

RESPONSIBLE INVESTOR CHARTER

Kepler Cheuvreux Invest ("KC Invest"), founded in 1998 and a subsidiary of the Kepler Cheuvreux Group, is an AMF-approved portfolio management company specialising in assisting entrepreneurs and companies (SMEs and SMIs) with their financing needs.

Committed to transparency and ethics, KC Invest's management philosophy is reflected in its commitment to systematically integrating Environmental, Social and Governance (ESG) criteria into its general approach to analysing investment opportunities and managing holdings, as well as criteria relating to relations with external parties (customers and suppliers).

In line with the ESG approach taken by the Kepler Cheuvreux Group, KC Invest signed the United Nations Principles for Responsible Investment (UNPRI) in March 2020 and the International Climate Initiative (iCI) in February 2022.

Through this Charter, KC Invest wishes to formalise and intensify its teams' involvement in these issues.

Our commitments

Since its inception, KC Invest has always sought to fully satisfy its subscribers, support its investments in their development and involve its employees.

To achieve this:

- We are committed to ensuring an alignment of interests between our investors and the management of the companies we support.
- We are committed to communicating the financial and non-financial performance of our funds in accordance with best practice, through regular reporting and shareholder meetings.
- We are committed to supporting the development of our investments and encourage access and participation of managers and employees to the fruits of growth of the companies we support.
- We are committed to ensuring that our investments comply with environmental and social standards wherever possible (inserting an ESG clause in legal documentation whenever possible and including ESG on the agenda of a Supervisory Board or Board of Directors meeting at least once a year).
- We are committed to addressing the UN Sustainable Development Goals ("SDGs") in our investment policy, with a particular focus on decent work and economic growth (Goal 8), building resilient infrastructure, promoting sustainable industry and fostering innovation (Goal 9).
- We are committed to raising awareness of environmental, social and governance criteria among all KC Invest employees, both in their role as investors and within our own management company (ESG monitoring, regular exchanges with Kepler Cheuvreux ESG analysts, participation in sessions of the France Invest ESG Commission, participation in conferences on the theme of ESG, exchanges with the PRI, responsible use of resources: electricity, paper, ink, travel)

Our responsible investment objectives

Convinced that improving extra-financial practices has a direct impact on financial performance, we systematically integrate ESG criteria into the investment decision process and management of our holdings.

This approach allows us to better understand the specificities of each business model, and to be able to promote a process of continuous improvement in the ESG practices of our holdings throughout the investment period.

Our management process

The implementation of this approach is guided by the following management principles, defined in line with the values of ethics and transparency to which we are firmly committed:

- We do not invest in companies whose main activity is based on the production of controversial weapons (cluster bombs, anti-personnel mines, chemical and nuclear weapons), distilled alcohol and tobacco. We also exclude from our investment scope the production of pornographic content, gambling (physical or online), human cloning and GMOs. In addition, we do not invest in companies that do not respect human rights at work.
- We also exclude investing in companies operating in illegal economic activities, contrary to the energy and ecological transition, or currently controversial: fossil fuel exploration and production.
- We ensure that the companies we invest in comply with international standards (OECD Guidelines, UN Declaration of Human Rights, UN Security Council Sanctions Regime).
- We analyse the ESG issues of companies prior to each investment, with the support of an expert partner, using a specific tool. This analysis of their ESG performance allows us to identify the strengths and areas for improvement of each asset in order to support it in its sustainable development.
- We conduct a periodic monitoring process of the main ESG indicators defined for each of our investments. This allows us to proactively engage in an annual dialogue with our holdings during which we analyse the evolution of their ESG performance.

Managing our approach

This Charter applies to all levels of KC Invest and to all funds advised or managed by KC Invest. The extra-financial approach is supported by all employees (all of whom have signed it), whose mission is to apply it and bring it to life through:

- The investment process
- Periodic monitoring of holdings
- Reporting and shareholder meetings

In order to ensure the quality and evolution of our approach, a person responsible for its implementation and monitoring has been appointed within KC Invest.