

Shareholder Engagement Policy

In accordance with Article I of L. 533-22 of the Monetary and Financial Code, and the European Commission Delegated Regulation (EU) No. 231-2013 of December 19, 2012, the Management Company has written a "Shareholder Engagement Policy" as detailed in Article R533-16.

This policy aims to specify:

- How strategy, financial and non-financial performances, risks, capital structure, social and environmental impact, and corporate governance are monitored at Elaia Partners
- Dialogue with the portfolio companies;
- Exercise of voting rights and other rights attached to shares;
- Cooperation with other shareholders;
- Communication with relevant stakeholders;
- Prevention and management of actual or potential conflicts of interest

Monitoring of strategy, financial and non-financial performances, risks, capital structure, social and environmental impact, and corporate governance

Elaia Partners invests from pre-seed to Series B in B2B start-ups with high technological potential in the digital, deep-tech, and life sciences sectors.

Elaia Partners does not seek to be a majority shareholder in the target companies but seeks, as far as possible, a place in the governance bodies in order to be able to be involved in the monitoring of the companies.

Elaia Partners' investment teams are in continuous contact with the companies and the ecosystem in which they operate. Regular meetings are organized between Elaia Partners' members and the management of the companies.

These regular exchanges and the resulting exchange of information allow Elaia Partners to monitor the companies' strategy and financial performance.

Quarterly, Elaia Partners' team member organize valuation committees where all managed companies are reviewed and where their developments, strategies, but also the potential risks they may be exposed to are discussed.

Regarding changes in the companies' capital structure, Elaia Partners is attentive to developments in management and capitalization tables. On this occasion, updates of the LCB-FT due diligence are carried out, and client files are updated.

Elaia Partners believes that investment decisions based solely on financial performance criteria are not viable in the long term.

In this regard, the investments and decisions made by Elaia Partners throughout the relationship with our holdings take into account ESG criteria.

The company carries out ESG audits prior to investment. This initial analysis makes it possible to establish objectives with management and to discuss the means to be deployed and the actions to be taken to achieve them. Regular exchanges with management follow and make it possible to monitor and support progress over time.

Dialogue with portfolio companies

Elaia Partners maintains continuous dialogue with its entrepreneurs, notably through meetings, seminars, participation in market events and trade shows, as well as participation in committees. In accordance with our values, we are very respectful of entrepreneurs in all our interactions with them; it is a matter of values but it is also the only sustainable way to establish and maintain a solid reputation in our ecosystem.

This dialogue is open and addresses financial and extra-financial criteria as described in the section above.

Exercise of voting rights

Elaia Partners exercises voting rights on securities not traded on a European or foreign regulated market held in the portfolios of vehicles it manages under the following conditions:

- Voting rights are exercised for the exclusive benefit of the funds unitholders,
- The management company exercises voting rights for all companies in portfolio,
- The management company examines each of the resolutions submitted to meetings and in particular:
 - Decisions involving a modification of the articles of association,
 - Approval of the accounts and allocation of profits,
 - Appointment and revocation of corporate officers,
 - Conventions, particularly regulated ones,
 - Projects for the issue and redemption of securities,
 - Appointment of the Statutory Auditors.

Elaia Partners may vote against if the resolution is contrary to the interests of the funds and their unit holders (issuance of reserves or non-approval of accounts by the Statutory Auditors, allocation of profits contrary to the financial situation of the company, etc.).

The authorized persons to exercise voting rights are Elaia Partners' managers or members of the management team who hold a power of attorney conferred by the managers.

Physical participation in meetings is generally the mode of exercise of voting rights but the management company may, in case of impediment, decide to vote by correspondence or give a power of attorney to a designated representative.

Dialogue with other shareholders

Elaia Partners generally invests alongside co-investors with whom a dialogue is also engaged. This dialogue and relationship are established during negotiations prior to the investment and the contracting of various legal documents (in particular, shareholders' agreements).

As part of the various committees and decision-making bodies, Elaia Partners is also required to exchange with other shareholders.

Dialogue with other shareholders can also be initiated on market events and trade shows.

Communication with relevant shareholders

As an actor committed to the Venture Capital and Tech ecosystem, Elaia Partners is committed to various professional associations promoting responsible investment.

As a management company, Elaia Partners is:

- A signatory of the UN PRI since 2020 as part of our commitment to responsible investment.

- An active member of Invest Europe and a member of the Diversity Taskforce and the VC Council.
- A signatory to the Diversity Charter and an active member of the Sustainable Development Taskforce of France Invest.
- Involved in numerous social and environmental initiatives such as SISTA, Climate Act
- Certified by Diversity VC, making us the 3rd venture capital fund in France to receive this certification.

Elaia Partners is also at the forefront of organizing events bringing together entrepreneurs and industry professionals. These initiatives help to create stronger communication with the various actors in the market.

Policy for managing conflicts of interest

Elaia Partners acts exclusively in the interest of its managed funds (and delegations) and their unit holders. In this sense, the Management Company has put in place a procedure for managing conflicts of interest, and Elaia Partners' staff adheres to France Invest's code of ethics and its specific provisions concerning conflicts of interest in addition to its own Code of Ethics.

The funds managed by Elaia Partners work with an advisory committee whose operation and modalities are described in the by-laws of each fund.

If the management company is informed of a potential or existing conflict of interest in any of its operations related to the management of the Fund, it makes its best efforts to manage this conflict of interest according to a principle of independence and market price prior to the realization of this operation and by acting in a loyal, honest, and professional manner.

If a potential (and unproven) conflict of interest is identified, it must be recorded in the conflicts of interest register. This register describes the potential conflict of interest and the measures taken to avoid it.