ARTICLE 29 ENERGY & CLIMATE LAW REPORT

2022

Serena, June 2023

Summary

1 Introduction

1.1 Regulatory context

Article 29 of the Energy and Climate Law repealed Article 173 of the Energy Transition Law for Green Growth. It amended Articles L.533-22-1 and D 533-16-1 of the Monetary Code and finance ("COMOFI"). The objective is to encourage financial players and in particular management companies to integrate information on the risks associated with climate change and biodiversity in the sustainability risk policy and communicate on the consideration of ESG criteria in the investment strategy and on the means implemented to contribute to the energy and ecological transition. The information referred to in Article 29 of the Energy and Climate Law relates to all funds managed by Serena.

1.2 Implementation of the Decree at Serena

Since inception, Serena has been guided by its mission to support the success of innovative and ambitious entrepreneurs to service a better world.

Our sustainability approach is an integral part of our investment strategy. This approach has been maturing over the past few years and we have taken the opportunity created by the recent developments in our activity to formalize our vision and communicate on our approach.

At Serena, we strive to continuously improve our sustainability approach, revising our commitments, or taking new ones, strengthening our processes, and implementing new actions while ensuring compliance with regulations.

This report is part of the European Union action plan on sustainable finance launched by the European Commission in March 2018 with the aim of financing the transition to a low-carbon economy as well as within the framework of article 29 of the Energy-Climate Law.

The report discloses the required information about Serena's policy on the consideration of ESG criteria in its investment activity. It showcases Serena commitment to redirect capital flows towards a more sustainable economy, how Serena integrates sustainability into risk management and how Serena fosters transparency on its exposure to climate change risks, its contribution to finance the energy and climate change transition and halt biodiversity loss as well as on the means implemented to support its sustainability strategy.

The report covers the reference period from January to December 2022 and complies with the provisions of Article D. 533-16-1.-III, 1°, 2°, 3°, 4°, 6°, 7° and 8°of Article 29 of the Energy-Climate Law.

2 Serena general approach to environmental, social and governance criteria

2.1 Serena vision

Serena was founded in 2008 upon a resolute eagerness to empower serial entrepreneurs that have significant potential to generate a positive impact on society and its environment.

To be a strategic partner who endeavors to achieve excellence, we promote innovation and performance in a sustainable manner. People and the environment are in our industry the most important resources. It is of great importance for us that the individuals making viable projects, are afforded decent working conditions, and are treated with dignity and respect, while minimizing the environmental impact of the industry and promoting business integrity.

Through our sustainability strategy, we aim at making real our values into a clear framework to ensure its implementation and integration within our team and our portfolio. We carry the conviction that sustainability is the new frontier. Investing while integrating embedding high levels of sustainability criteria is the best way to achieve our goal. Serena will always support companies that demonstrate sound and responsible business practices and empower their employees.

In 2023, Serena decided to officialy incorporate this vision of sustainability and is in the porcess to adopt the “Société à Mission” status created by the French “Pacte” law in 2019. A “Société à Mission” is defined as a company whose objectives in the social, societal, and environmental fields are aligned with this purpose and set out in its by-laws. Serena's sustainability strategy finds its full meaning in its purpose (“raison d’être”) :

We support the success of innovative and ambitious entrepreneurs to serve a better world.

Our “”raison d'être is expressed through our five commitments:

- Contribute to building an inclusive society by promoting equal opportunities within the company and helping to preserve the planet by maximizing the positive environmental impact of our organization.
- Motivate our investment decisions by taking ESG and sustainability criteria into account.

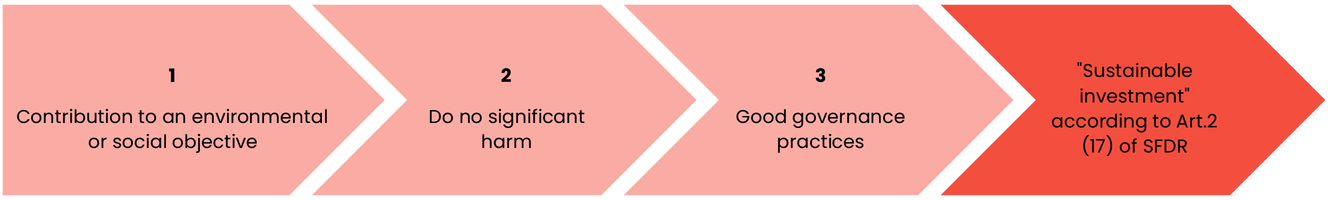
- Design and deploy an innovative research and development approach to take account of social and environmental issues in our investments, and share our learnings with the investment community in order to evolve our investment profession and its notion of performance.
- Accompany the progress of the positive social and environmental impact of our portfolio companies.
- Integrate mechanisms for sharing value creation at both organizational and investment levels with our stakeholders (employees, entrepreneurs, ecosystem).

2.2 ESG in motion into our fund’s investment strategy

The ESG policy implemented by Serena addresses three principles:

- A unified ESG policy applied to all investment activities: Serena funds, Data Ventures funds, V13 Invest fund, Impact fund (Racine2).
- An ESG policy framework covering the entire lifecycle of our investments. ESG diagnoses are undertaken by to assess the level of maturity of a company. Throughout the investment’s lifetime, we monitor trends with respect to this ESG maturity.
- An ESG management tool that focuses on companies’ sustainable transformation. Serena suggests areas of improvement to its portfolio companies and then monitors progress accordingly.

In 2023, the Management Company strengthened its investment strategy in terms of sustainability and decided to define what the concept of “sustainable investment” means for Serena, in accordance with Article 2 (17) of the EU Sustainable Finance Disclosure Regulation (SFDR).



Through this commitment, Serena seeks to play its part in the movement to reorient capital flows towards a more sustainable economy, by managing SFDR Article 9 funds (such as Racine2) and SFDR Article 8 funds with some sustainable investments. In our methodology, we define an investment as “sustainable” if it meets each of the following criteria:

1 **Contribution to an environmental or social objective**	60% of the turnover or OPEX of the company positively contributes to at least one of the 17 SDGs **OR** 60% of the turnover or CAPEX or OPEX aligned with the EU Green Taxonomy **OR** In the case of an investment in an impact vehicle, it meets the criteria set by Serena in the fund's Impact Methodology. These methodologies ensure to deliver intentionality, measurability, and additionality, which are key impact elements.
2 **DNSH**	DNSH principles are taken into account by Serena through: ▪ The exclusion policy ▪ The consideration of the principal adverse impacts (PAI)
3 **Good governance**	Extensive review of good governance practices for each investment opportunity and each investment during the holding period, in particular through: ▪ ESG due diligence ▪ Annual ESG questionnaire addressed to all portfolio companies.

2.3 ESG in motion into our investment proces

Serena sustainable investment policy provides a framework in which ESG criteria are considered throughout every step of the investment cycle, from the pre-investment phase, through portfolio monitoring, to divestment.

Origination and pre-investment

Although Serena investment strategy is far from certain sectors subject to a great deal of controversy, we wanted to formally define an exclusion policy. We have excluded the following sectors from our universe:

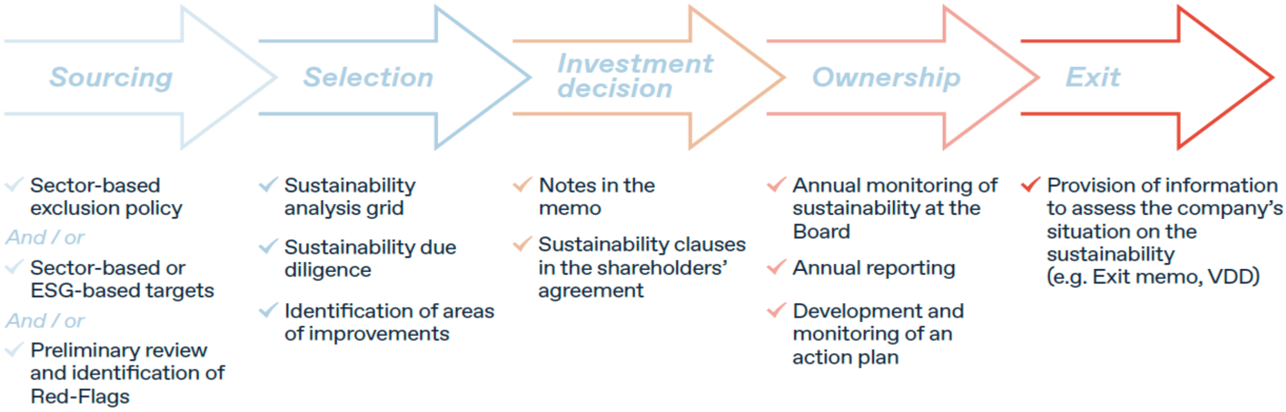
- Tobacco
- Pornography
- Production of or trade in firearms or ammunition
- Coal production
- Gambling and casinos
- Alcohol marketing and distribution

At ownership

The ownership period is a transformational process at Serena, where the teams at Serena keep mapping ESG risks and opportunities in the portfolio while implementing adequate actions in response. From a new portfolio company onboarding process, to the annual ESG reporting campaign, all the way to the creation of an ESG action plan, each of our portfolio companies develops its capacity to identify and tackle its ESG material topics. All teams at Serena are committed to help portfolio companies improve their sustainability maturity.

At exit

We value the transformation of our portfolio beyond the environmental, social and governance dimension of ESG, on which we intervene with appropriate governance. The objective of our approach is to create shareholder value while embracing the environmental and social challenges. This translates into ESG actions that can result in not only financial savings and better productivity but ultimately in a structural change in our portfolio companies, that contributes to their success. Serena will seek to carry out an ESG vendor due diligence when it is appropriate.



2.4 ESG reporting and communication

Serena ensures full transparency with its ecosystem including investors, entrepreneurs, regulatory bodies, portfolio companies and the communities in which they operate as well as its own teams.

To that end, Serena provides a set of regular communications through the following means:

- Serena responsible investment policy, regularly updated and available on its website
- From 2022, Serena annual Sustainability Report to provide an overview of the sustainable journey and the outcomes of our portfolio companies' ESG performance
- Ad-hoc requests and questionnaires on ESG stemming from investors
- Presentations at Serena investor events
- The Serena Squad, an active community of 500+ founders and C-suite members from our start-up ecosystem. Through our community, entrepreneurs can share best practices and leverage on each other's skills and knowledge. Our peer-to-peer platform and events give entrepreneurs access to peer support, expert workshops and training, actionable templates, and other exclusive content. Within this community, we have created a specific ESG Squad, to raise awareness and engage on sustainability topics
- ESG-dedicated section in Serena contractual documents, including shareholder agreements

2.5 Industry codes & initiatives

The UNPRI

Signatory of:

PRI Principles for Responsible Investment

Sustainability issues are taken into consideration by Serena who allocate meaningful resources and ensure that the management company meets the highest standards and thus contributes towards advancing finance industry practices by actively participating in local organizations.

Serena became a signatory of the UNPRI in 2019. Since then, Serena is using the PRI as a reference to continuously improve its sustainability journey.

Besides, the six principles reflect how sustainability is embedded at all levels: ESG and investment teams, investors, communities, society as a whole.

- Principle 1: We will incorporate ESG criteria into investment analysis and decision-making processes.
- Principle 2: We will be active owners and incorporate ESG criteria into our ownership policies and practices.
- Principle 3: We will seek appropriate disclosure on ESG criteria by the entities in which we invest.
- Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.
- Principle 5: We will work together to enhance our effectiveness in implementing the Principles.
- Principle 6: We will report on our activities and progress towards implementing the Principles.

The iCi

To combat global warming, Serena signed the iCi ("Initiative Climat International") in 2022. The iCi platform, endorsed by the UN PRI, is the first collective commitment of French private equity, in favor of the responsible and transparent management of companies' greenhouse gas emissions of which they are shareholders. The signatories of the iCi have thus decided to mobilize in order to contribute to the objective of the COP21 to limit global warming to 1.5 degrees.

Serena observes the iCi's principles in its activity:

- We recognize that climate change will have adverse effects on the global economy, which presents both risks and opportunities for investments.
- We will join forces to contribute to the objective of The Paris Agreement to limit global warming to well-below two degrees Celsius, and in pursuit of 1.5 degrees.
- We will actively engage with portfolio companies to reduce their greenhouse gas emissions, contributing to an overall improvement in sustainability performance.

France Invest

In 2020, France Invest launched the gender parity Charter to promote parity among players in the French private equity and in the companies they finance. This charter is made up of 30 commitments and sets specifically quantified objectives that need to be implemented within the portfolio companies owned by private equity firms. Thus, among the main objectives, the ambition is to reach 25% of women at senior positions in the investment teams and 30% of women in the Management Committees of the participations by 2030.

The gender equality issue has always been a topic of great importance for Serena. The management company is proudly a company where gender pay gap has been tackled for years.

Sista

The role of Sista is to nurture a generation of diverse leaders by showcasing funding inequalities between male and female entrepreneurs.

Serena has been a place where the gender equality and diversity inclusion topics have been embraced since inception. Serena is deeply convinced that increasing the number of women in an organization or company is virtuous. It guarantees a better representativeness of society, an expansion of the human pool, an energy linked to the diversity of ideas and behaviors necessary to meet the challenges of tomorrow. Reinforced parity in companies generates both a performance increased and accelerated growth.

MakeSense

Make sense is an organization founded in 2010 that creates tools and programs for collective mobilization that enable everyone (citizens, entrepreneurs and organizations) to take action and build a more inclusive and sustainable society.

Mouvement Impact France

Mouvement Impact France is an association which represents the actors of the social and solidarity economy in France. It was founded in 2020, from the merger of the Movement of Social Entrepreneurs and the Tech for Good France network. The organization represents companies that base their model on 4 pillars: sharing of power, sharing of value, social impact and ecological impact. Each of these pillars is accompanied by indicators and criteria to assess them.

Venture ESG

Venture ESG is a community-based non-profit initiative from VCs for VCs to push the industry on good ESG. Together with our community of 250+ VC funds and LPs from across the globe, we are working to make ESG a standard part of due diligence, portfolio management and internal fund management.

ESG Connect

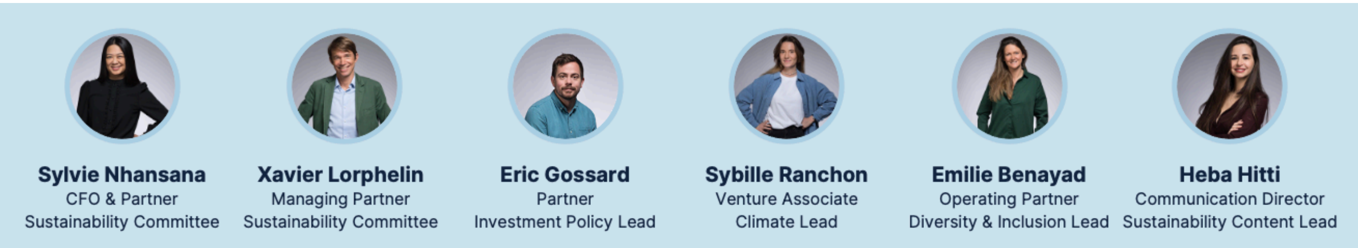
Serena recently joined ESG Connect, a movement created by Greenly, the carbon footprint calculator start-up. ESG Connect is a tech community committed to ESG topics by organizing working groups and events on climate-related topics.

3 Internal resources deployed by Serena

3.1 The sustainability dedicated team

Sustainability is everyone's concern. All teams at Serena are involved in the roll out of Serena's sustainable investment strategy. The Partners, the investment teams, the investor relations, finance and communications departments are sensitized and trained on sustainability risks.

In 2021, Serena formally appointed a Partner as Sustainability Officer, Sylvie Nhansana, who is leading the Serena Sustainability Committee joined by Xavier Lorphelin, Managing & Co-Founding Partner of Serena, and four other members of Serena who are taking specific responsibilities.



The sustainability team is responsible for supervising the integration of the sustainable investment policy across all of Serena's funds, raising awareness of the team on sustainability and ESG risks and engaging with portfolio companies. Its role also consists in improving Serena's sustainable journey by proposing new projects that will contribute to achieve the best standards in terms of sustainability in the venture capital industry. Parallel to the sustainability team, the Head of Investor Relations is also active in the daily communication of any sustainability-related projects.

In 2023, Serena plans to create a full-time Head of Sustainability position to steer the Management Company's environmental and social commitments, assess and manage the associated risks upstream of the investment decision, and contribute to improving the ESG performance of investments made by the company over the long term. The position will be reporting to Serena CFO & Sustainability Officer.

3.2 Strengthening Serena capacities on sustainability

The sustainability team ensures that all employees at Serena develop and strengthen ESG-related knowledge and skills.

The sustainability team also conduct internal presentations to the whole team at Serena during regular all hands meetings. Because every employee is involved in the implementation of the ESG agenda at different levels, all employees are requested to attend ESG training sessions. The objectives of these sessions are to help them to understand the ESG challenges.

The basis of Serena's ESG strategy relies on a principle of proactive coordination between all teams. While the role of the Sustainability team is to provide sound ESG practices, methodologies, tools and information, the role of the investment and operational teams is to coordinate and handle any ESG-related need or issue. Indeed, the investment and operational teams need to ensure that the portfolio companies have embedded the ESG road map evidenced during the due diligence phase.

3.3 ESG external support

Serena works with external ESG experts who are appointed to provide Serena with guidance and expertise on different topics. It can be for providing an ESG due diligence prior to an investment, or the assessment of the carbon footprint of Serena's portfolio companies, or for ESG training sessions for Serena employees.

Serena dedicates a specific budget each year to support Sustainability in order to benefit from the best ESG experts on the market.

Over the last 2 years, the Sustainability team launched the following projects:

- Review of the ESG annual questionnaire including core and sector-oriented indicators all relevant for Serena's portfolio companies
- Launch of the 1st impact fund Racine²
- Appointment of a dedicated sustainability team headed by Sylvie Nhansana
- Launch of the first Sustainability report
- Review and update of the responsible investment policy

3.4 Objective of balanced representation of women and men (Rixain Law)

The Rixain law, passed on December 24, 2021, introduced a new article into the COMOFI (under no. L. 533-22-2-4), which states that "Portfolio management companies define an objective of balanced representation of women and men among the teams, bodies and managers responsible for making investment decisions”. The results obtained are presented in the document mentioned in chapter II of article L. 533-22-1. This target is updated annually.

In addition, as a signatory of France Invest’s gender parity Charter, Serena has the ambition to reach:

- 40% of women in the investment teams in 2030
- 25% of women in the investment committees by 2030 and 30% by 2035

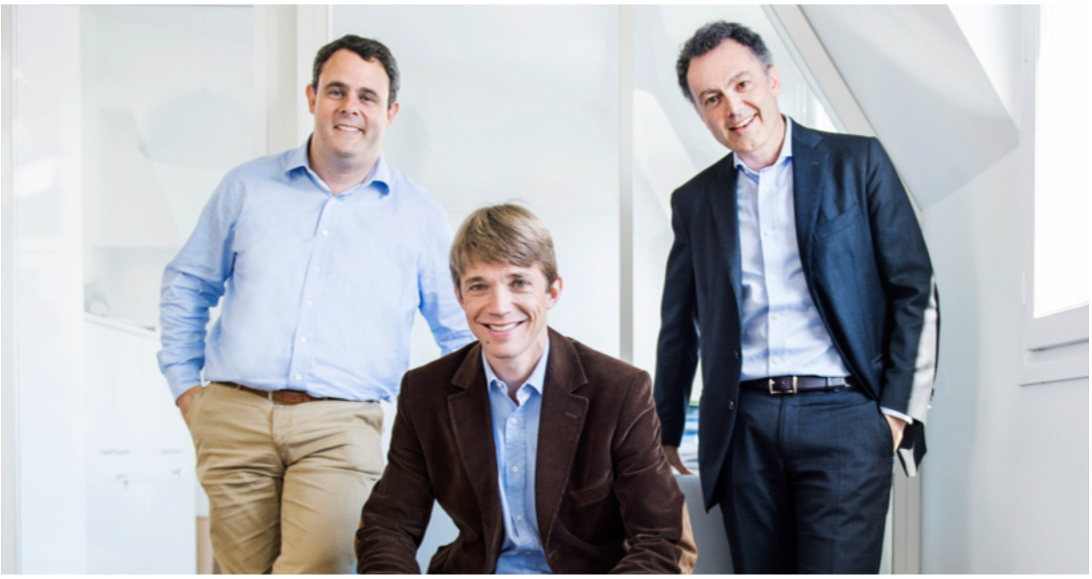
At the end of 2022, the Serena Team is made up of:

- 44% women in the workforce
- 29% of women in the investment teams
- 17% of women in the investment committees

Gender equality has always been a topic of great importance for Serena. The management company is proudly a company where gender pay gap has been tackled for years.

4 Approach to consider environmental, social and governance criteria at Serena's governance level

4.1 Governance bodies' knowledge, skills and experience in making decisions on integrating ESG criteria into investment policy and strategy



Serena was founded in 2008 but the premises started more than 10 years earlier. In 1997, Xavier Lorphelin and Marc Fournier met in Silicon Valley, where they were working. In 2002, they joined forces with Philippe Hayat and created an incubator to fund and develop young and innovative companies in the new economy.

Prior to starting Serena, the three of them collectively launched 8 companies. Their dedication to entrepreneurship extends to the community at large (Philippe has founded 100 000 entrepreneurs) and to business schools: Xavier and Marc head the ESCP Europe master of entrepreneurship and Philippe has founded the entrepreneurship program at ESSEC and Science Po.

Throughout their journey, they have always strived to bring and spread benefits to people and the planet, on a personal and collective level.

- Marc has built an autonomous farm that only produces organic food. This agriculture approach goes a long way toward tackling the climate challenge. And for the greatest joy of the Serena team, he regularly brings to the office fresh eggs and fruits straight from the farm.
- Xavier is a member of the board of a children's charity and has been active in several non-profit organizations. He set up his own foundation and is actively working on different projects to preserve and restore biodiversity. Xavier is also a Climate Fresk facilitator to raise public awareness about climate change.
- Philippe has founded "100 000 entrepreneurs", with the motto "Start with your passion, your talent, your desire, turn it into a project and bring it to reality, thus giving meaning to your professional life." The organization aims to expand the entrepreneurial spirit across undergraduates and empower aspiring entrepreneurs. Opening the horizon of possibilities to the latter and spreading the entrepreneurial culture is a way to act for the reduction of inequalities, contribute to world progress, help grow in confidence, and much more.

In many aspects, our essence at Serena reflects its founders' own key personalities, ethical values, and sense of commitment. All of the members of the Serena team are passionate about doing things for the well-being and good of the world. And the whole organization's policies and decisions are founded on deeply ingrained ethics and goodwill. As a consequence, Serena has grown into a culture where each team member is genuinely prone to ethical behaviors.

Serena has adapted its organization and governance to gradually integrate ESG criteria in its investment strategy.

The sustainability team is responsible for coordinating the implementation of initiatives and to define and deploy the sustainability strategy at Serena and its products level. The diversity of knowledge and experience of its members in terms of ESG makes it possible to ensure increased supervision of Serena ESG approach.

The sustainability team, led by two Partners reports directly to the Partners Committee, composed of all the Partners at Serena, which is the ultimate governing body of Serena.

Partners, Directors and Analysts regularly attend training and/or conferences on various topics related to ESG, among which:

- Training on extra-financial analysis
- Regulatory updates
- Climate fresk
- Diversity & Inclusion

4.2 Integration of sustainability risks in Serena's remuneration policy

Serena remuneration policy takes into account the group's strategy, objectives and risk policy, in order to align the long-term interests of all stakeholders (investors, customers, employees and the community as a whole) and includes measures to avoid conflicts of interest.

Serena observes a sound remuneration policy which sets out fair and equal principals for all employees, prevents excessive risk taking and includes quality, performance and extra-financial criteria.

Except for Partners, Serena compensation is a combination of fixed remuneration (salary and benefits) and variable remuneration (including bonus).

Serena believes that employees should receive a compensation that takes into account their performance as well as their collective involvement regarding Serena sustainable strategy. As such, Serena employees are subject to an annual performance review, where ESG risk management and cintribution to ESG at Serena and portfolio level is considered as part of each relevant individual's performance. Promoting ESG risks and opportunities assessment, monitoring and oversighting portfolio companies and discouraging excessive risk-taking, including sustainability risks, are reflected on the calculation of the variable remuneration for investment teams. In 2023, Serena extended the inclusion of ESG criteria in the performance review of all employees (operating, investors relations, operations).

Any decision related to remuneration, training, professional promotion, organization and working conditions is based strictly on a set of professional criteria, excluding any discriminatory considerations (such as, inter alia, family situation, sex, gender, sexual or religious orientation, ethnic or social origins, disability, age), and in respect with gender equality.

4.3 Integration of ESG quality criteria in the internal regulations of the entity's Board

Serena has organized its governance around several decision layers with each governance body playing a specific role in the decision-making process:

- the Partners Committee brings together all the partners to make key decisions on strategy, budget approval, hiring, and access to the partnership;
- the Executive Committee is composed of one representative for each function at Serena (investment, operating, investors relations, operations) with the responsibility to implement the Partners Committee operational decisions;
- Each fund has its own Investment Committee designed to take all decisions related to the fund management: investments to make, exit decisions, fund business planning, and day-to-day decisions on team management.

Sylvie Nhansana, CFO & Partner, represents ESG on Serena's governance bodies as Sustainability Officer. In this capacity, various ESG-related issues are regularly raised with the Executive Committee and the Partners Committee, such as strategic orientations and ambitions, the integration of ESG into the creation of new products, and the resources allocated to ESG.

For Racine2, a governance body dedicated to impact has been set up. The role of the members of this specific committee is to examine the funds' impact assessment framework and approve the choice of key performance indicators and impact objectives to be achieved for each company invested in impact funds.

5 Strategy for engagement with investee companies, and its implementation

5.1 Serena engagement strategy

The shareholder agreement policy described by article R 533-16 §I of the Monetary and Financial Code (in application of article L 533-22 of the Monetary and Financial Code) comprises 6 elements and shall include the way Serena deals with the following items:

- Monitoring of strategy, financial and non-financial performance (ESG), risks, capital structure, social and environmental impact and corporate governance
- Dialogue with the Portfolio Companies
- Exercise of voting rights and other rights attached to shares
- Cooperation with other shareholders
- Communication with relevant stakeholders
- The prevention and manage

5.2 Monitoring of portfolio companies

Upon investment, Serena puts the emphasis on the importance of being a part of the board of each portfolio company. Through this participation, the Management Company can notably measure the performance of portfolio company's management team and board.

The Management Company assigns the monitoring of each investment to one or more members of its investment team.

The member or members thus designated and duly authorized to represent the Management Company, and therefore the Fund which has a financial interest in the capital of the Company concerned, attend(s) the general meetings and the meetings relating to the specific instruments held within the Company if applicable.

Depending on the control exercised (majority or minority shareholder) in the Companies, the Management Company participates or not in the meetings of the governing bodies for the vast majority as a member of the supervisory committee, and if required to specific committees (strategy, remuneration, etc.) and more exceptionally, to the board of directors of the Companies.

In the context of its investments, Serena enters into shareholder agreements in nearly all cases which ensures the Management Company that each Company transmits relevant information on its strategy, its financial, operational or its commitments in terms of ESG impact as well as its prospects for development so that the Management Company can exercise its role as a shareholder in a professional manner. It is formalized through a reporting to the Management Company, acting as representative of the alternative investment funds it manages and which invest in the Companies.

The strategy, the financial and non-financial performance, the risks, the capital structure and the ESG impact of each Company are thus closely monitored by the Management Company.

5.3 Dialogue with portfolio companies

Dialogue with the Companies is ensured through general meetings with other shareholders, the presence of representatives of the Management Company on the various governance bodies of the Companies, but also directly with the management teams of the Companies during meetings, telephone discussions or videoconferences presenting the activity of the Company concerned.

Dialogue is maintained throughout the life of the investment, not only through general meetings but also with a strong relationship that investment teams and operating teams at Serena have developed with the portfolio management's teams to better understand their needs, to bring them support and promote their growth.

In the context of its investments, Serena enters into shareholder agreements in nearly all cases which ensures the Management Company that ESG issues are on the agenda of the supervisory committee once a year, given that Serena participates in the meetings of the Companies' governing bodies.

The Management Company is a signatory to the United Nations Principles for Responsible Investment (UNPRI), the International Climate Initiative (iCi) and Tech Your place. The Companies are thus made aware of the ESG risks the Management Company strives to mitigate, as well as the best ESG practices it promotes among the Companies in the sector.

From 2023, Serana will include a Diversity and Inclusion (D&I) clause in shareholder agreements. This provision will commit Serena portfolio companies to promoting a D&I policy, particularly among their employees, in order to promote equal opportunities for women, seniors, people with disabilities, LGBTQIA+ people, visible minorities and people from priority urban districts ("Quartiers Prioritaires de la Ville") and rural areas.

5.4 Voting policy

The Management Company carries out its own assessments and analyses in respect of its voting rights within the Companies and does not solicit any voting adviser for this purpose. Voting rights are exercised at general meetings via the member of the investment team in charge of monitoring the investment concerned.

The vote is exercised in the exclusive interest of the shareholders of the Portfolio Company and Serena investors, with the aim of increasing the long-term value of their investments.

In this context, the assessment of the vote to be cast is carried out in relations with the initial investment thesis, the agreements implemented (shareholders' agreement, etc.), the business plan of the Portfolio Company as well as the development of its activity. In case of resolutions that relate directly or indirectly to ESG matters, the Management Company representative shall express its vote in accordance with the principles to which the Management Company commits (in particular ESG principles).

The resolutions presented at Company level are systematically voted on by the Management Company. These resolutions may relate to:

- Decisions leading to a modification of the articles of association of the Company concerned
- Approval of the accounts and allocation of the result
- Appointment and dismissal of corporate bodies
- So-called regulated agreements
- Programs for issuing and buying back equity securities
- Appointment of statutory auditors

5.5 Communication with other shareholders

The Management Company encourages exchanges with the other shareholders of the Companies to better promote debate and meets the best solutions to ensure the development of these Companies.

This cooperation can take place through discussions at general meetings, in the various committees set up by the Company (if applicable when these shareholders are represented there). These exchanges are established in respect to the framework of the shareholder pact.

5.6 Prevention and management of conflict of interests

The Management Company has established a conflict-of-interest management policy to ensure the prevention, identification, and handling of conflicts of interest. This policy is available at the registered office of the Management Company and may be communicated to any unitholder who so requests.

Serena respects the principles of professional ethics applicable to its business industry, in particular the identification, prevention as far as possible and the best treatment of any conflict-of-interest situation.

Voting rights are exercised in full independence, in accordance with the principles defined by Serena on managing any conflicts of interest.

Any situation of potential or proven conflict of interest which could arise during the investment or the exercise of voting rights must be declared to the Compliance Committee in charge of analyzing the situation and taking the appropriate measures to resolve the conflict, in consultation with the management of the Management Company.

5.7 Website

The following documents are available on Serena website:

- Serena Sustainability Report
- Serena Responsible investment policy
- Serena voting policy
- This report (in compliance with Article 29 of the French “Loi Energie-Climat”)

5.8 Outcomes of the engagement strategy

Serena did not exercise its voting right on any environmental, social and governance issue in 2022. The outcomes of the engagement strategy are available upon request.

5.9 Sector exclusion

Since inception, Serena has been focused on investing in start-ups that have developed product, software or service offerings in technology. These Companies may be at different stages of development: incubation, start-up, first rounds of financing. Although Serena investment strategy is far from certain sectors subject to a great deal of controversy, we wanted to formally define an exclusion policy. The identification of investment opportunities begins with a negative screening by excluding companies from our investment universe.

Serena has excluded the following sectors from its universe:

- Tobacco
- Pornography
- Production of or trade in firearms or ammunition
- Coal production
- Gambling and casinos
- Alcohol marketing and distribution

In addition, judgement will be applied to any potential investment that is not listed in the exclusion list. Serena poses the same hurdles to any other industries, geographical areas such as sanctioned countries that present behavior unaligned with Serena values.

Serena will keep under watch new situations or any regulatory evolution. If new activities were to fall under the spectrum of controversy, we will update our position accordingly. Should Serena amend its exclusion policy, it would be recorded in its policies and legal documents.

6 European taxonomy and fossil fuels

6.1 European Taxonomy

Serena invests in major transitions and innovative companies that are on a mission to service a better world. The startups supported bring about new solutions which have a positive impact to sustainability factors through the products and services they provide, meaning that portfolio companies usually carry out activities that enable other companies to improve their environmental practices and might fall in the scope of the European Union (EU) criteria for environmentally sustainable economic activities as defined by the Taxonomy Regulation (EU) 2020/852.

However, Serena invests in early-stage Venture Capital, including pre-seed and seed strategies, which are not equipped to monitor the necessary metrics needed to estimate their share of alignment to the EU Taxonomy. We encourage our Companies to produce them as soon as possible, with the aim of aggregating them at portfolio level as soon as they are available, for our SFDR Article 8 funds promoting environmental characteristics and SFDR Article 9 funds with an environmental objective.

Given the absence of taxonomy-aligned data reported directly by the companies in which Serena invests, the Management Company has so far been unable to assess with certainty whether these companies have environmentally sustainable economic activities according to the EU taxonomy. Consequently, for this financial year, the percentage of Serena's investments aligned with the EU Taxonomy is 0%.

6.2 Fossil fuels

We have no investments linked to fossil fuels, whatever the percentage of revenues or the type of fossil (coal, oil or natural gas).

7 Strategy for alignment with the international objectives of Articles 2 and 4 of the Paris Agreement relating to the mitigation of greenhouse gas emissions

7.1 Targets & objectives

Climate change is one of the most pressing challenges of our time, and the tech industry's innovation could be a powerful tool to stem it. We are all witnessing:

- The broader belief in climate change: the understanding that climate change will have profound consequences for the planet and the people on it is much more widespread today.
- Stronger capital environment: VC funds are widening their investment scope in assets capable of innovative business model that will tackle the environmental challenge.

At Serena, we believe that our industry, venture capital, has a vital role in finding, funding, and scaling companies that create breakthrough solutions to achieve the same goal, keeping global warming well-below two degrees Celsius, and in pursuit of 1.5 degrees. Our climate strategy is driven by six convictions:

1. We must be exemplary in our internal practices
2. We must do our utmost to help our Companies act at the right level
3. 100% of our Companies must integrate climate issues into their internal culture
4. 100% of our Companies must assess and manage their carbon footprint
5. We regard ESG issues, including climate change, as tomorrow's performance criteria
6. We want to be pioneers in the ecological transformation of our industry

Our engagement to materialize our contribution to the climate transition:

- Measure and activate: every year, we will encourage our portfolio companies to assess their carbon footprint impacts and set achievable targets for CO2 reduction. For now, only our new portfolio companies were invited to assess their carbon footprint but from 2023, all of them will be advised to make at least an annual assessment.
- Select and assess: strengthening our selection criteria by highlighting in the pre-investment phase the principal adverse impacts for all of our Article 8 and Article 9 funds.
- Monitor and oversight: during the ownership phase, our team will be committed to following a climate road map designed for each of our portfolio companies.
- Learn and share: we have been trained to become Climate Fresk facilitators and conduct workshops in our ecosystem to spread greater knowledge about man-made climate change.
- Support climate-related initiatives: for instance, we have sponsored the Twomorrow project to fight global warming.
- Monitoring the environmental performance of investee companies through an annual ESG questionnaire that include climate change and biodiversity linked specific indicators.

This exercise enables Serena to collect and analyze the performance of each start-up. It also highlights the companies for which climate change would be material and a need for a specific road map.

7.2 Assessment of the exposure of our start-ups to physical and transition risks

In the future, we intend to take a step further in our commitment to the climate change issue by following the recommendations of the Task Force on Climate-related Financial Disclosure ("TCFD"). The aim is to conduct a portfolio-wide physical and transition risks assessment and to provide our team with an even better understanding of the climate change outcomes.

7.3 Assessment of the carbon footprint of our start-ups

In line with the iCi, Serena started to measure the carbon footprint of its portfolio on scope 1, 2 & 3 with the help of external experts. The protocol used provides a framework for businesses, governments, and other entities to measure and report their greenhouse gas emissions in ways that support their missions and goals.

Aside our commitment towards the iCi, Serena is committed to support its portfolio to raise awareness and take tangible actions to cope with the environmental challenge. The "climate rating" of each portfolio company shall be accompanied by a specific action plan. Depending on the materiality weighting on the portfolio company, such plan will be adjusted.

7.4 Management Company carbon footprint assessment

While corporate carbon footprint is a key step in our journey towards the net zero transition, we have been adopting responsible practices at Serena for a while now. For instance, we have always been paying great attention to waste management, recycling, and responsible purchases (Castalie tap water, organic and fair trade coffee,...).

In addition to these initiatives, this year, and for the third consecutive year, we conducted a scope 1, 2 & 3 carbon footprint assessment.

Our 2022 emissions amounted to 3,566.18 T CO_2 equivalent. 99.9% of this carbon footprint falls under scope 3, i.e. indirect emissions mainly generated by our portfolio companies activities.

This year, we have worked with a carbon footprint assessment provider to increase data reliability and granularity, and to define a specific action plan to reduce our carbon emissions.

7.5 Increased level of information and actions

During the ownership phase, we intend to support our investee companies in making progress on the material climate risks and opportunities and on their climate action plan.

We annually track a set of climate-related indicators through our ESG annual questionnaire that includes the following KPIs: energy consumption, water consumption, exposition to the fossil sector, carbon footprint scope 1, 2 & 3 for a group of start-ups, carbon intensity, waste management, raw material and biodiversity exposure. If material climate risks is identified for a start-up, it will be closely monitored throughout the ownership phase.

In 2023, we penned a "Climate Starter Pack" with the help of an external expert, to give our Companies the tools to develop a robust climate strategy and combat climate change. This guide is structured as follows:

1. Introduction to Climate Change: How did we get there and what can we do?
2. Understand and measure your company's impact: access to a carbon footprint calculator

3. Assess how you can act: from carbon footprint to climate strategy: a step-by-step approach
4. Develop your action plan: a company's framework to climate action
5. Engage your stakeholders: how to engage team members, customers and suppliers

Starting from 2023, we plan to propose multiple climate workshops per year to our Companies, and to put climate issues on the agenda of the supervisory committee once a year, given that Serena participates in the meetings of the Companies’ governing bodies.

7.6 Management of index funds

This provision is not applicable to Serena activity.

7.7 Formal exclusion from coal and hydrocarbons

Coal and hydrocarbons assets are excluded from our investment universe.

Strengthening our climate strategy is one of our priorities. Information on actions and ESG performance are shared in our annual Sustainability Report that encompasses the Firm’s ESG projects as well as outlines of our improvements and results of our ESG strategy.

8 Strategy for alignment with long-term biodiversity objectives

8.1 Measurement of Serena's compliance with the objectives contained in the Convention on Biological Diversity adopted in June 5, 1992

The Convention on Biological Diversity sets three global objectives to achieve sustainable development:

- The preservation of biological diversity
- The sustainable use of its elements
- The fair and equitable sharing of the benefits arising from the exploitation of genetic resources

Biodiversity refers to all living species, as well as the ecosystems in which they live, and encompasses the interactions of species with each other and their environments.

While the metrics are easier to calculate the consequences of global warming, those required to assess the impact of our activity on natural ecosystems is way more complex to implement. Indeed, the difficulty is to capture the most material impacts of our start-ups by sector and to their value chain on ecosystems.

The level of complexity compared to the climate footprint (temperature) is therefore higher for the analysis and the measurement of impacts (number of species, genetic diversity, relationship between species within ecosystems, etc.). In addition, the data history as well as methodologies and / or technical baseline are recent and of weak quality, rendering the exercise less relevant.

According to the GIEC, climate change and the preservation of biodiversity needs to be tackled at the same level. For this issue, the principle of double materiality is essential as we can assess:

- The contribution and impact of the activity of our start-ups, in which the investment has been made, on biodiversity.
- The way in which biodiversity issues can impact the activity of our start-ups, and if this is linked to the scope (sector or geographical area).

To the extent of the understanding of its investment universe, Serena intends to play a key role in the fight against the erosion of biodiversity and the maintenance of natural capital. If relevant to our investment strategy, we will invest in assets favoring the protection of biodiversity by managing funds contributing to solutions for positive impacts on biodiversity or by integrating biodiversity criteria into the process of selecting our investments.

These approaches will require the mobilization of analysis tools that are still under development, capable of integrating specific information on natural capital, making it possible to better identify and monitor the biodiversity impacts of investment portfolios.

At this stage, we have not identified any asset that would be exposed directly to biodiversity. Having said that, the biodiversity topic is embedded in the environmental dimension and is covered by a few indicators in our annual ESG assessment.

9 Approach to integrating environmental, social and governance criteria into risk management, in particular the physical, transitional and liability risks associated with climate change and biodiversity

9.1 Risk assessment & management

A sustainability risk is an environmental, social or governance event or condition that, if it occurs, would cause a negative material impact on the value of an investment. If such risks were to materialize, the value of Serena's portfolio would be negatively impacted.

Sustainability risks appear to dominate in terms of materiality in the following dimensions:

- Environment: climate change including physical and transitional risks, energy management, water scarcity, resource depletion.
- Social: employee engagement, diversity and inclusion, health and safety including accident prevention, labor practices in the company and in the supply chain.
- Governance: governance bodies, integration of sustainability into the business' strategy, governance policies including respect for human rights, anti-corruption and bribery international agreements, management of the supply chain, customer privacy, data security.

Sustainability risks are considered in the fundamental analysis of investment opportunities. Serena performs screening and ESG due diligence before a fund invests in a targeted company, both in order to exclude controversial investments and to identify key sustainability risks and opportunities to enrich the Investment Committee's understanding prior to the final investment decision.

This ESG due diligence is carried out with the aim of integrating knowledge of sustainability with deep sector expertise to define and evaluate nuanced drivers of risk and opportunity. It provides a new perspective on the risks and opportunities of a company's business model and its management. These criteria cover the fundamental dimensions (environment, social, governance) and external stakeholders and are based on data that cover a wide range of aspects, ranging from human resources management, and environmental criteria, to governance issues. The sustainability journey starts with the pre-investment analysis which poses the key areas on which the companies should put the emphasis.

We built our Term Sheet in a way that prompts a discussion on sustainability with entrepreneurs and requests full transparency on ESG indicators. A summary of the ESG due diligence is included in our investment memorandums. Post-term sheet, when it is appropriate, we conduct a cybersecurity audit and a carbon footprint assessment alongside the financial and legal audits performed before the investment decision. The Investment Committee has the appropriate information to make a sound decision based on financial and extra-financial aspects. Serena will refrain from any investments that is not aligned with its values regardless of the financial attractiveness.

From a new portfolio company onboarding process, to the annual ESG reporting campaign, all the way to the creation of an ESG action plan, each of our portfolio companies develops its capacity to identify and tackle its sustainability risks.

Once the ESG road map has been customized for each new investment, Serena prioritizes the next steps to reduce material sustainability risks and maximize sustainability opportunities.

10 List of financial products mentioned under Articles 8 and 9 of the Disclosure Regulation (SFDR)

All the funds, including the funds that are classified Article 6 under Regulation EU 2019/2088 (SFDR), are covered by Serena general approach to ESG: monitoring of extra-financial ESG criteria, and by strict exclusion policies as defined in each fund's by-laws.

Investment strategy	Financial Product	Classification under Regulation EU 2019/2088 (SFDR)	Asset Under Management (AUM) (in €m)	Percentage of total AUM
Venture Capital	Data Venture II	Article 8	93	13%
Impact investing	Racine²	Article 9	86	12%
Venture Capital	V13 Investment	Article 6	30	4%
Venture Capital	Serena III	Article 6	216	30%
Venture Capital	Data Ventures I	Article 6	70	10%
Venture Capital	Serena II	Article 6	132	18%
Venture Capital	Serena I	Article 6	94	13%
Total			**721**	**100%**