



**2022 Report**  
**ARTICLE 29**

**« LOI ENERGIE CLIMAT »**

## STRUCTURE OF SUSTAINABILITY INFORMATION IN THE ANNUAL REPORT IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE D.533-16-1 V OF THE MONETARY AND FINANCIAL CODE FOR ENTITIES WITH LESS THAN EUR 500 MILLION IN TOTAL ASSETS OR OUTSTANDING AMOUNTS

### Introduction

In accordance with Article 29 of the "Loi Energie Climat" of November 8, 2019 (LEC), Hivest Capital Partners establishes the present report concerning its strategy for incorporating ESG information in its investment and risk management policy.

As of December 31, 2022, the company's assets under management are below €500 million, this report covers the provisions applicable to all asset management companies, including information related to the company's general approach to ESG, as detailed below.

### A. Hivest Capital Partners' general approach to taking into account environmental, social and governance criteria

#### A.1. Summary of the approach

Hivest Capital Partners (hereinafter "Hivest") targets companies undergoing transformation and provides them with the means to realize their full potential and achieve sustainable growth.

This involves, among other things, an ESG-oriented approach, to which Hivest places great importance within its teams, investment policy, and the companies in which the funds it manages invest in.

During the **investment decision-making process**, ESG criteria are an integral part of Hivest's analysis, taking into account sustainability risks as well as major potential negative impacts. Hivest conducts an ESG audit, with the assistance of a specialized consulting firm, prior to any investment. A summary of the ESG analysis is presented to the Investment Committee before any decision is made.

If Hivest identifies ESG risks that are deemed excessive, Hivest may decide at any time not to pursue the study of an investment opportunity. Shareholders' agreements include, whenever possible, ESG clauses reflecting Hivest's commitments in this regard.

Furthermore, Hivest also has a clear exclusion policy. Hivest prohibits investments in companies:

- Operating in the tobacco, weapons, pornography, gambling, cloning, GMO, or illegal downloading industries

- Whose practices infringe to human or children's rights
- Whose environmental footprint is considered excessive (and do not make evident efforts to limit it).

During the **holding of the investment**, as an active and engaged investor, Hivest supports the companies of its portfolio in defining and implementing ESG strategies and monitors their progress, particularly during board meetings:

- Appointment of ESG managers within each portfolio company
- Assistance in identifying risks, and subsequently defining and implementing ESG roadmaps
- Definition and monitoring of relevant performance indicators

All portfolio companies adhere to an annual reporting exercise on various criteria. This analysis, conducted by an external provider, enables Hivest to ensure regular monitoring of sustainability risks and the main negative impacts of investments on sustainability factors.

During the **exit process**, ESG considerations are included, if applicable, in the documentation provided to potential buyers upon exit.

#### A.2. Content, frequency, and means used to inform LPs, affiliates, contributors, recipients, or clients about the ESG criteria considered in the investment policy and strategy.

The ESG charter of Hivest Capital Partners, outlining its investment criteria and approach, is available on its website: <https://hivestcapital.com/esg/>

Additionally, on an annual basis, Hivest publishes ESG reports of its funds, which are transmitted to its investors. The data is obtained through an annual reporting process from portfolio companies, enabling Hivest to collect a range of indicators and track progress year over year.

#### A.3. Entity's adherence, or adherence of certain financial products, to a charter, code, initiative, or obtaining a label regarding the consideration of ESG criteria, along with a brief description thereof.

Hivest Capital Partners is a member of the France Invest association for growth and has adhered to its ESG charter.

In 2022, Hivest decided that its second fund, Hivest II, would be classified as an article 8 fund under the SFDR regulation, thus promoting environmental and social characteristics. Hivest continues to commit to placing ESG at the heart of its investment process and convictions.

In line with this, in early 2023, Hivest Capital Partners became a signatory of the United Nations Principles for Responsible Investment (PRI).

**B. List of financial products mentioned under Article 8 and 9 of (EU) 2019/2088 Regulation of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR)**

The Hivest II fund, classified as an article 8 fund, represents 60% of the assets under management. The Hivest I fund and associated co-investment funds represent the remaining 40% of the assets under management.