

The background of the entire page is a dark, almost black, space filled with numerous bright blue, glowing light trails. These trails are curved and flow from the upper left towards the lower right, creating a sense of dynamic movement and energy. The trails vary in thickness and brightness, with some appearing as sharp, intense lines and others as softer, more diffuse glows.

MOTION

Equity Partners

Responsible Investment Policy

December 2024

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1. Introduction


As a reference shareholder in European SMEs, we have a duty to implement a responsible shareholding policy. Investing imposes rules. We are aware of the impact of our decisions and actions, during and beyond our investment horizon. Our vision as a responsible shareholder, committed to sustainable growth, is to reconcile economic development, social progress and reduced environmental impact.


As an active partner of the companies in which we are shareholders, we also have significant leverage to improve their performance in these key areas, in particular by providing them with the time and resources they need.


Motion Equity Partners wants to highlight its commitment to promoting responsible investment. Indeed, these values are part of the company's DNA and Motion Equity Partners' ambition is to have its funds under management classified as **Article 8** under the Disclosure Regulation.

Motion particularly commits itself to the following axes:

 **Economic issues:** we recognize that our investment choices and the exercise of our responsibility as a shareholder contribute to shaping the French and European economic fabric. We therefore invest alongside Management to support the development of companies, to support innovation and to contribute to job creation.

 **Social and human issues:** we are convinced that the overall performance of a company, its competitiveness and its sustainability depend on the responsible Management of human capital. Motion is committed to supporting the implementation of a responsible human resources Management policy, in particular to encourage the improvement of working conditions and the well-being of employees, to foster constructive social dialogue, to promote gender equality and diversity, to fight against discrimination, to encourage skills development and to promote the sharing of value creation.

 **Environmental issues:** we are committed to encouraging our portfolio companies to be exemplary in taking environmental issues into account, through the implementation of responsible initiatives to limit the impact on the climate, human health, biodiversity, the balance of ecosystems and living things in general. Furthermore, Motion is committed to promoting and actively supporting the implementation of long-term development strategies that integrate the challenges of optimizing resource Management and the development of new products and services that respect the environment.

 **Governance issues:** strong and exemplary governance is a key factor to the success of companies. We are committed to establishing modern and appropriate governance within our investments, integrating best practices in terms of business ethics, independence and transparency.



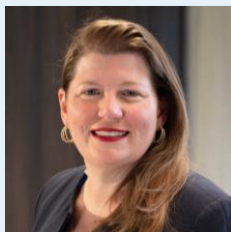
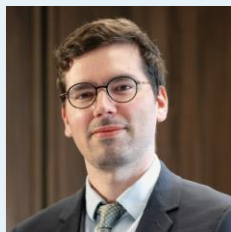


Motion makes it a point to set an example for its portfolio companies. This is why these commitments are also valid for the Management Company.

2. Motion Equity Partners Organization and Commitments

2.1. Organization

2.1.1. Team

The members of the ESG team come from various positions within Motion, and oversee the structuring of the operational component of Motion's ESG strategy

 <p>Mylène Bonot Head of Investor Relations and Impact</p> <p>To successfully implement its roadmap, Motion reinforced its ESG Team with the recruitment early 2024 of Mylène Bonot to lead the Impact strategy</p>	 <p>Patrick Eisenchteter Managing Partner</p>	 <p>Frédérique Lenoble CFO</p>	 <p>Alexandre Le Chevallier Principal</p>
	 <p>Bethsabée Msika Senior Associate</p>	 <p>Pamela Duka Analyst</p>	

The team consolidates and disseminates all ESG & CSR best practices throughout the organization. To do this, it consolidates skills within all the Group's poles of expertise and initiatives around federating themes, starting with a climate change campaign (Fresque du Climat and carbon footprint training).

2.1.2. Governance

Motion has established a strong governance framework with an Investment Committee and an ESG Committee, whose expertise is vital for guiding investment decisions and ensuring adherence to its sustainability policy.

The ESG Committee is responsible for setting the strategic direction of the ESG and climate policy. The committee leverages the expertise of various specialised teams, including a Founding Partner, Investor Relations, the investment team (Directors and Analyst) and the administration team (CFO). Together, they are responsible for defining and overseeing

investment policies, particularly those aimed at avoiding exposure to risks linked to non-ethical sectors. Their members must have a deep understanding of ESG assessment as well as the ability to make informed decisions regarding the exclusion of certain activities.

Since 2020, ESG has been **systematically addressed in investment committee meetings**.

ESG Committees with the whole Motion ESG team are held every two months to review and discuss ESG initiatives. During these meetings, we assess our progress, track the deployment of our roadmap, set new goals, and ensure that our practices align with our sustainability and ethical standards.

Moreover, Motion's activity is subject to strict regulatory obligations linked to the AIFM (Alternative Investment Fund Managers) approval issued by the AMF (Autorité des Marchés Financiers). Motion strives, beyond the legal constraints, to carry out its activity as an investor with great professionalism while respecting the strict rules of governance. The conflict-of-interest Management policy and the principles of deontology put in place ensure an ethical and honest approach.

2.2. Commitments

2.2.1. Training

The entire Motion team is highly sensitive to ESG issues. Our approach is supported directly by the investment team. On a regular basis, we train the team in ESG value creation and ESG risk Management - if necessary, with the support of external advisors - and promote knowledge sharing. The regular development of employees' skills is ensured as well through trainings (finance and legal, climate issues, digital transformation, ethics, etc.). **AMF Sustainable Finance certification** is part of the ESG team's training plan, which is already held by 33% of ESG team.

2.2.2. Climate transition

We are aware of the impact of our activity. Thus, continuous work on eco-responsibility within the Management Company is carried out (removal of single-use packaging, selective sorting, anti-waste and responsible purchasing policy, etc.). This work is monitored during our ESG Committee meetings. We are also committed to the fight against climate change through our membership to the **Climate Initiative**.

2.2.3. Social Integration

Motion ensures the creation of a constructive social dialogue as well and the promotion of gender equality and diversity (**44% of women at Motion Equity Partners in 2024**).

Motion actively takes care of the well-being of its team, its first asset, by offering a pleasant working environment. This notably translates into recurring team building events, continuous improvement of the work environment, etc. This approach results in a strong cohesion and loyalty of the teams to the Motion project.

3. ESG integration Process

Motion is committed to integrating sustainability into all its investment activities, while tailoring its approach to each investment strategy to ensure appropriate and effective practice. Each investment team is responsible for implementing this policy throughout the various phases of the investment process.

3.1. Exclusion criteria Policy

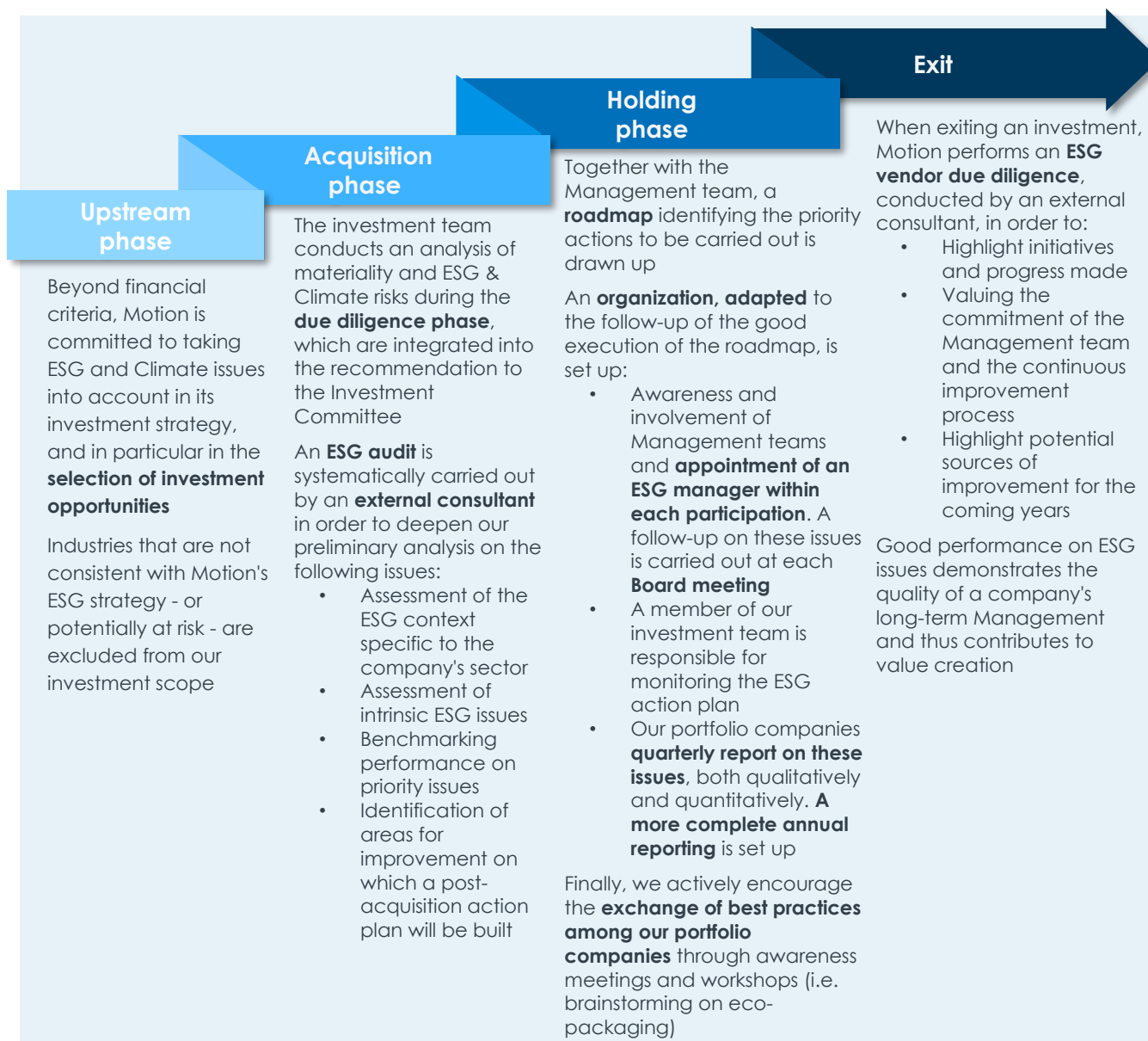
As part of its exclusion policy, Motion refrains from investing in:

- ▶ Any entity that, on the first day of investment, (A) owns or operates, directly or indirectly, a casino or any other gambling business; (B) is primarily engaged in (i) genetically modified organisms, (ii) the production or trade of weapons and ammunition of any kind, (iii) the production of tobacco and distilled alcoholic beverages, (iv) the production or trade of human cloning solutions, or (v) oil and gas exploration.
- ▶ Any coal-fired power plant, coal mining operation for power generation, or any power plants and heating networks where the energy mix is comprised of over 30% fossil fuels, or where the emissions factor for electricity or heat production exceeds 500 gCO₂e/kWh (the global average emissions factor for electricity production). Additionally, any business generating more than 20% of its revenue from coal-based activities, including but not limited to coal extraction or coal-fired electricity generation.
- ▶ Any entity whose primary business involves the manufacturing, distribution, or sale of pornographic materials.

3.2. A Systematic and Pragmatic Framework

Motion has long been dedicated to responsible investment, with economic growth, social progress, and a reduced environmental footprint seen as pillars for building a resilient and sustainable economy. This approach generates value not only for investors but for all stakeholders within the business ecosystem as promoting sustainability enhances risk management, sharpens operational efficiency, and delivers benefits across investment performance, the environment, and wider society.

To formalise and reinforce its commitment to sustainability, Motion has developed a structured framework to guide actions at every phase of the investment cycle, from acquisition and growth through to exit. This framework ensures that sustainable practices remain at the heart of operations, driving meaningful impact for investors and communities alike. Key steps are formalized below:



Moreover, in order to help our portfolio companies to structure their ESG approach, Motion provides with numerous resources and brings tools & processes throughout the investment period.

Motion's ESG toolbox



- ▶ Active support to **establish ambitious ESG policies** alongside specialised external parties



- ▶ Access to **market data to benchmark ESG performance** against peers'



- ▶ Set-up **dedicated governance bodies** and ad-hoc committees (compensation, diversity, M&A)



- ▶ **Appoint Sustainability Executives** to monitor portfolio companies' ESG performance



- ▶ Access to **Motion's wider network of specialists** on topics requiring advanced expertise (e.g., geopolitical risk, human capital, operational security)



- ▶ **Continuous carbon footprint assessment** and **discussions on main action levers** to minimise environmental impact



- ▶ Favour **cross-portfolio discussion to share best practices** (CEO club meetings, Motion Sustainability Club)



- ▶ **Open shareholding structure to employees** to maximise incentive alignment



- ▶ **Set-up compensation bonuses aligned on ESG performance** for managers



- ▶ **Spread ESG best practices across the portfolio's value chain** (suppliers, clients)

3.3. A Transformative Action

ESG AS AN OPPORTUNITY TO BUILD ROBUST AND EFFICIENT ORGANIZATIONS

The integration of ESG principles strengthens organizational structures of our portfolio companies, fostering long-term stability, resilience and efficiency:



Governance

Fluidity and transparency of the processes

- ✓ Improved dialogues in board meetings
- ✓ Business ethics and deontology
- ✓ Fostering innovation
- ✓ Trademarks' images and values
- ✓ Customer and consumer data's security
- ✓ Crisis Management and reputation
- ✓ Consumer and user health and safety
- ✓ Dialogue with all stakeholders (public and private)



Social

Improved Management of human capital

- ✓ Quality of life at work
- ✓ Dialogue and social environment
- ✓ Training and commitment of employees
- ✓ Business training policies and incentives on ESG issues
- ✓ Give meaning to the professional project and attract new talents
- ✓ Reduction of turnover and absenteeism
- ✓ Development of internal mobility
- ✓ Promoting diversity



Environment

Environmental competitiveness and cost control

- ✓ Resource Management and reduction of energy, water and raw material consumption
- ✓ Circular economy and recovery of waste and co-products
- ✓ Sustainable raw material sourcing practices
- ✓ Anticipation of new consumer requirements and environmental regulations

By embedding ESG into their structures, our portfolio companies become more robust, adaptable, and future-ready, ensuring resilience against economic, environmental, and societal challenges.

ESG AS A CATALYZER OF FINANCIAL PERFORMANCE

We strongly believe that a structured approach to ESG issues is source of performance and value creation. It contributes to improving the overall profile of the company in areas that may not necessarily reflect strict financial performance, but which contribute to asset value.

Conversely, optimized Management of governance, social and environmental issues can tangibly improve the company's financial performance, in many cases, and can even be a source of development projects in a world where consumers are increasingly attentive to these aspects. This materializes through:

- ▶ **Business performance:** ESG performance is becoming a business pre-requisite in more and more industries. We lead our investment to rank best market standards to be competitive towards demanding customers.
- ▶ **Innovation:** ESG is a source of new development opportunities that can drive innovation. Companies that prioritize sustainability can find creative solutions to reduce costs and improve performance (product innovation, adaptation to new consumer expectations, etc.)
- ▶ **Operational Improvements:** Implementing ESG strategies can streamline operations. A sustainable supply chain management ensures reliable and efficient production processes.
- ▶ **Resource Efficiency:** ESG initiatives often lead to more efficient use of resources. For example, reducing energy consumption and waste can lower operational costs and improve overall efficiency. Our ESG KPIs annual collection campaign can help portfolio companies identify these sources of efficiency
- ▶ **Employee Productivity:** Focusing on employee well-being is one of our top social priorities, we strongly believe that creating a positive work environment enhance productivity and contribute to a more effective organization.
- ▶ **Long-term Planning:** With our structured framework we encourage long-term strategic planning, which helps our companies allocate resources more effectively and avoid short-term inefficiencies.
- ▶ **Brand image and reputation:** A company capable of limiting negative externalities, and even more materializing positive social and environmental externalities, creates the conditions for the viability of its business model over the long term. It demonstrates its capacity for innovation, adaptation and resilience. As a result, it benefits from a premium image and reputation among its stakeholders.

3.4. Clear and ambitious targets

Motion ensures that its investments comply with ESG standards through rigorous pre-investment due diligence and regular monitoring during holding phase. This regular monitoring of investments ensures ongoing alignment with these standards. Motion also promotes transparent and ongoing dialogue with stakeholders, enabling risk reassessment and adaptation of its investment strategies as regulations and societal expectations evolve.

DEFINITION AND MONITORING OF CLEAR KPIs

Motion establishes robust monitoring reporting to effectively measure the sustainability performance of its investments:

- ▶ **Quarterly Reporting:** Portfolio companies are expected to provide quarterly updates on their ESG activities and performance during board meetings. This includes feedbacks on environmental initiatives, social impact projects, and governance practices. Regular reporting ensures continuous monitoring and allows for timely adjustments to strategies. At Motion level, we report our portfolio companies progress on a quarterly basis.

- ▶ **ESG Annual KPI Collection:** Each year, companies must collect comprehensive data on their ESG metrics. This data includes information on energy consumption, waste management, employee diversity, community engagement, and governance structures. Annual data collection provides a detailed overview of the company's ESG performance over time.
- ▶ **Board Oversight:** ESG performance is closely monitored by the company's board of directors. Quarterly board meetings include discussions on ESG issues, progress, and challenges. This oversight ensures that ESG considerations are integrated into the company's overall strategy and decision-making processes.
- ▶ **Consolidated Annual Report:** Each year Motion Equity Partners compile and publish a consolidated annual report that includes consolidated ESG performance of our investment. This report provides a comprehensive view of our portfolio's efforts and achievements in environmental, social, and governance areas. It is shared with our investors to maintain transparency and accountability. The annual report goes beyond a simple review; it also offers recommendations and examples of best practices, fostering a knowledge and experience exchange among portfolio companies thus promoting a collective improvement culture.

DEFINITION OF A CLIMATE STRATEGY

100% of our portfolio companies conduct yearly **carbon footprint assessments on Scope 1, 2 and 3** at our initiative. These assessments help measure their greenhouse gas emissions and identify areas for improvement. By understanding their carbon footprint, companies can take targeted actions to reduce their environmental impact. This proactive approach not only helps in mitigating climate change but also enhances operational efficiency and sustainability.

Our goal is to raise awareness about carbon trajectories across our entire portfolio. This means setting clear, measurable targets for reducing carbon emissions and tracking progress over time. We have already implemented this approach (through SBTi) with one of our portfolio companies, serving as a model for others to follow.

PROMOTING DIVERSITY AND INCLUSION

We are committed to leading the way in diversity and inclusion within our portfolio companies. Our eligible companies calculate their gender parity index, helping us track and improve gender equality. As for inclusion, we encourage value sharing. In 2024, we implemented a first employee shareholding plan, allowing employees to become shareholders and feel more connected to the company's success. Additionally, we opened shareholding in one of our companies to all employees, ensuring everyone can benefit from its growth. These initiatives not only promote diversity and inclusion but also create a more engaged and motivated workforce, demonstrating our commitment to building fair and inclusive organizations.

3.5. Alignments with regulations

Motion Equity Partners is fully compliant with the relevant regulations, including the Principal Adverse Impacts (PAI) requirements, the Sustainable Finance Disclosure Regulation (SFDR) Article 8, and Article 29 of the Loi Energie Climat (LEC).

- ▶ **Principal Adverse Impacts (PAI):** Financial market participants are required to identify, assess, and report on the principal adverse impacts of their investment decisions on sustainability factors. This includes metrics such as greenhouse gas emissions, biodiversity impacts, water usage, and social factors like employee diversity and human rights practices. The goal is to ensure transparency and accountability in how investments affect environmental and social outcomes.
- ▶ **SFDR Article 8:** Under the Sustainable Finance Disclosure Regulation (SFDR) Article 8, financial products that promote environmental or social characteristics must provide detailed disclosures. The aim is to enhance transparency for investors regarding the sustainability aspects of financial products. Motion Equity Partners IV FPCI, Motion Equity Partners IV SC FPCI and Motion Equity Partners V FPCI are classified Article 8.
- ▶ **Article 29 LEC:** Article 29 of the Loi Energie Climat (LEC) requires financial institutions to disclose how their investment strategies align with the objectives of the Paris Agreement. This includes reporting on their carbon footprint, setting and tracking carbon reduction targets, and outlining strategies for transitioning to a low-carbon economy. The objective is to ensure that financial activities support the transition to a sustainable and climate-resilient economy.

Our commitment to these standards reflects our dedication to transparency, sustainability, and responsible investment practices. By adhering to these regulations, we ensure that our operations align with the highest standards of environmental, social, and governance (ESG) criteria, thereby fostering trust and confidence among our stakeholders

4. Public commitments

COMPLIANCE WITH INTERNATIONAL STANDARDS AND CODES

Motion is committed to actively support and promote ESG best practices within its ecosystem. From a responsible investment perspective, Motion believes it is essential that its entire ecosystem adheres to this approach (investors, lenders, advisors, portfolio companies etc.). Motion is thus committed to promote ESG & Climate best practices and to be a driving force in their development.

INTEGRATION OF THE UNITED NATION SUSTAINABLE DEVELOPMENT GOALS

Convinced of its role in the transition to an equitable and sustainable society, the Management Company has chosen to use the United Nation Sustainable Development Goals (SDG) as its main analytical tool to identify the impact of our investments. The Management Company is currently in the process of gradually integrating SDGs into its monitoring of extra-financial performance (with an approach based on the internal and external dimension). The Management Company considers, among others, the following SDGs:

	<u>Sustainable Development Goals</u>	<u>Motion's action levers on the portfolio companies</u>
	<i>Empowering people to live healthy lives and promoting the well-being of all people at all ages is essential for sustainable development</i>	Supporting our managers in the continuous improvement of working conditions for the well-being and safety of employees
	<i>Gender equality is not only a fundamental human right, but also a necessary foundation for a peaceful, prosperous and sustainable world</i>	Encouraging our portfolio companies to aim for gender diversity within their teams and equal pay (at all levels)
	<i>We need to review and reorganize our economic and social policies aimed at the complete eradication of poverty</i>	Actively supporting our companies in their economic development and transformation, contributing to job creation
	<i>Investment in infrastructure is key to achieving sustainable development</i>	Supporting innovation and building French flagships
	<i>Sustainable consumption and production aims to "do more and better with less"</i>	Enhancing awareness of social and environmental responsibility
	<i>The fight against global warming has become an inseparable part of achieving sustainable development</i>	Promoting best practices to reduce carbon footprint and impact on the environment



Signature of the Value Sharing Chart:

- **Primary objectives:** To ensure employees in supported companies also benefit from the value created, strengthening alignment between employees, executives, and shareholders, and fostering a culture of collaboration and shared success
- **Specific measures:** Charter signatories commit to establishing profit-sharing agreements, value-sharing bonuses, and other participatory mechanisms within companies with more than 11 employees, to be implemented within 12 months of company involvement
- **Promotion of employee shareholding:** Beyond short-term initiatives, the charter encourages longer-term strategies such as employee shareholding and value-sharing upon divestment, introduced by the 2019 Pacte law



**FAVORISER LA PARITÉ
FEMMES-HOMMES**

Signature of the Parity Chart: Motion Equity Partners wished to affirm its commitment to improving parity within Management Companies and portfolio companies, by signing, in early 2020, the Parity Charter of France Invest. The Charter is composed of 30 commitments promoting gender equality, notably with the following main objectives:

- More women within investment teams, investment committee decision-making and Executive Committees of portfolio companies
- The adoption of more inclusive recruitment policies and retention measures for women in managing companies, in order to help attract talents
- Monitoring of parity within portfolio companies



Signature of the UNPRI: Motion has been a signatory of the UN PRI since 2015.



Dedication to iCi: In 2018 Motion has joined the iCi. It is as climat initiative which reaffirms our commitment to the fight against climate change by supporting our portfolio companies to reduce their carbon footprint.



Partnership with Ecotree: Alongside measuring its carbon emissions, Motion has planted 200 trees per year in collaboration with this collective since 2019, contributing to environmental restoration.



Support of La Maison Des Femmes: Motion Equity Partners has committed in supporting "La Maison du Femmes du 93" an emblematic association to help women in need and / or who are victims of violence.