

2020

# ESG & Impact Report



DE▲ETER

Supporting the champions of  
ecological growth

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# DEMETER, A COMPANY COMMITTED TO AND FOCUSED ON THE ECOLOGICAL TRANSITION

## 1 The ecological transition is at the heart of our investment strategy



Since 2005, Demeter has put the environment at the heart of its investment strategy, with the fundamental commitment of **“combining financial performance with environmental commitment.”**

With more than €1 billion in assets under management, Demeter is a **pioneer and leader** for investments in the ecological transition sectors.

## 2 Demeter is committed to developing ESG initiatives with all its stakeholders



Our ESG policy is a mark of our **firm commitment to develop responsible investment approaches** for all our stakeholders. ESG is integrated into our investment processes, we have a dedicated ESG team and ESG Ambassadors and we help the managers of our investments develop responsible approaches. **Demeter was awarded the “Best ESG investment firm of the year 2019”** by Private Equity Wire in London.

## 3 We actively participate in the development of ESG throughout our entire ecosystem



Demeter is very actively involved in **promoting ESG within its profession**. It is a founding Member and the president of France Invest’s Climate Commission, and a signatory and co-leader of the International Climate Initiative, which aims to channel private equity into responsible investing. Demeter is also a signatory of the PRI, and in 2019 committed actively to the development of **gender parity and the conservation of biodiversity**.

## 4 We contribute to the UN’s Sustainable Development Goals



**As an investor, Demeter contributes to the UN’s Sustainable Development Goals** by investing in companies that are committed to the environment and to society. Some 95% of our portfolio companies contribute to the Sustainable Development Goals, of which 87% to SDG 13, which seeks to encourage measures to combat climate change and its repercussions.

## 5 We assess the overall impact of our portfolios



We believe that impact assessment is key to developing ESG within management companies. Based on our capacities as a pioneer and leader, we assess the overall impact of our portfolios and advocate on behalf of new impact assessment methods. For Paris Green Fund, we have partnered with Consulting firm Carbone 4 to establish **an innovative and in-depth territorial and environmental impact assessment**. **Three of our funds have also received the Greenfin label.**

# 2019 DEMETER KEY FIGURES

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€1 B

under management focused on the ecological transition

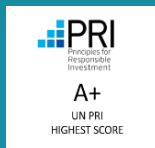
€79 M

invested in 22 new companies

€17 M

re-invested in 19 portfolio companies

## 4 ESG awards



4.3 M

tonnes of CO2 emissions avoided the equivalent of the annual emissions of **2,2 million** cars (1)

575 GWh

of renewable energy generated the equivalent of the electricity consumption of **122,000** French households (2)

(1) Source E-rse.net : a car emits 2 tonnes of CO2 a year

(2) Source <https://prix-elec.com/energie/comprendre/statistiques-consommation-France> a French household has average annual electricity consumption of 4,710 kWh

A close-up photograph of a green plant branch with several long, narrow, lanceolate leaves. The leaves are vibrant green and have a prominent central vein. The branch is a reddish-brown color and curves across the frame. The background is a soft, out-of-focus green.

1]

**Our business purpose:  
Supporting the  
champions of  
ecological growth**

# TESTIMONIAL

« To have a massive impact on climate change, investors in unlisted companies need to federate and launch joint initiatives such as Climate Action 100+ »



**Isabelle Combarel**

*Deputy Managing Director  
in charge of Development and ESG  
at SWEN Capital Partners*



**How are LPs' expectations in terms of sustainable investment evolving? Are we seeing emerging concerns in terms of funds targeting, impact measurement, alignment of interests?**

**LPs' expectations in terms of sustainable investment are clearly on the rise:** we no longer receive a single tender that does not take ESG criteria into consideration. ESG is no longer a differentiating factor but a prerequisite. We are also seeing a **sophistication in the demands of institutional investors in terms of ESG**. Every year, we receive more and more precise requests for additional indicators. We clearly feel that ESG has become a real concern for our investors, even those who were more sceptical just two years ago, are now convinced that sustainable development is essential for the lasting performance of their investments.

Institutional investors have started to think about funds targeting. The most advanced are seeking to put in place strategic tools to illustrate their positioning, their "raison d'être", in the service of the common good. **The Covid crisis is clearly accelerating this trend.** We have already received several requests to create funds that directly address extra-financial issues raised by Covid 19 or to finance the transition of sectors of the future.

Impact measures are essential to promote responsible investment. We are moving from a logic of intention, of a responsible investor approach, to **a need for our investors to demonstrate that they are making a positive contribution to societal issues.** SWEN is very active on this subject, thanks to its positioning for almost ten years as a Responsible Investor on the unlisted market. In particular, we co-pilot a working group on impact measurement within the RIF (Responsible Investment Forum), which attracts a large number of institutional investors, management companies and major groups (automotive and energy sectors). **We will only succeed in getting the lines moving by bringing investors together.**

As impact performance becomes more and more essential to demonstrate, we are convinced that in the long run the alignment of interests will also require the implementation of an impact hurdle. The conditionality of carried interest on impact performance is one of the best practices in this area. Today, some historical impact stakeholders put 100% of their carried interest at risk, while some new management companies put part of it at risk. The practice is not yet widespread, but we encourage it.

# TESTIMONIAL

## SWEN Capital Partners played a major role in bringing the LPs together around a structured ESG approach for greater efficiency, with a common ESG questionnaire. Could you tell us more about this approach, which Demeter joined in 2019?

We undertook this initiative with IdInvest, Bpifrance and Caisse des Dépôts as part of a France Invest working group. **ESG reporting should be a convenience. Efforts must be focused on actions** to improve the situation. There is also a need to focus on impact, which has a higher degree of sophistication, and here too, processes need to be moved. We have harmonized the ESG questionnaires for Private Equity and are planning to do the same for Infrastructure, which is a subject that is close to our hearts and we are looking for partners.

## How can LPs and GPs contribute more to sustainable development issues?

By strengthening their interactions, particularly within working groups and market initiatives that help move the lines together! In particular the International Climate Initiative brings together many actors in different working groups, particularly on the materiality of climate issues. We should be more present in the unlisted sector, and we should draw inspiration from initiatives such as Climate Action 100+, which brings together LPs on listed markets. We can no longer address these issues alone; they are too complex and so sophisticated. The objective is to **federate LPs on the listed markets' model**, because they are today the most advanced. And paradoxically, **it is the unlisted that could have the greatest impact.**

## We see many companies committed to a more sustainable, environmentally friendly and inclusive recovery. Could the current Covid 19 crisis put the environment at the heart of economic recovery? What is the role for LPs and GPs?

Faced with the massive impact of the crisis in the very short term, society managed to transform itself overnight. The impact of climate change is on it in the medium term. We must maintain this capacity to transform ourselves at the corporate level but also at the individual level. **We must bring the same power and speed of transformation.** Investors are aware of this and are providing financial support to the right sectors. Others have broadened their role and responsibility in relation to civil society. At SWEN, we are always thinking about changing our investment strategies so that we are never just an asset manager but a "market agitator" with an asserted and assumed societal role, particularly around our 4 ESG markers: environmental protection, diversity, value sharing and connecting territories.



# OUR BUSINESS PURPOSE: SUPPORTING THE CHAMPIONS OF THE ECOLOGICAL TRANSITION

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2019 was marked by bushfires of unprecedented magnitude that devastated Australia, permanently impacting wildlife and causing dangerous air pollution through the emission of 306 million tonnes of CO<sub>2</sub>, according to NASA. Another signal event of the year was the massive deforestation of the Amazon basin. These alerts **show the urgency of taking action now** to preserve nature and biodiversity and combat global warming.

The **beginning of 2020** has been marked by an unprecedented health and economic crisis that is hitting our societies hard. The stimulus plans that will follow offer a **unique opportunity to accelerate investments in the ecological transition** in order to achieve carbon neutrality.

**As a pioneer and leader in investment in the ecological transition**, we are more convinced than ever that it is essential to invest over the long term in the key sectors of the environment, energy, agriculture and health. In 2019, Demeter was particularly active, successfully investing in **22 new companies and completing 19 re-investments**. This remarkable performance reflects our know-how, the dynamism of our markets and the talent of our entrepreneurs.

Having opened an office in Lyon in 2019, we are continuing to develop with a **strong emphasis on territorial grounding**. In 2020, we have launched **2 new thematic funds**: the Green European Tech Fund, dedicated to technology scale-ups for a sustainable future and the Climate Infrastructure Fund, which will invest in territorial infrastructures serving the energy transition. The range of our investing activity is expanding in step with the growing maturity of sectors that contribute to the ecological transition.

With **more than €1 billion in assets under management**, Demeter has strengthened its business model, which combines financial performance and a commitment to demanding ESG standards. Our portfolio companies' 2019 ESG performance indicators bear witness to this. Their combined activities made it possible **to avoid 4,3 million tonnes of CO<sub>2</sub> emissions and to generate 575 GWh of renewable electricity**.

In 2019, we increased our requirements in all aspects of the ESG approach by appointing ESG Ambassadors for each activity, strengthening our commitments in favour of **gender parity and taking action on biodiversity and impact assessment**, in particular developing a highly detailed territorial impact methodology with Carbone 4. We received **4 awards** in recognition of our pioneering and leading role in ESG.

With an expanded team, growing assets under management and new funds, we are determined to accelerate our ESG commitment in 2020, reconciling the ecological and solidarity-based transition with growth and value creation.



Stéphane Villecroze



Sophie Paturel



Lionel Cormier



Eric Marty







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Demeter, a company  
committed to and  
focused on the  
ecological transition

# PIONEER AND LEADER IN INVESTMENT FOR THE ECOLOGICAL TRANSITION

## 3 ACTIVITIES

### INNOVATION

### GROWTH

### INFRASTRUCTURES

Demeter invests in companies in the ecological transition sectors at all stages of their development: innovative start-ups, rapidly growing SMEs and mid-caps and infrastructure projects.

€1  
billion

under  
management

170

investments

37

people

100%

independent

No. 1

**Bloomberg**  
NEW ENERGY FINANCE

The most active investor in the ecological transition in terms of its responsible investing practices since 2014

## A strong presence in Europe and strategic international partnerships



Demeter has offices in Paris, Lyon, Grenoble, Metz, Madrid and Münster and 2 partnerships in Canada (Cycle Capital) and Germany (Munich Venture Partners).

**privateequitywire**  
"Best ESG investment firm  
of the year 2019"

**PRI**  
A+  
(highest  
possible rating)

**WORLD ALLIANCE**  
for EFFICIENT  
SOLUTIONS

**SHIFT**  
PROJECT

**iC20**

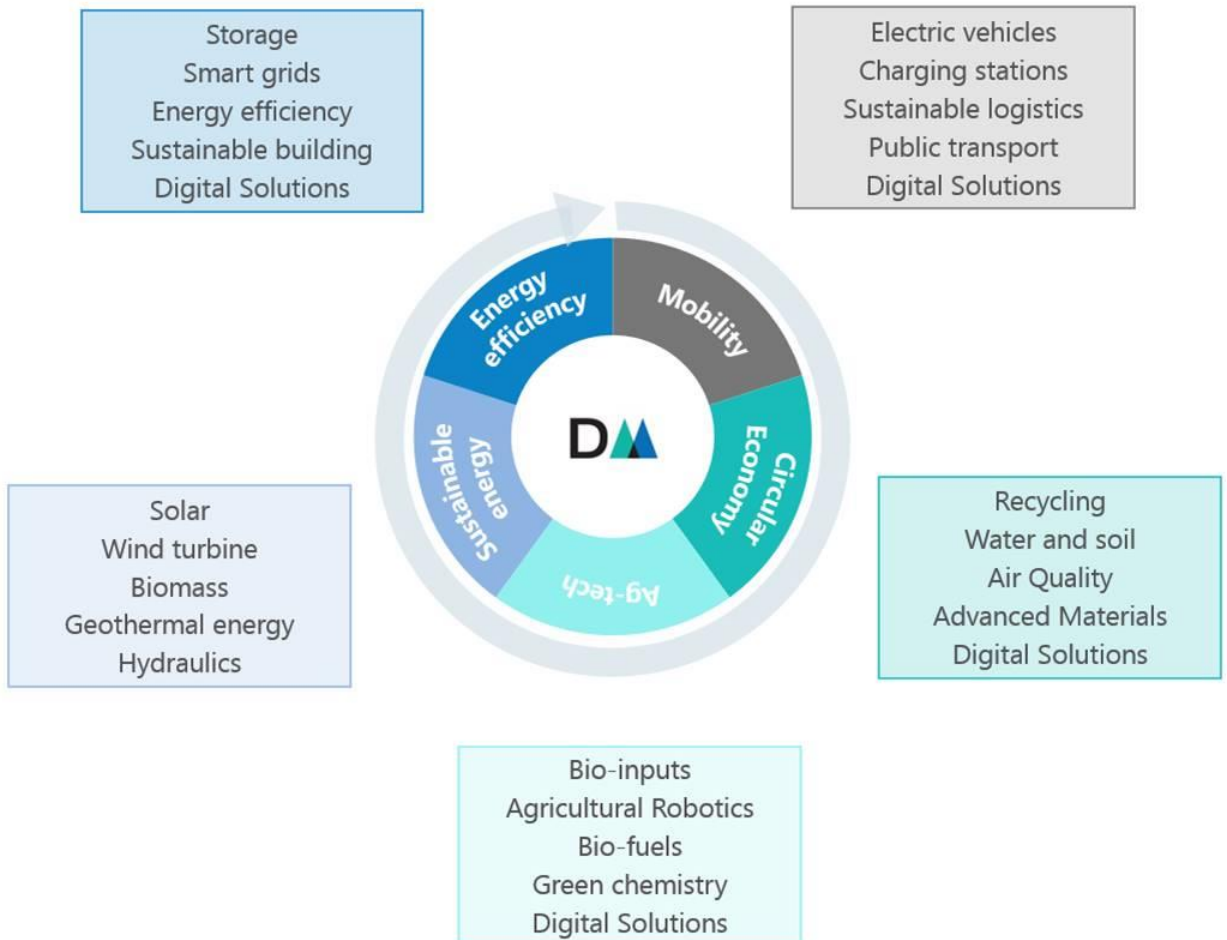
**CDP**  
DRIVING SUSTAINABLE ECONOMIES

**DEAMETER**

SUPPORTING THE CHAMPIONS OF ECOLOGICAL GROWTH

# DEMETER INVESTS IN THE ECOLOGICAL TRANSITION SECTORS

Demeter supports innovative start-ups, fast-growing SMEs and mid-caps and infrastructure projects in the **ecological transition sectors**:



# OUR INVESTISSEMENTS IN 2019

## € 79 M invested in 22 new companies

### INNOVATION



Comprehensive automated sharing solution including software and hardware



Self-service, dockless urban micro-mobility service (bicycles and scooters)



Biodegradable microcapsules that enhance the performance, sustainability and accessibility of bio-inputs



Calorie counter app that calculates dishes' nutritional value from a photo

### LES NOUVEAUX AFFINEURS

Production of vegan cheeses from fermented and refined plant-based products



HuddleCorp

Controlled nutrient release technology for animal feed



Robotic solutions for poultry farms

### GROWTH



Environmental engineering service for building construction and renovation



Optimised removal and recovery of construction site waste



Beyond Charging

Quick charging solutions for electric vehicles



Software solutions for optimising vehicle fleets

### INFRASTRUCTURES



Design and production of natural gas distribution stations for vehicles



Self-service electric scooter rental service



VANILLA SOLAR

Roofing adaptation for solar energy production



LAVANDA SOLAR

Roofing adaptation for solar energy production



Network of charging stations for electric vehicles in Saint-Etienne

Advanced Battery Storage

Tokai 2

Stationary storage of electricity using electric vehicle batteries

\* Extrait de notre portefeuille pour illustration

DEAMETER

SUPPORTING THE CHAMPIONS OF ECOLOGICAL GROWTH

# LAUNCH OF 2 NEW FUNDS IN 2020

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## CLIMATE INFRA FUND (CIF)

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€300 million fund  
dedicated to energy transition  
infrastructures and SPVs

Investments of  
€5 million to €30 million



## GREEN EUROPEAN TECH FUND (GET)

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€250 to €400 million fund  
dedicated to technology scale-ups  
for a sustainable future

Investments of  
€5 million to €25 million





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Our Environmental,  
Social and  
Governance  
policy

# OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY

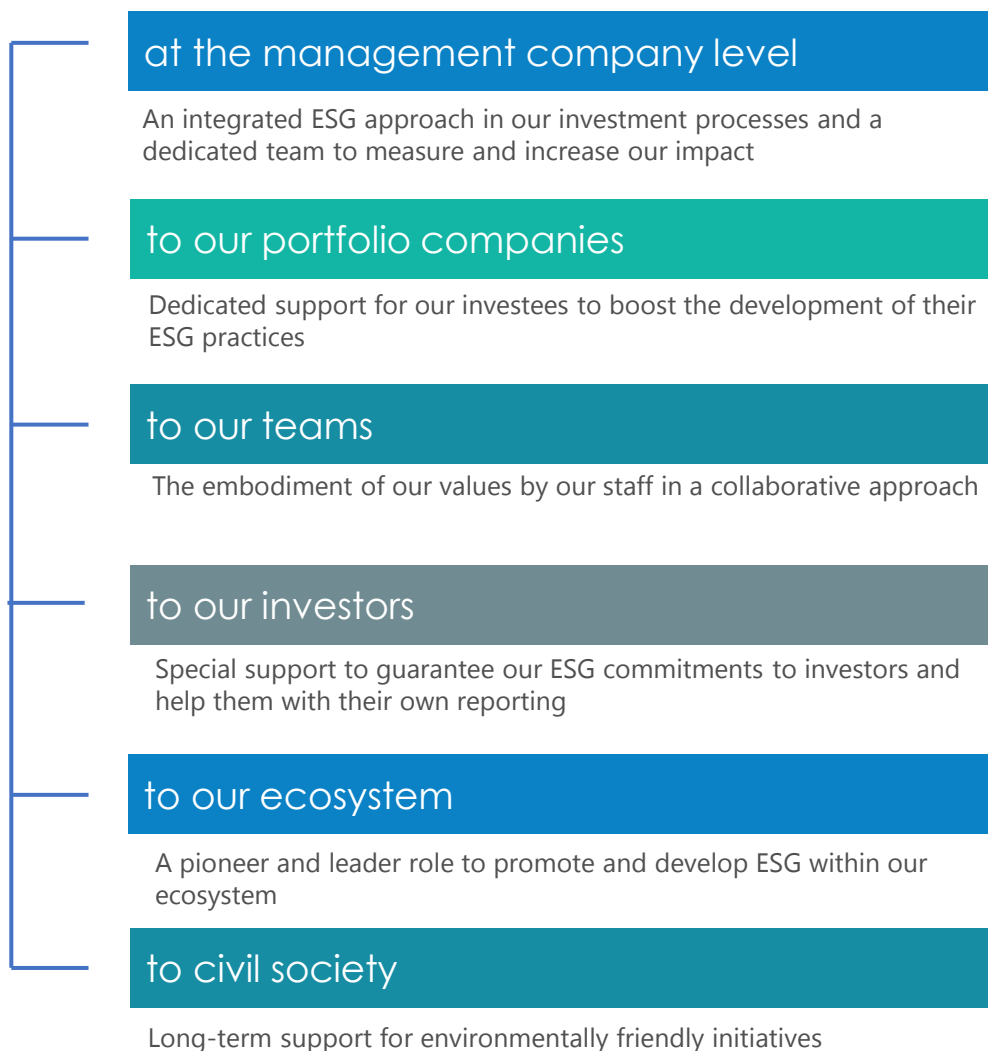
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## Demeter, actively involved in ESG since its inception

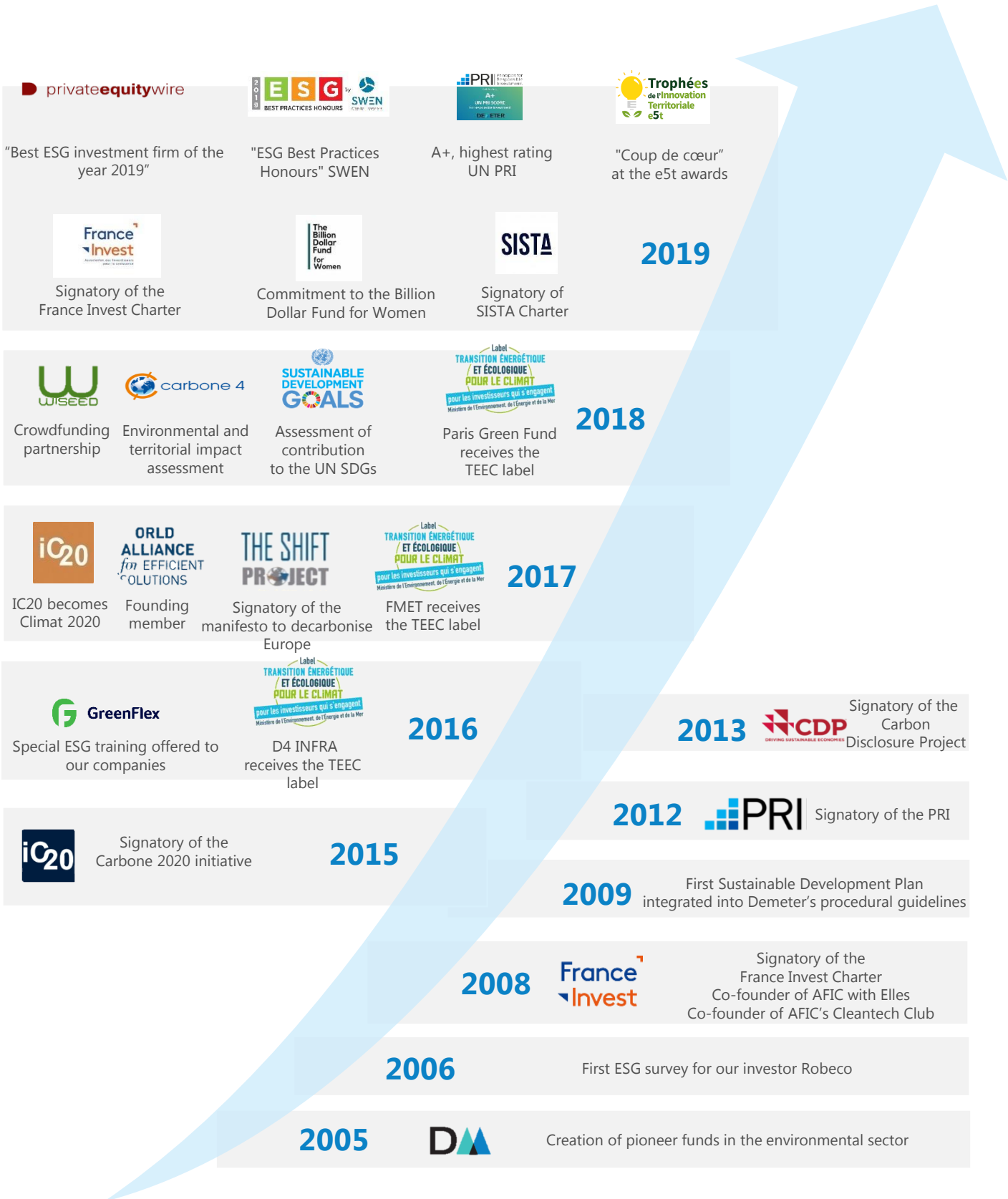
Demeter has been actively involved in the development of ESG practices since its inception in 2005. This commitment is an integral part of our DNA and is consistent with our business purpose of **supporting the champions of ecological growth**.

It is essential for Demeter to play an active role with all of our stakeholders. In addition to helping the entrepreneurs of our portfolio companies develop their responsible business practices and promoting ESG best practices within our own ecosystem, **we believe it is essential to set a good example by making a commitment on these matters with our investors and employees**.

## Our commitments to our stakeholders



# A STRONG COMMITMENT SINCE 2005





# OUR COMMITMENTS FOR 2019: GENDER PARITY



« Having a mix of people with different profiles, approaches and views within its members makes an investment team all the more performing. »



**Dominique Gaillard**  
*President, France Invest*

Interviewed by

**Sophie Paturle**

*Managing Partner Demeter*



France Invest is a pioneering organisation that plays a major role in galvanising and uniting the actions of its members and the companies they support, encouraging them to embrace ESG considerations ranging from the environment and climate change to the integration of women at all levels of the corporate hierarchy.

**Sophie Paturle.** In 2020, France Invest is releasing its ninth study on the representation of women in the private equity profession, produced in partnership with Deloitte. A perfect illustration of the great idea of “counting for those who count”, and proof that France Invest’s work in favour of diversity is no new thing. Why did you start “counting” ten years ago and what has it taught you?

**Dominique Gaillard.** France Invest was convinced as long as ten years ago that having a mix of people with different profiles, approaches and views within its members makes an investment team all the more performing, and particularly that both women and men can contribute to joint reflection through their specific insights into situations. But we knew that at that time the private equity business had a long way to go to reach gender parity. However, to rephrase an old saying, anything that is not measured cannot be corrected! So in 2009 the France Invest Club, together with “Elles” and assisted by Deloitte, decided to establish an annual barometer to measure the place of women in our ecosystem.



# OUR COMMITMENTS FOR 2019: GENDER PARITY

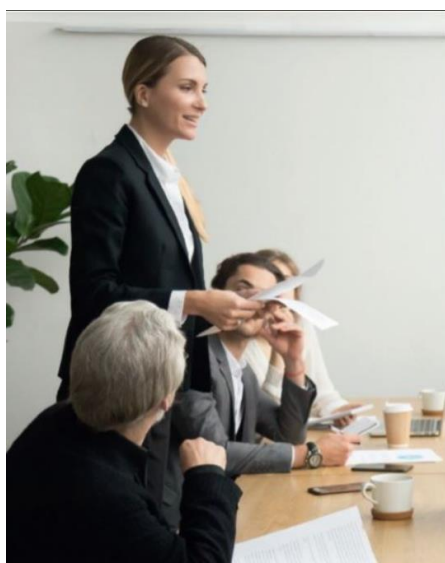


**SP. In 2020, you decided to take action. You asked management companies to take action to increase the number of women in their teams and shareholdings by launching the Gender Equality Charter. What lay behind this strong commitment – one that you have backed personally?**

**DG.** When we realised that after ten years the gender ratios had changed very little and seemed to be peaking (24% women in investment teams in 2019 compared with 17% in 2009 and, most notably, fewer than 10% women in management positions even today), we decided it was time to move up a gear if we were to see parity this side of 2045! So we resolved to draw up a charter with firm commitments – the most important being based on figures. Before that, however, we interviewed around 40 GPs and LPs to take stock of the situation and draw up objectives that required significant commitment while remaining achievable percentage and timing-wise – assuming that signatories had a genuine desire to progress and to prioritise gender parity.

**SP. Along with 80% of France Invest's members, Demeter agreed to sign this charter. What is the challenge you are asking them to take on?**

**DG.** We are delighted that out of a total of 326 France Invest members, 260 (including Demeter) have signed this charter. This is an excellent result achieved on the back of the hard work of the Charter working group, a team of 6 or 7 people who over the space of four weeks lobbied our members one by one. I would like to take this opportunity to thank them for the gargantuan task that they achieved! The Charter's two quantified commitments are first to have 25% women in senior positions and a total of 40% women in front office investment teams by 2030, and second to have 30% women in our portfolio companies' executive committees by 2030. Unfortunately, we are a long way off both targets as things stand. So all our signatories will have to be proactive in their recruitment policies but also in terms of the resources they put in place to encourage the retention and promotion of women. France Invest has decided to provide our members, between now and the summer, with a comprehensive tool kit focused on these three points to help them with the task and enable them to curb a still very strong, unconscious appreciation bias.



**SP. 2020 is a year in which we are witnessing a major health and economic crisis. Given their economic clout, financial investors have a key role to play in joining others to rebuild a better world. Is there a risk that gender diversity will be sidelined, or can this unprecedented situation be considered as an opportunity for change in our society?**

**DG.** Of course it is a risk and, to be frank, I was very happy - and lucky - to have finished collecting the signatures by the end of February; had it been a fortnight later, we would have had less success! But I do believe that the current crisis will force us to rethink many of our ways of seeing, doing and organising things. I dare to hope that in tomorrow's world ESG issues (on which French private equity has been engaged for a very long time) will be even more critical than they were in yesterday's. And within ESG, increasing parity is one of the key areas on which society will expect us to make great strides. You can count on me to put this subject back at the top of the agenda as soon as things are back up and running. Rest assured we will keep up the fight!

# OUR COMMITMENTS FOR 2019: GENDER PARITY



## Demeter, key figures

38%

women at Demeter

24%

women in Demeter's investment teams

€8.6 M

invested in 2019 in companies founded or co-founded by women



**Elodie Bondi**  
*Founder and CEO*



Monitoring of energy consumption of industrial sites



**Marie-Hélène Gramatikoff**  
*Co-founder, Chairwoman and CEO*



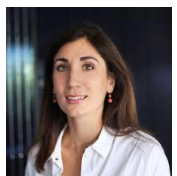
Thermoplastic granules made from milk proteins



**Nadine Pesonen**  
*Founder, Chairwoman and CEO*



Connected solutions for monitoring grain temperature and managing grain silo and flat storage quality



**Ondine Suavet**  
*Co-founder and CEO*



Smart, integrated solar self-consumption systems that maximise solar energy production and consumption



**Yanne Courcoux**  
*Co-founder, Chairwoman and CEO*



Robotic solutions for poultry farms

\* Extract of our portfolio for illustration

# OUR COMMITMENTS FOR 2019: GENDER PARITY



97% of financing granted by French investment funds has been to companies founded by men, whereas investments in companies founded by women have returned 2.5x more (1). By supporting the SISTA collective, Demeter undertakes to **combat inequalities in access to financing** through the following measures:

- Measurement and monitoring of the number of successful investment applications from women who are founders or co-founders of companies, as well as of the conditions in which applications are received;
- Measurement and monitoring of the number of financings of start-ups founded or co-founded by women, as well as the amounts invested and the share of capital held by the founders or co-founders;
- Increase in the number of women partners and women in investment teams;
- Publication of job offers made on a non-gender-specific and unstereotyped basis;
- Fair project selection processes;
- Support and assistance for women's networks dedicated to entrepreneurship and technology.

## The Billion Dollar Fund for Women

Demeter has partnered with The Billion Dollar Fund for Women since its inception in 2019 to narrow the gap in access to funding faced by companies founded or co-founded by women.

Demeter has pledged to invest **over \$10 million in 2020** in companies founded or co-founded by women.

**The  
Billion  
Dollar  
Fund  
for  
Women**

(1) Source: Harvard Business Review - SISTA

# OUR COMMITMENTS FOR 2019: BIODIVERSITY



*“We pay attention that the renewable energy generation projects we finance do not have a significant negative impact on wildlife”*



**Stéphane Villecroze**  
*Managing Partner, Demeter*

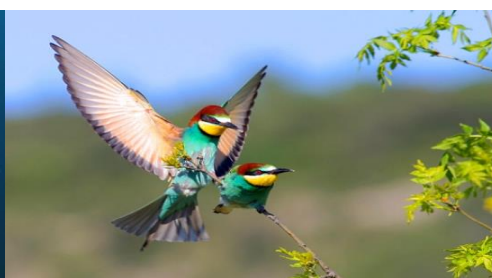


Demeter supports the **"Companies committed to nature - Act4nature France"** initiative, launched on 13 December 2019 by Emmanuelle Wargon, Secretary of State to the Minister for Ecological and Inclusive Transition

The aim of this initiative is to help companies **develop and promote their biodiversity action plans**. To do so, it highlights the good practices and problems encountered by professionals concerned with the preservation and restoration of biodiversity.

## Our commitments for biodiversity

- We provide financial support to **"Plantons pour l'avenir"**, an initiative designed to help boost reforestation in France through funds collected from companies and individuals (more details on page 31).
- **We invest in companies that make a positive contribution to biodiversity**. For illustration, Naïo Technologies develops weed control robots, thus avoiding the need to break up soil or use herbicides; Kapserra contributes to the development of biological fertilisers instead of chemical fertilisers through its micro-capsules (more details on page 36).
- We pay attention that the renewable energy generation projects we finance do not have a significant negative impact on wildlife (more details regarding the H2air project on page 38).



# OUR COMMITMENTS AT THE MANAGEMENT COMPANY LEVEL

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Demeter's ESG policy is formally documented in a Sustainable Development Plan integrated into our company's procedural guidelines.

## An ESG approach in our portfolios' life cycle



- **A responsible thematic approach:** all funds that Demeter manages are positioned in sectors that have a positive impact on the environment
- **ESG criteria integrated into the analysis of potential investments:** an ESG rating integrated into the investment memorandum, extensive environmental and territorial impact due diligence for Paris Green Fund (see page 44)
- **Exclusionary screening:** the defence industry and arms sales, the gaming and betting industry, the tobacco and alcoholic beverages industry and human cloning are excluded from our investment universe

- **Support and training for our portfolio companies** to improve their ESG practices and policies
- **Involvement of the Board of Directors** on ESG issues, identification of key ESG points and definition and monitoring of an ESG action plan
- **Annual ESG survey** for all portfolio companies
- **Audit** of territorial and environmental impact carried out by Carbone 4 for Paris Green Fund every year

- **Highlighting companies' ESG performance** in our portfolio companies' sale documents
- **ESG exit survey**
- Territorial and environmental impact **audit** performed by Carbone 4 for Paris Green Fund **following the exit**

# OUR COMMITMENTS AT THE MANAGEMENT COMPANY LEVEL

## A collaborative ESG approach

### A dedicated ESG team

Demeter has strengthened its ESG strategy by appointing Stéphanie Chrétien, a partner focusing on the Paris Green Fund, as Chief Sustainability and Impact Officer and by recruiting a full-time ESG analyst. Backed by Sophie Paturle, a Managing Partner actively involved in promoting ESG in private equity, the ESG team defines and implements Demeter's ESG strategy.

### An ESG Committee

In 2018, we created **an ESG Committee to bring together investors** in our funds and Demeter's ESG team. This committee's goal is to facilitate the sharing of ESG best practices and define the major orientations of our ESG strategy by taking advantage of our stakeholders' outlook and expertise. Ultimately, **this committee will include managers from our portfolio companies.**



## Demeter ESG Ambassadors

In 2020, we have introduced monthly meetings with our ESG Ambassadors, each of whom represents one of Demeter's activities.

This voluntary role involves committing to sharing and disseminating good ESG practices within our portfolio companies and teams. The ESG Ambassadors help define the ESG strategy, make proposals and define and monitor ESG objectives by activity.

### INNOVATION



**Yann Lagalaye**  
Partner

### GROWTH



**Stéphanie Chrétien**  
Partner

### INFRASTRUCTURES



**Vincent Vettier**  
Partner

### MANAGEMENT COMPANY



**Aurore Charrier**  
Middle Office Manager

# OUR COMMITMENTS TO OUR PORTFOLIO COMPANIES

Throughout the course of our investments, we help **our portfolio companies move forward with their ESG approach**:

- We integrate **ESG into our 100-day plan** as soon as we include a company in our portfolio.
- We carry out an **ESG survey** when we first invest in companies, then once a year – incorporating their answers in our ESG report – and then again on exit.
- **We identify ESG-related risk areas and value creation opportunities** and draw up an ESG action plan, whose progress we monitor at the level of the Board of Directors.

## ESG training

In 2016, we designed and deployed specific ESG best practice training for our portfolio companies, with the support of Greenflex and Bpifrance. Our goal for 2020 is to design a good practice platform to help our portfolio companies implement ESG measures.



## Demeter Entrepreneurs Club

Twice a year, Demeter gathers together all its portfolio company managers and investors at the Demeter Entrepreneurs Club. The January 2020 agenda included:

- A presentation by Nicolas Ferrand, Executive Managing Director of Solidéo (Société de livraison des ouvrages olympiques - the Olympics Games Delivery Authority), on the theme "*Can we make Paris 2024 sustainable?*"
- Presentation of new portfolio companies
- Green philanthropy: presentation by Tancredé Neveu, CEO of Plantons pour l'Avenir
- Presentation by Andreas Juhlmann, CEO of DENA (Germany's equivalent of the Ademe environmental advisory body in France)



A photograph showing a group of people in business attire networking and talking at a social event, possibly a reception or dinner.



# OUR COMMITMENTS TO OUR EMPLOYEES

## ENVIRONMENT

**Replacement of the company car fleet with hybrid or electric vehicles**

**Waste recycling** (including ink cartridges and coffee capsules)

**Energy renovation** work in our offices

Purchasing of certain **IT equipment refurbished**

## SOCIAL

**Company profit-sharing and employee savings plan** for all staff

Upgraded responsible **healthcare coverage**

**Training** for 100% of our employees in 2019

Annual company **seminar**

**38% of women** at Demeter

## GOVERNANCE

**45% of Demeter's employees are shareholders**

**Five out of the six members** of Demeter Partners' Supervisory Board are **independent**

Strengthening of our ESG approach recorded in the procedural guidelines

**Dedicated ESG team** consisting of a managing partner, a partner and an analyst



# OUR COMMITMENT TO OUR INVESTORS

Demeter makes a commitment to its investors by **guaranteeing that its funds will be invested in furthering the ecological transition** and by helping them prepare their own reporting

## Guaranteeing an effective contribution to the ecological transition

- **We make all our investments in ecological transition sectors. They comply with the new EU Taxonomy** (more details on next page).
- **Three of our most recent funds** have been **certified Greenfin** - France Finance Verte (formerly Ecological and Energy Transition for the Climate).
- **Carbone 4**, a leading environmental impact consultancy, helps Demeter measure the territorial impact of companies supported through Paris Green Fund (more details on page 44).



## Contributing to our investors' reporting

Our investors are increasingly attentive to extra-financial criteria, and in particular to **the impact of their investments**.

As early as 2006, Demeter Partners responded to an ESG survey – the first of its kind – submitted by Robeco, an investor in our first fund. In 2019, we responded to **14 ESG surveys**, a number that increases every year.

ROBECO



ARDIAN



bpi france



## Committed investors

20%

**of our investors** are PRI signatories

37%

**of our funds under management** come from PRI signatories



DEMETER

SUPPORTING THE CHAMPIONS OF ECOLOGICAL GROWTH

# OUR COMMITMENTS TO OUR INVESTORS

## Our investments are 100% compliant with the new EU Taxonomy

The new EU Taxonomy defines activities that are **compliant with a low-carbon, resilient and resource-efficient ecological transition**, based on the following three criteria:



*Six environmental objectives defined by the new EU Taxonomy*

\* Demeter source based on available information

# OUR COMMITMENTS TO OUR ECOSYSTEM

Working closely with France Invest to promote ESG in private equity, we are also founding members or signatories of numerous initiatives (World Alliance for Efficient Solutions, PRI, CDP, IC20, Decarbonize Europe Manifesto) and we frequently sponsor or participate in research studies, think tanks, associations and conferences on ecological transition issues

## France Invest's Climate Commissions and IC20



Demeter is the **co-founder of France Invest's Climate Commission**, and **Sophie Paturle, Managing Partner, is its Chairwoman**. This commission's purpose is to serve as a hub for the growing number of France Invest members in clean technologies and to promote eco-industries in France and abroad

Demeter is a **co-sponsor and signatory of Initiative Climat 2020**, the first initiative by French private equity firms to seek to manage and reduce the greenhouse gas emissions of their portfolio companies

## Sponsorship of ecological transition research studies, networks and think tanks



**Sponsorship since 2017 of Cleantech Group Europe's annual Forum** in Antwerp. Demeter is on the advisory board of Cleantech Group, whose mission is to accelerate innovation by promoting networking and knowledge sharing within the global clean technology ecosystem

**Sponsorship since 2018 of GreenUnivers and EY's annual French cleantech review**. The study was presented on 4<sup>th</sup> March 2019 at the PEEXE association's National Forum of Eco-businesses.

Demeter works closely with IFPEN, a major, longstanding partner with whom we promote **academic and industrial research to build a true cleantech ecosystem**

# OUR COMMITMENTS TO OUR ECOSYSTEM

## Member of industry associations and competitiveness clusters



**Member of the French Renewable Energy Association (SER)**, whose goal is to develop the share of renewable energy in France's energy production and to support companies in this field, in France and for export



**Member of CAPENERGIES, a competitiveness cluster dedicated to the production of decarbonised energy and energy efficiency.** This cluster brings together more than 1,450 partners and 520 members, companies, research and training organisations and funders



**Member of the tenerrdis energy transition competitiveness cluster.** This cluster's mission is to promote the growth of sustainable business and the creation of long-term jobs in the new energy technologies sectors, in accordance with the challenges surrounding the energy transition



**Financial support for the IAR, the French bio-economy competitiveness cluster for industries and agro-resources.** IAR's initiatives essentially cover the production and promotion of organic resources (agricultural, forestry and marine resources, co-products and residues) for food, industrial and energy purposes

## Event sponsorship and participation



**Sponsorship of the 2019 European Energy Venture Fair** in Zurich, a major annual European event that brings together financial investors with energy transition corporates and start-ups

# OUR COMMITMENTS TO OUR ECOSYSTEM

## Event sponsorship and participation



**Sponsorship of the 2019 Young Entrepreneur Awards**, organised by the PEPITE oZer organisation. This event is designed to support students and young graduates who have a business or non-profit creation project



**Sponsorship of the 2019 Paris VC Ladies event.** 100 women gathered at STATION F to network and launch a call to action to boost the number of women in venture capital firms and of investments in businesses founded by women



**Sponsorship of the 2019 Energy for Smart Mobility forum**, dedicated to energy solutions for sustainable and smart mobility

## Demeter a panel member at the Call for Electrical Storage Start-ups 2019 event in Amsterdam, organised by InnoEnergy and the European Battery Alliance

31 finalists presented projects to a panel of European research laboratories, investors and InnoEnergy employees in a bid to become one of the top 15 winners and compete for the ultimate prize of €100,000



# OUR COMMITMENTS TO OUR ECOSYSTEM AND TO SOCIETY

## Supporting the e5t Foundation since 2017

The **e5tFoundation for energy efficiency and savings at local level** is an open platform dedicated to reflection on energy solutions to be implemented to protect the environment, maintain individual well-being and contribute to the sustainable development of society. At its seventh annual Summer University gathering in La Rochelle, the Foundation presented Demeter with its **2019 “Coup de cœur” award** in recognition of its unremitting and determined efforts on behalf of the energy transition since 2005.



## Patronage of the “Plantons pour l’avenir” foundation

This association aims to **promote the sustainable management of forests and contribute to reforestation in France**. Since its inception in 2014, the “Plantons pour l’avenir” (“Plant for the Future”) foundation has raised €2.7 million to enable the planting of a million trees. As part of its **annual seminar** in 2019, Demeter took its employees on a volunteering trip to help “Plantons pour l’avenir”, involving participation in a reforestation project in Nouvelle Aquitaine



Photos of the Demeter team working with Plantons pour l’Avenir, taken during the summer seminar

# OUR 4 ESG AWARDS IN 2019

## “Best ESG investment firm of the year 2019”

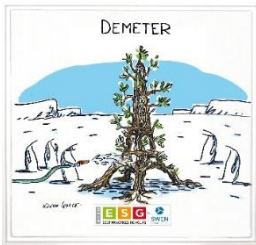


8 March 2019 - London

This award recognises Demeter's pioneering and market-leading inclusion of environmental, social and governance criteria in its investment strategy.



## “Best management company for ESG practices, small cap category”



26 June 2019 - Paris

This award recognises the coherence of our investment strategy and our business purpose, “Supporting the champions of ecological growth”. In particular, the jury commended our role as a pioneer and leader, our innovative impact measurement methodology developed with Carbone 4 and the in-depth integration of the Sustainable Development Goals into our ESG strategy.



## A+, the highest possible rating for the UN's Principles for Responsible Investment

15 July 2019 - London

The PRI is the world's most prominent initiative to promote responsible investment. Since 2006, it has been signed by some 2,300 organisations committed to making environmental, social and governance (ESG) factors key to sustainable performance.



## “Coup de cœur 2019” from the e5t Foundation

28 August 2019 - La Rochelle

At its seventh annual Summer University event, the e5t Foundation presented Demeter with its 2019 “Coup de cœur” award in recognition of its unremitting and determined efforts on behalf of the energy transition since 2005.





4]

**Our contribution  
to the UN's Sustainable  
Development Goals**

# OUR CONTRIBUTION TO THE UN'S SUSTAINABLE DEVELOPMENT GOALS

As an investor, Demeter contributes to the UN's Sustainable Development Goals by **investing in companies committed to the environment and society.**

**95% of our portfolio companies contribute to the UN's Sustainable Development Goals.**

## INNOVATION

Smart cities  
Sustainable agriculture  
Eco-innovation

## GROWTH

Ecological transition of cities  
Eco-industries  
Eco-energies

## INFRASTRUCTURES

Renewable energies  
Energy efficiency  
Eco-mobility



Controlled nutrient release technology for animal feed



Calorie counter app that calculates dishes' nutritional value from a photo



Engineering for building energy efficiency



Longer lasting LEDs that provide enhanced image quality



Building renovation and operation with high energy performance targets



Public charging infrastructures for electric vehicles



Robotic solutions for poultry farms



Biodegradable microcapsules that enhance the performance, sustainability and accessibility of bio-inputs



Technological provider of building management IT infrastructure solutions



Quick charging solutions for electric vehicles



Network of charging stations for electric vehicles in Saint-Etienne



Self-service electric scooter rental service



Highly nutritious, environmentally-friendly insect-based products

LES NOUVEAUX AFFINEURS

Production of vegan cheeses from fermented and refined plant-based products



Optimised removal and recovery of construction site waste



Equipment and services for electricity production, cogeneration and waste incineration



Roofing adaptation for solar energy production



Electric vehicle charging infrastructures in Lyon



\* Extract of our portfolio for illustration

DEMETER

SUPPORTING THE CHAMPIONS OF ECOLOGICAL GROWTH

# INVESTMENTS CONSISTENT WITH THE SUSTAINABLE DEVELOPMENT GOALS

The investments made by our funds contribute to the United Nations' Sustainable Development Goals.



Controlled nutrient release technology for animal feed



Calorie counter app that calculates dishes' nutritional value from a photo



LES NOUVEAUX AFFINEURS

Production of vegan cheeses from fermented and refined plant-based products



Roofing adaptation for solar energy production



Self-service, dockless urban micro-mobility service (bicycles and scooters)



Network of charging stations for electric vehicles in Saint-Etienne



Engineering for building energy efficiency



Electric vehicles fast charging solutions



Design and construction of gas distribution stations for natural gas vehicles (NGVs)



\* Extract of our portfolio for illustration

# PORTFOLIO COMPANIES THAT CONTRIBUTE TO THE SUSTAINABLE DEVELOPMENT GOALS



Kapsera deploys a unique technology based on the latest innovations in microfluidics. It uses a groundbreaking process to produce biodegradable alginate capsules that can protect natural active substances and improve their agronomic performance.

## *Innovation*



« The transition to sustainable agriculture requires replacing conventional inputs (chemical fertilisers and synthetic pesticides) with natural solutions with no harmful impact for the environment or people. »



## ESG initiatives and key figures

**61%**

of team members are women

**100%**

of employees were interviewed individually during the year

## Protecting agriculture, soils and biodiversity

Replacing conventional inputs, chemical fertilisers and synthetic pesticides with **natural solutions** is this revolution's major challenge. The aim is to give farmers the means to **secure their income, protect their health and land and feed people**

To meet this challenge, Kapsera develops natural, **biosourced and biodegradable nutrition and crop protection products**. To produce these inputs it uses a unique technology that helps reconcile **sustainability and productivity**. Kapsera thus works for the good of farmers, consumers and the planet.

# PORTFOLIO COMPANIES THAT CONTRIBUTE TO THE SUSTAINABLE DEVELOPMENT GOALS



As an energy and climate player, ALTEREA Group is committed to the energy, ecological and digital transition of buildings and territories. ALTEREA Group is an assembler of consulting, engineering and services that offers its customers comprehensive and expert support in the sustainable rehabilitation of buildings.

*Growth*



« Our expertise and support aims to guarantee sustainable performance for humans and environment. »



## ESG initiatives and key figures

**3.3M**

tonnes of eq.CO2 avoided in 2019

**17K**

GWh avoided in 2019

## Energy performance guarantee contracts

For a **better appropriation of energy, climate, social and economic issues and an efficient implementation of actions**, Alterea suggests a structured approach in 3 steps: inventory and diagnosis, evaluation of needs and strategies, and change management and support.

To optimize the environmental impact, Alterea offers its clients **energy performance guarantee contracts, which make a major contribution to reducing energy consumption and CO2 savings over the entire life of the buildings.**

*A more in-depth study of Alterea's environmental impact was carried out with Carbone 4 (cf. page 47).*

# PORTFOLIO COMPANIES THAT CONTRIBUTE TO THE SUSTAINABLE DEVELOPMENT GOALS



Creation of a wind farm in the Miramont municipality. Commissioning of eight 2,300 kW turbines with a diameter of 82 metres. The health and safety and environmental impact monitoring for the Coquelicot wind farm are the subject of a specific assignment that the project company has entrusted to H2air GT, the facility's operator.

## Infrastructure



« Not only do we ensure compliance with the legal obligations imposed by the operating permit and environmental protection (ICPE) regulations, but we also go beyond that by preserving the site's biodiversity. »



## ESG initiatives and key figures

**38**

GWh of electricity generated in 2019

**26K**

tonnes of CO2 emissions avoided in 2019

## Ensuring health and safety and preserving biodiversity

**Monitoring has been introduced to measure turbine noise and assess the farm's impact on birds and bats.** In 2019, Demeter and H2air began monitoring the nesting of local harriers to **safeguard their reproduction.** The impact study concluded that the wind farm generates a minimal impact on birds and bats and is therefore **compatible with biodiversity preservation requirements.**

While there were no operating or maintenance accidents in 2019, turbine manufacturer Enercon issued recommendations to improve the safety of the maintenance teams. Demeter and H2air therefore decided to **invest in internal safety systems within the turbines to prevent any incident and ensure the personnel's health and safety.**



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Assessing our  
ESG impact

# OVERALL ESG PERFORMANCE OF OUR PORTFOLIOS IN 2019

**76%** of portfolio companies completed the ESG survey (1)

**95%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**4.3 M**

tonnes of CO2 emissions avoided

(Improved calculation methodology, from declarative to measured for Paris Fonds Vert. More details on the next page)

The equivalent of the annual emissions of **2.2 million** cars (2)

**575 GWh** of renewable energy produced

The equivalent of the electricity consumption of **122,000** French households (3)



## SOCIAL

**4,500**

people employed by our portfolio companies in 2019

**94%**

of employees have **permanent** contracts or contracts lasting more than 18 months



## GOVERNANCE

**19%**

of our portfolio companies have a women as CEO, founder or co-founder

**40%**

of our portfolio companies have at least one independent member on their Board of Directors

(1) The response rate is exceptionally low (compared with 92% in 2018) due to the COVID-19 crisis that developed in March 2020. Therefore a small amount of data has been extrapolated from 2018 results..

(2) Source [E-rse.net](https://www.e-rse.net): a car emits 2 tonnes of CO2 a year.

(3) Source <https://prix-elec.com/energie/comprendre/statistiques-consommation-France> a French household has average annual electricity consumption of 4,710 kWh



# ENVIRONMENTAL PERFORMANCE OF OUR PORTFOLIOS IN 2019



## RENEWABLE ENERGY INSTALLED CAPACITY

**878 MW**

of renewable energy installed



**575 GW**

of renewable energy produced in 2019



**437 MW** of installed wind power capacity



**301 MW** of installed solar power capacity



**40 MW** of installed biomass capacity



**100 MW** of installed hydroelectric capacity



## TONNES OF CO2 EMISSIONS AVOIDED

**4.3 M** tonnes of CO2 avoided

**4.1 M** tonnes, measured by Carbone 4 for Paris Green Funds' companies

**0.2 M** tonnes, declared by our participations

Given the **evolution of our ESG policy** in 2019, and in particular the involvement of Carbone 4, our calculation methodology has been improved compared to previous years: we have gone from declaratory to measured by a third-party expert, Carbone 4, which measures the full impact of companies financed by Paris Fonds Vert on its entire value chain (more details on page 44). (2)



## R&D AND INNOVATION

**€80 M** invested in research and development

**840** patents, of which **100 filed in 2019**

Of which, **640** patents filed by investees in our **INNOVATION** business

(1) Conversion ratio used: 1KW = 0.09 kgCO2e (source: Greenit.fr)

(2) Global impact of companies calculated on their whole value chain, not weighted by Demeter shareholding participation in the companies

# SOCIAL PERFORMANCE OF OUR PORTFOLIOS IN 2019



**€673 M** of revenue generated by our portfolio companies

**4,470** employees at all of our portfolio companies

**94%** of employees have **long-term employment contracts or contracts of more than 18 months (+4%)**

**68%** of employees had an **annual or performance review (+3%)**

**33%** of employees received **training (+3%)**

**23%** of managers are **women**

**23** philanthropic projects supported, with €81,000 invested

*Photo: the Ynsect team*

## Zoom on Sencrop: people at the heart of development



The connected ag-  
weather station  
available to all

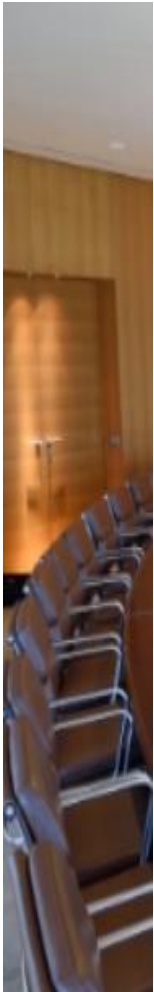
**100%** of employees received training in 2019

**2%** of revenue invested in employee training

**100%** of employees had an annual or performance review

**2** social or societal projects supported

# GOVERNANCE PERFORMANCE OF OUR PORTFOLIOS IN 2019



- 41%** of our portfolio companies review ESG issues **at least once a year at Board of Directors' meetings**
- 40%** of our portfolio companies have **at least one independent member** on their Board of Directors
- 50%** of our portfolio companies have **at least one woman** on their Board of Directors
- 42%** of our portfolio companies allow non-management employees to purchase company shares
- 20%** of our portfolio companies' CEOs or co-founders are women

## Zoom on Smart Home International: pro-active governance

sm@rthome  
intl

avidsen

Designs, develops and sells solutions and objects for the remote control of the home

**40%** of the Board of Directors' members are women

**20%** of the Board of Directors' members are independent

Implementation of a CSR policy and a CSR officer

Implementation of an incentive plan for employees

# PARIS GREEN FUND INNOVATIVE AND DETAILED IMPACT MEASUREMENT

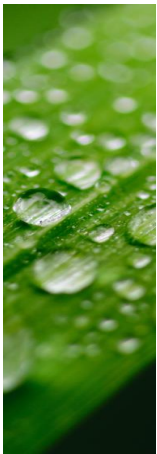


PARIS FONDS VERT



carbone 4

In addition to overall ESG reporting, on behalf of Paris Green Fund Demeter has introduced a **comprehensive and innovative methodology for measuring territorial and environmental impact in partnership with the consulting firm Carbone 4**, which specialises in carbon strategy and the energy transition



## OVERALL IMPACT OF PARIS GREEN FUND IN 2019

**4.1 M**

tonnes of CO<sub>2</sub> emissions avoided in 2019 across the business value chain of which **1 MT Co<sub>2</sub> in Paris** <sup>(1)</sup>

**21.000 GWh**

avoided in 2019 of which **6.400 GWh in Paris** <sup>(1)</sup>

## In-depth and innovative impact assessment



**CARBON**  
reduction



**ENERGY**  
savings



**RENEWABLE**  
**ENERGY**  
production  
& consumption



**CIRCULARITY**



**AIR**  
quality



**FAIR**  
transition



**RESILIENCE**

**Before each investment**, Carbone 4 carries out a territorial and environmental impact assessment for Paris and at a general level. This analysis **measures each company's quantitative and qualitative impact against the seven criteria above**. In addition to this impact measurement, these due diligence checks establish watchpoints and recommendations for each company, making it possible to **identify areas for improvement and define an action plan** on two or three key subjects

Each subsequent year, and on exit from the investment, Carbone 4 will assess each company's territorial and environmental impact, enabling it to calculate **Paris Green Fund's overall impact**

(1) For Alterea, the emissions avoided and energy savings take into account the impact of the work carried out each year over the entire life of the buildings concerned.

(2) Source <https://prix-elec.com/energie/comprendre/statistiques-consommation-France> a French household has average annual electricity consumption of 4,710 kWh

# PARIS GREEN FUND INNOVATIVE AND DETAILED IMPACT MEASUREMENT



Beyond Charging

For nearly 30 years, IES Synergy, a French company, has been designing advanced / innovative recharging solutions for electric vehicles (cars, vans and buses). With more than 8,000 terminals deployed in 46 countries, it supports the deployment of a vast recharging infrastructure in our cities, enables energy optimization in buildings or the public domain, or simply facilitates the experience of users, car manufacturers and operators.



Impact analysis carried out by



IES Synergy makes it possible to **significantly reduce energy consumption, greenhouse gas emissions and local pollutants** through the development of electric vehicles (buses and cars). At a global level as well as in Paris, electrification using IES Synergy equipment makes it possible to reduce **end-energy** consumption by a **factor of around three**.

IES Synergy makes a positive contribution to the **fair transition** as it helps remove obstacles to the universal dissemination of electromobility.

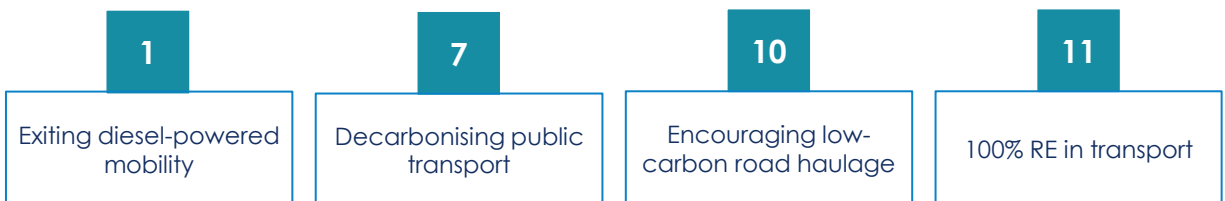
500K

tonnes CO2 emissions avoided in 2019

2.700

GWh avoided in 2019

## Contribution to 4 sectoral objectives of the Paris Climate Plan



# PARIS GREEN FUND INNOVATIVE AND DETAILED IMPACT MEASUREMENT



Optimum Automotive is a platform that provides solutions for the main challenges faced by fleet managers. It seeks to optimise costs and contracts, encourage green vehicle and responsible road use and develop new forms of mobility (car-sharing and carpooling).



Impact analysis carried out by



Optimum Automotive makes it possible to **reduce energy consumption and greenhouse gas emissions** both at a global level and in Paris through the efficient use and carbon efficiency of vehicles

It **contributes positively to air quality** by limiting emissions of pollutants (NOx and fine particles)

In terms of **fair transition**, OA offers its connected mobility services **on a non-discriminatory basis**, and its solutions enable users **to reduce their energy bills**.



## Contribution to 6 sectoral objectives of the Paris Climate Plan

- 1** Exiting diesel-powered mobility
- 6** Promoting shared mobility
- 7** Decarbonising public transport
- 9** Low-carbon urban logistics to the doorstep
- 10** Encouraging low-carbon road haulage
- 13** Long-distance, less carbon-intensive travel

\*Source: EDF

# PARIS GREEN FUND INNOVATIVE AND DETAILED IMPACT MEASUREMENT



As an energy and climate player, ALTEREA Group is committed to the energy, ecological and digital transition of buildings and territories. ALTEREA Group is an assembler of consulting, engineering and services that offers its customers comprehensive and expert support in the sustainable rehabilitation of buildings,



Impact analysis carried out by



ALTEREA contributes significantly to **both reducing greenhouse gas emissions, energy consumption and providing access to energy (fair transition)**.

**70% of the energy savings that ALTEREA has generated in Paris are in social housing.**

3.3M

tonnes of CO2 emissions avoided in 2019 (1)

17K

GWh avoided in 2019 (1)

## Contribution to 3 sectoral objectives of the Paris Climate Plan



(1) For Alterea, the emissions avoided and energy savings are particularly significant because they take into account the impact of the work carried out in 2019 over the entire life of the buildings concerned.

# PARIS GREEN FUND INNOVATIVE AND DETAILED IMPACT MEASUREMENT



Hesus identifies and implements, for the entire construction industry, solutions for the transport and recovery of excavated materials, as well as the supply of second-life materials to construction sites, in order to accelerate the transition to a circular economy.



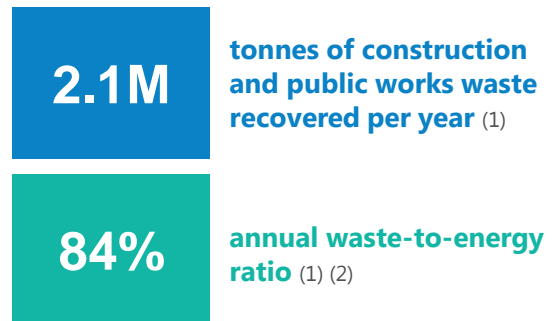
Impact analysis carried out by



Hesus contributes to industrial and territorial ecology by offering an **efficient waste management solution**.

The company promotes the principle of reuse, particularly of specific materials such as inert soil.

It also helps develop recycling for waste that cannot be reused.



## Contribution to 3 sectoral objectives of the Paris Climate Plan



(1) Figures based on company data and Carbone 4  
 (2) Calculated on the total volume of construction waste disposed of by Hesus in 2019, including the recycling and reuse of excavated soil.



# 3 DEMETER FUNDS WITH THE GREENFIN LABEL



**PARIS FONDS VERT**

Ecological transition of large cities

**FMET**

Fund for the ecological modernisation of transportation



Environmental and energy transition infrastructures

## Greenfin - France Finance Verte label

**Three of our most recent funds** have been Greenfin-labeled by EY and Novethic, providing our investors with a **guarantee of effective contribution to the ecological transition.**



Created by the Ministry of the Environment, Energy and the Sea, the Greenfin label, formerly the TEEC Ecological and Energy Transition for the Climate label, is one of the public policy initiatives arising from the August 2015 law on the energy transition for green growth.

This label seeks to:

- Promote **investment funds that finance the green economy**
- Incentivise the **creation of new green funds**
- Promote **company reporting on the "green share"** of their activities

## Greenfin certification

The audit, performed by third-party, independent experts, enables us to guarantee for our stakeholders the quality of the environmental information that the audited company provides

**The certification criteria are:**

- The green share of the fund's allocation
- Exclusions
- ESG controversies
- **The effective contribution to the ecological transition**



have labelled our funds "Greenfin"



# 6]

**Our achievements in 2019  
and our roadmap for 2020**

# OUR ACHIEVEMENTS IN 2019 AND OUR ROADMAP FOR 2020

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## Our progress in 2019

In 2019, we were able to build **eight major initiatives** into Demeter's ESG policy and thereby boost our engagement with our stakeholders:

4 ESG awards in 2019

Appointment of Demeter inhouse **ESG Ambassadors**

**Strong commitment to gender parity**, in particular through our signing of the France Invest Charter, the SISTA Charter and the Billion Dollar Fund for Women

**A strong commitment to biodiversity**, in particular through our contribution to the Companies committed to nature - Act4nature France initiative, launched by Emmanuelle Wargon, Secretary of State to the Minister for Ecological and Inclusive Transition

Operational implementation of **Environmental and territorial due diligence** with Carbone 4, on behalf of Paris Green Fund (12 studies carried out in 2019)

Assessment of the **contribution of our portfolio companies to the UN's Sustainable Development Goals**

**Demeter seminar**, organised with the "'Plantons pour l'avenir" Foundation

**Public action and participation** by Demeter employees to promote the ecological transition and ESG in private equity and society

## Our 2020 goals

For the year 2020, we aim to strengthen our support to accelerate the creation of value linked to ESG:

**Develop the role of our ESG Ambassadors** within Demeter and our portfolio companies

Expand our **ESG Committees** by including managers from our portfolio companies

Establish **best practice sharing workshops** and an ESG platform to assist portfolio companies in the implementation of their ESG action plans and initiatives.

Strengthening our actions in favor of **gender parity** and **biodiversity**

**Promote** ESG development on company exits; contribute to societal change

**Implement innovative impact measurement methodologies** for our new funds: a method based on the CO2 footprint for the Climate Infra Fund and the "Triple Top Line" for the GET fund, a method based on the balance between economy, ecology and people to create value.



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**Appendices:  
Key figures by fund**

# OVERALL ESG PERFORMANCE OF AGRINNOVATION (2019)

---

**100%** of portfolio companies completed the ESG survey

**100%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**9**

patents filed, of which **8** in 2019

**€1 M**

invested in R&D



## SOCIAL

**32**

employees, including **16 hired** on a permanent FTE basis in 2019

**97%**

of employees have **permanent** contracts or contracts lasting more than 18 months



## GOVERNANCE

**40%**

of portfolio companies have **at least one woman on their Supervisory Board**

**40%**

of portfolio companies have at least **one women as CEO, founder or co-founder**

# OVERALL ESG PERFORMANCE OF DEMETER 1 (2019)

---

**50%** of portfolio companies completed the ESG survey (1)

**100%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**100%**

have a **formally documented environmental policy**

**100%**

of portfolio companies **select suppliers based on environmental criteria**



## SOCIAL

**260**

people employed by our portfolio companies in 2019

**86%**

of employees have **permanent** contracts or contracts lasting more than 18 months (+4% from 2018)



## GOVERNANCE

**100%**

of portfolio companies have at least **one independent member on their Supervisory Board**

**100%**

of portfolio companies have introduced good **governance protocols** (anti-money laundering, corruption and conflicts of interest)

(1) The response rate is exceptionally low (compared with 92% in 2018) due to the COVID-19 crisis that developed in March 2020. To ensure consistency of results, some data has been extrapolated from 2018.

# OVERALL ESG PERFORMANCE OF DEMETER 2 (2019)

**88%** of portfolio companies completed the ESG survey (1)

**100%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**7,500** tonnes of waste processed

**€35 M** invested in R&D

**63%** of portfolio companies have a **formally documented environmental policy**



## SOCIAL

**1,900** people employed by our portfolio companies in 2019

**99%** of employees have **permanent** contracts or contracts lasting more than 18 months (+4% from 2018)



## GOVERNANCE

**63%** of portfolio companies reviewed **CSR issues** at least during one Board meeting during the year

**50%** of portfolio companies have **at least one woman on their Supervisory Board**

(1) The response rate is exceptionally low (compared with 92% in 2018) due to the COVID-19 crisis that developed in March 2020. To ensure consistency of results, some data has been extrapolated from 2018.

# OVERALL ESG PERFORMANCE OF DEMETER 3 (2019)

**62%** of portfolio companies completed the ESG survey (1)

**100%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**35**

tonnes of waste processed

**€15 M**

invested in R&D

**85%**

of portfolio companies have initiatives in place to **reduce their environmental impact**



## SOCIAL

**400**

employees, including **84 hired** on a permanent FTE basis in 2019

**87%**

of employees have **permanent** contracts or contracts lasting more than 18 months

**8**

social or societal projects



## GOVERNANCE

**90%**

of portfolio companies have at least **one independent member on their Supervisory Board**

**64%**

of portfolio companies have at least **one woman on their Management board**

(1) The response rate is exceptionally low (compared with 92% in 2018) due to the COVID-19 crisis that developed in March 2020. To ensure consistency of results, some data has been extrapolated from 2018.



# OVERALL ESG PERFORMANCE OF DEMETER 4 INFRA (2019)

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**100%** of portfolio companies completed the ESG survey (1)

**100%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**44 MW**

of installed renewable energy capacity including **20.6 MW of solar power** and **38 MW of wind power**

**64 GWh**

of renewable energy generated

**44,000**

tonnes of CO2 emissions avoided



## SOCIAL

**Distribution**

of income throughout the project



## GOVERNANCE

**63%**

of our portfolio companies **have at least one woman on their Supervisory Board**

**64%**

of portfolio companies include **CSR clauses** in their contracts with suppliers, customers and/or subcontractors

# OVERALL ESG PERFORMANCE OF DEMETER 6 (2019)

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**57%** of portfolio companies completed the ESG survey (1)

**100%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**1** tonne of waste processed

**€3 M** invested in R&D



## SOCIAL

**72** employees, including **29 hired** on a permanent FTE basis in 2019

**60%** of portfolio companies have implemented a **profit-sharing mechanism**



## GOVERNANCE

**25%** of portfolio companies have **at least one woman on their Supervisory Board**

**40%** of portfolio companies have at least **one woman on their Management Board**

(1) The response rate is exceptionally low (compared with 92% in 2018) due to the COVID-19 crisis that developed in March 2020. To ensure consistency of results, some data has been extrapolated from 2018.

# OVERALL ESG PERFORMANCE OF EMERTEC 2 (2019)

50% of portfolio companies completed the ESG survey (1)

50% of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

100% sort their waste

100% of portfolio companies have adopted an **eco-design approach**

22 patents filed and **€1.2 million** invested in R&D



## SOCIAL

23 employees

100% of employees have **permanent** contracts or contracts lasting more than 18 months



## GOVERNANCE

50% of portfolio companies have at least **one independent member on their Supervisory Board**

50% of portfolio companies have at least **one woman on their Management Board**

(1) The response rate is exceptionally low (compared with 92% in 2018) due to the COVID-19 crisis that developed in March 2020. To ensure consistency of results, some data has been extrapolated from 2018.

# OVERALL ESG PERFORMANCE OF EMERTEC 4 (2019)

50% of portfolio companies completed the ESG survey (1)

100% of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

€3 M

invested in R&D

100%

of portfolio companies have implemented initiatives to **reduce water consumption**

23

patents filed, of which 2 in 2019



## SOCIAL

32

employees

97%

of employees have **permanent** contracts or contracts lasting more than 18 months



## GOVERNANCE

50%

of portfolio companies have implemented a **profit-sharing mechanism**

50%

of portfolio companies have at least **one woman on their Management Board**

(1) The response rate is exceptionally low (compared with 92% in 2018) due to the COVID-19 crisis that developed in March 2020. To ensure consistency of results, some data has been extrapolated from 2018.

# OVERALL ESG PERFORMANCE OF EMERTEC 5 (2019)

92% of portfolio companies completed the ESG survey (1)

100% of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

€12 M

invested in R&D

90,000 MW

saved by our investees for their customers

85%

of portfolio companies have initiatives in place to **reduce their environmental impact**



## SOCIAL

330

employees, of whom **86%** had a review this year (+18% from 2018)

90

of employees have **permanent** contracts or contracts lasting more than 18 months



## GOVERNANCE

70%

of portfolio companies have **a woman on the Management Board**

93%

have implemented a **profit-sharing mechanism**

77%

of portfolio companies have at least **one independent member on their Supervisory Board**

# OVERALL ESG PERFORMANCE OF FONDS EUROPEEN DES MATERIAUX (2019)

63% of portfolio companies completed the ESG survey (1)

63% of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

67%

of portfolio companies have introduced initiatives to **reduce their environmental impact**

€4 M

invested in R&D



## SOCIAL

830

employees

99%

of employees have **permanent** contracts or contracts lasting more than 18 months (+5% from 2018)



## GOVERNANCE

25%

of portfolio companies have at least **one independent member on their Supervisory Board**

38%

of portfolio companies have at least **one woman on their Supervisory Board**

(1) The response rate is exceptionally low (compared with 92% in 2018) due to the COVID-19 crisis that developed in March 2020. To ensure consistency of results, some data has been extrapolated from 2018.

# OVERALL ESG PERFORMANCE OF FONDS LORRAIN DES MATERIAUX (2019)

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**100%** of portfolio companies completed the ESG survey (1)

**100%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**100%**

of portfolio companies have introduced initiatives to **reduce their environmental impact**

**€1.2 M**

invested in R&D, i.e. **12%** of revenue



## SOCIAL

**98%**

of employees have **permanent** contracts or contracts lasting more than 18 months

**95%**

of employees had **an annual review**



## GOVERNANCE

**50%**

of portfolio companies have at least **one independent member on their Supervisory Board**

**100%**

of portfolio companies have at least **a woman CEO, founder or co-founder**

# OVERALL ESG PERFORMANCE OF FMET (2019)

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**83%** of portfolio companies completed the ESG survey (1)

**100%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**6%** of revenue invested in R&D

**80%** of portfolio companies use energy from **renewable resources**



## SOCIAL

**81%** of employees have **permanent** contracts or contracts lasting more than 18 months

**100%** of employees had an annual review



## GOVERNANCE

**80%** of portfolio companies have **at least one woman on their Supervisory Board**

**80%** of portfolio companies include **CSR clauses** in the contracts with suppliers, customers and/or subcontractors



# OVERALL ESG PERFORMANCE OF PARIS GREEN FUND (2019)

**100%** of portfolio companies completed the ESG survey (1)

**100%** of portfolio companies **contribute to at least one of the UN's SDGs**



## ENVIRONMENT

**4.1 M** tonnes of CO<sub>2</sub>e avoided (1)

**21.000 GWh** avoided (1)

**100%** of portfolio companies have initiatives in place to **reduce their environmental impact**



## SOCIAL

**500** employees, of whom **190 hired** on a full-time equivalent basis in 2019

**87%** of employees have **permanent** contracts or contracts lasting more than 18 months

**100%** of portfolio companies have implemented a **profit-sharing mechanism**



## GOVERNANCE

**50%** of portfolio companies were **founded or co-founded by a woman**

**75%** of portfolio companies include **CSR clauses** in their contracts with suppliers, customers and/or subcontractors

(1) More details on carbon and energy gains calculation on pages 44 to 48



**SUPPORTING THE CHAMPIONS  
OF ECOLOGICAL GROWTH**

**DE  ETER**

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