

SAGARD SAS

Exclusion Policy

30 juin 2024



Sagard SAS¹ Exclusion Policy

In addition to the ESG framework for integrating sustainable practices throughout the investment cycle, Sagard has adopted a policy of excluding or limiting several sectors from the investment scope of its funds.

These exclusions are defined by the ESG Steering Committee, in line with Sagard's values and investor concerns.

The exclusion criteria are as follows:

- **Normative exclusions linked to international conventions:** sectors with negative impacts under mandatory national and international standards (Ottawa, CIAC, Oslo, etc.).
- **Voluntary sector exclusions:** sectors that contravene Sagard's commitments under its sustainable investment policy.

Sagard has defined its exclusions according to two methodologies:

- **Total exclusion:** regardless of the relative share of this activity in the company's sales
- **Partial exclusion:** based on a maximum share of sales for the activity concerned

These exclusions enable Sagard to prevent various sustainability risks.

The list of exclusions below is taken from the By-laws of funds whose investment period is open at the date of this publication. It therefore only concerns current and future investments in these funds.

1. "Sagard SAS" is referred to as "Sagard Europe" or "Sagard" in the remainder of this report. Sagard SAS (hereinafter referred to as "Sagard SAS" / the "Management Company") is a management company registered with the Autorité des Marchés Financiers under number GP 01046 since October 31, 2001

List of exclusions

Strict exclusion,
any portion of the
company's revenues

>50% of revenues

| Sector | Activity | Scope of exclusion |
|--|--|---|
| Armament | Production / trade of controversial weapons | The funds will not invest in a Portfolio Company which derives a majority of its revenues from the production or trade of “controversial weapons” having an disproportionate and indiscriminate impact on civilians, including anti-personnel mines, nuclear weapons, cluster weapons, biological and chemical weapons, depleted ranium and white phosphorus munitions. |
| | Military weapons | The Funds will not invest in a Portfolio Company which derives a majority of its revenues from the production or trade of fully assembled military weapons or military munitions |
| Fossil energy | Coal | The Funds will not invest in a Portfolio Company which derives a majority of its revenues from coal extraction, coal power generation and/or electricity via coal powered plant and/or coal mining activities |
| Restricted or prohibited activities | Gambling | The Funds will not invest in a Portfolio Company which derives a majority of its revenues from any type of gambling activity involving money |
| | Speculation in commodities | The Funds will not invest in a Portfolio Company which derives a majority of its revenues from the speculation in commodities |
| | Tobacco production | The Funds will not invest in a Portfolio Company which derives a majority of its revenues from the production of tobacco |
| | Prostitution | The Funds will not invest in a Portfolio Company which at the time of the relevant Investments derives any portion of its revenues from prostitution |
| | Pornography | The Funds will not invest in a Portfolio Company which at the time of the relevant Investments derives any portion of its revenues from pornography |
| | Drugs | The Funds will not invest in a Portfolio Company which at the time of the relevant Investments derives any portion of its revenues from the production or trade of illicit drugs (where the production or trade of such drugs is illegal in the jurisdiction in which such drugs are produced and/or traded by the relevant Portfolio Company) |



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