

3

ESG strategy



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3.1 Overview of our ESG strategy



Peugeot Invest's mission is to support the development of its assets as a long-term minority investor.

Peugeot Invest has a strong industrial and entrepreneurial culture, and believes that its responsibilities go further than just delivering financial returns. Innovation and contributing to social progress have been at the heart of its family DNA for more than two centuries.

Peugeot Invest's commitment throughout this history serves to guide it in its role as a responsible investor, as it strives to have a positive impact on the economy over the long term. This can be seen in both its investment policy and its internal business practices.

The presentation of Peugeot Invest's ESG approach is reviewed by an Independent Third Party (Mazars) in the Non-Financial Performance Statement (NFPS) of Établissements Peugeot Frères, its majority shareholder.

The main advances in the roadmap are presented in the Universal Registration Document each year. In this document, we use the term ESG to describe our approach as a responsible investor and shareholder, and CSR to refer to our internal actions.

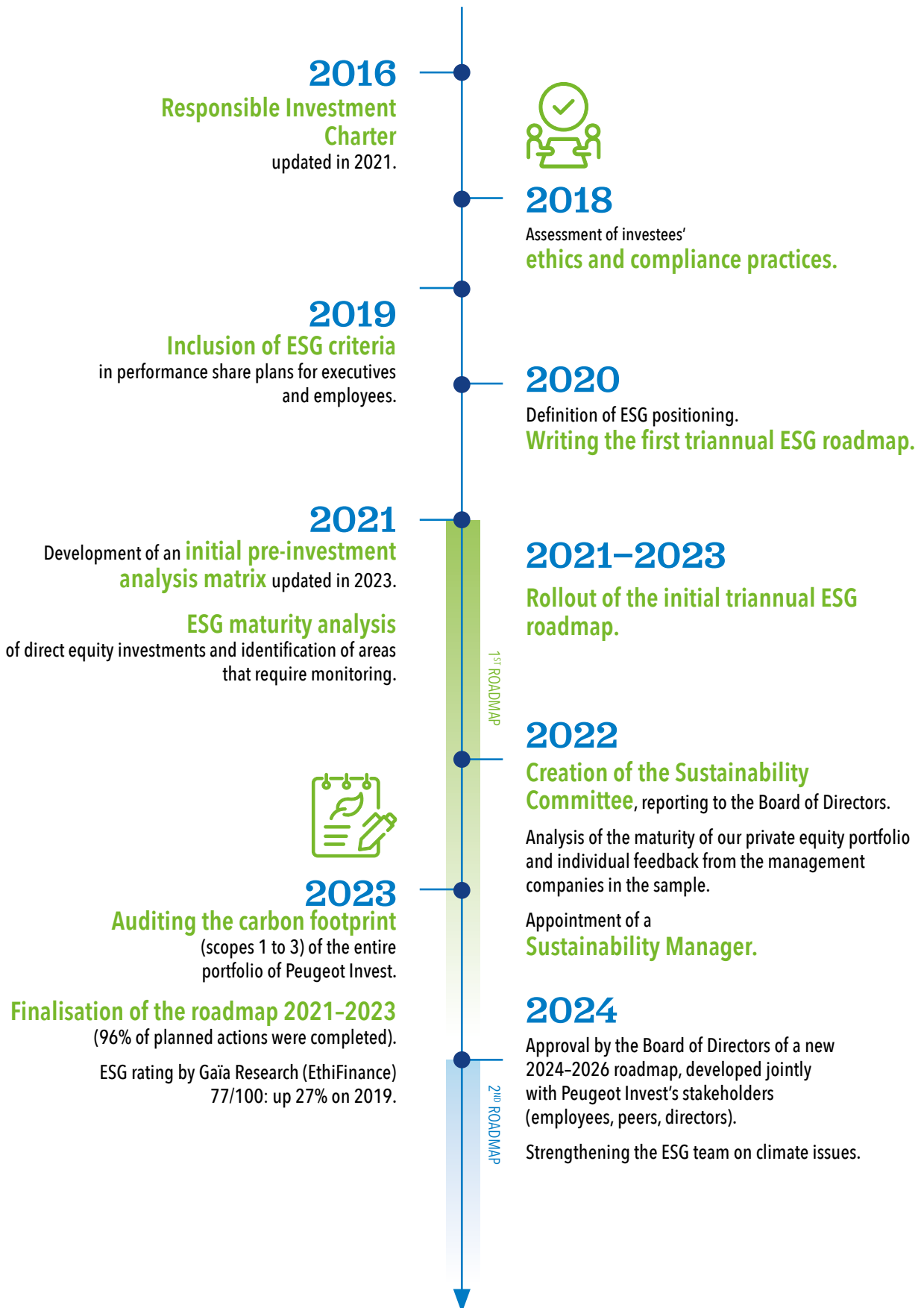
In 2023, Établissements Peugeot Frères, the majority shareholder of Peugeot Invest, defined a mission statement that brings a new vision to our historic positioning:

"Together, driven by a passion for entrepreneurship, we are developing the Peugeot family group over the long term, supporting responsible companies in the face of societal challenges."

2023: a milestone in our ESG commitment

Peugeot Invest's ESG commitment is pragmatic and sincere, and is not guided solely by regulatory requirements. This commitment has gradually taken its official form since 2016, with the drafting of our first Responsible Investment Charter, which was updated in 2021.


In 2023, we achieved an important milestone, taking stock of our first triannual ESG roadmap for 2021–2023; carrying out an initial carbon footprint audit of our investments; and defining a new action plan for 2024–2026. In this chapter, we present the progress of our approach and our ambitions.



The three pillars of our sustainable commitment strategy

OUR ESG STRATEGY IS BASED ON THREE PILLARS

Our strategic vision is reflected in a roadmap for 2024–2026, designed to expand our ESG approach and involve our employees and all our stakeholders. **In line with our positioning as a long-term investor and our diversification strategy, this roadmap will provide us with visibility and perspectives on the vulnerabilities of our priority sectors.**



Pillar 1 – Integrating ESG into the investment cycle

Pre-investment: integrating ESG analysis criteria as early as possible in the investment cycle and ensuring that companies are able and willing to move towards sustainable business models.


Negotiation and holding: helping companies adapt their business models, with a particular focus on governance and climate change.

Exit: deriving value from the progress we have contributed to.



Pillar 2 – Developing an ESG culture

Developing solid ESG skills and knowledge among both management and employees.



Pillar 3 – Deploying internal CSR practices

Adopting internal CSR practices that are specific to our business sector and consistent with the demands we make of our stakeholders.

3.2 The organisation of our ESG approach

A structured ESG governance

Our first roadmap enabled us to establish ESG governance at the level of Peugeot Invest's Board of Directors and the Executive Committee.

At the level of the Board of Directors: in 2022, the Board of Directors of Peugeot Invest set up a Sustainability Committee, chaired by Robert Peugeot. This Committee meets at least twice a year to study and prepare the deliberations of the Board of Directors.

It ensures that material sustainability issues are properly identified and monitored, in order to anticipate the associated impacts, risks and opportunities. It monitors progress on the multi-year roadmaps. In 2023, the Sustainability Committee reviewed the new triannual ESG roadmap laid down by the Executive Committee. This roadmap was adopted by the Board of Directors in 2024. It also prepares the ESG criteria for the remuneration of the Chief Executive Officer and the investors.

The Investments and Shareholdings Committee's review of assets now includes an analysis of their ESG maturity and their main material challenges.

In 2023, all directors received training from external experts on climate issues and the ESG regulatory context (i.e. the European Commission's Sustainable Finance Action Plan).

At Executive Committee level: progress on the roadmap is monitored regularly, through updates on specific topics (sustainable and/or impact investments, carbon footprint and emissions reduction action plan, preparation of the new roadmap) and regular sharing of results achieved and difficulties encountered. In order to promote an alignment of interests, individual ESG criteria for variable annual remuneration have also been introduced for investors, based on the ESG criteria of the long-term incentive plan. These quantitative criteria account for 10–15% of variable remuneration. The aim is to help everyone identify how they can integrate ESG into their function.

Active dialogue with stakeholders

Peugeot Invest's first 2021–2023 roadmap has enabled us to make progress on ESG and CSR commitments, through dialogue involving:

- our employees
- the teams at our investee companies
- our representatives on the Boards of Directors of our investee companies
- the other members of these Boards of Directors.

In particular, we brought together our main stakeholders to take stock of the 2021–2023 roadmap and to build the 2024–2026 roadmap together, by:

- conducting an employee survey (questionnaire and individual interviews)
- interacting with a number of external stakeholders (directors, peers)
- analysing our position in relation to our peers
- preparing and reviewing the roadmap in the Executive Committee
- presenting the roadmap to the Sustainability Committee, the Board of Directors and all Peugeot Invest employees.

This work was particularly useful in preparing our new roadmap, with the aim of increasing our impact and making even greater progress. The progress that has already been made is detailed in the three main pillars of the new roadmap.

Our approach makes dialogue with Peugeot Invest's investee companies and partners on ESG issues a priority. It is described in detail below in the section on our Pillar I: integrating ESG into the investment cycle.

IN 2023

Peugeot Invest’s first carbon footprint audit



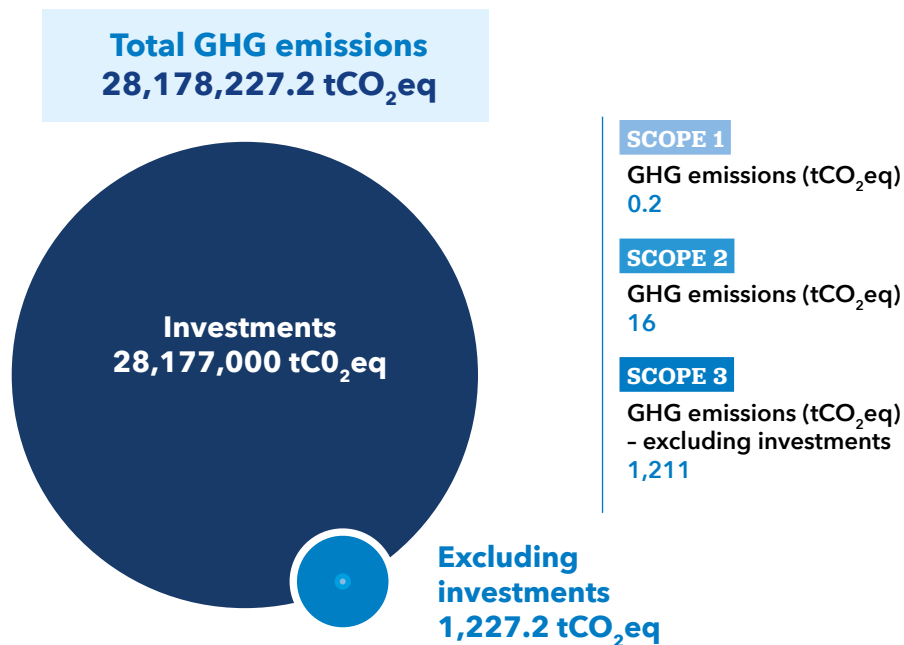
We audited the carbon footprint of scopes 1 to 3 for Peugeot Invest’s activity, including its investments.

Details of the main emission items and our carbon-reduction plan are set out below.

Our methodology

For 78% of the assets by value, the carbon footprint of the investments was calculated on the basis of the companies’ carbon footprints. A significant difference in coverage was observed between asset types: 96% actual data for shareholdings, 53% for co-investments, 23% for investment funds. Missing data were estimated on the basis of extrapolations from existing data or on the basis of sector studies.

2022 indicators



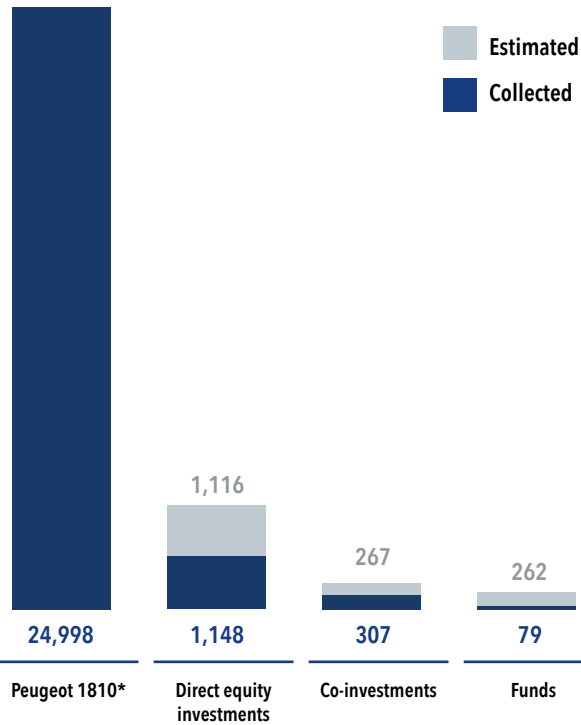
The carbon footprint of Peugeot Invest’s assets represents almost all of our carbon footprint. Peugeot 1810 carries Peugeot Invest’s automotive investments, which partly explains its weight in Peugeot Invest’s carbon footprint.

Peugeot Invest’s “holding company” carbon footprint for 2023 is 1,227.2 tCO₂eq. The associated reduction plan is presented in Pillar 3 on page 126.



Breakdown of our carbon footprint by nature of our investments

GHG emissions linked to investments,
in ktCO₂eq



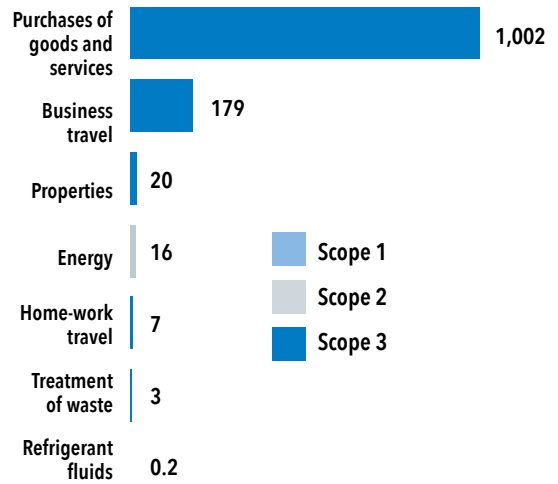
* Peugeot 1810 emissions, like those of each of our assets, are recognised in proportion to the percentage held by Peugeot Invest.

Indicator	2022
Greenhouse gas emissions from investments	28,177 ktCO ₂ eq

Greenhouse gas emissions were calculated for 2022, based on the carbon footprints of our assets.

Breakdown of Peugeot Invest's carbon footprint

GHG emissions linked to the operation
of Peugeot Invest, in tCO₂eq



3.3 Our approach in detail

Pillar 1 – Integrating ESG into the investment cycle

This pillar enables us to address our main challenges as an investor and shareholder. Our main responsibility lies in our ability to integrate sustainability issues into our business, at all stages of the investment cycle. The aim is to give non-financial indicators their rightful place alongside financial indicators, in the pre-investment, negotiation, holding and exit phases, and to help our investee companies make progress in their own CSR approach.

MAIN ACHIEVEMENTS IN 2023

- ✓ Revision of the pre-investment analysis matrix.
- ✓ Creation of individual ESG criteria for employee remuneration.
- ✓ Identification of the most relevant standardised indicators for quantitative monitoring of the ESG performance of holdings.
- ✓ Systematic ESG exchanges on the ESG maturity of assets.
- ✓ Strengthening of Peugeot Invest's ESG positions in its voting policy.

In view of the growing importance of environmental and social transition issues in society and the strengthening of regulations (particularly in the European Union via the Commission's Sustainable Finance Action Plan), financial players must take into account the non-financial opportunities and risks associated with their assets throughout the investment cycle.

Although it is not systematically subject to the relevant regulations, and mindful that being a minority investor does not provide the same power of influence as a majority investor, Peugeot Invest has been committed to this approach since 2016. In line with the mission statement of Établissements Peugeot Frères, its majority shareholder, and consistent with its positioning as a long-term investor, Peugeot Invest aims to act at key moments in the investment cycle:

- in the period leading up to the investment, ensuring the capacity and willingness of companies and partners to adopt ambitious ESG strategies
- during the investment period, by making ESG an additional key to understanding its assets and helping to advance its own ESG approach.

In addition to this monitoring throughout the investment cycle, Peugeot Invest has defined two priority themes for monitoring its shareholdings: governance and climate transition. The actions implemented in these two areas are detailed below.

Integration of ESG during the investment

Regarding the integration of ESG in the acquisition phase, Peugeot Invest first drew up an exclusion list in 2016⁽¹⁾. In practice, analysis of the data leads to the exclusion of certain companies or sectors on an ad hoc basis. As part of its 2024–2026 roadmap drawn up in 2023, Peugeot Invest intends to carry out an analysis in 2024 of the ESG risks and vulnerabilities specific to the sectors in which it is invested.

Peugeot Invest adapts its practices depending on the type of investment:

- **Direct investments in listed and unlisted companies:**
the pre-investment ESG analysis matrix was updated in 2023. The goal is to better identify the material ESG issues facing the target companies, the associated level of maturity and the main areas for improvement. This grid pays particular attention to governance and climate issues (see page 124). It makes it easier to monitor investee companies during the holding phase.
- **Investments in and with investment funds⁽²⁾:**
in the same way, an ESG analysis matrix is applied during the due diligence phase to identify the material issues and the maturity of the target funds. The results of this analysis are then incorporated into the investment dossiers.

Specifically, since 2020, more than 90% of investment dossiers have included an internal analysis of ESG issues.

(1) List of exclusions presented in Peugeot Invest's Responsible Investor Charter.

(2) Peugeot Invest invests in investment funds and alongside investment funds in co-investments.

Asset holding phase

Peugeot Invest aims to gain a deeper understanding of its assets and support them over the long term. Peugeot Invest's ESG monitoring differs according to the type of investment:

DIRECT EQUITY INVESTMENTS

Peugeot Invest is always represented on the Board of Directors of the investee companies in order to participate in defining their strategic direction. Our active role on committees and boards mean that we can pay specific attention to ESG themes, particularly those relating to governance and the climate transition.

An environmental and social maturity report was prepared in 2021 with the assistance of a specialist consulting firm. Based on a representative portfolio sample, the report identified, for each company, the most material sustainability issues on which to focus discussions.

The ESG dialogue between Peugeot Invest and its investee companies is structured on the basis of this ESG maturity

analysis carried out in the pre-investment phase and the analysis of the investees' publications. It is supported by the employees and directors who represent Peugeot Invest on the Board of Directors.

In 2023, we initiated the creation of a quantitative analysis matrix for consolidated monitoring of the ESG maturity of the portfolio, helping to identify Peugeot Invest's potential level of influence and also covering strategic issues for Peugeot Invest (governance and climate). Our ESG voting policy was also strengthened in 2023.

INVESTMENTS IN AND WITH INVESTMENT FUNDS⁽¹⁾

A maturity report of the private equity portfolio in 2022 was carried out with the help of a specialist consultancy firm on a representative sample of the funds invested. An individual summary of this analysis was sent to each of the management companies surveyed and discussions took place with those who wished to discuss the areas for improvement identified.

Indicator	2021	2022	2023	Rate of change
% of the GAV ⁽²⁾ covered by an ESG maturity report ⁽³⁾ Scope: direct and indirect investments by Peugeot Invest	67.8%	79.2%	81%	+2.3%

(1) Peugeot Invest invests in investment funds and alongside investment funds in co-investments.

(2) Gross asset value

(3) Updated valuation at 31 December 2023 of direct equity investments and management companies covered by an external ESG maturity report and internal monitoring during the year / GAV of Peugeot Invest. Disposals and changes in the valuation of equity investments between the date of the maturity report and 31 December 2023 are taken into account in this indicator.

GOVERNANCE AND CLIMATE

Two themes that are unique to Peugeot Invest

Governance

Peugeot Invest actively supports its listed and unlisted investee companies in corporate governance matters. In 2023, Peugeot Invest prepared a global overview of the governance of each of its direct equity investments, reflecting in particular:

1. **an assessment** of the extent to which each listed investee company complies with the governance code to which it refers (Afep-Medef, Middelnext or Dutch Corporate Governance Code), by checking compliance with each of the recommendations of the applicable code
2. **a qualitative assessment** of the governance of each investee company by the director representing Peugeot Invest who sits on the Board, reflecting their opinion on the way governance works and the points they feel need to be improved
3. **a score is given** for each point analysed, at three levels: good level of compliance/alert to the Executive Committee/alert to the Investments and Shareholdings Committee.

This study was presented to the teams and to the Board of Directors, and the most important points were passed on to the investees concerned.

Furthermore, in line with its historic role in the governance of its investee companies, Peugeot Invest supports the creation of dedicated CSR committees in its investments and regularly asks to sit on them. In 2023, Peugeot Invest integrated two additional CSR Committees.



Climate

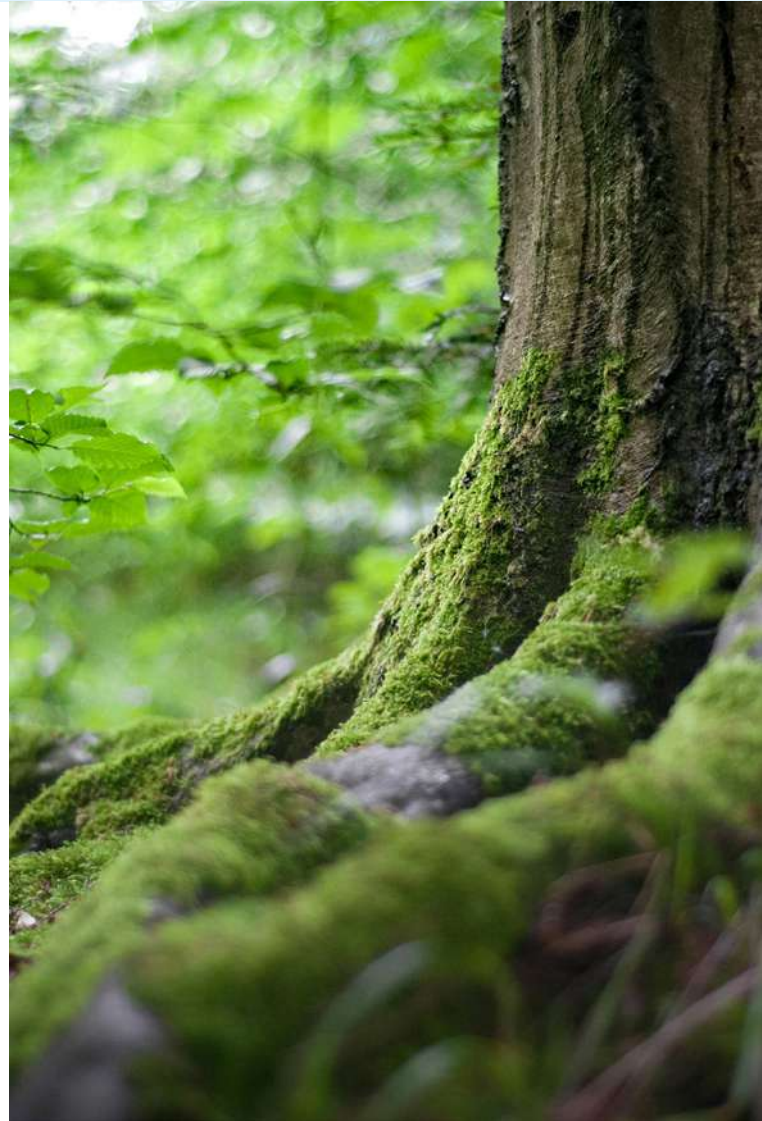
Since 2020, we have made the climate a priority theme in order to take better account of the impact of climate change on the business model of our portfolio companies, both by ensuring that they reduce their carbon footprint and that they shift towards activities that favour the transition.

Due to its concern about the issue of climate transition, in 2023 Peugeot Invest audited the carbon footprint of its own activities and those of its investee companies, detailed in the sections “Peugeot Invest’s first carbon footprint audit” and “Environmental footprint linked to our operations”.

In 2023, Peugeot Invest analysed investees’ transition plans for reducing their emissions, based on the UN’s ten criteria against greenwashing⁽¹⁾. The aim is to take these criteria into account in discussions with the investees concerned. A summary of our views on the transition plans of our main investees is presented to Peugeot Invest’s Sustainability Committee.

The following are the points that we monitor in particular through our discussions with the CSR managers of our investee companies and our analysis of their publications:

- **A carbon footprint audit on scopes 1 to 3:** many investee companies have been calculating their carbon footprint for a number of years. We are seeing progress in scope 3 reporting. However, our investee companies do not yet systematically publish an exhaustive annual carbon footprint for scope 3.
- **Definition of a reduction trajectory in line with the Paris Agreements:** we also check whether this trajectory is validated by the SBTi and the gap between the forecast trajectory and actual emissions.
- **Relevance of the transition plan: compliance with the reduction trajectory is based on a number of factors which we analyse:** partnerships with the ecosystem (suppliers, customers, end consumers etc.), awareness-raising and training for teams to develop skills and professions, ESG remuneration criteria. In 2024, we want to look more closely at the availability of sufficient dedicated resources (budget, human resources).
- **Monitoring of the climate strategy by the Board of Directors and its committees:** in line with the importance we attach to the subject of governance, we pay particular attention to the frequency and length of the committee meetings, the composition and training of their members, the means used to report work back to the Board of Directors and sufficient cross-functionality between committees (governance, audit, strategy, CSR etc.).
- **Carbon pricing:** identifying best practices in internal pricing systems. In 2024, we want to look more closely at the potential impact of the border carbon adjustment mechanism on our shareholdings.

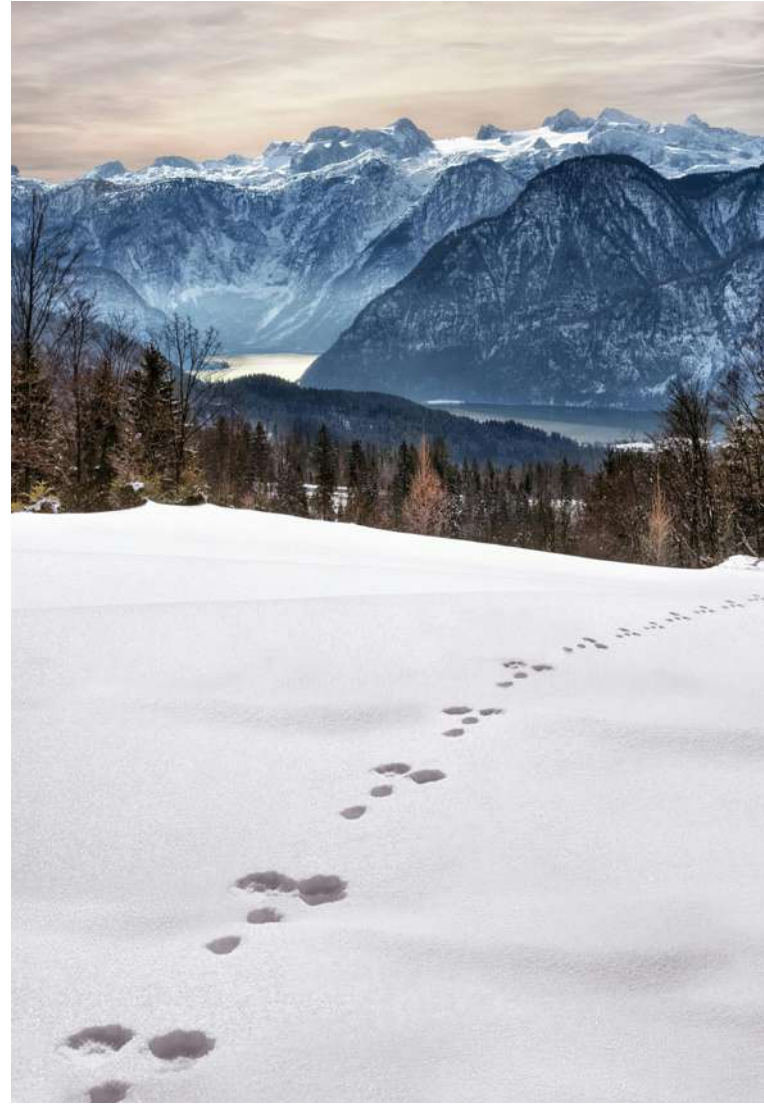


(1) “Integrity matters: Net zero commitments by businesses, financial institutions, cities and regions” – report from the United Nations’ high-level expert group on the net zero emissions commitments of non-state entities.

Emissions reduction plan linked to investments

The main actions we intend to take following the audit of the carbon footprint of our investments are as follows:

- **Reduce the proportion of estimates** in Peugeot Invest's carbon footprint
- **Encourage assets** to audit their carbon footprint for scopes 1 to 3 and their transition plan
- **Integrate the climate transition** into the investment policy
- **Update Peugeot Invest's sectoral policies**, in particular for the sectors with the highest emissions
- **Focus more** on companies that offer solutions/sectors that contribute to the energy/climate transition
- **Discuss with our funds**, in the pre-investment phase, their methodology for taking climate change into account when selecting companies
- **Take climate into account** in the pre-investment phase
- **Carry out "climate" due diligence** (climate risks and opportunities) in the pre-investment phase
- **Define a materiality threshold** for companies from which we request a carbon footprint (two years) and a transition plan (three years) prior to investment
- **Ensure that reduction targets are met**
- **Continue our dialogue with the teams and Boards of Directors** of our main assets to ensure the reduction of greenhouse gas emissions by:
 - ensuring monitoring at least once a year by the Board of Directors of the investee companies, including for actions that could shift the business model
 - requesting the introduction of remuneration criteria linked to the monitoring of the transition plan (at least for executive officers and members of the Executive Committees of our main assets)
 - anticipating the reasonable assurance review of the carbon footprint for companies subject to the CSRD
 - discussing the reduction trajectory at least once a year with the sustainability or CSR departments of our main assets.



Climate targets

Climate targets have been defined at portfolio level.

For our direct investments, we want to monitor the "temperature" of our portfolio, with a temperature score target of 1.6°C by 2030 (1.5°C by 2040).

With regard to our other assets, we want to monitor the percentage of our assets covered by a reduction trajectory compatible with the Paris Agreements – with a target of 55% of assets concerned in 2030 (as a % of our GAV).

Pillar 2 – Developing an ESG culture

If ESG is to be fully integrated into the investment cycle, sustainability issues must become a regular focus of analysis and support. This can only be achieved by building a solid, shared internal ESG culture and implementing specific tools.

MAIN ACHIEVEMENTS IN 2023

- ✓ Raising the awareness of the Board of Directors of climate and sustainability issues, as well as new regulatory requirements.
- ✓ Revision of the ESG chapter of the URD and better integration of ESG issues in investor presentations.
- ✓ Increased efforts in ESG training, awareness-raising and monitoring.

In order to be able to fully integrate ESG into the investment cycle (Pillar 1 of our strategy), ESG must become an even more important criterion in all our analyses and support. This will only be possible if we build a solid common culture around sustainability issues.

The internal survey carried out in 2023 highlighted the need to raise awareness of the major environmental issues and to provide training specific to our businesses. Our employees want to be in a better position to assess the ESG approaches of our assets in a meaningful way, without needing to involve the ad hoc team as a matter of course. This means stepping up efforts to raise awareness and provide training.

“Developing an ESG culture” is therefore one of the pillars of our approach. This means involving employees in defining the strategy and having more regular internal communication on the progress of the roadmap, skills development and the design and distribution of specific tools.

Involving and informing all employees

In 2023, a questionnaire and individual interviews were used to involve the teams in preparing the new roadmap. This was followed by a number of opportunities for feedback and dialogue:

- presentation to investors of a comparative analysis of best practices
- introduction of the new ESG roadmap to all employees, after validation by the Sustainability Committee and the Board of Directors
- feedback to all employees on the results of the stakeholder survey.

This time for listening, presenting and sharing is an ideal opportunity to raise awareness of the issues at stake and to get the whole team on board with the approach.

Internal communication is also an important means of publicising regular progress and enhancing the status of the people involved, in addition to regular monitoring of the roadmap and the actions initiated by the Executive Committee. The 2024–2026 roadmap commits us to communicating more regularly with employees on the progress of the approach and to drafting several types of ESG language.

Putting ESG at the heart of our business

To enable our teams to monitor ESG issues more effectively, we have introduced a range of awareness-raising and training initiatives in recent years, particularly on sustainable finance and climate change. Our ESG roadmap provides for a ramp-up from 2024, through the formalisation of a multi-year ESG awareness and training plan for employees and directors, comprising a general foundation and modules specific to Peugeot Invest’s strategic challenges.

A Sustainability Officer was also appointed in 2022, whose role includes strengthening the ESG skills of the investment teams and helping them provide support to investees. The following tools have been designed for and with the teams:

- scorecard to analyse private equity funds (2022)
- update of a pre-investment analysis matrix (2023)
- work on a set of quantitative indicators to monitor the ESG maturity of direct equity investments (2023).

Our ESG discussions with our assets are conducted jointly by the ESG and investment teams.

Pillar 3 – Deploying internal CSR practices

To maintain the trust of our stakeholders, we must also continue and expand the deployment of best practices in business ethics, information security, human resources management and reducing our environmental footprint.

MAIN ACHIEVEMENTS IN 2023

- ✓ Auditing the carbon footprint (holding company and investments), defining reduction targets and an action plan.
- ✓ Revision of the Code of Ethics to comply with Sapin II regulations; distribution of the Code and staff training.
- ✓ Focus on psychosocial risks, particularly through free, anonymous access for employees to a dedicated platform.
- ✓ Social commitment: organisation of a half-day planting of hedges and a visit to a learning factory.

The third pillar of our ESG approach involves the deployment of internal practices specific to our business sector, consistent with the demands we make of our investees.



Business ethics

Combat corruption and influence peddling, prevent the spread of false information or the misuse of insider information.



Information security

Guarantee the security of confidential market information, data concerning our investees as well as our employee data.



Human resources management

Establish a healthy, supportive working environment, ensuring business continuity and maintaining our attractive positioning.



Environmental footprint

Although our direct carbon and environmental footprint is small compared to that of our activity as an investor and shareholder, we must take steps to reduce it as much as possible, in a responsible and exemplary manner.

Business ethics

As an investor and shareholder, business ethics are a key issue for Peugeot Invest. The Legal Affairs and Compliance Department organises and oversees Peugeot Invest's ethics system, particularly in terms of the fight against corruption and influence peddling, and the prevention of fraud and market abuse. This team works with the Finance Department to carry out checks and procedures to ensure ethical conduct. The Legal and Finance Departments report directly to the Executive Management of Peugeot Invest and are overseen by the Board of Directors and its Financial and Audit Committee. The Head of Internal Audit, appointed in 2023, ensures the compliance and effectiveness of the actions implemented.

As part of the roll-out of an anti-corruption prevention programme in compliance with French law 2016 – 1691, known as Sapin II, a mapping of corruption and influence peddling risks was done, detailing the existing systems and concrete action plans for controlling these risks.

The Code of Ethics, which was rolled out in 2023, brings together all the rules of conduct that all employees must observe in all circumstances in their day-to-day activities. It provides a common frame of reference for the commitments made by Group companies and is illustrated by specific cases, particularly in the areas of anti-corruption, compliance with competition law, prevention of market abuse and protection of assets and confidential information. An ethics alert enables employees to report any violations or situations of concern relating to legal or regulatory requirements, ethical principles or internal procedures.

Ethical expectations with regard to suppliers have been formalised in a Responsible Purchasing Charter, compliance with which is a condition of continuing business relations with Peugeot Invest.

In order to meet the specific requirements of its business, Peugeot Invest has adopted a Stock Market Code of Ethics that applies to all its employees. An internal procedure for handling insider information, in particular by maintaining lists of insiders, and a system for restricting the sharing of confidential data are also implemented.

A programme of training and awareness-raising in ethical practices has been developed to give employees a sense of responsibility. In 2023, employees took part in a training session on business ethics tailored to their level of risk exposure.

Indicator	2023
Percentage of employees who have received the Code of Ethics	100%
Percentage of permanent workforce who have ethics training	88.2%

Information security

For Peugeot Invest, it is essential to guarantee the security of confidential market information, data concerning our investee companies and those of our employees. A successful cyber attack could compromise our reputation, affect our ability to appear as a trusted player in the market and alter our business.

We follow the recommendations of the CNIL (Commission nationale de l'informatique et des libertés) and the ANSSI (Autorité nationale en matière de sécurité et de défense des systèmes d'information) in order to control the risks relating to the information system as effectively as possible.

In addition, our Internal Rules contain general rules on cyber security, and a Charter for the use of IT resources has been signed by all employees. The holdings also comply with the RGPD⁽¹⁾ to guarantee the security of employees' personal data. A security audit of the information system and website is carried out on a regular basis (most recent occurrence: 2022) to ensure that measures are up to date. Following this audit, action was taken during the year to correct the weaknesses identified.

In addition, other measures have been taken to secure computer workstations, such as:

- encryption of all hard drives
- implementation of all recommended updates, monitored on a daily basis by the IT technician
- the ability to block mobile phones remotely
- blocking USB ports
- antivirus software to analyse all the traffic passing through the network, giving an overview of all the workstations and the antivirus updates carried out by each employee
- the introduction of dual authentication for 23% of employees (roll-out to all employees planned for 2024).

To enhance employee awareness, which is essential for controlling the risk of cyber attacks, regular phishing campaigns are carried out and anti-spam filtering software has been in place since February 2022. In addition, a staff training campaign in IT security was rolled out in 2023.

Indicator	2023
Percentage of "at risk" ⁽²⁾ employees trained at least once a year in cyber security by an external service provider	55.9%
Scope: "at risk" employees of Peugeot Invest	

Human resources management

Peugeot Invest is backed by a historic brand whose reputation and longevity have enabled a corporate culture to be developed around a team of well-known professionals and a shared mission.

Peugeot Invest is a company with a human dimension, based on close relationships and a free exchange of ideas within the teams, combined with an ongoing quest for professional excellence. This human dimension makes us very attractive and allows us to act with agility, which is an asset in a context of changing activities and challenges.

Peugeot Invest is committed to guaranteeing the quality of life at work for everyone, in particular through the prevention and management of psychosocial risks, work-life balance, the promotion of dialogue within the company and the involvement of everyone in the project.

In this respect, in terms of health and safety, psychosocial risks (PSR) have been identified in the occupational risk assessment document (Document unique d'évaluation des risques professionnels). In order to report PSR, employees have a channel of communication with their own manager, which is facilitated by the small size of the teams, with the head of human resources and with staff representation bodies. To support employees in the prevention of psychosocial risks, and in addition to the support services offered by occupational medicine and the company health insurance scheme, employees have access to a platform dedicated to mental health, where they can access podcasts and articles, as well as personalised support or psychological counselling, on an individual, confidential and unlimited basis. A training course on managing mental stress was also offered in 2023 to raise employee awareness of psychosocial risks and help prevent them. The quality of the projects, the team spirit and the ever-increasing performance challenges all help to build team loyalty.

(1) General Data Protection Regulation.

(2) Employees qualified as "at risk" are those who have a computer. In 2022, two of the Group's employees did not have a computer and therefore did not receive cyber security awareness training.

When teams are expanded, candidates are identified by specialist recruitment agencies, chosen on the basis of their expertise and the needs of the business.

During performance reviews and annual interviews, the skills of each employee are reviewed in order to identify any changes that need to be anticipated in terms of professional development and skills. During annual and mid-year reviews, team managers review the career paths and performance of their staff, providing an opportunity to discuss individual development, professional potential and role within the organisation.

Particular attention is paid to skills development, which involves:

- organising annual interviews with each employee to review the past year and discuss their aspirations in terms of professional development and training

- capitalising on good practices in mid-year reviews and regular feedback
- the establishment in 2022 of a skills catalogue and job directory for each department, with a view to boosting career paths and ensuring transparency in career development
- staff training, both by identifying needs and proposing training modules in line with the company’s strategy and major projects, and by monitoring the training plan.

Peugeot Invest also ensures that its remuneration structure remains attractive and consistent with the responsibilities, missions and job market of its staff.

All employees benefit from a profit-sharing agreement and savings plans.

In 2023, Peugeot Invest saw the arrival of one new apprentice and three resignations.

Indicators	2023
% of women in the permanent workforce	55.9%
Employee turnover rate ⁽¹⁾ Scope: total permanent workforce of the family group's holding companies, excluding corporate officers, excluding trainees	8.8%
Rate of access to staff training ⁽²⁾ Scope: total permanent workforce of the family group's holding companies, excluding corporate officers, excluding trainees	97.2%
Average number of training hours per employee Scope: total permanent workforce of the family group's holding companies, excluding corporate officers, excluding trainees	22.6
Percentage of employees who have taken part in regular performance and career development reviews Scope: total permanent workforce of the family group's holding companies, excluding corporate officers, excluding trainees	100%
Staff absenteeism rate ⁽³⁾ Scope: total permanent workforce of the family group's holding companies, excluding corporate officers, excluding trainees	5%
Rate of disabled employees Scope: total permanent workforce of the family group's holding companies, excluding corporate officers, excluding trainees	2.9

(1) Number of employees leaving / Total permanent workforce.

(2) Number of employees who have received at least one training course / Total permanent workforce.

(3) Number of hours absent / Number of theoretical hours worked * 100.

The environmental footprint of our operations

The carbon footprint of Peugeot Invest's operations amounts to 1,227.2 tCO₂eq. This represents a very small part of our overall carbon footprint, with the carbon footprint of Peugeot Invest's investments, presented in Pillar I, accounting for almost all of our footprint. However, it is important to analyse emission items in more detail in order to reduce them, especially as this footprint amounts to almost 40 tCO₂eq/employee in relation to the number of employees: we must be exemplary if we are to be credible and accountable when managing assets.

ANALYSIS OF EMISSION ITEMS

Purchases ("inputs") account for 82% of Peugeot Invest's non-portfolio issues⁽¹⁾, the vast majority of which are services related to the purchase of "insurance, banking services, advice and fees" linked to our investment activity.

Business travel and commuting account for 15% of emissions, mainly as a result of air travel and the use of our vehicle fleet.

A. ACTION PLAN FOR PRIORITY REDUCTION ITEMS

Purchases - 82% of emissions

Obtain from service providers an estimate of the emissions linked to the service provided and their reduction trajectory

Take into account the credibility of the climate trajectory when choosing suppliers

Travel - 15% of emissions

Have a responsible travel policy, covering long and short journeys (e.g. train travel for journeys of less than 4 hours)

Energy consumption in offices - 1% of emissions

An action plan for less significant items is being implemented by the teams, particularly in the areas of IT equipment and waste.

A progress report on the action plan will be presented in early 2025 to monitor our progress.

Although the climate impact of Peugeot Invest's operations is low in relation to its activity, climate objectives have been defined.

For suppliers and service providers whose annual turnover exceeds €5k excluding VAT, the objectives are:

- 100% of suppliers with a carbon footprint for the long-term (2035) and 90% within five years (2028)
- 90% of suppliers with a reduction trajectory compatible with the Paris Agreements for the long term (2035) and 50% within five years (2028).

For scopes 1 to 3 emissions excluding operations purchases, the expected reduction is 42% by 2030.

WASTE REDUCTION AND MANAGEMENT

Waste-related actions include reducing the use of plastic on our premises (water fountains and jugs, purchase of bentos) for employees.

Computer equipment is handled in accordance with current regulations in France and the UK. A more active policy of reconditioning and extending the lifespan of equipment is currently being studied, and has begun with an inventory of IT equipment.

Indicator	2021	2022	2023	Change 2022-2023
Total electricity consumption (kWh)	84,207	71,701	77,128	7.6%
Electricity consumption scope: Peugeot Invest premises in France, home to 85.3% of employees				

(1) Note on methodology: the majority of purchasing emissions were calculated using sectoral emission factors.

B. CONTRIBUTING TO THE PRESERVATION OF THE DOMAINE DE RAMBOUILLET

At the same time as it defined its emissions reduction strategy, at the end of 2023 Peugeot Invest established a programme to contribute to global carbon neutrality. We are working with the Domaine de Rambouillet to preserve healthy forest stands and thus generate greenhouse gas emission reduction units (carbon credits). Peugeot Invest decided to support this iconic estate, with its exceptional biodiversity, in its efforts to adapt to climate change. In practical terms, this involves the purchase of 6,340 carbon credits out of the 6,375 generated by the project. These credits are valued by the co-benefits for biodiversity generated by the project and are certified. They will be issued over a five-year period and can be used for twenty years.

In addition, by using the carbon sequestration method developed by La Belle Forêt (Bureau Veritas certified), Peugeot Invest is committed to helping the Rambouillet forest adapt to climate change and preserving its biodiversity.

