



ESG REPORT

Quadrille Capital



Inaugural edition

Strictly private and confidential

20+ YEARS INVESTING IN TECH & HEALTHCARE

1.6 bn€
AUM

51
companies
backed since
2001

30
active direct
investments

16k+
jobs created⁽¹⁾

39
Quadrille talents

44%
are women

VC & GROWTH EQUITY SPECIALIST FOR 20+ YEARS

Established by Jérôme Chevalier and Henri de Perignon over twenty years ago, Quadrille Capital firmly believes in the power of non-financial criteria to drive value and align the interests of all stakeholders, including executives, employees, investors, and society at large.

This commitment is deeply ingrained in our DNA, as Quadrille invests into high-growth technology and healthcare companies, often young, with unproven business models. As such, performance can not be solely based on financial data: governance, people and value sharing among other non-financial criteria play a key role in building a successful company.

Quadrille Capital not only believes in responsible investment but also acts on that belief. Our commitment is informed by industry research, aligns with global sustainability goals, and is supported by transparent KPIs that underpin our dedication to social impact, equitable value distribution and corporate governance. By integrating ethical principles with empirical evidence, we strive to create lasting value, drive positive change and contribute to a better future for all.

THREE OBJECTIVES DEFINED AT FIRM LEVEL

- Reach Net Zero emissions
- Build an inclusive & fair work environment
- Develop talent inside and outside the firm

PUBLIC COMMITMENTS

Quadrille is involved with peers, professional associations and working groups to promote best ESG practices across the industry. For example, France Invest, which represents the French Private Equity players, and the *Initiative Climat International*.

Quadrille also signed the PRI Charter and as such accepted to publicly disclose the PRI rating on our ESG approach and progress.



We are a signatory of *Initiative Climat International*, committed to contributing to COP 21 objectives, measuring and mitigating greenhouse gas emissions at firm & portfolio level



We are a signatory of the Diversity & Inclusion France Invest Charter, committed to:

- 25% of women with responsibility for investment committee decisions by 2030, 30% by 2035
- 40% of women in investment teams by 2030

In 2023, we signed the **Charter on Value Sharing**, committing to improve employee access to capital



We are a signatory of the **PRI charter**, committed to including ESG factors in investment decision making and ownership

Our ESG commitments have been recognized by the PRI: Quadrille scores four or more stars across each of the three modules, indicating that its activities are above industry medians.



Policy, Governance and Strategy

Score: **83%**

PRI median: 3 stars



Private Equity - Direct

Score: **88%**

PRI median: 4 stars



Private Equity - Indirect

Score: **100%**

PRI median: 3 stars

PROMOTING AN INCLUSIVE AND FAIR WORK ENVIRONMENT

We lead by example: we don't ask anything from our investments or third parties that we don't apply to ourselves.

DIVERSITY AS A STRENGTH



75%
of hires in 2023 are women



41%
of Investment Committee members are women



23%
of Investment Team members are women



17%
of the partners are women

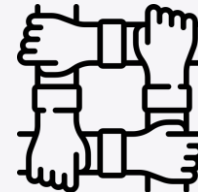
TALENT DEVELOPMENT AND RETENTION



100%
of employees have access to carried interest



75%
of the Investment Team members (excluding partners) are former Quadrille interns



34 yo **4 years**
Team average age Average tenure



CITÉ DE LA MUSIQUE
PHILHARMONIE
DE PARIS

FOCUS ON DEMOS

DEVELOPING TALENTS EXTERNALLY

- Quadrille partnered with the **City of Music - Philharmonie de Paris** to contribute to the **development of musical life and practice and the knowledge of music and its heritage.**
- The D emos initiative (Dispositif d' ducation Musicale et Orchestrale   vocation Sociale / Project for Musical and Orchestral Education with a Social Purpose) is an example of what we believe in: **education for all.**
- **D emos is a classical music awareness project** coordinated by the Philharmonie de Paris, designed in phases of three years and initiated in 2010. It initially involved 450 children aged 7 to 12 in Paris, then 800 children from 2012 to 2015. **Today, it involves more than 5,000 children across 50 orchestras.**
- D emos is **based on intensive and supervised learning of orchestral practice through collective teaching over three years. Each child is entrusted with a musical instrument and receives 4 hours of lessons per week**, outside of school hours, in the social structure they usually attend. These sessions, led by two professional musicians and a social worker, are conducted in groups of 15 children working on the same family of instruments, with personalized time for groups of 2 to 3 children. Children from the same area rehearse once a month as an orchestra. **Public presentations attended by families are regularly organized, including a large orchestral gathering each year.**
- The D emos project pursues several objectives:
 - **Overcoming social and cultural barriers** related to musical practice.
 - Offering an **educational system complementary to existing institutions.**
 - **Stimulating the personal development of young people.**
 - Creating an **innovative territorial dynamic.**
- <https://demos.philharmoniedeparis.fr/>



CARBON FOOTPRINT

FROM KNOWLEDGE...

Knowing one's carbon footprint is the first step towards carbon emissions reduction.

Quadrille conducts its carbon footprint assessment following the Greenhouse Gas Protocol (GHG Protocol), which provides an international framework for accounting and measuring greenhouse gas emissions.

In 2022, Quadrille's carbon footprint amounted to 124.9 tCO₂e, broken down as follows:

- **Scope 1: 0 tCO₂e**
(Direct emissions from Quadrille's asset manager activity)
- **Scope 2: 3.3 tCO₂e**
(Indirect emissions from purchased electricity)
- **Scope 3: 121.6 tCO₂e**
(All other indirect emissions from purchased goods and services, and travels)

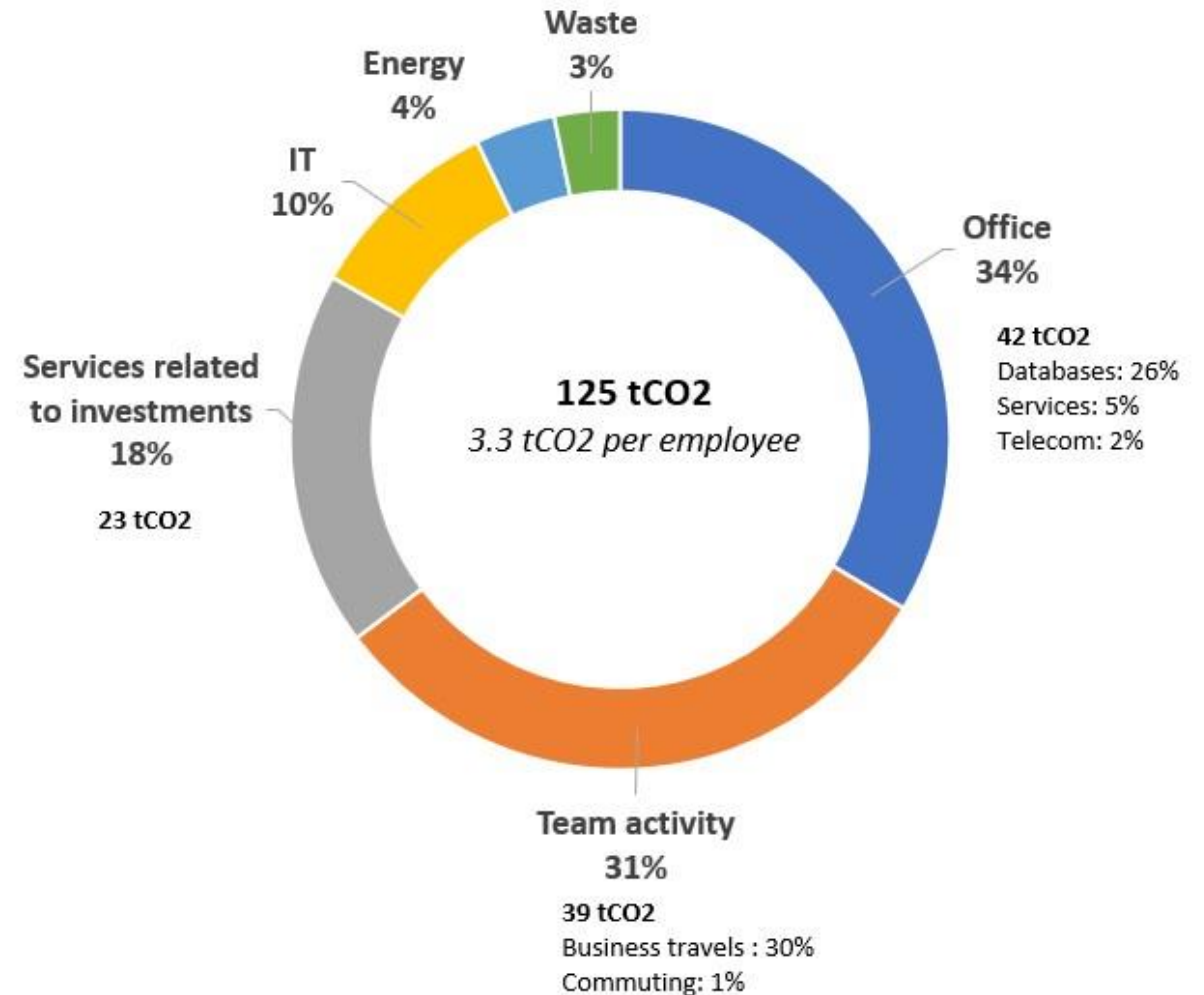
Almost half of Quadrille's carbon footprint is related to investments:

- 23 tCO₂e for legal and financial DD
- 37.8 tCO₂e for business trips (selection, monitoring, BoD, shareholders meetings)

32 tCO₂e are linked to the use of databases such as Refinitiv, Preqin or Pitchbook.

... TO ACTION

- Raising awareness at Quadrille and promotion of waste reduction & recycling
- The new 2023 carbon footprint assessment will include even more datapoints
- Extended lifespan for IT equipment & recycling with second-hand materials
- A net zero path expected for 2024



ESG IS EMBEDDED IN OUR INVESTMENT PROCESS

SOURCING



SCREEN FOR OUR CORE PRINCIPLES

EXCLUDE

- ✓ We follow a strict **sectorial exclusion policy for funds and companies**

SELECT

- ✓ We **due diligence ESG criteria immediately upon sourcing deals**
- ✓ We do not invest in firms that breach our **core ESG standards and policies**
- ✓ We look for **funds with best-in class ESG practices relevant to their field and promote those internally**

DUE DILIGENCE



ANALYZE IMPACT

ASSESS

- ✓ ESG **risk and opportunity** assessment:
 - Identification of material **United Nations Sustainable Development Goals ("SDG")**
 - **ESG questionnaire and analysis**

INVOLVE

- ✓ Investment decisions are reviewed during **investment committee**

HOLDING PERIOD



ENGAGE, SUPPORT & MONITOR

ENGAGE

- ✓ Engaging with portfolio companies to help them **define their ESG priorities & action plan**
- ✓ Working hand-in-hand with our managers to **share best practices**

SUPPORT

- ✓ **Encourage actions** that are aligned with our 4 firm initiatives
- ✓ **Promote discussions on ESG KPIs during Board Meetings & Advisory Boards of funds**

MONITOR

- ✓ **KPI selection and monitoring**
- ✓ Publication of **voting reports** in annual reports for our **Public Equity Fund**

EXIT



DIVESTMENT ANALYSIS

ENGAGE

- ✓ Integration of **ESG information in datarooms & advise on KPI selection**

SUPPORT

- ✓ Establishment of **ad-hoc ESG vendor due diligence** when necessary

MONITOR

- ✓ **Monitor market best practices** through our **four complementary strategies** to ensure **proactive enhancement of ESG processes and capabilities**

AT PORTFOLIO LEVEL – SUSTAINABLE DEVELOPMENT GOALS

Quadrille Capital invests in high-growth technology and healthcare companies, which, by nature, contribute to achieve a better and more sustainable future for all. Therefore, Quadrille's unlisted investments naturally contribute to several United Nations Sustainable Development Goals (SDGs).



We focus on 3 UN Social Development Goals



And we also contribute to several SDGs



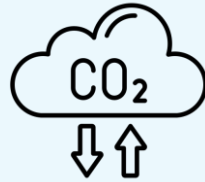
Selected portfolio examples from Quadrille Technologies III, Quadrille Technologies IV Companies, Quadrille Technologies V Companies. Companies can contribute to multiple SDGs

AT PORTFOLIO LEVEL - ENVIRONMENT



Environment KPI

We recognize the impact of carbon emissions on the environment and are committed to reducing our carbon footprint across our portfolio companies



Carbon Footprint
692.966 tCO2e⁽¹⁾
Scope 1, 2, 3



44%
have implemented environmental initiatives, including measures to reduce carbon footprint⁽²⁾



44%
assessed their carbon footprint



41%
have formalized an environmental policy

0%
of the companies are located near a biodiversity-sensitive area

19%
obtained an ESG label (Bcorp, EcoVadis)

22%
have a dedicated ESG officer

Data for portfolio companies in Quadrille Technologies III, Quadrille Technologies IV Companies and Quadrille Technologies V Companies as of December 31, 2022

(1) Based on 12 companies which assessed their carbon footprint

(2) Such as: Products lifecycle analysis & Circular production model, Monitoring and limitation of flight/car travel, Recycling of waste and materials.

AT PORTFOLIO LEVEL - SOCIAL



Social
KPI

We believe in promoting diversity and inclusion in all aspects of our business, including across our portfolio companies



Gender Equality

51% *of permanent FTE are women employees*

34% *are among top 10 salaries*

19% *pay gap between men and women*



Profit sharing

35% *of employees are shareholders*

9% *of employee ownership on average (excluding management)*



Well-being and training

74% *implemented a dedicated grievance / complaints handling mechanism*

70% *implemented an employee engagement survey or a social climate barometer since 2019*

59% *have a work accident prevention policy*

51% *of employees attended at least one training course over the period*

AT PORTFOLIO LEVEL - GOVERNANCE



Governance KPI

Ensuring ethical and compliance standards are upheld to foster a sustainable and trustworthy corporate culture across portfolio companies



Governance

30% *of executive committees are women*

15% *have at least one woman as a founder*



Board of Directors

19% *have at least one independent director on their BoD*

18% *have at least one woman on their BoD*



Corporate Social Responsibilities

100% *have an IT security and personal/sensitive data protection policy in place*

74% *have enforced an ethics, anti-corruption/bribery policy*

33% *have a supplier code of conduct*

AT PORTFOLIO LEVEL – CASE STUDY

prose



WORKING TOWARDS A CLEANER
& MORE INCLUSIVE BEAUTY INDUSTRY

MINIMIZE WASTE



A model inherently against over-production

- Custom, made-to-order nature of products
- Prose's waste rate is 10 times inferior to the beauty industry average (3% waste rate)



Clean packaging

- Moving to PCR¹
- Pump opt-out for returning customers: 1m pumps saved in 2022
- Reducing collateral: 5.8m sheets of paper saved in 2022

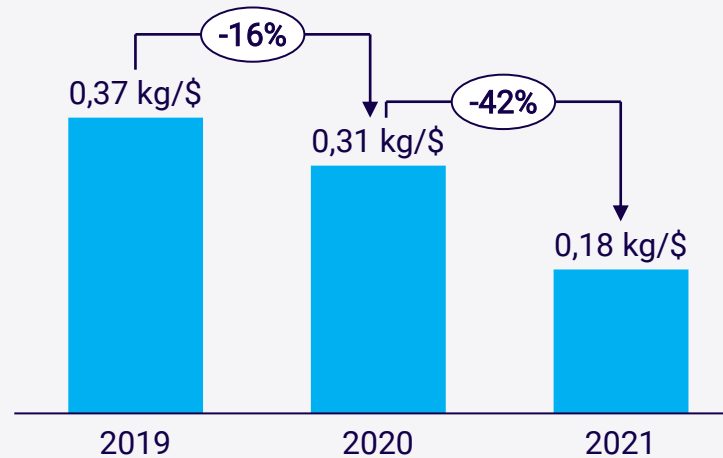


Repurposing Production Goods

- Leftovers materials from production process are repurposed

REDUCE CARBON EMISSIONS

Consistent efforts to reduce the carbon impact/ Net sales ratio



Main levers to reduce the ratio :

Supply relocation

Outbound logistics

Tracking tools

Carbon neutral since 2017

PROMOTE DIVERSITY AND INCLUSION

Prose is committed to address the beauty industry's traditionally under-represented groups



Internal efforts

- Diversity and Inclusion Council
- Internal audit on ethnicity and gender to track and eventually correct disparities



External efforts

- Inclusive events, donations and marketing campaigns
- Diversity is core to Prose's model, promoting custom care products to address each individual specific needs

PRINCIPLE ADVERSE IMPACT INDICATORS

The 14 Principal Adverse Impact indicators (PAI) were introduced by the EU Sustainable Finance Disclosures Regulation (SFDR).

Quadrille developed a proven tailor-made analysis to assess the sustainability adverse impacts of investment decisions on environmental and social sustainability factors. Several PAIs were already part of Quadrille's methodology. Therefore, Quadrille voluntarily discloses the following :

PRINCIPAL ADVERSE IMPACT INDICATORS (PAI)		Quadrille Technologies III	Quadrille Technologies IV Companies
PAI 1	GHG emission (tCO2e)	9,240	9,351
PAI 2	Carbon footprint (tCO2e)	152	48
PAI 3	GHG intensity of companies (tCO2e)	209	59
PAI 4	Exposure to companies active in the fossil fuel sector	0%	0%
PAI 5	Share of non-renewable energy consumption	100%	78%
PAI 6	Energy consumption intensity per high impact climate sector	0%	0%
PAI 7	Activities negatively affecting biodiversity-sensitive areas	0%	0%
PAI 8	Emissions to water (t/M€)	0	0
PAI 9	Hazardous waste ratio (t/M€)	0	0
PAI 10	Violations of UN Global Compact principles and OECD guidelines for mutinational enterprises	0%	0%
PAI 11	Compliance mechanism with UN Global Compact principles and OECD guidelines for mutinational enterprises	27%	18%
PAI 12	Unadjusted gender pay gap	17%	16%
PAI 13	Board gender diversity	20%	19%
PAI 14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical/biological weapons)	0%	0%
PAI 15	Companies without carbon emission reduction initiatives	73%	65%
PAI 16	Whistleblowing process	18%	35%

As of December 31, 2022

PAI 1, 2, 3: calculated on companies which carried a carbon footprint



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