

Normative exclusion policy

Policy enactment 09/07/2025



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SWEN Capital Partners undertakes not to invest, either directly or indirectly, in companies whose activities violate the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.¹

I. Definitions and background

The scope of this policy includes companies, projects, assets and entities (hereinafter “companies”) whose activities violate:

- the UN Global Compact (UNGC); or,
- the OECD Guidelines for Multinational Enterprises.

UN Global Compact

The UN Global Compact is a set of 10 principles rooted in four key areas: human rights, labour, the environment and anti-corruption.

Human rights are universal and inalienable. Everyone is entitled to all their rights and freedoms, without distinction of race, sex, nationality, ethnic origin, language, religion or other status.²

Labour rights, are enshrined in international labour standards, which define the right to safe and healthy working conditions, to fair pay, rest, paid holidays and maternity protection.³

Protecting the environment is the third core value of the UNGC and aims to prevent and reduce GHG emissions and address ecosystem degradation. The 1972 UN Conference on the Human Environment, held in Stockholm, marked a pivotal moment for international cooperation. It laid the foundations for global efforts to tackle increasingly pressing environmental concerns – depletion of the ozone layer, chemical pollution, desertification and global warming.

Addressing corruption is essential for integrity and fairness in all areas of civil society and the economy. Although corruption is multifaceted and complex to describe simply, it covers influence peddling, abuse of office, abuse of power to obtain undue advantage, and obstruction of justice.



¹ Exclusion included in the PAB and CTB (see Commission Delegated Regulation (EU) 2020/1818 on the minimum standards for the EU Climate Transition Benchmark (CTB) and the EU Paris-aligned Benchmark (PAB)).

² [United Nations, Global Issues Human Rights](#)

³ [International Labour Organization, International labour standards as human rights, November 17th 2022](#)

OECD Guidelines for Multinational Enterprises

The OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises on Responsible Business Conduct (hereinafter the “OECD Guidelines”) are **recommendations addressed by governments to multinational enterprises. They aim to encourage positive contributions** by enterprises to economic, environmental, and social progress and to minimise the adverse impacts of their operations, products and services in the areas covered by the Guidelines.

In addition to the four main UNGC concerns – human rights, labour rights, the environment and anti-corruption (defined above) – the OECD Guidelines extend to consumer protection, local and regional economic and social development, competition and tax transparency.

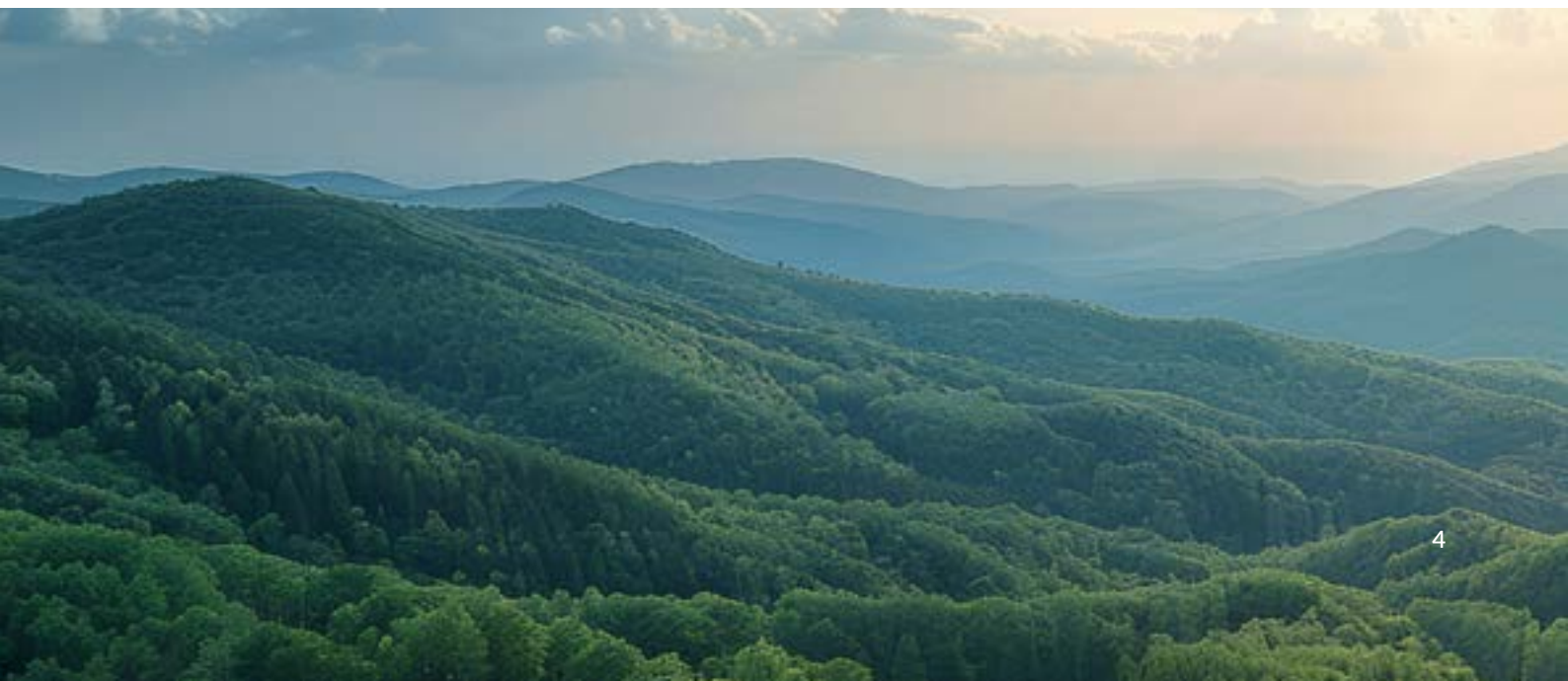
When **dealing with consumers**, enterprises should act in accordance with fair business, marketing and advertising practices and should take all reasonable steps to ensure the quality and reliability of the goods and services that they provide.

This level of responsibility also applies to enterprises’ role in **innovation and scientific research** to help build local and national innovative capacity. The development, sale and use of technology, including gathering and using data, must not undermine applicable legal and regulatory frameworks.



In a **competitive environment**, these best practices must adhere strictly to competition laws and regulations. Cooperating with competition authorities and training staff and senior managers are key to fostering an enterprise culture based on compliance with competition rules, which in turn reduces legal and reputational risks.

Making a fair and transparent contribution to the public finances through rigorous tax compliance and **payment of tax liabilities** is also fundamental to responsible corporate governance. Therefore, it is essential to fully integrate tax compliance and governance into oversight and risk management systems. Boards should set out a clear strategy to anticipate and manage tax-related financial, regulatory and reputational risks.



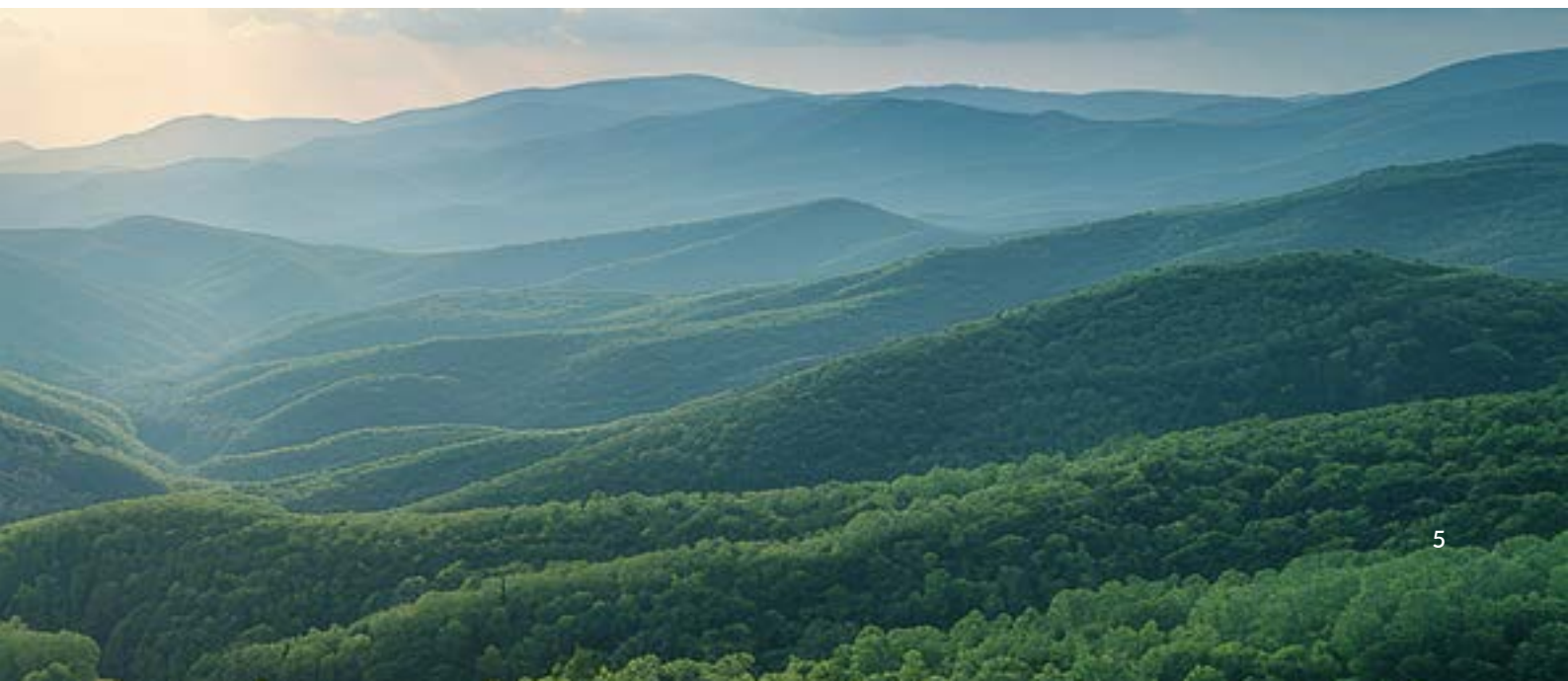
II. For direct investment

The due diligence process at SWEN Capital Partners includes ensuring that target investments comply with the principles of the UNGC and the OECD Guidelines. **Key stages in the due diligence process**

- a. **In-depth analysis to identify past or current controversies** involving the company, its top management and, where relevant, its main clients and suppliers. Controversies are investigated and assessed by the Sustainable Finance team by severity and relevant ESG focus area.
- b. Assessment of compliance with **sector exclusions**.
- c. A detailed **ESG questionnaire** to assess an investment's maturity to address its material ESG issues, including health and safety, diversity and inclusion, and relations with local communities. The depth of the analysis varies according to regional and sector risk and the materiality of any issues identified across the value chain.
- d. **An assessment of the main value chain risks** – upstream, downstream and own operations – focusing on the environment, human rights, health and safety and anti-corruption.
- e. (Where relevant according to the investor fund and applicable investment strategy), an **assessment of European Taxonomy eligibility and alignment**, including evaluating compliance with minimum social guarantees.

We may use additional tools to assess environmental risks, such as the NEC (Net Environmental Contribution) score, to measure the prospective investment's positive contribution to the environment, and/or an analysis of nature-related risks and opportunities covering climate and biodiversity.

As a final measure, the Sustainable Finance Strategy Director, or their representative, can veto any decision in the investment committees if the results of the assessment fail to guarantee sufficient compliance with the foundational UN and OECD texts outlined above.



III. For investissements in funds (primary and secondary transactions)

Prior to any investment decisions, SWEN Capital Partners performs an assessment underpinned by a rigorous methodology to ensure target funds comply with the UNGC and the OECD Guidelines.

For primary transactions, we conduct an in-depth controversy analysis of the management company and its senior managers. We also verify the compliance of existing portfolio underlyings with our sector exclusion policies. SWEN Capital Partners measures how closely a prospective fund's practices align with its own by analysing its integration of ESG issues throughout the investment process. As part of this due diligence, we systematically score each fund's ESG practices and nature-related policies (climate and biodiversity) using custom analytical frameworks.

For secondary transactions, the approach is two-prong, analysing both the target fund, as explained in the previous paragraph, and the portfolio companies.

SWEN Capital Partners verifies the compliance of each target fund portfolio company with our sector exclusion policies. We also check for controversies involving the portfolio underlyings. At the very least the 10 companies or infrastructure assets that make up the biggest share of the portfolio's value on the assessment date are scrutinised by performing a look-through analysis based on the most recently available valuation of the portfolio assets.

As a final measure, the Sustainable Finance Strategy Director, or their representative, can veto any decision in the investment committees if the results of the assessment fail to guarantee sufficient compliance with the foundational UN and OECD texts outlined above.

IV. Post-investment monitoring

- **Monitoring controversies**

The controversy monitoring system set up by SWEN Capital Partners covers all our investments, both direct holdings and the main investments made by the underlying funds we subscribe to (or monitor on our clients' behalf). Monitoring is performed by the Sustainable Finance team through a dedicated controversy watch tool and the shareholder engagement process. To find out more, please see [SWEN Capital Partners' engagement policy on our website](#).

- **Annual data campaign**

We gather ESG data from our direct holdings and fund management companies to assess their ESG integration practices, their compliance with our exclusion policies, as well as any potential controversies or violations of the UN Global Compact or the OECD Guidelines during the year. The data campaign also reviews the performance of the funds and the portfolio underlyings. The assessment is based on questionnaires collaboratively developed by an ad hoc working group under the auspices of France Invest . The methodology is updated yearly to reflect developments in the market.

Specific case of investments that no longer meet the policy criteria

If SWEN Capital Partners determines that a company, invested in after the effective date of this policy – either directly or through fund units – no longer meets the above criteria, we will:

- begin dialogue and engagement with the parties concerned, working with the Sustainable Finance and Investment teams.
- form a divestment committee to decide and, if necessary, optimise the divestment conditions, if the dialogue and engagement process fails to bring the company into alignment with the criteria of the sector policy.

Additional clarification

The conditions for establishing an investment's compliance with the sector policy apply only as of the assessment date. The compliance assessment considers the company's past and current activities and should, if possible, also cover its expected future direction and developments.





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