

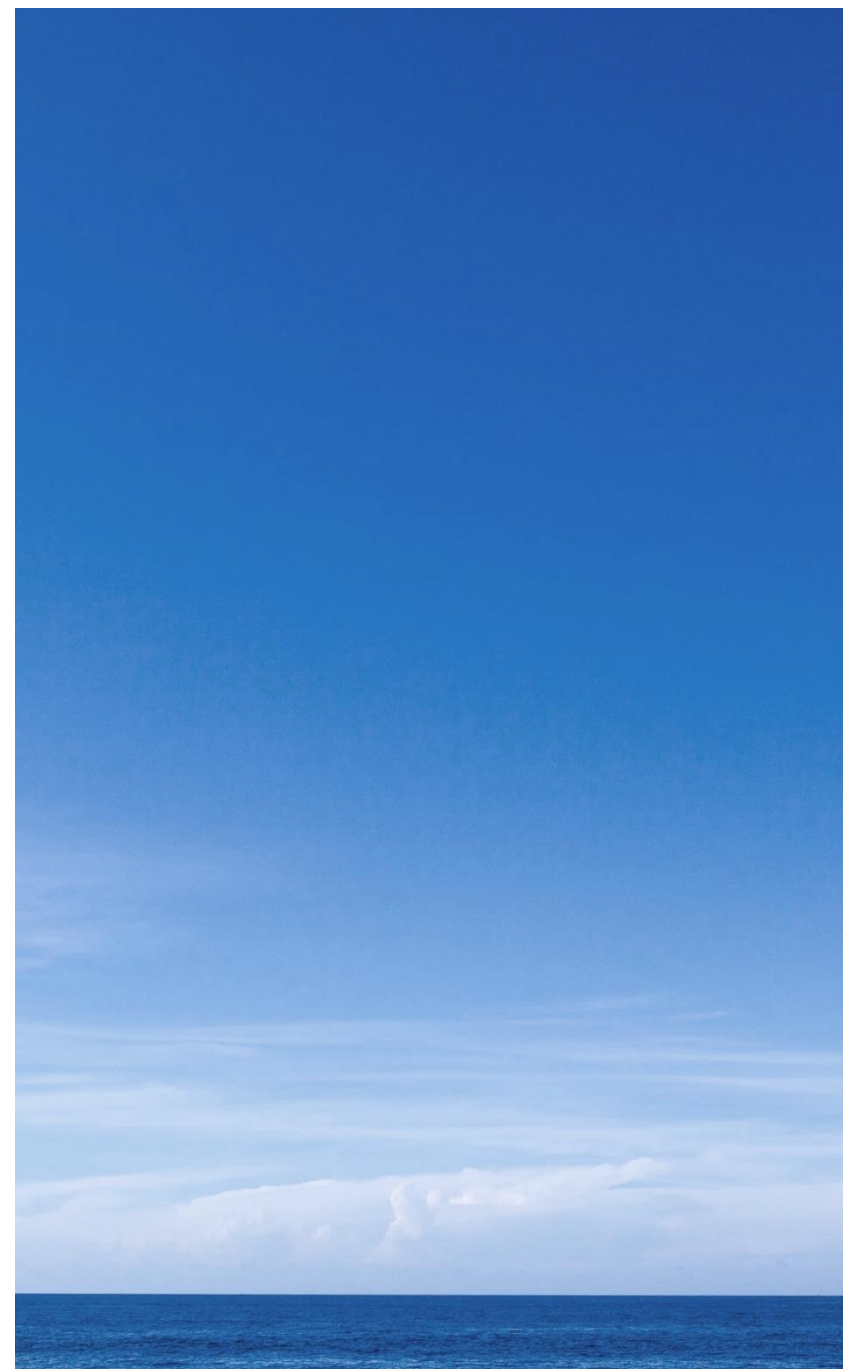
Sustainability Policy

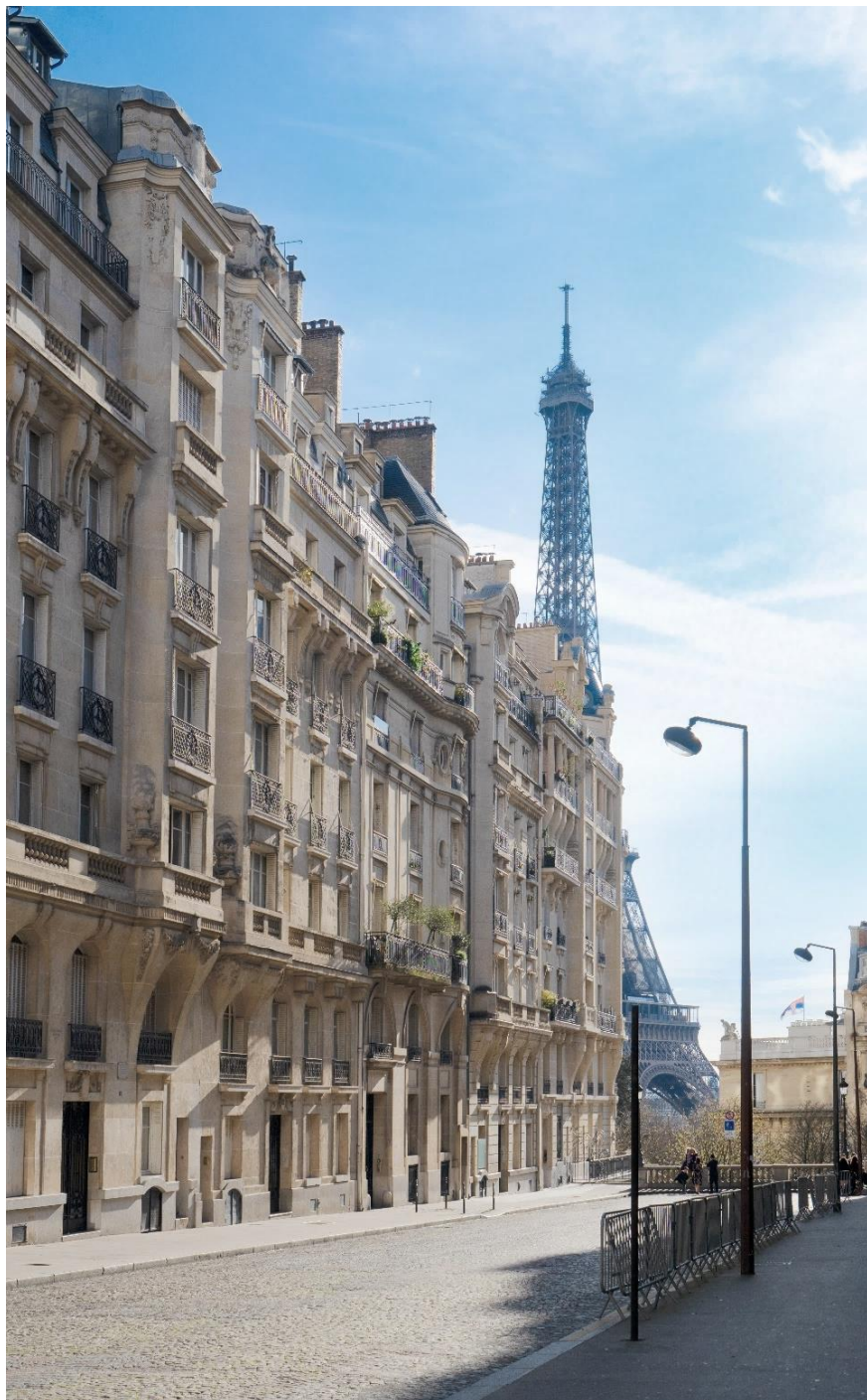


April 2024

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About New Alpha

New Alpha Asset Management is a specialist research and portfolio management firm providing client-driven investment solutions. Our research capabilities cover both traditional asset classes and alternative investments. As of December 31, 2023, New Alpha AM manages and advises more than €3.1 billion.

New Alpha AM is a responsible investor and emphasizes the importance of long-term growth, value creation sharing and pursuing the necessary transitions associated with climate change and the social challenges it entails. Our Corporate Responsibility policy and Responsible Investment policy, detailed in this document, cement these commitments.

Through our manager selection process, we conduct thorough qualitative and quantitative analysis, including ESG due diligence. Our commitment lies in researching and evaluating best-in-class managers and investment opportunities that align with our responsible investing principles.

Our access to multiple sources of leading-edge research infuses our investment decision. Extra-financial research stands as a key component within this array of sources, and is integrated into all asset classes at every stage of the decision-making process:

- Sourcing: global research of innovative and sustainable alpha.
- Analysing: financial and extra-financial analysis carried across asset classes, according to the investment management mandate and our investors' sustainability preferences.
- Investing: ensure a robust portfolio construction and provide full transparency to clients.
- Monitoring and Engaging: with a long-term investment horizon, we monitor closely our investments. We value dialogue and commitment with our partners.

As a long-term partner, NewAlpha AM is convinced that the integration of ESG criteria contributes sustainably to the creation of value for investors.

History: a responsible and innovative long-term approach



Creation of New Alpha Asset Management, an investment management company specialized in incubating and accelerating entrepreneurial companies.



New Alpha becomes the investment manager of the SICAV Emergence, the first fund dedicated to the acceleration of French entrepreneurial management companies.



ESG is introduced in the investment process, in the due diligence phase for candidate companies.




New Alpha becomes a signatory of the UN PRI




- Beginning of partnership with Ethifinance 
- Creation of a proprietary ESG scoring methodology for long only equity managers.

2020

Launch of Emergence Europe, an SFDR Article 8 fund. 

2021

New Alpha's ESG Committee is created. 



2022

Launch of Emergence Techs for Good, 2nd SFDR article 8 fund 

2024

- Endorsers of PRI's stewardship initiative for nature, *SPRING*
- Publication of the first mapping of the French sustainable fintechs

Governance

The corporate social responsibility and responsible investing approaches of the firm are governed by the Sustainability Committee, which meets quarterly, to take stock of the progress made and to set new objectives.

Headed by New Alpha's ESG Director, this committee is made up of the main stakeholders in our organization: the Chairman, the Chief Executive Officer, the managers of each business line and the dedicated ESG analysts.

Nevertheless, ESG issues remain integrated into each business line, and the investment teams are directly responsible for analysing and monitoring the extra-financial aspects of the companies and funds they invest in.

CSR Policy

As an investor and as a firm, New Alpha is committed to acting in a responsible and sustainable approach, recognizing that our actions have implications for all our stakeholders. From our employees, and clients, to our investments and partners, we have the ability to impact the environment and society at large.

The UN's Sustainable Development Goals (SDGs) cover global development issues up to 2030. Aware of the important role played by asset managers in achieving these goals through our actions and investments, New Alpha AM has decided to prioritize 4 SDGs. Below we list the different ways in which we aim to embrace our responsibility to actively contribute to positive societal and environmental changes.



Employee Well-Being



Employee well-being is a key concern for the firm, and thus New Alpha aims to offer a decent and pleasant working environment and ensure work-life balance, through agreeable and flexible working conditions from both the office and from home. As a small firm, New Alpha also organizes quarterly team events, to ensure cohesion between the different teams.

All employees are treated equally and fairly with an engaging compensation policy. To align employees' and management's interests, New Alpha has also implemented profit-sharing and participation agreements. This is done through a dedicated support structure: New Alpha Capital Partners.

Upgrading employees' skills



New Alpha is committed to quality education and the continuous development of employee skills, with a target of at least 100% of employees receiving training annually. Access to different courses and training sessions is offered regularly to employees throughout the year, on a range of different topics.

Another initiative is the *Blue Buds* program, which brings together interns and work-study students from New Alpha AM, to better integrate them in their new environment.

Diversity and Inclusion



New Alpha supports gender equality in four main areas: recruitment, to ensure equal treatment of candidates; compensation, to guarantee the principles of equality throughout the career; professional promotion, to give women and men the

same opportunities for career development; and the exercise of family responsibility, to reduce the constraints associated with parenthood.

To advance gender equality within the teams and uphold non-discriminatory policies, a recruitment charter is used internally and with our partners, the recruitment team is trained on good practices and non-discrimination, and a dedicated disability liaison has been appointed.

New Alpha actively seeks to have a diverse workforce, welcoming individuals regardless of nationality, language, or cultural background. Our commitment to diversity encompasses gender, origin, nationality, profile, and embracing individuals with disabilities. Furthermore, our internal policies champion inclusivity, encouraging an entrepreneurial spirit while fostering a culture that values the inclusion of young talent and interns. This approach aims to enrich our team with a diverse range of profiles and experiences, reflecting our dedication to creating a dynamic and inclusive workplace.

Climate Change



New Alpha is committed to contributing to the mitigation of climate change, both as a firm and as an asset manager. Internally, we are committed to the following:

- Measuring our carbon footprint every year, to be cognizant of our emissions and highlight areas of improvement.
- Green Mobility – prioritizing clean modes of transportation. For daily commutes, our central office means that employees, clients, and partners can easily reach us by public transportation. For business travel, the train is the preferred mode of transportation if the destination is 6h or less away.
- Digitizing work tools and reducing the printing of documents.

The offices of New Alpha AM teams are integrated into the Newtown Square eco-working space, which aims to reduce the ecological footprint of offices. Various initiatives have been implemented for the daily consumption of employees, such as selective waste management and the choice of bulk products.

Commitment to our clients

New Alpha is committed to our clients' satisfaction and protection. Our teams work together to:

- Develop in-depth knowledge of our customers' needs and to offer products that are appropriate to the expectations of all investors, aiming to build lasting relationships.
- Provide transparency to investors in all aspects.
- Ensure continuity of service: business continuity plans and a rigorous code of conduct regarding money laundering and terrorist financing as fraud and corruption.
- Uphold rigorous security: protection and safeguarding of personal and professional data.

Philanthropy

New Alpha is also committed to social and cultural initiatives. These initiatives are chosen by the employees themselves and include a financial contribution and active support from employees in the form of time and energy.

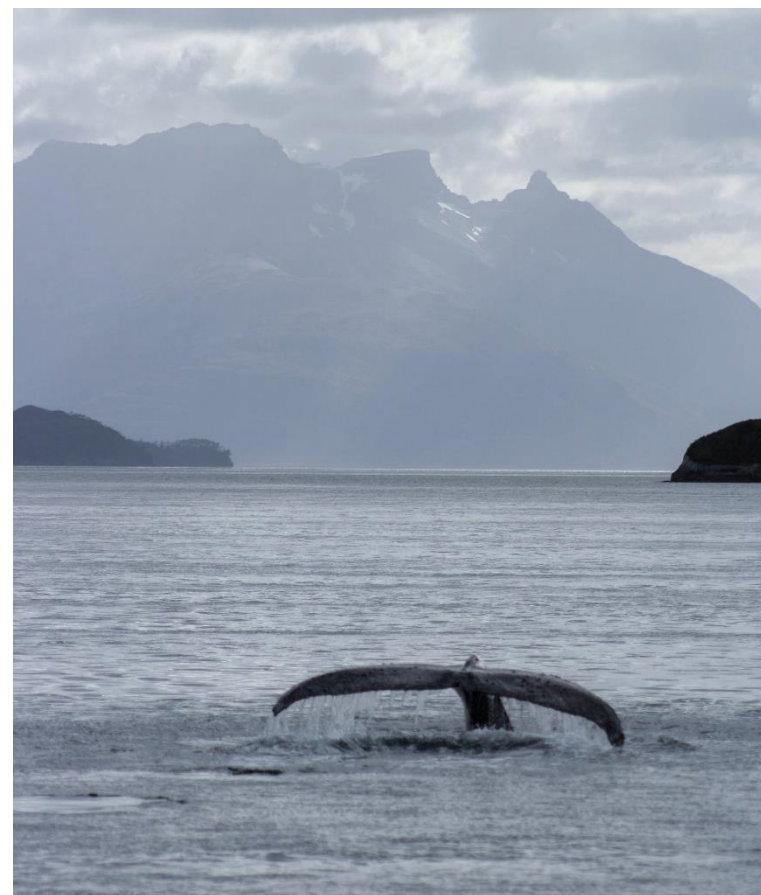


Since 2020, New Alpha AM has been involved with the Espérance Banlieues association. This sponsorship and mentoring have enabled employees to devote time to the development of alternative education in precarious suburbs. In 2021, New Alpha AM

has strengthened its commitment to this association by making a financial donation to sponsor a class of third graders starting in September 2021. This donation is also accompanied by a commitment by employees to the students through quality exchange and academic support. The objective of this partnership is to provide long-term support for this class, to follow the progress of the students through to the 3rd grade.

Since 2022, New Alpha has been supporting Women for Sea. This association aims to raise awareness about the preservation of marine ecosystems through the production and distribution of videos produced and certified by nautical experts. The Women for Sea association highlights committed women from different sectors of activity (marine biology, responsible yachting expertise or the art of navigation), who act for the ecological and social transition by developing innovative projects. Each project aims to inspire and give the desire to act for the protection of the sea and the coastline but also to allow the valorization and the emancipation of women in the maritime environment.

WomenforSea
Feel Learn Act



Responsible Investing Policy

New Alpha is convinced that ESG criteria are sustainable levers of value creation, that contribute to We firmly believe that companies with high environmental, social and governance standards are typically better managed, both at a firm and fund levels. These companies can develop by embracing both profitability and sustainability.



New Alpha AM has been a signatory to the United Nations' Principles for Responsible Investment (PRI) since 2017. This commitment

underlines the importance we attach to long-term growth and sharing of value creation in a framework defined by best-in-class governance and transparency. New Alpha makes the following six commitments:

- We will incorporate ESG issues into investment analysis and decision-making processes.
- We will be active owners and incorporate ESG issues into our ownership policies and practices.
- We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- We will promote acceptance and implementation of the principles within the investment industry.
- We will work together to enhance our effectiveness in implementing the principles.
- We will each report on our activities and progress towards implementing the principles.

New Alpha also takes advantage of the PRI's Reporting and Assessment tool, to report on its responsible investing practices in a transparent and accountable manner and measure its progress. The result of the assessment can be found on the UN PRI's website.

Finance must support the private sector in addressing ESG transition challenges. As asset managers, we have a key role to play. At New Alpha, we are committed to

participating in these objectives by being a major player in two main areas: the development of our industry, through innovation and the fight against climate change.

Innovation is at the heart of New Alpha's business. Globally recognized as a key player in the 'Emerging Managers' sphere, New Alpha AM identifies, selects, and supports innovative investment funds offered by skilled and motivated teams. One of the most recent initiatives is the Emergence Techs for Good fund, launched in 2022, which accelerates funds selected by the Tibi initiative. Leveraging its experience in detecting high-potential entrepreneurial projects, New Alpha launched in 2015 a Private Equity investment activity in sectors driven by technology.

The urgent fight to mitigate **climate change** is central to New Alpha's investment decision-making. Funds and companies that identify and mitigate climate risks and position themselves to profit from climate-related opportunities, are favored by our approach. Integration of climate issues in the investment process is done in three different ways:

1. During the due diligence phase, environmental criteria are integrated into our research process. If an exclusion policy is applicable to the fund, targeted investments must comply. Other aspects to be analyzed are the existence of a climate policy, commitment to Net Zero, whether emission reduction targets have been set, and how climate risk is measured. An analysis of fossil fuel exposures can also be done.
2. During the life of investments, we will actively monitor KPIs (namely carbon intensity and % of companies that have set emission reduction targets with the SBTi) and engage with managers on their climate approach. Topics of engagement include the reinforcement of the exclusion policy, companies with high carbon intensities, and emission trajectory.
3. For asset classes that have available data, New Alpha will report on the emissions of its portfolios. New Alpha also prepares an Article 29 LEC report, as well as a PAI report.

Indirect Investments



Indirect Investments

As a manager of managers, it's imperative to note our ESG considerations are contingent upon both the specific mandates and investor requirements, as well as the capabilities of each external management team, thereby limiting our direct control over the choice of individual securities.

Exclusion Policy

The following exclusion policy applies to the relevant portfolios. The data sources to ensure portfolios comply with the exclusion policy are Morningstar/Sustainalytics.

Normative exclusions

Companies found to violate fundamental human rights are excluded from the investment universe. This scope encompasses companies that clearly and repeatedly contravene one or more of the ten principles of the United Nations Global Compact (UNGC). These principles encompass fundamental values concerning human rights, labor standards, environmental protection, and anti-corruption efforts. Asset management firms must establish the means to assess such violation situations.

Asset managers employing a controversy assessment system will, at a minimum, exclude companies identified at the highest categorized controversy level (5/5 in the Morningstar/Sustainalytics framework).

Companies or countries subject to an embargo or financial sanction are also excluded¹.

Controversial Weapons

This pertains to companies involved in the manufacturing, trade, storage, or provision of services for weapons prohibited by international conventions: anti-personnel mines², cluster munitions³, chemical weapons, biological weapons⁴, depleted uranium ammunition, nuclear weapons, and white phosphorus weapons.

¹ The list of embargoed countries is provided by the internal control team; the list of financial sanctions is based on the *Autorité des Marchés Financiers*

² Prohibited by the Ottawa Convention of December 3, 1999

The exclusion of companies engaged in these activities becomes effective from the first euro of revenue.

Sectorial Exclusions

Tobacco

Companies generating at least 5% of their revenue from the manufacturing or distribution of tobacco products are excluded from the investment universe.

Fossil Fuels - Coal

The exclusion policy regarding thermal coal is based on three criteria, depending on the scope of activities considered.

Activity Scope	Exclusion Criteria*
Thermal Coal Power Generation	Exclusion of companies generating more than 10% of their revenue from coal-powered energy generation.
Thermal Coal Extraction	Exclusion of companies generating more than 10% of their revenue from coal extraction or mining.
New Projects	Exclusion of companies developing new projects and expanding their activities in the coal sector

* Asset management companies invested by New Alpha may benefit from a 12-month period to adapt their strategy to these thresholds.

By 2030, asset management companies with residual exposure to thermal coal will no longer be eligible for investment.

Fossil Fuels - Oil and Gas

While oil and gas are currently not excluded from the investment universe, asset managers are encouraged to define a policy for phasing out fossil fuels, within 24

³ Oslo Treaty of December 3, 2008, which prohibits their use, production, storage, and transfer

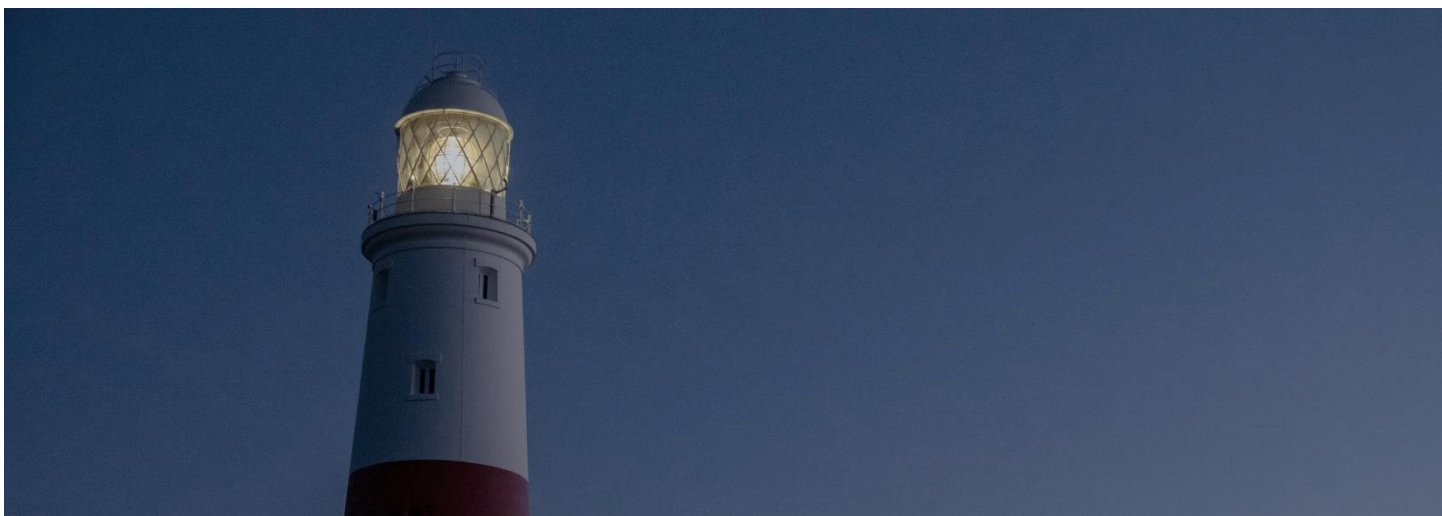
⁴ Prohibited by the Convention on Biological Weapons of April 10, 1972, and by the Convention on Chemical Weapons of September 3, 1992

months of investment. This concerns namely unconventional oil and gas⁵, and exploration projects for fossil fuel reserves.

New Alpha monitors the exposure of portfolios to coal, oil and gas companies through Morningstar/Sustainalytics, and Urgewald's Global Coal Exit List and Global Oil Exit List.

In order to ensure that our investments comply with our exclusion policy, compliance checks have been implemented at three stages:

- **Pre-investment:** during the due diligence phase, the exclusion policy of the fund of interest will be compared with our exclusion policy, and a look-through assessment will also be performed.
-
- **Quarterly:** all relevant portfolios are reviewed for compliance with the exclusion policy; a meeting is held within the investment team to analyze potential breaches.
- **Annually:** during the annual update of the ESG scorecards, the exclusion policies of the underlying funds will be analyzed to ensure compliance with New Alpha's exclusion policy, and check whether there have been changes or reinforcements.



ESG analysis

Pre-investment, all funds considered for investment must fill out a detailed ESG questionnaire. The answers are coupled with a detailed analysis of all ESG policies and reports, as well as a meeting with the portfolio managers, to inform an internal scorecard.

This internal rating system is carried out at two levels: on the management company and the investment strategy. In total, 20 broad criteria are used, both qualitative and quantitative, each covering multiple KPIs. Specific E, S, and G topics are covered, such as gender parity of management teams, the carbon footprint of the fund vs its peers, alignment with the Paris Agreement, whether the funds have obtained ESG labels, voting and engagement practices, participation in ESG coalitions and initiatives, etc.

Post-investment, the funds are invited to fill out a yearly ESG questionnaire, to report on their progress, and the ESG scorecards will be updated. This allows New Alpha to monitor the ESG progress of the underlying investments and highlight areas with potential for improvement. The detailed methodology is available upon request.

⁵ Our definition of unconventional oil and gas follows *Urgewald's* definition: Fracking, Tar Sands, Coalbed Methane, Extra Heavy Oil, Ultra-Deepwater, and Arctic Oil. The definition of Arctic Oil is based on the geographic definition provided by the Arctic Monitoring & Assessment Programme (AMAP) of the Arctic Council.



Engagement (voting and dialogue)

Throughout the investment process, New Alpha AM is engaged in dialogue with the asset managers. As a long-term partner, New Alpha AM assumes its responsibility for promoting and disseminating the best ESG practices expected by our institutional

clients. This approach is even more necessary when dealing with emerging managers.

New Alpha also aims to involve partners in our objective of transitioning towards responsible and sustainable investments. The dialogue is tailored to our clients' requirements and to the profile of external asset managers, considering factors such as their size, investment strategy, and long-term objectives. When certain ESG progress have been agreed and are not upheld, actions may be taken on an escalation basis - decisions up to divestment may be taken.

While our investment strategy as a fund of funds limits our direct engagement with individual companies as well as voting, we are committed to active engagement within the financial market ecosystem. Our approach emphasizes collaboration and dialogue with various stakeholders, including asset managers, industry associations, and other market participants. By engaging with these actors, we aim to advocate for sustainable practices, influence market standards, and encourage responsible investment behavior across the broader financial landscape. New Alpha works closely together with the working group of Emergence's ESG Commission. We are also members of the PRI hedge fund group, where different hedge fund managers discuss how to improve carbon emissions disclosure for alternative investment strategies; and we participate in the PRI francophone program, which brings together different investors and asset managers from the francophone countries to exchange ideas.

Reporting

In order to provide our clients with the greatest transparency on their investments, we are continuously working on improving the extra-financial indicators included in our reporting. Having relevant ESG data and being able to aggregate it efficiently across all asset classes is a major challenge, particularly for indirect management activities. This work relies on internal research and data from external sources (namely Sustainalytics/Morningstar and Bloomberg).

On a yearly basis, New Alpha will update the ESG scorecards for each of its underlying investments, and report this to investors, as well as carbon data and gender parity metrics of the asset management teams. New Alpha also complies with its regulatory reporting requirements, and prepares an Article 29 report, a PAI annual report, and the SFDR periodic reports for its article 8 funds.

A low-angle, upward-looking photograph of a sailboat's mast and sails. The white sails are taut and curved, set against a clear, deep blue sky. The perspective is from below, looking up at the complex rigging and the central mast where multiple sails meet. The lighting is bright, suggesting a sunny day.

Direct Investments

Direct Investments

Given the early-stage nature and the prevailing challenges faced by the entities we typically invest in, the integration of robust ESG practices might present inherent difficulties or limitations. As minority shareholders, we actively encourage and support our portfolio companies in embracing sustainable practices, while navigating the challenges of their developmental phases.

Exclusion policy

New Alpha's venture capital funds exclude from its investment universe: oil and gas (including coal), controversial weapons, tobacco, palm oil, pornography, and gambling.

Besides the exclusions above, New Alpha has also developed a vigilance list, of business areas it considers pertinent to its business lines:

- Consumer loans and installment payments
- Business loans, revenue-based financing, factoring
- Cryptocurrency
- Banking, payment, and investment services
- Artificial intelligence

Although these investments are not automatically excluded, they would require heightened analysis and attention if New Alpha decided to move forward in the investment process.

Pre-term sheet

In the first stage of the investment process, the teams will ensure that the targeted company complies with its investment thesis, exclusion policy and vigilance list. A key point of analysis will also be the identity and quality of the founders and current investors, whether they were involved in any controversies or sanctions, and understanding the regulatory requirements.

⁶ The assessment is done by *Ethifinance*.

Within the term sheet, some key ESG aspects will be included: pre-investment and annual ESG evaluation by a third party; the founder's commitment to make progress on the ESG practices of their firms; regular ESG review and reporting; and commitment to a 100-day action plan.

Post-term sheet

After the signature of the term sheet, the targeted company will be subject to an independent assessment of its current ESG practices by a third party⁶.

The assessment considers 60 different indicators, covering multiple E, S and G topics, such as:

- E** → carbon footprint, energy consumed, water and waste management
- S** → working conditions, health and safety measures, equal opportunities
- G** → governance bodies, business conduct

The resulting score positions the company with a benchmark of French tech firms with less than 300 employees. The result is shared with investors at least once a year. Investors are also contacted promptly if a particular event occurs.

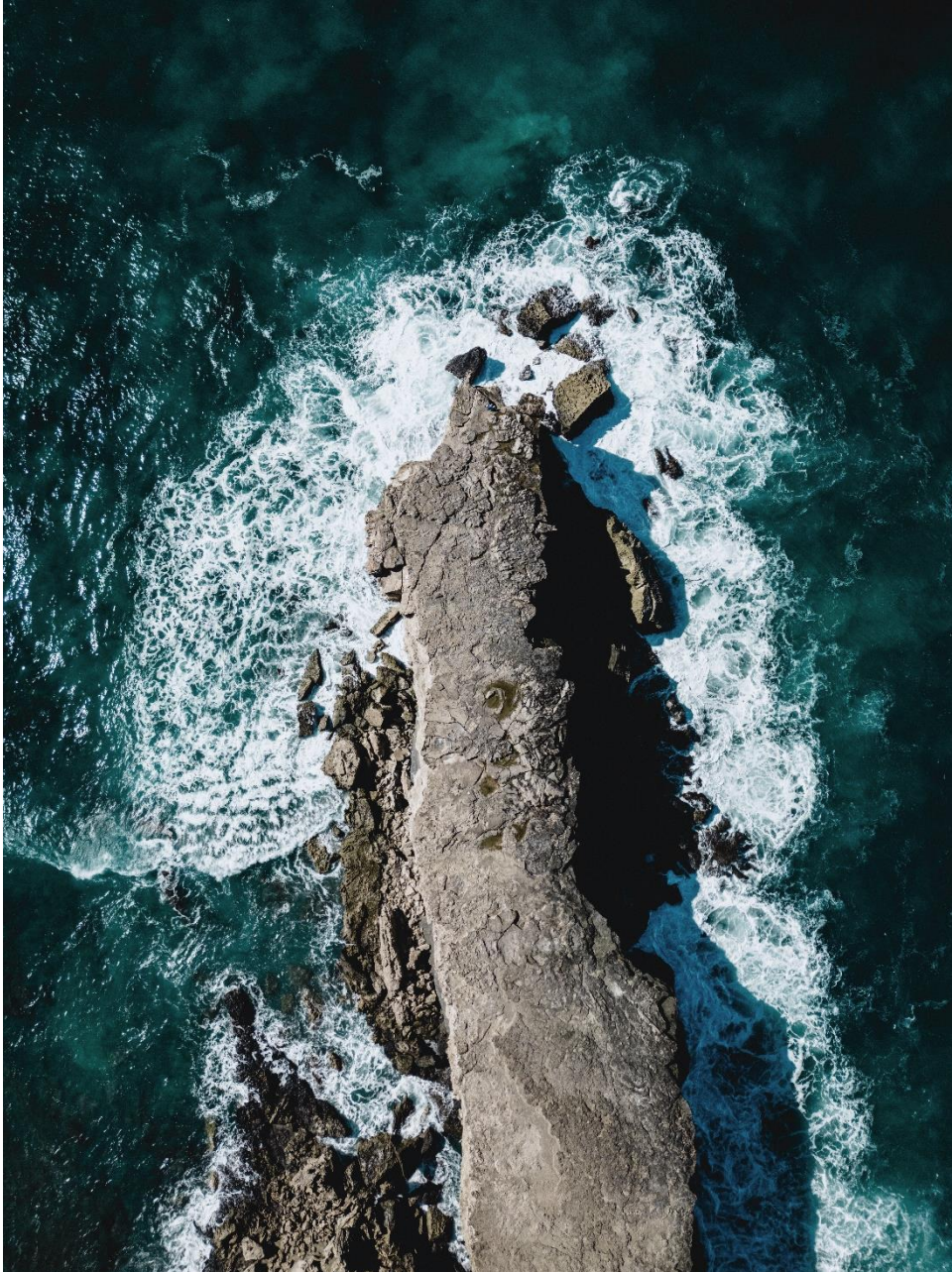
This assessment will also identify improvement areas, which will inform the ESG component of the 100-day Roadmap.

Holding period

During the holding period, New Alpha will monitor the following aspects:

Sustainability metrics: carbon footprint of the company, gender parity within the management teams, and number of stable jobs created.

Achievement of sustainability targets: designating a responsible for sustainability at management level, publishing a sustainability report, providing work-life balance, completing a GDPR audit, completing a cybersecurity test, and developing a digital sobriety policy.



New Alpha will report annually at company and portfolio level on the E, S and G scores, as well as on the yearly progress since investment.

Voting/Engagement

The New Alpha direct investment team is committed to raising awareness among the managers of companies in which the fund is a minority shareholder, to promote ESG best practices. The teams will collaborate with partners to structure the companies' ESG approach, facilitate the sharing of experiences between different portfolio companies, vote in favour of improving ESG practices, and in the event of a confirmed significant controversy commit to being proactive and transparent towards LPs.

New Alpha will exercise its voting rights on behalf of its funds at the Ordinary, Extraordinary and Combined General Meetings held by the portfolio companies. New Alpha will represent the interest of its investors through a formal vote, either in person or by proxy.

The fund's venture capital management team also participates in the supervisory bodies of most of the portfolio companies, following the provisions of the applicable shareholders' agreements. It plays an active and ongoing role in the governance of these companies, using its business and sector expertise to promote the interests of the Fund's investors and the corporate interest of the company in question.

Exit period

At the exit period, New Alpha can demonstrate the progress of the funds' companies in terms of ESG, based on the KPIs tracked during the investment period and the dialogues held with the management of the companies.

Topics under Progress



Topics under Progress

Biodiversity

New Alpha recognizes that biodiversity losses pose severe risks, together with climate change, and that finance has a role to play in redirecting financial flows towards companies actively reducing negative pressure on biodiversity, consuming natural resources responsibly, and companies contributing to regenerating ecosystems, habitats, and species.

As a firm and investor, New Alpha is committed to honoring the biodiversity goals established in the Convention on Biological Diversity, ratified on June 5, 1992, and more recently, those endorsed during the UN's Biodiversity Conference COP15 Conference, in December 2022.

New Alpha currently has 4 objectives:

- 1. Develop its knowledge and understanding of biodiversity concepts and methodologies**
 - Through internal trainings, and monitoring regulation, publications, and progress in the asset management sector
- 2. Engage with underlying asset managers to develop their biodiversity approaches**
 - As a long-term partner, New Alpha encourages and supports managers to develop their biodiversity approach and policy. Currently, for our listed equity mandates, we analyze whether asset managers have implemented a biodiversity policy, or biodiversity-related exclusion policies, and if they report on biodiversity portfolio metrics. New Alpha has added biodiversity as a category on its ESG questionnaires and included it in its ESG scorecard process.
- 3. Assess the materiality and biodiversity impact and dependencies of portfolios**
 - As standardized metrics and reporting frameworks for biodiversity are being developed, New Alpha monitors attentively the space and engages with portfolio managers on this topic.

Morningstar/Sustainalytics is also used to monitor the % of companies negatively affecting biodiversity-sensitive areas (PAI 7), the exposure to pesticides, palm oil, GMOs or leather, and whether portfolio companies have been involved in controversies related to biodiversity.

4. Collaborate with like-minded investors

- In early 2024, New Alpha joined PRI's *Spring Initiative*, which aims to generate positive outcomes for nature through stewardship, in order to work together with other members of the initiative in shaping a collaborative approach.

