



MOMENTUM INVEST

CAPITAL TRANSFORMATION®

Report under the Article 29 of the “Energie Climat” Law¹

Fiscal year 2021

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1: Law aiming carbon neutrality to 2050 in France

1. ESG general approach to the consideration of ESG criteria

In accordance with Article 3 of the Disclosure regulation, Momentum Invest incorporates relevant sustainability risks, whether important or likely to be, in its investment decision-making process. A sustainability risk is an environment, social or governance (“ESG”) event or situation that could have a material adverse effect, actual or potential, on the value of the investment, if it were to occur.

Since its creation, Momentum Invest has systematically analyzed ESG criteria and extra-financial performance prior to any investment. This analysis, carried out in particular through due diligence made by external auditors, is formalized in an investment note. It highlights the main ESG risks and opportunities and is taken into account in investment decisions.

The consideration of sustainability criteria is formalized at each stage of the investment¹:

- During the pre-acquisition phase: systematic analysis of the sustainability criteria of the investment opportunity, internally and then in depth by an external auditor. At least one ESG clause is integrated into the shareholders' agreement and plans (i) ethical commitments on the part of management and the company, (ii) the determination of a detailed action plan, (iii) the publication of an Ethics Charter and an ESG Charter within the company and (iv) the production of periodic information and responses to ESG survey.
- During the post-acquisition phase: Assistance in establishing a roadmap with priority projects and annual improvement objectives by the management team of the company in which Momentum Invest has invested, taking into account the main ESG issues, particularly on climate change.
- During the holding period: Formal monitoring at least quarterly by the governance body and regular informal exchanges with the management teams of the companies in which Momentum Invest has invested throughout all of the investment period on all ESG issues and in particular on the priority projects defined in the post-acquisition phase, and an annual ESG survey sent to the companies on the platform Reporting21 (software provided by Sirsa, a service provider specialized in ESG reporting).

2. Information for Limited Partners

Annually, Momentum Invest sends a report to the limited partners of the FPCI Momentum Invest, focusing on the consideration of environmental, social and governance criteria in the management company and in its portfolio companies. In addition, in each quarterly report sent to Limited Partners, elements about consideration of ESG criteria by each portfolio company and by the management company (in particular regarding to the Sustainable Development Objectives) are specified.

The overall consideration of ESG criteria is indicated on a dedicated tab on Momentum Invest website.

3. Financial products relating to Articles 8 or 9 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27/11/2019

At the end of 2021, Momentum Invest has under management the FPCI Momentum Invest 1. This Fund is classified as "Article 6" according to the nomenclature of Regulation (EU) 2019/2088 of the European Parliament and the Council of 27/11/2019.

¹ Systematically in case of investment as a majority or significant minority shareholder and as soon as possible in case of investment as a non-significant minority shareholder.

4. ESG criteria in the mandate allocation process

As Momentum Invest is a Portfolio Management Company (“Société de Gestion de Portefeuille” in French), the consideration of ESG criteria in the decision-making process for the allocation of new management mandates for the entities mentioned in articles L. 310-1-3 and L. 385-7-2 of the French Insurance Code does not apply to the company.

5. Adherence to charters, codes, initiatives or obtaining a label on the consideration of ESG criteria

The management company is a signatory of the **Principles for Responsible Investment (“PRI”)** of the United Nations. We make the following commitments in relation to the 6 UN principles:

- We integrate ESG issues into investment decision-making processes;
- We are active shareholders and consider ESG issues in shareholder policies and practices;
- We require portfolio companies to report on their ESG practices whenever possible;
- We promote the acceptance and application of the PRI in the investment industry;
- We cooperate with financial players that have committed to the PRI;
- We report on our activities and progress in implementing the 6 principles.

In order to contribute to the COP21 objective of limiting global warming to 2°C, Momentum Invest signed the **Initiative Climat International** in 2020. Therefore, we commit to:

- Recognize that climate change will have impacts on the economy, which represent both risks and opportunities for businesses;
- Integrate climate change into our investment process;
- Engage with our portfolio companies on action plans to reduce their greenhouse gas emissions.

Finally, at Momentum Invest SAS, we seek gender parity among our team, committees, and managers responsible for making investment decisions.

All our commitments are defined in **ESG Charter of Momentum Invest**, publicly available on its website.