VALUE SHARING</p> <ul style="list-style-type: none"> ▪ Within 2 years after investing (equity), at least one independent member, trying to promote and increase board diversity. 	<ul style="list-style-type: none"> ▪ 100% employee shareholders ▪ 50% women in Executive Committee ▪ Target 2030 : 30% women partners and 40% women in investment teams

Climate action: we are committed to better analyze climate risks and contribute to carbon neutrality by 2050.

As an investor, for this purpose, we identify the materiality of climate risks before investment, we engage the company and the shareholders to decarbonize in line with Net Zero in the shareholders agreement and promote sustainability linked bond and equity with sustainability performance targets on climate, we finance a carbon diagnostic or footprint when needed, we monitor the climate risks and the energy management in the holding period, we provide training on climate, and we discuss action plan with the management.

Limit biodiversity loss: we are committed to better analyze nature related risks and impacts and contribute to preservation of the ecosystems especially water.

As an investor, for this purpose, we identify the materiality of nature related risks before investment, we promote sustainability linked bond and equity with sustainability performance targets on biodiversity, we monitor the biodiversity and the supply chain risks in the holding period, we provide training on biodiversity and water, and we discuss action plan with the management.

Inclusion and profit sharing: we are committed to promote inclusion and profit sharing.

As an investor, for this purpose, we identify social risks, we promote sustainability linked bond and equity with Sustainability performance targets on social characteristics, we monitor social risks (employment, working conditions, training, social dialogue, equality and diversity) during the holding period, we provide training, and we discuss action plan with the management.

a. Support our portfolio companies

As a shareholder or lender, we are committed to helping companies create financial and extrafinancial value

during our holding period.

- We can support companies in the development and implementation of sustainability roadmaps and monitor their progress.

- We seek to align interest by integrating sustainability performance targets in transaction structuring whether it is financing instruments or management incentive structures.

Supporting portfolio companies to create sustainable value and reduce their footprint

- Navigate regulatory framework
- Adapt business model to green transition
- Fulfill client requirements (RFPs, ESG Data)
- Responsible employer / talent retention

Provide ESG best in class standards

- Access to **regulatory updates, best in class ESG policies** (Code of Ethic, Responsible Supply Policy, Water...)

ESG Awareness / Education

- **Climate Fresk & 2Tons workshops**

Connecting with ESG Providers and assisting in identifying financial aids

- **Referencing and master agreements** with recognized **ESG solutions providers**
Example : [Birdeo](#) for ESG recruitment, [Nomadia](#) for Smart Mobility, BEEV for Electric Car Fleet...
- **Mapping public financial support**

Building a sustainability linked community

- **Annual ESG footprint** : 100 KPIs monitored and benchmark with peers
- **Encourage best practice sharing** between portfolio companies
- **Launch of our Sustainability and Impact award**

b. Provide sustainable investment solutions to our investors

We seek to embed sustainability at every stage of our investment process. All our diversified funds launched after 2017 are classified Article 8 or 9.

We can offer investors tailor made sustainable solutions:

- **Flex equity Mid Market II**: CAPZA launched a mid-cap LBO fund aiming to support companies in accelerating their growth internationally and decarbonize in line with Carbon neutrality in 2050 so that they can seize the opportunities and be "best in class" by the time they exit the fund. To achieve its objective,
 - o CAPZA ensures that CSR governance and significant alignment of interests related to ESG and decarbonisation are put in place at the time of investment
 - o CAPZA provides the company with financial and human resources to define and implement its CSR and #decarbonisation roadmap
 - o ESG is fully integrated into CAPZA's investment process, and our Head of Sustainability & Impact is a voting member of our 6-members investment committee
 - o The fund has an ambitious carbon intensity reduction target of between 5% and 7% per year. 20% of carried interest is linked to the fund's extra-financial performance, which includes both the successful implementation of the ESG process and achieving a minimum decarbonisation rate for the fund (decarbonisation hurdle).

- **MAIF Dette à Impact environmental:** MAIF, a leading French insurer with 15 years commitment to responsible investment has chosen to entrust CAPZA and its subsidiary Artemid with the management of a dedicated evergreen Article 9 environmental impact senior debt mandate aiming to support companies in their decarbonization in line with Carbon neutrality in 2050. This fund has the following characteristics:
 - o It targets companies with good governance and the willingness and ability to contribute to carbon neutrality and more generally to improve their environmental impact
 - o It supports companies in pursuing a decarbonation path in line with carbon neutrality by 2050, with a significant bonus/malus incentive system for the pricing of loans granted (sustainability/decarbonation linked loans or bonds)
 - o It leads management teams to establish and implement a proper roadmap to progress in each of the ESG areas.
 - o It contributes to the emergence, around MAIF, of a group of companies sharing a genuine desire for sustainability and concrete objectives to achieve carbon neutrality
 - o An innovative impact bonus depending on the achievement of the fund's impact goals has been created under CAPZA's impulse

We deliver high quality ESG reporting with a measurement and a monitoring of our impact

c. Leading by example

We seek to apply to ourselves the same standards of transparency, alignment of interest and transformation levers as those we request from portfolio companies.

For instance, we have set a decarbonization target of 5% per FTE for our own operations and at the end of 2022 we offered to all our employees access to equity and free shares.

Our CSR committee CAPZA for Good defines, supports, and pilots all of CAZPA's CSR Impact projects. It is responsible for improving our CSR practices at the level of the management company.

We are monitoring our ESG and carbon footprint annually and updating our roadmap to maximize our progress.

d. Collaborate with our ecosystem

We share our vision of sustainability in higher education and industry conferences.

We develop a sustainability-linked community and seek to facilitate cross fertilization.

We are involved in various industry groups and we promote ESG best practices when we act as co-investor or lender

2. Our Governance

a. Globally

i. Sustainable and Impact team

We have a dedicated team headed by Aurore Gauffre (Sustainability and Impact Director). She is in charge of defining and steering our ESG strategy.

She is supported by two Sustainability & Impact analysts, Yasser Sael and Hugo Villain, and a Sustainability & Impact intern, Solenn Deluche.

The department will continue to expand over the next few years, in line with our reporting requirements and our approach of actively supporting our investments.

CAPZA's ESG and CSR strategy concerns all our teams, and its successful implementation depends on the mobilization of all our expertise. Cross-functional teams (Investor relations, Conformity, Product, Legal, Communication) are heavily involved in the implementation of our ESG and CSR policies.

b. On ESG

ii. ESG coordinators

The Sustainability and impact team relies on a network of ESG referents from each of the investment teams. The appointment of a dedicated ESG referent within each investment team enables our ESG strategy to be disseminated within each investment strategy, and our best practices to emerge and converge. A monthly meeting is organized between the sustainability and impact team and the ESG referents.

iii. ESG Committees

To monitor the implementation of our strategy, CAPZA organizes two types of ESG committees per year:

1. The CAPZA Global ESG Committee meets twice a year:

- One Committee is focused on the update of CAPZA's ESG strategy and processes, as well as CSR & ESG regulations, frameworks and initiatives. It also serves to validate the scope of reporting for the coming year.
- One Committee is focused on the presentation of the results of the annual ESG Reporting and update on the ESG strategy and policy

2. The ESG Committee, dedicated to each strategy, meets once a year to review in detail the extra-financial performance of each fund and determine stewardship strategy and action plan for companies.

Funds committed to a minimum of sustainable investments as defined by SFDR are also supervised by an Impact Committee with an independent third party in order to monitor extra-financial performance more closely and decide on additional actions.

c. On CSR

iv. CAPZA4GOOD Committee

Created in 2019, the committee is responsible for improving corporate responsibility practices within CAPZA. In 2022, we gave to this Committee a clear governance and significant resources. The CAPZA for Good Committee is composed of up to 14 voting members nominated by the Management Board and appointed to ensure that most functions and regions are represented. The Committee shall meet whenever circumstances require and, in principle, at least twice a year. Projects supported by the Committee in 2022 include “ Gravir pour agir” , “Advens for People and planet”, Project rescue Ocean

d. Integration of ESG in the remuneration policy

Sustainability risks are integrated into our compensation policy. ESG characteristics account for 15% of partners' variable remuneration, based on the following criteria:

- An ESG-climate analysis in all one pagers and investment notes
- The proper implementation of our esg process and policy
- An analysis of the feasibility of setting up a value-sharing or structuring management package or debt structuring with ESG objectives
- Formalizing CAPZA's and the fund's ESG contribution in LOI
- Engagement with portfolio companies in data collection and reporting of ESG ANALYSIS
- Sharing ESG factsheets to all companies and ESG at the agenda of the supervisory board annually
- Deployment of climate fresk in our portfolio companies
- Participation in ESG committees and meetings

This mechanism will be extended to the investment team in 2024 and the whole of CAPZA in 2025.

e. Training

Staff training and awareness-raising are essential to the successful implementation of an ESG policy. CAPZA's teams receive ongoing training on sustainability issues, whether in our role as an investor in companies or in our direct emissions linked to travel, electricity use, IT equipment use, etc. Training can take various forms: workshops, training courses, exchanges with the Sustainability and Impact team and external speakers.

B.ESG INTEGRATION IN THE INVESTMENT PROCESS

1. Preinvestment

a. Exclusion policy

First, the investment teams verify the compliance with CAPZA's exclusion policy. Our exclusion policy is built to avoid activities that significantly harm climate and biodiversity or raise severe ethical issues and is based on different types of exclusion:

- Norm based exclusions: this category includes illegal economic activity and activity that results in severe breach of international standards, conventions, norms or protocols to which France is a signatory including UN Global compact.
- Sectorial exclusion for environmental reasons: fossil fuels, unconventional energy, mining, unsustainable wood pulp or palm oil, products containing polychlorinated biphenyls, asbestos fibers, drift nets over 2.5 kilometers in length
- Sectorial exclusion for societal reasons: prostitution, pornography, weapons and ammunitions, GMOs, human cloning, reactional drug use
- Sectorial exclusion with tolerance thresholds: 5% of its consolidated revenues in tobacco related products and services
- Restrictions: activities that substantially focus on gambling and casinos, distilled alcohol beverages, pesticides,

The details and definitions of the exclusion policy are available in the appendix

b. Screening

The investment teams then assess the materiality of sustainability issues based on a processed screening.

- an analysis of controversies, which may lead to the investment process being stopped
- an identification of sustainability risks and opportunities based on SASB framework
- an internal scoring based on the PAI and other criteria
- a list of predefined high stakes sectors (Agriculture, Forestry and Fishing; Mining and Quarrying; Manufacturing; Energy; Water Supply, Sewerage and Waste Management; Construction; Wholesale and Retail; Transport and Warehousing; Accommodation and Food Services; Real Estate; Healthcare). This list includes sectors with high impact on the environment.

Whether the stakes are deemed significant or not after the screening, two distinct procedures of due diligence followed.

c. Due diligence

Debt

- Where the ESG stakes of the opportunities are identified as **significant**, an in-depth due diligence is carried out by the sustainability and impact team, including a discussion with the management of the target company. The in-depth ESG analysis covers climate (physical and transition) and biodiversity-related risks and potential and potential PAIs.
- Where the ESG stakes of the opportunities are identified as **non-significant**, the investment team conducts an ESG double materiality analysis covering PAIs, using SASB analysis frameworks and external and internal tools. The Altitude tool, developed by AXA climate, which enables a climate and biodiversity analysis based on sector and location data, is also used.
- An analysis of the PRI rating of the sponsor and if available a summary of the ESG due diligence report carried out by the sponsor is included in the investment memo.

Equity

- Where the ESG stakes of the opportunities are identified as **significant**, an in-depth due diligence with a third party is carried out, including a discussion with the management of the target company. The analysis covers climate (physical and transition) and biodiversity-related risks. A preliminary ESG roadmap is developed and included in the investment memo. If possible, we are integrating the investments and costs needed to deliver the ESG roadmap and the value-creation opportunities in our business plan (CAPZA case).
- Where the ESG stakes of the opportunities are identified as **non-significant**, the investment team conducts an ESG double materiality analysis, using SASB analysis frameworks and external and internal tools.

d. Engaging from the transaction

Since July 2023, in Equity, we are systematically integrating general ESG provisions and a specific net zero provision, engaging the company to align with Net Zero by 2050.

In Equity and Debt, we seek to integrate ESG targets in the pricing mechanism of the transactions, whether it is in the pricing of the debt or in the management package.

We are seeking to integrate ESG considerations into our short-term plan

2. Investment period: monitor and accelerate.

a. Sustainability and Impact acceleration program

We have defined a process to catalyze our impact. We have built a proper internal expertise to support our portfolio companies in the achievement of their Sustainability roadmap. In addition, we are relying on an ecosystem of partners who are committed to support our companies in priority and at advantageous condition. Depending on the strategies and our role in the governance, our ability to influence and implement differ. Our approach during the investment period is based on the following key steps:

1. ESG Questionnaire: in the context of the annual ESG reporting, each Portfolio Company is asked to answer a questionnaire with more than 100 questions covering Sustainability Risks and impacts, including the 14 mandatory and 2 optional PAIs of the SFDR regulation.
2. Annual ESG analysis carried out by a third party: based on the sector, the answers to the above questionnaire and on exchanges and meetings with the Management, with the objective of assessing annually the company's sustainability risks regarding sixteen (16) issues, classified in three general ESG themes (environmental, social and governance) and to produce a unique ESG scoring.
3. An annual ESG Factsheet is prepared for each Portfolio Company covering the analysis described above as well as an action plan to improve sustainability policies and practices, to achieve CAPZA and the fund's ESG objectives and Characteristics. A working session is organized with the portfolio companies to discuss the ESG analysis. The ESG factsheet is shared and discussed during a Board meeting.
4. Acceleration program developed by CAPZA covering provision of best-in-class standards and policies, Regular training, top ESG providers, dedicated events to achieve the roadmap.
5. Annual reporting and monitoring at the fund level of the extrafinancial performance of the fund and an analysis of the improvements made by the Fund towards the ESG characteristics of the fund and an explanation of why the promotion of ESG characteristics or the Sustainable objective have not been met.

b. Specificities according to strategies

For funds with an objective to invest in sustainable investments, an impact committee is implemented. The Impact Committee will decide and implement remedial actions in case of trajectory deviation, such as organising meetings with the CEO, resolutions to the board, equity capex line and increasing the staff dedicated to corporate social responsibility. The consolidated ESG reporting will be presented and discussed in front of the Impact Committee.

For our fund Growth Tech, we are integrating specific questions in our due diligence and reporting to integrate specificities from the sector.

c. Monitoring ESG risks and impacts

We monitor ESG risks in our portfolio on an annual basis. We measure the risk related to 16 extrafinancial issues such as Climate, Biodiversity, training, social dialogue, governance by giving to each issue a risk score out of 5. This risk score is the result of the difference between the issue level and the maturity level.

- The issue is scored in relation to the company's size, business sector, countries of operation, reported data, and to a lesser extent in relation to other companies in the portfolio.
- The maturity score identifies a company's level of commitment and awareness.
- The greater the gap between the issue level and the maturity level, the greater the ESG risk for the given issue.
- Based on each rating, CAPZA assigns an overall score out of 100. End of 2022, ESG ratings for CAPZA holdings ranged from 49 to 90, with an average of 74.

If one ESG risk is higher than 4 (stake rating minus maturity rating higher than 4), we organize a dedicated committee with the management board, the chief of compliance and the partner responsible of the investments to discuss and find mitigation actions. We are engaging with all our companies to decrease the risk for each issue.

i. Climate

Specifically For each investment with a high and very high impact on climate (4 or 5 out of 5), we study the appropriate mitigation measures to integrate them into our sustainability roadmaps and discuss them with the companies.

We help the companies to increase awareness on those matters by offering training and promoting the implementation of an environmental policy.

For every new investment in equity, we are integrating a commitment from the company and the shareholders to make its best efforts to decarbonize in line with Net Zero by 2050.

We are engaging to have 100% of portfolio companies (equity) with very high stake on climate (as assessed by a third party) to have implemented environmental or climate policy by 2025.

ii. Biodiversity and water

Specifically For each investment with a high and very high impact on or dependences on biodiversity and water (4 or 5 out of 5), we study the appropriate mitigation measures in order to integrate them into our sustainability roadmaps and discuss them with the companies.

We help the companies to increase awareness on those matters by promoting training and promoting the

implementation of a responsible purchasing policy and a water policy that we developed to integrate the best standards.

We are engaging to have 100% of portfolio companies (equity) with very high stake on biodiversity (as assessed by a third party) to have implemented responsible purchasing by 2025 and to have implemented a formal action plan, in line with the objectives of kunming-montreal global biodiversity framework by 2030. We promote training on biodiversity and the implementation of action plan, in line with the objectives of kunming-montreal global biodiversity framework in all our portfolio companies.

We are engaging to have 100% of portfolio companies (equity) with very high stake on water (as assessed by a third party) to have implemented water management policy by 2025. We promote training on water and the implementation of a water management policy and water saving solutions in all our portfolio companies.

iii. Information to investors in case of severe incidents

In the event of proven severe controversies or serious incidents, internal communication is carried out with members of the fund's investment committee, the Chief of compliance and the Head of Sustainability and Impact, who pass on these points to Capza's Management board as part of the Compliance Committee. If the event has a significant impact on financial value, a dedicated information is prepared for investors.

d. Voting policy

Capza regularly interacts with the management of companies it invests in.

This is done throughout the year during ad-hoc meetings, Supervisory Board or Board of Directors meetings, Sustainability dedicated meetings.

Sustainability issues are discussed at least once a year at Board level based on our ESG annual analysis and action plan.

In most of our investments, the achievement of ESG objectives have an impact on the cost of the debt, the management package, or the compensation scheme of the management. Resolutions in favor of those ESG objectives are submitted or supported by CAPZA.

3. Exit

CAPZA considers that its ESG responsibility extends beyond the period during which the investment is held.

This is why, at the time of divestment, ESG reportings and impact reporting with the analysis of the evolution of sustainability indicators relevant to the company, including the PAI and the fund's promotion indicators are systematically made available in the dataroom. In the process specifications, ESG is included in the elements

that the potential buyer needs to provide with when it submits its offer.

When the value creation linked to the sustainability roadmap or the sustainability risk are material, an ESG Vendor Due Diligence can be carried out.

4. Our sustainable investment definition

We decided to precise our definition of sustainable investment based on the SFDR regulation. We can qualify an **investment as sustainable**:

1. When it contributes to a social or environmental objective through :
 - The products and services offered if they help meet one of the Sustainable Development Goals (SDGs), and if these products and services account for more than 25% of revenues, or if they are expected to account for more than 25% of revenues within the fund's investment horizon.
 - The company's credible commitment to decarbonizing its operations in line with the Paris agreements. For companies with fewer than 500 employees, this commitment may relate solely to scope 1 and 2, bearing in mind that scope 3 must also be measured and reduced. For companies with more than 500 employees, the reduction of their carbon footprint in line with the Paris agreements must cover scopes 1, 2 and 3.

2. Without causing significant detriment to other environmental or social objectives – or that a clear roadmap to limit or eliminate these negative effects/externalities has been defined and integrated into the transaction documentation.

3. that applies good governance practices, by assessing the main issues through
 - The existence of internal processes/mechanisms to monitor compliance with the UN Global Compact or the OECD Guidelines for Multinational Enterprises,
 - The existence of a written policy (e.g. HR policy, code of ethics, etc.) underlining commitment to respecting human rights and preventing forced labor in operations and the supply chain, the gender pay gap, and compliance with tax obligations

C. APPENDIX

1. Exclusion policy

CAPZA will not invest, guarantee or otherwise provide financial or other support, directly or indirectly, to companies or other entities (each time, as determined at the time of the Investment):

(a) whose business activity (i) consists of an illegal economic activity (i.e. any production, trade or other activity, which is illegal under the laws or regulations applicable to the Fund or the relevant company or entity, including without limitation, human cloning for reproduction purposes); (ii) results in severe and systematic breaches of (a) the law laid down by the national authorities in the markets in which such companies or entities operate or (b) international standards, conventions, norms or protocols to which France is a signatory including UN Global compact (in each case, to the extent that such severe and systematic breaches are evidenced by an official source such as the United Nations, the OECD, governments or other similar bodies) regarding (a) environment protection (including international universal sustainability principles arising from initiatives partnering with international organisations);(b) corruption; (c) child labor or forced labor; or (d) the right of workers to organize in a trade union; or

(b) which is involved directly in (i) the production (or the financing thereof) of and trade in weapons and ammunition of any kind as an end weapon, including anti-personnel landmines and cluster bombs prohibited by the Ottawa and Oslo Conventions, nuclear weapons, and/or chemical or biological weapons and depleted uranium ammunition, or the supply of essential and/or customized semi-finished parts of any of the preceding (as well as the upgrading and maintenance of nuclear weapons), it being understood that such restrictions do not apply to the extent such activities are part of or accessory to explicit European Union policies; (ii) the activity of prostitution or procuring of prostitutes; (iii) greenfield and/or expansion of existing mining projects, covering mine planning and development, operation, on-site processing of extracted ore, mine closure and rehabilitation; as well as the ownership of mining assets representing a significant share of their total assets and the exploration, development or operation of such mining assets; (iv) the extraction, production and distribution of palm oil or wood pulp or, in relation with palm oil or wood pulp, the active contribution to deforestation, to the exclusion of companies or entities which use palm oil or wood pulp in their products or unless the relevant company or entity has undertaken to comply with or commit to industry best practices for sustainable palm oil; (v) the trade of any plant or animal species or products governed by the Convention on International Trade in Endangered Species of Wild Fauna or Flora ("CITES") which are not authorised by a CITES permit; (vi) land grabbing practices or the development of farming projects in national parks considered as protected areas; (vii) coal-based activities, including coal extraction, coal power generation, electricity via a coal powered plant and/or coal mining activities, as well as all fossil fuel activities; (viii) the exploration, development and production of either (A) arctic oil and gas, (B) oil sand or (C) shale oil and gas, including in particular pipelines transporting a significant volume of oil sand or shale oil and gas; (ix) casinos; (x) the production of and trade in genetically modified organisms ("GMOs") (to the exclusion of companies or entities which use "GMOs" in their products); (xi) the research, development or technical applications relating to human cloning, being defined as embryonic stem cell cloning; or (xii) the research, development or technical

applications relating to electronic data programs or solutions, which (x) aim specifically at supporting any activity referred to in (i) to (xi) above, internet gambling and online casinos, pornography, the production of and trade of recreational drugs or which (y) are intended to enable to illegally enter into electronic data networks or download electronic data; or which generates more than 5% of its consolidated revenues in (i) the production of and trade in tobacco and tobacco-related products as well as their supporting services, unless the activity has an established therapeutic purpose or the relevant company or entity seeks to address tobacco addictions through various methods and processes by using such products; (ii) the production, trade or usage of (x) drift nets over 2.5 kilometers in length; (y) asbestos fibers; or (z) products containing polychlorinated biphenyls; or

(c) which substantially focus on (i) the production of and trade in distilled alcoholic beverages unless the relevant company or entity seeks to address alcohol addictions through various methods and processes by using such products; or (ii) production of and trade in pesticides;

(d) whose headquarters are located in countries subject to trade embargoes imposed by France, the United Nations, the Office of Foreign Assets Control or the European Union, to the extent that such restrictions are not prohibited under Council Regulation (EC) no. 2271/96 as may be amended from time to time.