



A RESPONSIBLE INVESTOR AND PARTNER

OUR CHARTER

As a responsible investor and partner, Azulis Capital aims to contribute towards the sustainable development of French SMEs, and create value for all the stakeholders by generating financial and non-financial performance.

The mission, values and commitments laid out in Azulis Capital's Charter are part of its Team's DNA. They guide its daily actions and express themselves through investor practices and responsible partnership. Azulis Capital's goal is to share the concerns and expectations of women and men working in portfolio companies, within their environment, in particular while respecting the principles of good governance and ethics.

By signing up to the Principles for Responsible Investment (PRI) promoted by the United Nations, in early 2012, the Team has chosen to express formally its beliefs.

OUR MISSION

- ✓ Our goal is to manage, **with integrity and loyalty** the capital entrusted to us by our investors, with the objective of providing a return that is most consistent with their expectations, while meeting the requirements of sustainable economic, environmental and social development.
- ✓ It is our ambition to **participate actively in the development of French SMEs**, which create value and work, by providing the financial resources required to grow in a world that is increasingly open, and by supporting their management when carrying out projects that follow the principles of corporate social responsibility (CSR).
- ✓ We also aim to preserve and maintain the economic wealth existing within French SMEs. We offer their shareholders sustainable solutions for the transmission of their business, accompanying management teams that are motivated by the takeover of their enterprise and wish to participate in the growth of its value, both in economic and non-economic terms.

OUR VALUES

- ✓ Since its inception, Azulis Capital is structured **to carry out its investment business with professionalism and responsibility**, while maintaining a positive balance between the interests of the shareholders it represents, those of the management and of all other stakeholders.

Highly sensitive to Azulis Capital's reputation, we strive to use our extensive experience as professional investors and our sector expertise for the full benefit of the businesses that we invest in. It is our ambition to implement internal and external growth strategies that strengthen the position of our businesses within their markets and are likely to endow them with a more international dimension. We adjust leveraging in the financial structures we arrange, in order to strengthen the business's development capability.

- ✓ Azulis Capital has wholly taken on board the imperative **to respect ethical principles through one's actions and conduct in building relationships of trust, respect and transparency** in the partnerships it establishes with business and all stakeholders.

We seek to align interests with those of the employees of the portfolio companies — which we have decided to support with growth and value creation — by promoting incentive schemes to encourage participation and an interest in the company's achievements.

Finally, the professionals at Azulis Capital are convinced that private equity is mainly **a team effort**. All our investment decisions are shared collectively and we aim to ensure that every member of the Azulis Capital Team will find personal enrichment in the exercise of their profession.



OUR COMMITMENTS

Keenly aware of our role as professional shareholders and our responsibilities with respect to all parties involved, we have made the following commitments:

To our investors

We:

- ✓ Undertake to prioritise the interests of our investors and treat them according to the principles of fairness and equality. And to conduct our business with total independence and transparency.
- ✓ Are committed to respecting the investment policy stated in our Fund Bye-Laws and applying socially responsible investment (SRI) criteria in the quest for investment opportunities and their selection.
- ✓ Comply with all relevant requirements in the campaign against money laundering and terrorist financing. We take care, in the acquisition or disposal of any portfolio company, to ensure that all stakeholders comply with the law and other relevant requirements in the campaign against money laundering and terrorist financing.
- ✓ Refuse to invest in so-called 'sensitive' sectors (such as gambling, or the manufacture or sale of arms).
- ✓ Are committed to applying the highest standards of reporting to our investors, with transparency and objectivity, and to integrating ESG (Environment, Social, Governance) criteria in the annual reports of the funds we manage.

To our investee companies

We:

- ✓ Encourage the businesses in which we invest to raise the status of CSR criteria in their decision-making. For example, by conducting, on entry, a CSR inventory of the company and then, in conjunction with its management, setting priorities for improvement; and subsequently, tracking the progress made.
- ✓ Ensure that the company complies with all national and international standards and regulations (particularly with respect to the environment).
- ✓ Are committed to actively contributing to the growth and value of investee companies, by applying both financial and extra-financial criteria.
- ✓ Respect the confidentiality of information brought to our attention.
- ✓ Are committed to helping our portfolio companies to adopt best corporate practices and respect for the individual (in terms of work safety, gender equality, discrimination, appreciation of their diversity, and provision of training) and to promote the widest possible opportunities for employees to share in the rewards of growth.

To employees of Azulis Capital

We:

- ✓ Strive to create a fulfilling work environment for all our employees, by fostering team spirit and mutual personal consideration. We greatly value teamwork and transparency in internal communication and information.
- ✓ Bring about conditions to encourage strong commitment by each individual (through shared decision-making, community involvement), and participation in the best administration of the management company (with incentive schemes and share ownership).

To the community

We:

- ✓ Seek, in exercising our skills as private equity investors, to support entrepreneurial initiative in the community by partnership with a micro-credit association, and through sponsorship of artistic initiatives.
- ✓ Aim to reduce our own environmental footprint by closely tracking our consumption of non-renewable resources and encouraging our business partners to do the same.