

P-32	Sagard SAS shareholder engagement and voting rights policy	Procedure update date : 7/1/2024
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The purpose of this procedure is to present and define the principles implemented by Sagard SAS, hereinafter the “Management Company”, in connection with its commitments to companies held by the Funds under management, including the exercise of voting rights attached to portfolio securities.

This policy applies only to direct investments made by funds managed by Sagard SAS.

1. Shareholder engagement

The aim of the Management Company's investment policy is to encourage business projects, value creation and the development of economic activities in profitable, sustainable and equitable conditions, while promoting best environmental, social and governance practices and acting in the interests of the investments and investors of the Funds under management.

1.1. Monitoring and dialogue with portfolio companies

The monitoring of strategy, financial performance, risk, capital structure and corporate governance are inherent to the selection of investments and the management of potfolio companies of the funds under management.

An ESG analysis is carried out before investments are made, and the Management Company ensures that dedicated clauses are included in partners' or shareholders' agreements for funds classified as Article 8 or

9 SFDR. In addition, the funds managed by Sagard SAS have adopted, or are adopting, an exclusion policy. For more details on the exclusion policies applicable to funds managed by Sagard SAS, please refer to the Management Company's exclusion policy available on the [Sagard SAS website](#).

Post-investment, the Management Company monitors the investments and the sectors in which they operate. Particular attention is paid to the quality of management, strategy, development plan, current and future financial performance, and risks of the portfolio companies held in the funds under management.

The investment team regularly monitors the consistency and evolution of the strategy, financial performance, risks and financial structure of the portfolio companies, as well as those that may enter the portfolio in the future. A quarterly monitoring meeting is held, attended by the strategy investment team ("mid cap" or "small cap"), the Managing Director in charge of Operations, the Independent Valuator and the Head of Risk Management. The data collected during monitoring and relating to financial performance, strategy or potential risks are reviewed.

In addition, Sagard SAS maintains an ongoing dialogue with each portfolio company and its management. To this end, the principle is to be present at the portfolio companies' supervisory bodies (Supervisory Board, Board of Directors, Finance or Strategy Committee, etc.) to monitor business developments and major decisions.

The investment teams hold regular meetings with top management (Chairman, Chief Executive Officer, Chief Development Officer, Chief Financial Officer, etc.) to discuss commercial and financial performance, the implementation of business strategies and transformation plans, capital allocation and other key decisions contributing to value creation and risk management. In doing so, they gather information and documents enabling them to monitor corporate strategy, financial performance and risk.

These data enable the investment team to carry out a half-yearly internal assessment of portfolio companies, taking into account both quantitative and qualitative criteria.

Non-financial performance, as well as social, environmental and corporate governance impacts, are analyzed and monitored at least annually via ESG action plans, in line with Sagard SAS' Responsible Investment policy.

1.2. Cooperation with other shareholders

Given the nature of investments in unlisted securities, relations between each of the portfolio company held by a Fund under management and their shareholders are governed by the target company's articles of association, as well as by a shareholders' agreement.

The team in charge of monitoring the portfolio company develops a constructive dialogue with the other shareholders to ensure that the company's sustainable development objectives converge with those of value creation and risk limitation for financial shareholders.

1.3. Communication with stakeholders

Sagard SAS maintains an ongoing dialogue with French and international institutions promoting responsible investment. As such, in 2014, the Management Company signed France Invest's Commitment of Investors for Growth charter, in May 2017 joined the International Climate Initiative (formerly Climate 2020 Initiative), and in December 2019 signed the France Invest Charter (commitment to gender parity).

2. Voting rights

The Management Company considers the exercise of voting rights to be an integral part of managing the portfolio companies of the Funds under management and intends to fulfill its role as shareholder to the full. Except in justified cases, it intends to exercise them systematically and in the best interests of investors.

2.1. Listed assets

The Management Company must draw up a “Voting Policy” document when a Fund under management holds listed securities. In addition, the Management Company will draw up a specific annual report to give an account of the conditions under which it has exercised voting rights in respect of securities traded on a regulated market.

2.2. Unlisted assets

The Partner in charge of monitoring the portfolio company represents the Fund under management in the exercise of its voting rights. Where appropriate, the Partner may give power of attorney to another member of the operational team to represent the Fund at the General Meetings of the holding concerned, and to apply the voting instructions. If the Partner deems it appropriate, he/she may give proxy to another shareholder. In the event of delegation, he will transmit his voting instructions on behalf of the Fund, formalising them with regard to each of the resolutions on the agenda:

- favorable
- against
- abstain.

The exercise of voting rights attached to unlisted securities is inseparable from the investment strategy of the Funds under management. The Management Company reports on this in the annual report of each Fund under management.

3. Conflicts of interests

The Management Company has set up a procedure for detecting and managing conflicts of interest related to its activity (see Conflicts of interest management policy). It ensures that no voting decision can place it in a situation of conflict of interest.

The Management Company's employees must make every effort to detect any situation likely to present a potential conflict of interest and to notify the Chairman and the Chief Operating Officer, so that the Management Company can take the appropriate measure(s) in good time to safeguard the interests of investors in the Funds under management. Whenever necessary, the Chief Compliance Officer is informed of any of the above-mentioned situations and of the measures taken as a result.

4. Information and availability

4.1. Annual report

The annual report on the implementation of the shareholder engagement policy referred to in I of Article L. 533-22 of the French Monetary and Financial Code is posted on the [Sagard SAS website](#) and includes the following information:

- A general description of how voting rights have been exercised;
- An explanation of the choices made on the most important votes;
- Information on the use of voting consultants, if any;
- This information may exclude votes that are insignificant because of their purpose or the size of the shareholding in the company.

One or more of these items of information may be omitted from the annual report. In this case, the reasons why the information has been omitted are given.

4.2. Shareholder information

Information relating to the exercise of voting rights on each resolution submitted to the General Meeting of an SGP portfolio company is available to all unitholders and to the supervisory authority, on request. Within this framework, the Management Company indicates:

- votes expressing opposition to resolutions proposed by the issuing company's Management Board or Board of Directors;
- votes that do not comply with the principles set out in this Voting Policy;
- abstentions, if any.

When the Management Company does not respond to a request for information about a vote on a resolution, its silence may be interpreted, after a period of one calendar month, as indicating that it has voted in accordance with the principles set out in this Voting Policy.

4.3. Shareholder policy availability

This policy can be consulted on the Sagard SAS website: <https://www.sagard.com/>. Sagard SAS also has a responsible investment policy available to third parties on its [website](#).

5. Controls

The Chief Compliance Officer ensures that the annual report of the funds under management reports on the shareholder engagement policy and that the operational teams exercise voting rights in accordance with this policy.

This policy will be updated as necessary.