

# PARTECH

## **EXCLUSION POLICY PARTECH PARTNERS**

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## **I. INTRODUCTION**

Partech is a generalist investment firm investing in tech companies at different stages of development (seed, venture, growth), operating in 4 continents and addressing issues in a large range of industries: thus, the companies under investigation face different challenges when considering the ESG criteria. Partech is also a UN PRI signatory since 2012.

To adapt its procedures to the diversity of the deal flow, Partech has decided to adopt a specific exclusion policy regarding its direct investments at different stages of development (seed, venture, growth). This policy addresses the activities of the companies evaluated and not those of their clients, suppliers, or other stakeholders. This policy applies to all Partech's Funds.

## **II. EXCLUDED SECTORS DEFINITIONS**

### **a. Alcohol**

Companies or other entities engaged in the financing of, production of, or trade in distilled alcoholic beverages (excluding for the avoidance of doubt beer and wine).

### **b. Tobacco**

Companies or other entities engaged in the financing of, the production of, and trade in tobacco or tobacco related products.

### **c. Weapons and controversial weapons**

Companies or other entities engaged in the financing of, the production of, and trade in weapons and ammunition of any kind, it being understood that this restriction does not apply to the extent such activities are part of or accessory to explicit European Union policies.

Companies or entities involved in the production, trade, stockpiling sale, transfer, import, export or any other activity or service associated (including technological research) with "Controversial Weapons" or of key components (constructive component, support service, etc.) of any of the systems of the weapons above mentioned. "Controversial Weapons" are defined as the following categories of weapons: nuclear weapons, chemical weapons, biological weapons, depleted uranium weapons, anti-personnel mines, anti-tank mines, cluster/ bombs or (munitions) submunitions.

**d. Casinos**

Companies or other entities engaged in casinos and equivalent enterprises.

**e. Pornography**

Companies or entities engaged in any business relating to pornography or prostitution.

**f. Conventional and unconventional fossil fuels**

Companies or entities engaged in generating more than 10% of their turnover in fossil-fuel conventional energy production, sale, storage and transport (coal, oil, natural gas, electric power generation exceeding the Emissions Performance Standard (EPS)) and non-conventional prospecting, exploration and extraction of oil from bituminous shale, tar sands or oil sands.

**g. Wildlife (“CITES”)**

Trade in wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (“CITES”).

**h. Genetically Modified Organisms (GMOs)**

When providing support to the financing of the research, development or technical applications relating to genetically modified organisms (GMOs), Partech shall ensure the appropriate control of legal, regulatory and ethical issues linked to such GMOs.

**i. Human cloning**

Companies or entities engaged in human cloning (excluding companies or entities that use cloning for biomedical research or therapeutic purposes)

**j. Illegal Activity**

Companies or entities whose business activity consists of an illegal economic activity or any production, trade, or other activity that is illegal under applicable laws or regulations.

### III. **NORMATIVES EXCLUSIONS**

In addition, all investments shall at least comply with the following minimum safeguards:

**a. International Labour Organization (ILO)**

The applicable local, national, and international laws and regulations in the jurisdictions of operations of the portfolio companies and International Labour Organization (ILO).

**b. The OECD Guidelines**

(<http://mneguidelines.oecd.org/guidelines/>)

The OECD Guidelines for Multinational Enterprises are recommendations addressed by governments to multinational enterprises operating in or from adhering countries. They provide non-binding principles and standards for responsible business conduct in a global context consistent with applicable laws and internationally recognized standards.

**c. The 10 Principles of the UN Global Compact**

(<https://unglobalcompact.org/what-is-gc/mission/principles>)

To comply with the UN Guiding Principles on Business and Human Rights means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment, and anti-corruption. The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

**d. The World Bank Group Environmental, Health & Safety Guidelines**

The "WBG & EHS Guideline" provide technical general and sector-specific guidelines as relevant and examples of good international industry practices to meet IFC's Performance Standards.

**e. The International Finance Corporation Performance Standards**

The International Finance Corporation Performance Standards ("IFC PS 1-8" -2012) defines an international framework for identifying and managing environmental and social risks related to activities ([Sustainability-At-IFC/Policies-Standards/Performance-Standards/](https://www.ifc.org/~/media/IFC/~/media/IFC/Policies-Standards/Performance-Standards/))

#### **IV. POLICY INTEGRATION IN THE SCREENING PHASE OF THE DUE DILIGENCE AND DECISION-MAKING PROCESS**

During the pre-investment due diligence process, the screening phase is conducted under the Management Company's ISR policy on the environmental and social impact, and the corporate governance for the prospective companies. At this stage, the Exclusion policy applies to all new prospective companies. Partech shall not invest in Excluded sectors defined in the policy.

#### **V. ADDITIONAL INFORMATION**

The alignment of the investment with this Exclusion Policy only applies on the date of the analysis and is considering the past and current activities of the companies studied, including when eligible the expected future developed at the date of the analysis.