ESG Policy

iM Global Partner SAS

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1. Preamble

In accordance with Articles 4 and 5 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 ("SFDR" regulation) and with the Articles L533-22-1 and D533-16-1 of the Monetary and Financial Code, iM Global Partner SAS has drawn up this policy to communicate information regarding its consideration of Environmental, Social and Governance (ESG) criteria in the application of its investment policy.
The Luxembourg-based management company iM Global Partner SAS Asset Management, a subsidiary of iM Global Partner SAS, has a specific and independent ESG policy.

This document is available at www.imgp.com

2. Approach

iM Global Partner SAS applies ESG criteria in its investment process for the other AIF managed: iM Square SAS.
iM Global Partner SAS is a global asset management network that selects and establishes long-term partnerships with asset management companies, taking a direct equity stake in its partners. The investment process of the iM Square fund integrates several ESG characteristics at the level of the investee companies.

The strategy of the Funds is amongst others to invest in companies whose activities generate a positive impact on the environment and society through innovative technologies and/or processes, contributing to the promotion of environmental and social characteristics and good governance practices.
As UN PRI signatory, iM Global Partner SAS believes to achieve a virtuous growth. In this context, its Research and Investment team has the objective of integrating ESG into the investment process of the Fund.

The ESG approach is built around fundamental principles:

- Implementation of an exclusion policy to exclude companies engaged in controversial activities;
- ESG due diligence: Analysis of several ESG indicators during the due diligence phase
- Ongoing supervision phase on ESG themes and their progression.

2.1. Exclusion policy

Application of an exclusion policy in the management and selection of management companies including:

-Companies involved in the manufacture of controversial weapons (2008 Oslo Treaty and 1997 Ottawa Convention);

-Companies involved in the production and marketing of chemical and biological weapons;

-Companies that produce, manufacture, maintain, sell, trade in nuclear weapons or critical components and services for nuclear weapons in accordance with the Nuclear Non-Proliferation Treaty;

-Companies that do not comply with certain fundamental principles, due to serious misconduct such as human rights violations, significant environmental damage, or serious cases of corruption.

2.2. ESG criteria in the due diligence

During the pre-acquisition due diligence phase, iM Global Partner SAS set up an analysis process incorporating around fifteen ESG indicators. The main ESG criteria covered include:

- **Governance**, to promote the balance of power and effectiveness of the governance body, to integrate sustainability risks into the remuneration policy and a code of ethics.

- **Social**, the existence of an ESG policy that considers social factors such as remuneration systems, training and professional development, prevention of discrimination and equal opportunities, respect for human rights, and protection of the health and safety of employees.

- **Environmental**, the level of integration of environmental issues in the company's ESG policy, the level of consideration given to ESG the voting rights policy.

2.3. Monitoring of investments

iM Global Partner SAS also integrates these ESG issues through a continuous due diligence of these companies to identify their areas of improvement and to dialogue with them on their extra-financial management. All the data obtained is summarised in a report whose purpose is to evaluate the Partner.

3. Integrating sustainability risks into investment decisions

3.1. Definition of sustainability risk

Sustainability risk under the SFDR regulation includes any environmental, social or governance event or condition that, if it occurs, could have a material adverse effect, actual or potential, on the value of the investment.

3.2. Integrating sustainability risks into investment decisions

iM Global Partner SAS has long recognised the importance of taking sustainability risks into account when making investment decisions, but also recognises the increasing relevance, complexity and evolving nature of these sustainability risks.

iM Global Partner SAS is committed to having robust systems in place to enable the consideration of these sustainability risks in a way that best serves the funds under management, its investments and its investors and seeks continuous improvement in this area. Sustainability risks may represent a specific risk or have an impact on and contribute significantly to other risks, such as market risks, operational risks, liquidity risks or counterparty risks.
iM Global Partner SAS 's investment decisions are made on the basis of a fundamental review process that includes consideration of sustainability risk.
Prior to any acquisition, all potential investments are assessed for their sustainability risks by the management company.

In addition, all investment decisions regarding the Fund's activities are made taking into account material ESG factors to assess investment opportunities and identify sustainability risks and in particular social and governance factors.

3.3. Likely impact of sustainability risks on the Fund's returns

The portfolio management company seeks to mitigate the impacts of sustainability risks on the Fund's returns by incorporating consideration of these sustainability risks into its investment decisions. Notwithstanding the mitigation measures, it is nevertheless possible that one or more of these sustainability risks could materialise and have a significant negative impact on the value of one or more of the Fund's investments, thereby affecting the Fund's returns.

The anticipation and management of the transition to more sustainable economic models are important elements to take into account, given the risks and opportunities they may present in the short, medium and long term. Sustainability issues can materialise in particular through:

- A deceleration, or even a rapid decline, of the historical activities with regard to new consumer trends and environmental challenges;
- Additional investment needs related to regulatory changes;
- Impairment of assets, etc.

The assessment of sustainability risks is complex and may be based on hard-to-obtain ESG data that is incomplete, estimated, outdated or otherwise materially inaccurate. The above list of sustainability risks is not an exhaustive list of all ESG-related sustainability risks that could have a negative impact (whether material or not) on the value of an investment in the Fund's portfolio and there can be no guarantee that the actual impact of the sustainability risks on the Fund's returns will not be materially greater than the likely impact as assessed by iM Global Partner.

The assessment of sustainability issues in the investment policy is based on a methodology for integrating quantitative and qualitative ESG criteria.

Example of quantitative criteria:

- How ESG is integrated at product level (% of art. 8 and 9 products among their UCITS and AIFs);
- How ESG is implemented at management level (e.g. how ESG is integrated into the voting policy);
- The existence of an ESG policy. For example, if it is an European investment company, the existence of a sustainability risk policy (art. 3 SFDR) and how sustainability risks have been integrated into the remuneration policy (art. 5 SFDR).

Example of qualitative criteria:

- Quality of management;
- The governance of the Research and Investment team;
- Transparency and efficiency of the decision-making process

The consideration of sustainability risks may include the consideration of criteria that are open to subjective interpretation. The portfolio management company may adapt its implementation of ESG considerations and the integration of sustainability risk in accordance with applicable local laws or regulations.

4. No consideration of sustainability adverse impacts

In accordance with Article 4 of the SFDR Regulation, iM Global Partner SAS does not currently consider “the adverse impacts of its investment decisions on sustainability factors”.
This is because the final investment decisions made by the Research and Investment team take into account a broad range of factors with the aim of achieving the best outcomes for its clients in a range of situations, and over the relevant and appropriate time horizons. The adverse impacts on sustainability factors may not be determinative in such investment decisions. iM Global Partner SAS does not currently expect to change this approach, but any material amendment to the approach will be disclosed on its website in accordance with the Disclosures Regulation.

5. iM Global Partner SAS Engagement Policy

iM Global Partner SAS believes that finance, as a driver of change, has an important role to play in meeting today's major climate change challenges. The company is therefore actively working on integrating sustainability into its activities as part of a proactive strategy that takes into account environmental and social issues.
In this context, iM Global Partner SAS's ESG strategy is based on the following objectives:

1. Comply with the SFDR and Taxonomy regulations;
2. Implement a strategy to achieve net carbon neutrality by 2040 and promote a more inclusive economy;
3. Support its partners in implementing ESG issues in their investment strategy;
4. Finance social initiatives through the iMGP Donations Fund.

For more information, it is possible to consult the iM Global Partner SAS Engagement Policy and the Corporate Social Responsibility Report. Both documents are available on iMGP's website.

6. Biodiversity and climate risks (Energy & Climate Law)

In accordance with Article 29 of the French Energy-Climate Law, iM Global Partner SAS works to take into account climate change and biodiversity impacts in its investment decision-making process through the following procedures:

-Monitoring sustainability risks in its investment process;

-Including indicators closely related to climate and biodiversity risks.

7. Means of control

The controls related to sustainability risks are part of the three lines of defence implemented within iM Global Partner SAS.
The Risk and Investment Team is responsible for setting up and implementing controls to ensure that management is in line with the stated principles.
The so-called second-level control functions, risk and compliance, advise the business lines on the implementation of appropriate policies, tools, processes and controls and ensure the proper functioning of these controls.
The external auditor, as part of its periodic control functions, carries out the audit assignments planned in the annual control plan.