



Annual Communication On Progress 2020

Activa Capital

Foreword

I am pleased to confirm that Aactiva Capital, signatory since December 2018, reaffirms its support of the Ten Principles of the United Nations Global Compact in terms of Human Rights, Labour, Environment and Anti-Corruption. In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders.

Yours sincerely,

Christophe Parier,

Partner

Principle 1: Businesses are encouraged to promote and respect the protection of international human rights law.

Principle 2: Companies are urged to ensure that they are not complicit in human rights violations.

Principle 3: Businesses are encouraged to respect freedom of association and to recognize the right to collective bargaining.

Principle 4: Businesses are encouraged to contribute to the elimination of all forms of forced or compulsory labour.

Principle 5: Businesses are encouraged to contribute to the effective abolition of child labour.

Principle 6: Businesses are invited to contribute to the elimination of all discrimination in employment and occupation.

Principle 7: Businesses are encouraged to apply the precautionary approach to environmental issues.

Principle 8: Businesses are encouraged to take initiatives to promote greater environmental responsibility.

Principle 9: Businesses are encouraged to promote the development and diffusion of environmentally friendly technologies.

Principle 10: Businesses are encouraged to take action against corruption in all its forms, including extortion and bribery.

Activa Capital, as a company

Activa Capital renewed in March 2019 its ESG charter whose 16 commitments are summarized as follow:

Environment

- Reduce the consumption of paper, ink & consumables
- Reduce energy consumption by turning off lights and computer equipment
- Reduce the amount of waste & better sort it
- Use the most environmentally friendly transport possible

Social

- Ensure that the diversity of profiles & categories is promoted
- Support employee training
- Ensure the health and safety of employees
- Create and maintain a framework for professional development
- Provide the necessary tools to carry out the work
- Provide fair compensation and recognition for work done personally and collectively

- Take care of your computer equipment & make useful use of it
- Empty your mailbox twice a year
- Clean your computer equipment twice a year
- Ensure the end of used equipment's life either through reconditioning and donation, or at least recycling

Digital

- Support charitable associations with a financial or personal commitment
- Ensure that our third parties also have responsible approaches

Stakeholders

Activa Capital complied with most of its commitments regarding Environment, Social and Stakeholders categories. Some of those commitments are related to the principles of the Global Compact and some will be detailed from this perspective:

Human Rights

Based in France, Activa Capital does not face any risks for human rights and does not consider necessary to implement particular measures.

Labour

Activa Capital which is a management company does not face any particular risks for labour. Regarding Activa Capital response to Covid-19 virus, the company has put in place an efficient set up to able employees to work from home: permission to take office's computer equipment and widespread use of a software of collaborative communication application. Those measures, still in place, enable employees to continue to work safely in accordance to government guidelines.

Following its diversified commitments, to contribute to the better integration of women in its industry, Activa Capital became signatory of a chart called "Promoting parity women-men in the Capital Investment and in companies" of France Invest. Activa Capital committed itself to progress on numerous objectives until 2030.

Environment

Activa Capital does not represent any particular risks to the environment due to its direct activities.

In 2020, partly due to Covid-19 crisis, on one hand, Activa Capital has accelerated the reduction of consumables for its office (electricity, office supplies, prints) and there has been fewer corporate travels due to travel restrictions. On the other hand, measures to enhance recycling have been

gradually introduced. Overall, all those actions have contributed to reduce our greenhouse gas emissions.

Anti-corruption

Activa Capital could face potential threat in term of corruption as it required to order financial flows. The control and prevention against corruption was reinforced by the hiring of a financial and administrative director that watch closely all the issues related to that matter.

Also, a managing partner is responsible for compliance and internal control which greatly reinforce the monitoring of those issues.

Activa Capital, as an investor: portfolio's companies

As a private equity company, we invest in small and medium sized companies that we support in their development.

Part of this support is through our ESG policy that includes promoting sustainable development in all of its forms: socially, environmentally and governance. Those three pillars are closely related to the ten principles of the Global Compact and some of the Sustainable Development Goals.

Since December 2019:

0 violation of Human
Rights

0 issues related to
environment

0 issues related to
corruption

Our portfolio's companies

Since December 2019, as part of our investment strategy, one ESG Vendor Due Diligence was carried out for the sale of one of our portfolio's company.

Actions in relation to principles 1, 2, 3, 4, 5 & 6

- Most of our companies are subject to French legislation which respects the highest standards towards human rights, labour rights and can enforce the law
- For the three companies that have operations abroad and specific risks, none have been related to actions against these principles

This year, companies in our portfolio had to step up measures to strengthen equal treatment between men and women as a result of changes in the French legislation. Some companies publish an index to monitor the results of their actions.

Actions in relation to principles 7, 8 & 9

- In 2019, we asked our portfolio companies to measure their greenhouse gas emissions thanks to a tool developed through the Initiative Climat France for scopes 1 & 2. Activa Capital works closely with IC France to find a solution to evolve the tool developed in previous years at IC France. This tool monitors scope 1 & 2 emissions but needs to be upgraded to monitor also scope 3. We considered that measuring scope 1 & 2 was not sufficient to track correctly greenhouse gas emissions as most of it are due to scope 3. Moreover, due to Covid-19 crisis and its impact on remote work, it was even less useful to monitor those greenhouse gas emissions.
- Most of our companies took actions to reduce their carbon footprint in their operations. For example, one of our companies that works a lot with paper (label printer) has all of its sites labelled *Imprim'Vert* which is specific to the printing industry in France. This label has five criteria focusing on the management of waste, avoiding toxic product use, raise awareness to its clients and employees and finally monitor energy consumption.
- Other portfolio's companies set up working group with employees of all business units to discuss issues and concrete measures to make their work more sustainable through ecodesign for instance.

Actions in relation to principle 10

Most of our companies do not face high risks of corruption. Nevertheless, one of our portfolio companies has implemented a procedure for employees to declare donations and gifts in order to avoid all cases of favoritism and corruption.