



MEANINGS

CAPITAL PARTNERS



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Humanly Responsible Investor®

Principal Adverse Impacts Statement
2022

Principal adverse impacts

of investment decisions on sustainability factors

Meanings Capital Partners takes into consideration the principal adverse impacts of its investment decisions on sustainability factors. This document is the consolidated 2022 principal adverse impacts (“PAI”) statement covering investments made by funds managed by Meanings Capital Partners.

The present PAI statement is produced voluntarily. It covers the period from January 1st to December 31st, 2022 and integrates investments (companies and real estate assets) held for at least six months as of December 31st, 2022.

The information presented in this statement exclusively relates to the institutional funds managed by Meanings Capital Partners and excludes managed mandates, for which information could not be collected. These institutional funds **account for 89% of Meanings Capital Partners’s assets under management for the year 2022.**

Meanings Capital Partners considers the impacts of its investments on environmental and social sustainability factors at each stage of its investment cycle, as detailed in the Sustainability Policy of the management company, accessible on its website and summarized below.

Pre-investment Prospection and due diligence

Ownership Holding period

Exit

Private Equity Growth and Mid Cap Investments in companies

- **Sector-based exclusions:** Meanings Capital Partners excludes sectors or activities inherently associated to adverse impacts, such as controversial weapons
- **Materiality analysis (risks and opportunities):** Meanings Capital Partners analyzes the company’s sector and business model to map potential principal adverse impacts
- **Due diligence:** Meanings Capital Partners conducts, internally or through third-party expertise depending on context, an in-depth assessment of a company’s maturity and performance in managing the potential principal adverse impacts identified through the materiality analysis

- **Sustainability roadmap:** In cases where adverse impacts are identified, corrective actions are incorporated into the five-year Sustainability Roadmap of the company and their timely implementation is monitored regularly
- **Annual reporting and transparency with investors:** Meanings Capital Partners annually tracks the performance of its portfolio companies on principal adverse impacts indicators. These indicators are communicated to investors at the financial product level and are publicly disclosed in a consolidated manner through the present statement.
- **Materiality analysis update** based on annual data collection

Through a Sustainability and impact vendor due diligence, Meanings Capital Partners provides potential buyers with portfolio companies’ performance on principal adverse impacts indicators, as well as ongoing or planned mitigation actions, if applicable

Real Estate Value Add Investments in real estate assets

- **Materiality analysis (risks and opportunities):** Meanings Capital Partners maps the relevant principal adverse impacts of real estate assets based on the available information (e.g. location, use, construction / renovation date, energy mix, etc.)
- **Due diligence:** Meanings Capital Partners mandates a third-party in-depth assessment of a real estate asset’s performance on relevant principal adverse impacts indicators is conducted prior to the investment

- **Design and transformation plans:** Adverse impacts mitigation actions are integrated into project designs and transformation plans
- **Annual reporting and transparency with investors:** Meanings Capital Partners annually tracks the performance of its portfolio assets on principal adverse impacts indicators. These indicators are communicated to investors at the financial product level and are publicly disclosed in a consolidated manner through the present statement.
- **Materiality analysis update** based on annual data collection

Through a Sustainability and impact vendor due diligence, Meanings Capital Partners provides potential buyers with portfolio real estate assets’ performance on principal adverse impacts indicators, as well as ongoing or planned mitigation actions, if applicable

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Indicators applicable to investments in companies (1/5)

Theme	Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation <i>Coverage ratio of amounts invested in Private Equity</i>	Actions taken, actions planned, and targets set for the next reference period
Greenhouse gas emissions (1/3)	GHG emissions	Scope 1 GHG emissions (tCO ₂ eq.)	1,925.8	The evolution of impacts compared to the previous year will be presented starting in 2024.	93%	<p>Engagement and governance: By 2032, Meanings Capital Partners has committed to ensuring that 100% of the capital invested by the company's Private Equity funds is covered by a 1.5°C alignment trajectory, in line with the Paris Agreement and validated by the Science-Based Targets initiative (SBTi). In 2022, Meanings Capital Partners launched Meanings Private Equity Fund IV, for which the payment of 25% of the carried interest is linked to the achievement of this objective.</p> <p>Integration to the investment cycle: Similarly, Meanings Capital Partners is systematically integrating climate transition issues into its Private Equity funds' investment cycle:</p> <ul style="list-style-type: none"> carbon footprint measurement and definition of a 1.5°C alignment trajectory pre-acquisition, whenever possible; incorporation of explicit 1.5°C alignment expectations in shareholders agreements; monitoring of the decarbonization roadmap at Executive Committee and Supervisory Board levels. <p>Dialogue and support: Meanings Capital Partners has encouraged a better consideration of climate transition issues by its portfolio companies.</p> <p>Expertise: Meanings Capital Partners has supported its portfolio companies in measuring their greenhouse gas emissions, as well as in defining decarbonization targets and roadmaps.</p>
		Scope 2 GHG emissions (tCO ₂ eq.)	317.5		93%	
		Scope 3 GHG emissions (tCO ₂ eq.)	47,590.7		93%	
	Carbon footprint	Carbon footprint (tCO ₂ eq./M€ invested)	464.2		93%	
	GHG intensity of investee companies	GHG intensity of investee companies (tCO ₂ eq./M€ of revenue)	938.5		93%	
	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector (%)	0.0		100%	

[+]: Optional indicators

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Indicators applicable to investments in companies (2/5)

Theme	Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation <i>Coverage ratio of amounts invested in Private Equity</i>	Actions taken, actions planned, and targets set for the next reference period
Greenhouse gas emissions (2/3)	Share of non-renewable energy consumption	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)	89.0		93%	<p> Dialogue and support: Meanings Capital Partners has encouraged renewable energy consumption by its portfolio companies. Considering their consumption patterns and primary emission sources, a key lever will be the transition of vehicle fleets to hybrid and electric motors, the implementation of on-site renewable energy self-production systems, as well as the sourcing of renewable electricity and gas. Some of these measures are already being implemented or underway.</p>
	Share of non-renewable energy production	Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)	N/A	<i>The evolution of impacts compared to the previous year will be presented starting in 2024.</i>	100%	<p>At this stage, none of the companies within Meanings Capital Partners' portfolios are energy producers.</p> <p> Dialogue and engagement: When relevant, Meanings Capital Partners encourages its portfolio companies to implement on-site renewable energy self-production systems.</p>
	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million euro of revenue of investee companies, per high impact climate sector (GWh/M€ of revenue)	1,916.4		100%	<p> Dialogue and support: As of the end of 2022, the portfolio included companies in high climate impact sectors such as transportation and industry. Meanings Capital Partners has promoted and will continue to promote better consideration of climate transition issues within its portfolio companies specifically.</p> <p> Expertise: Meanings Capital Partners has supported its portfolio companies in measuring their greenhouse gas emissions and defining decarbonization objectives and roadmaps, including the reduction of overall energy consumption.</p>

[+]: Optional indicators

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Indicators applicable to investments in companies (3/5)

Theme	Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation <i>Coverage ratio of amounts invested in Private Equity</i>	Actions taken, actions planned, and targets set for the next reference period
Greenhouse gas emissions (3/3)	Investments in companies that have not taken any initiative to reduce their carbon emissions [+]	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement (%)	0.0		100%	Expertise: Meanings Capital Partners has supported its portfolio companies in measuring their greenhouse gas emissions, as well as in defining decarbonization objectives and roadmaps.
Biodiversity	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas (%)	0.0	<i>The evolution of impacts compared to the previous year will be presented starting in 2024.</i>	100%	Integration to the Sustainability analysis approach: Since 2022, Meanings Capital Partners conducts systematic biodiversity analyses of its portfolio companies' activities and value chains. Dialogue and engagement: When a portfolio company has significant biodiversity impacts or dependencies, Meanings Capital Partners encourages the implementation of mitigation policies and actions.
Water	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average (tonnes/M€ invested)	0.0		100%	N/A - At this point, none of the companies within Meanings Capital Partners' portfolios engage in industrial or agricultural water use.
Waste	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average (tonnes/M€ invested)	0.0		100%	N/A

[+] : Optional indicators

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Indicators applicable to investments in companies (4/5)

Theme	Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation <i>Coverage ratio of amounts invested in Private Equity</i>	Actions taken, actions planned, and targets set for the next reference period
Social and employee, respect for human rights, anti-corruption and anti-bribery matters (1/2)	Violations of United Nations Global Compact (UNGC) principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC Principles or OECD Guidelines for Multinational Enterprises (%)	0.0	<i>The evolution of impacts compared to the previous year will be presented starting in 2024.</i>	100%	Dialogue and support: Meanings Capital Partners adheres to the OECD Guidelines for Multinational Enterprises and the Principles of the UNGC. The funds managed by Meanings Capital Partners encourage their portfolio companies to formally integrate these principles into their internal policies and procedures, as well as to become signatories of the United Nations Global Compact and annually produce a Communication on Progress (COP).
	Lack of processes and compliance mechanisms to monitor compliance with United Nations Global Compact (UNGC) principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC Principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	0.0		100%	

[+]: Optional indicators

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Indicators applicable to investments in companies (5/5)

Theme	Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation <i>Coverage ratio of amounts invested in Private Equity</i>	Actions taken, actions planned, and targets set for the next reference period
Social and employee, respect for human rights, anti-corruption and anti-bribery matters (2/2)	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies (%)	15.4		74%	Engagement and governance: Meanings Capital Partners has endorsed the Gender Equality Charter of France Invest, committing to achieving gender parity within governance bodies (investment committees, supervisory boards of its holdings, executive committees of its holdings, etc.). Dialogue and support: Meanings Capital Partners promotes diversity and inclusion within its portfolio companies.
	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members (%)	4		100%	
	Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons (%)	0.0		100%	N/A
	Investments in companies without an accident prevention policy [+]	Share of investments in investee companies without an accident prevention policy (%)	18.0		100%	Dialogue and support: Meanings Capital Partners encourages a structured and systematic consideration of health and safety issues, as well as ongoing training on these matters, within its portfolio companies.

[+] : Optional indicators

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Indicators applicable to investments in real estate assets (1/2)

Theme	Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation <i>Coverage ratio of amounts invested in Private Equity</i>	Actions taken, actions planned, and targets set for the next reference period
Fossil fuels	Exposure to fossil fuels through Real Estate assets	Share of investments in Real Estate assets involved in the extraction, storage, transport or manufacture of fossil fuels (%)	0.0	<i>The evolution of impacts compared to the previous year will be presented starting in 2024.</i>	100%	None of Meanings Capital Partners' Real Estate assets are used for the extraction, the storage, the transport or the manufacture of fossil fuels.
Energy efficiency	Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets (%)	93.0		100%	Most real estate assets in Meanings Capital Partners' portfolios are currently at the beginning of the transformation and value creation cycle (see Meanings Capital Partners Sustainability Report, available on its website, for more information on its real estate funds' value-add strategy).
Waste	Operational waste generation [+]	Share of real estate assets that are not equipped with waste sorting facilities and are not covered by waste valorization or recycling contracts (%)	0.0		100%	

[+] : Optional indicators

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Indicators applicable to investments in Real Estate assets (2/2)

Theme	Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation <i>Coverage ratio of amounts invested in Private Equity</i>	Actions taken, actions planned, and targets set for the next reference period
Biodiversity	Land artificialization [+]	Share of non-vegetated surface area (surfaces that have not been vegetated in ground, as well as on roofs, terraces and walls) compared to the total surface area of the plots of all assets (%)	58.0	<i>The evolution of impacts compared to the previous year will be presented starting in 2024.</i>	68%	<p> Investment strategy: As value-add funds, the real estate funds managed by Meanings Capital Partners acquire existing real estate assets for the purpose of transforming and repositioning them. This repositioning typically involves the creation of vegetated spaces. In this regard, this strategy contributes to nature restoration in urban areas.</p> <p> Transformation: Real estate funds managed by Meanings Capital Partners plan ambitious transformation and decarbonization programs for most of their underlying real estate assets, including the creation of vegetated spaces. The implementation of these initiatives is scheduled to take place over the coming years.</p>

[+] : Optional indicators

The artwork illustrating this report was created for Meanings Capital Partners by an American artist settled in France and whose favorite theme is "Art and Terroir".
For Meanings, she decided to use watercolor made from natural pigments diluted in pure water
For a rendering symbolizing transparency

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