



Report on implementing the shareholder engagement Policy

–

2022 FINANCIAL YEAR



SWEN
Capital Partners

PREAMBLE

3

I. BACKGROUND ON EXERCISING VOTING RIGHTS

4

- 1. Voting perimeter
- 2. Analysis of resolutions
- 3. How the exercising of voting rights is organised

II. ON VOTING AT GENERAL MEETINGS
FOR THE 2020 FINANCIAL YEAR

5

- 1. Votes covering companies listed on a regulated market
- 2. Votes covering unlisted companies
- 3. Voting policy waivers
- 4. Conflict-of-interest situations

III. REPORT ON COOPERATION WITH OTHER SHAREHOLDERS

6

IV. REPORT ON DIALOGUE WITH PORTFOLIO COMPANIES

6

V. REPORT ON DIALOGUE WITH STAKEHOLDERS

7

DISCLAIMER

8



PREAMBLE

SWEN Capital Partners is a French investment management company driven by its determination to create sustainable value by fully integrating environmental, social and governance (ESG) criteria into all its administrative and portfolio management practices.

Through the commitment of women and men of conviction and passion, SWEN Capital Partners constantly addresses its ecosystem in offering its clients solutions that achieve their expectations of financial and extra-financial returns and that help meet our society’s challenges of today and tomorrow.

As an engaged investor, SWEN Capital Partners has identified those values and guideposts that steer it in its role as shareholder or creditor, as well as with regards with its ecosystem.

SWEN Capital Partners’ shareholder engagement policy aims to lay out its commitment as a shareholder or creditor, including its procedures for exercising voting rights attached to the stocks that it holds. The policy explains the reasons for SWEN Capital Partners’ engagement and its goals, as well as the measures it has taken in applying it.

This report was written pursuant to procedures provided by Articles L.533-22 and R .533-16 of the French Monetary and Financial Code. It aims to lay down the procedures for implementing the shareholder engagement policy, particularly the procedures for exercising voting rights regarding the 2022 financial year, in accordance with the commitments laid out by SWEN Capital Partners in its shareholder engagement policy.

I. BACKGROUND ON EXERCISING VOTING RIGHTS

1. Reminder of the voting perimeter

SWEN Capital Partners exercises the voting rights attached to issuer shares based on the following criteria:

- For **companies listed on a regulated market**, SWEN Capital Partners exercises votes when:
 - It holds more than 1% of the shares or voting rights; and
 - The company's headquarters are located in France and the European Union.
- For **unlisted companies**, SWEN Capital Partners exercises the rights attached to its holdings with no shareholding threshold or geographical barrier

Keep in mind that in the case of some managed AIFs, SWEN Capital Partners has delegated to third-party investment companies the financial management of its holdings, as well as the exercising of voting rights attached thereto. Delegated management companies thus exercise the attached voting rights in accordance with their own voting policies. These votes are not included in this report.

2. Analysis of resolutions

SWEN Capital Partners promotes good social, environmental and governance practices, based on the conviction that these are key to companies' sustainable growth, to long-term value creation, and to deriving benefits for all stakeholders. SWEN Capital Partners therefore seeks to promote the emergence of transparent, responsible and balanced governance structures. Through its voting policy and shareholder engagement approaches, SWEN Capital Partners engages with its portfolio companies as part of a constructive and long-term relationship.

SWEN Capital Partners implements its voting policy by monitoring and analysing each resolution submitted to general meetings of shareholders, in accordance with the basic principles of governance that are detailed in its shareholder engagement policy.

SWEN Capital Partners applies its voting policy pragmatically, allowing in certain cases for the features specific to each portfolio company, including sector of activity, national regulations, main ESG challenges, size, shareholder structure, economic and financial circumstances, etc.

3. How the exercising of voting rights is organised

SWEN Capital Partners exercises its voting rights through various channels:

- In taking part directly in the general meeting, either physically through an empowered SWEN Capital Partners employee, or by giving a proxy to the company chairman or, in exceptional cases, to a third party.
- By mail.
- For listed companies, through the ISS-proxy voting services platform or Broadbridge.

SWEN Capital Partners does not use voting advisors in exercising the voting rights attached to its portfolio holdings.

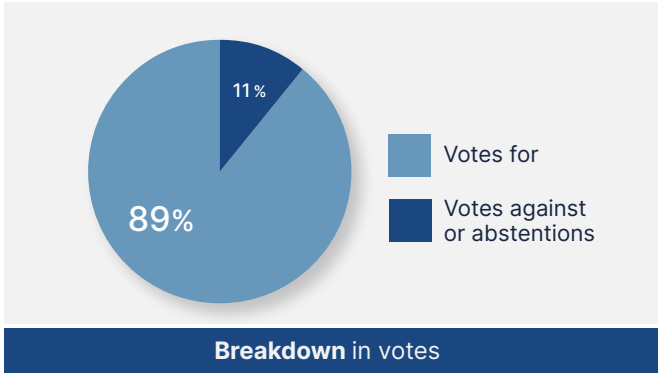
II. REPORT ON ANNUAL MEETING VOTING FOR THE 2022 FISCAL YEAR

This report covers votes exercised by SWEN Capital Partners for the 2022 financial year, in accordance with voting perimeter.

1. Votes covering companies listed on a regulated market

As a reminder, most stocks held by funds managed by SWEN Capital Partners are located outside the voting perimeter due to delegation of financial management of the stocks to a partner management company or because SWEN holds less than 1% of the capital. As at 31 December 2022, SWEN CP held voting rights in four companies. For the 2022 financial year, SWEN Capital Partners voted at **three general meetings**. At the fourth meeting, we were unable to vote because of the unusual situation of the company, trading in whose shares had been suspended because of a legal receivership proceeding.

SWEN Capital Partners teams analysed all 85 resolutions presented at these **three general meetings**. Votes broke down as follows:

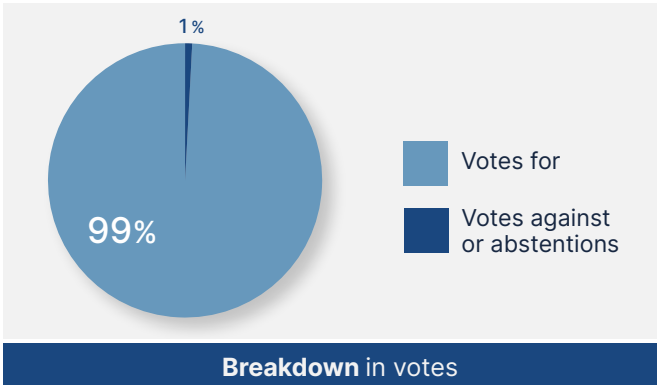


SWEN Capital partners approved most of the resolutions it had analysed.

2. Votes covering unlisted securities:

As a reminder, for unlisted companies, SWEN Capital Partners exercises the rights attached to its holdings with no holding threshold or geographical barrier. For the 2022 financial year, SWEN Capital Partners took part in **59 general meetings** of unlisted portfolio companies.

SWEN Capital Partners teams analysed all **247 resolutions** submitted at these 59 meetings. Votes broke down as follows:



SWEN Capital partners approved most of the resolutions it had analysed.

"Against" votes or abstentions were on resolutions on which SWEN Capital Partners abstained for reasons of conflict of interest, company dissolution, or establishment of foreign offices.

3. Voting policy waivers

For the 2022 financial year, as noted above, SWEN CP did not vote at one general meeting, due to the unusual situation of the company, trading in whose shares had been suspended because of a legal receivership proceeding.

4. Conflict-of-interest situations

Potential conflict-of-interest situations that may arise from voting rights are governed by SWEN Capital Partners' internal procedures, particularly its voting policy, as well as its policy for preventing and managing conflicts of interest (see www.swen-cp.fr/informations-reglementaires).

For the 2022 financial year, SWEN Capital Partners did not detect any potential conflicts of interest in exercising voting rights at general meetings.

III. REPORT ON COOPERATION WITH OTHER SHAREHOLDERS

During the 2022 financial year, SWEN Capital worked with other shareholders /co-investors of portfolio companies in the following ways in particular:

- By participating in several consulting committees, boards of directors, and supervisory councils, of which SWEN Capital Partners is a member.
- Through periodic updates (financial and extra financial) provided to SWEN Capital Partners.
- By including specific clauses, particularly ESG ones, in investments made by SWEN Capital Partners alongside other shareholders/co-investors.

By co-defining impact indicators for all its Blue Ocean impact fund investments or objectives for enhancing ESG practices of other funds having an engagement approach to investment practices in this area.

- By participation in meetings to report on ESG action plans initiated by third-party shareholders. In 2022, SWEN CP took part in such a report, at which it was able to ask questions on the analyses and recommendations formulated.
- By monitoring controversies through several reports sent to fundholders concerned by this mechanism and to principals. In the 2022 financial year, updates were obtained from management companies or portfolio companies concerned regarding 10 significant controversies. No serious controversy was identified, and no additional exceptional communication was accordingly made to unitholders of the funds concerned.

IV. REPORT ON DIALOGUE WITH PORTFOLIO COMPANIES

As part of its investments (directs or indirect), SWEN Capital Partners strives to maintain regular dialogue with the management companies of underlying funds and companies in which it is invested. In the In the 2022 financial year, this dialogue was mainly in the form of:

- 1 > The 2022 ESG questionnaires campaign, with response rates of:
 - 70% by management companies;
 - 59% by portfolio companies
- 2 > The ESG BPH: the 9th ESG BPH [best practices honours] ceremony was held in May 2022, bringing together more than 500 professionals. To find out more on the ESG BPH: www.esgbestpracticeshonours.com/
- 3 > Dedicated ESG and climate updates with managers of underlying funds (i.e., indirect investments). In 2022, SWEN Capital Partners held 10 interviews with management companies in order to engage with them on their ESG and climate practices.

- 4 > Routine discussions with the portfolio companies of the Blue Ocean fund to lay down relevant and measurable impact indicators and the impact objectives combined with these indicators. In the 2022 financial year, these discussions were held on the nine investments made by the fund.
- 5 > Dedicated meetings with some directly held portfolio companies to provide them with the findings of ESG analyses conducted by the ESG team and advise and guide them in their CSR approach. In 2022, eight portfolio companies were involved in such meetings (two of these on the SWIFT1 fund, five on the Capital Innovant 1 fund, and one on the SWEN Mezz Flex 3 fund).

V. REPORT ON DIALOGUE WITH STAKEHOLDERS


As part of its activities, SWEN Capital Partners pays special attention to the various stakeholders in its ecosystem as well as those that are connected specifically to each of its investments.

In the 2022 financial year, dialogue with the ecosystem and stakeholders was conducted via:

- The various periodical financial and extra-financial newsletters for SWEN Capital Partners clients;
- Monitoring of controversies: see Item 4 of Section III.
- SWEN Capital Partners' participation in financial sector initiatives, such as:

Active collaboration within market initiatives


ESG INTEGRATION


 **PRI** As an active member of **PRI** (Principles for Responsible Investment), SWEN Capital Partners has participated in various working groups on private equity and infrastructure.


 SWEN Capital Partners is a signatory of **France Invest's** Equity Investors Charter and a member of the Sustainability Commission's Steering Committee. Each year, it participates in several **France Invest** publications and working groups.

NEW ! SWEN Capital Partners takes part in the France Invest and Institut de la Finance Durable (Paris Institute for Sustainable Finance, ex-Finance For Tomorrow) working groups on biodiversity.

ENVIRONMENTAL ISSUES


 **NEC** Initiative shareholder (www.nec-initiative.org) since 2019. The Net Environmental Contribution (NEC) is a metric to assess companies' contribution to the environmental and energy transition.

 Scientific partnership with **Ifremer** (French Research Institute for Exploitation of the Sea) for the Blue Ocean fund.

 As a member of the **Climate International initiative**, SWEN Capital Partners is committed to taking into account, measuring, managing and reporting on the carbon impact of its investments.

 Member of the **Finance for Biodiversity Foundation**, SWEN Capital Partners is a member of the working group bringing together financial players to address biodiversity issues.

IMPACT INVESTING

 Signatory of the «Statement of support for the development of impact finance» published by **Institut de la Finance Durable** and member of the impact investing working groups.

 Member of the Impact Commission of **France Invest**, SWEN Capital Partners participates in its work and in its promotion. As part of its impact strategies, SWEN Capital Partners is a member of several renewable gas and ocean regeneration initiatives*.

***Renewable gas:** Member of the executive committee and the board of the European Biogas Association, member of the management committee of the Association Technique Energie Environnement (ATEE), member of the Association Française du Gaz, the professional association of the French gas industry (natural gas, biomethane, biogas, hydrogen and LPG), member of France Gaz Renouvelables, member of Consorzio Italiano Biogas, the Italian organisation representing the biogas and methanization players, member of the World Energy Council initiative; SWEN Capital Partners has signed the Global Hydrogen Initiative.

Regeneration of the ocean: Member of the French Maritime Cluster

DISCLAIMER

NON-CONTRACTUAL INFORMATION DOCUMENT

This document is not contractual or promotional in nature, and the information it contains is provided for information purposes only, in accordance with Articles L. 533-22 and R. 533-16 of the French Monetary and Financial Code.

This information is provided in the context of SWEN Capital Partners' management of FIAs and, more specifically, in the context of the implementation of its shareholder engagement policy and the exercise of the voting rights attributed to the shares and equity securities in which the funds managed by SWEN Capital Partners invest, in accordance with the principles defined in its voting policy, which is available on request and/or at www.swen-cp.fr.

The information provided in this document reflects SWEN Capital Partners' shareholder engagement policy, including its policy on the exercise of voting rights, during the year covered by this document, and does not prejudice the policy to be followed in subsequent years, which is updated annually.

This document does not constitute advice or a personalized recommendation, an offer to buy, sell or subscribe to financial instruments, or an offer to market mutual funds or financial services.

No part of this document may be reproduced or used in any way without the prior written consent of SWEN Capital Partners. No commercial use, even partial, of the data presented in this document may be made without the prior consent of SWEN Capital Partners. SWEN Capital Partners declines all responsibility for any use that may be made of the information contained in this document and for any consequences that may arise therefrom. Any unauthorized reproduction, use or exploitation of this information will engage the responsibility of the user and may lead to prosecution.





SWEN Capital Partners
22, rue Vernier 75017 Paris
+33 1 40 68 17 17 | www.swen-cp.fr

Management company approved by the Autorité des Marchés Financiers (AMF) under number GP-1400004