

**ITEM 1: COVER PAGE**

**EURAZEO NORTH AMERICA, INC.  
FORM ADV, PART 2A**

745 Fifth Avenue, 19th Floor  
New York, NY 10151

(212) 610-6060

**March 2023**

This brochure (“Brochure”) provides information about the qualifications and business practices of Eurazeo North America, Inc. (“Eurazeo North America”). If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer (the “CCO”), Shari Miller at (212) 527-2266.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Eurazeo North America is an investment adviser registered with the SEC. Registration with the SEC does not imply a certain level of skill or training.

Additional information about Eurazeo North America also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **ITEM 2: MATERIAL CHANGES**

Eurazeo North America, Inc. has made certain changes since the prior Brochure filed March 30, 2022, including adding additional risk factors and includes certain routine updates to improve and clarify the description of Eurazeo North America, Inc.'s business practices, compliance policies and procedures as well as to respond to evolving industry best practices.

### **IMPORTANT NOTE ABOUT THIS BROCHURE**

**This Brochure is not:**

- **an offer or agreement to provide advisory services to any person;**
- **an offer to sell interests (or a solicitation of an offer to purchase interests) in any Fund (as defined in Item 4 of this Brochure) or other persons advised by Eurazeo North America; or**
- **a complete discussion of the features, risks or conflicts associated with any advisory relationship or Fund.**

As required by the US Investment Advisers Act of 1940, as amended (“Advisers Act”), Eurazeo North America provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure to current or prospective investors in a Fund, together with a Fund’s offering documents, regulatory filings (as applicable), organizational documents, management contracts or other related documents (the “Governing Documents”), prior to, or in connection with, such persons’ investment in the Fund.

Persons who receive this Brochure (whether from Eurazeo North America or not) should be aware that the Brochure is intended solely to provide information about Eurazeo North America necessary to comply with disclosure obligations under the Advisers Act. Information in this Brochure may be presented differently from information presented in Governing Documents or in other public or private disclosures. To the extent there is any conflict between discussions herein and similar or related discussions in any Governing Documents, the relevant Governing Documents shall govern and control. More complete information about each Fund is included in relevant Governing Documents, certain of which may be provided to current and eligible prospective investors only by the Funds or by another authorized party.

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## ITEM 4: ADVISORY BUSINESS

### Eurazeo SE

Eurazeo North America, Inc. (“Eurazeo North America”) is a subsidiary of Eurazeo SE (Société Européenne or “Eurazeo SE”), a French listed publicly-traded European company. Eurazeo SE, through its subsidiaries and affiliates, operates a global investment company that sponsors and manages several Funds (as defined below) that invest in companies throughout the world. These Funds, as well as Eurazeo’s proprietary investments are managed by either Eurazeo SE or by an affiliate (Eurazeo SE together with each such managing affiliate, a “Eurazeo Fund Manager”). For purposes of this brochure, “Advisers” shall mean Eurazeo SE and Eurazeo North America and “Eurazeo” shall collectively mean the Advisers and the Eurazeo Fund Managers. Eurazeo is a global investment company with offices in Paris, New York, Sao Paulo, Seoul, Shanghai, London, Luxembourg, Frankfurt, Berlin, Madrid and London. It manages a diversified portfolio of approximately €34 billion in assets as of December 31, 2022, of which over €24 billion for third parties. Eurazeo operates in many private equity markets on three continents and has a portfolio featuring around 450 companies of all sizes and sectors, for which it is most often the majority or key shareholder.

The purpose of Eurazeo, in France and in all other countries, is (directly or indirectly):

- the management of its funds and their investment over the short, medium or long term;
- the acquisition, management and disposal, by all available means, of all minority or controlling interests, and generally of all listed and unlisted securities and all real and movable property, in France and elsewhere;
- the sponsoring and acquisition of investment funds and the acquisition of interests in funds of this type;
- the acquisition, disposal, management and operation, by way of leasing or otherwise, of all real property and buildings that it owns or that it may acquire or build;
- the performance of services on behalf of entities or companies in which Eurazeo holds an equity stake;
- the grant of security interests, endorsements and guaranties to facilitate the financing of subsidiaries or entities in which Eurazeo holds an investment; and
- more generally, all financial, industrial, commercial, real and movable property transactions, directly or indirectly related to one of those purposes or to any similar or related purpose.

Eurazeo SE has an Executive Board and a Supervisory Board and is governed by current and future French and European legislative provisions, in particular by the General Regulation of the French Financial Authority (*Règlement Général de l’Autorité des marchés financiers* (“AMF”)). Eurazeo SE is recorded in the French Single Register of Insurance, Banking, and Finance Intermediaries (ORIAS) under the number 19008710 as a Financial Investment Advisor (*Conseiller en investissement financier* (“CIF”)) since December 13, 2019. Eurazeo

commits to comply with the recommendations of the French corporate governance code called AFEP MEDEF Code.

Eurazeo invests in three asset classes: private equity, private debt and real assets.

## **Eurazeo North America**

Eurazeo North America, Inc., a corporation incorporated in the State of Delaware, USA, is a wholly-owned subsidiary of Eurazeo SE. Eurazeo North America provides non-discretionary investment advisory services to its parent Eurazeo SE on potential investments in the United States and has been providing such services since September 2016.

Pursuant to an investment advisory services agreement between Eurazeo SE and Eurazeo North America (an “Advisory Agreement”), Eurazeo North America: (i) identifies, appraises and recommends investment opportunities (such investment opportunities, once consummated, referred to herein as a “portfolio company”) in the United States to Eurazeo SE consistent with its parent company’s investment policy; (ii) advises and provides related services to its parent company in connection with the implementation of its investment recommendations; (iii) monitors the portfolio, reviews and analyzes the performance of the portfolio including in particular, the review of Eurazeo’s operating and financial results and the evaluation of the efficiency of their operation and use of capital; and (iv) assists with fundraising and investor relations in the U.S. In addition, Eurazeo North America has provided, and expects to provide certain other Eurazeo Fund Managers with similar services, pursuant to an Advisory Agreement.

As described above, Eurazeo provides investment supervisory services to certain private investment vehicles and funds that invest in assets throughout the world (each a “Fund”), and which are exempt from registration under the Investment Company Act, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). As such, the recommendations and advice provided by Eurazeo North America to a Eurazeo Fund Manager in connection with U.S. investment opportunities may be implemented by the relevant Eurazeo Fund Manager or indirectly through its subsidiaries within these Funds.

Currently, Eurazeo North America provides advisory services solely to its parent company and Eurazeo Mid Cap. It has no other clients and does not offer wrap fee programs. In the future, Eurazeo North America may agree with any Eurazeo Fund Manager to amend the relevant Advisory Agreement so that Eurazeo North America may provide additional services.

## **Proprietary Investments**

Eurazeo may invest for their own account in the Funds or otherwise in securities in which Funds may take a position (a “proprietary investment”). In accordance with co-investment agreement(s) entered into between Eurazeo, certain of its affiliates and the Funds, investment decisions made or taken by Eurazeo and its affiliates concerning proprietary investments generally shall also apply or be taken, having like effect (*i.e., pari passu*), with respect to the Funds provided it is legally and practicably possible.

That being said, it is possible that as a result of legal, tax, regulatory, accounting or other considerations, the terms of such proprietary investment (including with respect to price and timing) for Eurazeo and for the Fund may not be the same. Additionally, the Funds and Eurazeo may have different expected investment termination dates and/or investment objectives (including target return profiles) and as a result, may have conflicting goals with respect to the price and timing of disposition opportunities. The Funds' strategy of co-investing alongside Eurazeo may result in potential conflicts of interest between the different liquidity needs of Eurazeo and the Funds and the potentially indefinite investment horizon of Eurazeo, including those conflicts outlined below in "*Conflicts Related to Purchases and Sales*". Eurazeo has implemented policies and procedures to seek to identify and mitigate potential conflicts of interest and address certain regulatory requirements.

## **Assets Under Management**

Eurazeo North America provides assistance in managing approximately \$2.321 billion in assets on a non-discretionary basis (assets valued as of December 31, 2022).

## **ITEM 5: FEES AND COMPENSATION**

### **Management Fee.**

Eurazeo SE (and to the extent applicable, an other Eurazeo Fund Manager) pays an annualized asset-based advisory fee to Eurazeo North America for the advisory services provided under the relevant Advisory Agreement (the "Advisory Fee"). The Advisory Fee is based on the investments made by such Eurazeo Fund Manager in the US over the prior six months, and reduced by the acquisition costs of all investments disposed of during the year and the Service Fees (as defined below) received by Eurazeo North America from certain portfolio companies (see below). The Advisory Fee also is pro-rated for any period less than a full year according to the actual number of days elapsed. The Advisory Fee is payable in US Dollars biannually, a portion of which is paid in advance and a portion of which is paid in arrears.

Eurazeo North America's negotiated Advisory Fee is periodically reviewed by the relevant Eurazeo Fund Manager and may be amended from time to time to seek to ensure such fee earns an arm's length return in accordance with the OECD transfer pricing guidelines.

In addition, Eurazeo North America from time to time enters into services agreements with certain portfolio companies that are investments held by Eurazeo SE, another Eurazeo Fund Manager and/or, as the case may be, the Funds. Under the terms of a respective services agreement, Eurazeo North America provides or makes available certain administrative, corporate, operational structural support, monitoring and other ongoing services to the portfolio company, and Eurazeo North America receives annual fee(s) from such portfolio company as remuneration for such services (the "Service Fees"). The amount and timing of these Service Fees are generally specified in the agreement or other documentation governing the applicable relationship with the portfolio company. The Advisory Fee payable by Eurazeo SE to Eurazeo North America will be reduced on a dollar by dollar basis by the amount of Service Fees.

The terms of a services agreement may include (among other things) annual automatic renewals and the payment of Service Fees (which may be fixed fees or calculated as a percentage of EBIDTA or similar performance metric). In the event of an initial public offering or other disposition, Service Fees will continue to be paid so long as Eurazeo SE, another Eurazeo Fund

Manager or a Fund (as applicable) continues to hold an other than *de minimis* position in such portfolio company and Eurazeo North America or its affiliates continue to provide the services.

Service Fees may be substantial and are typically paid in cash. Eurazeo North America determines the amount and timing of these Service Fees for the services provided in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third-party co-investors in its transactions. Generally, the amount of such Service Fees will not (except in connection with the reductions described herein) be disclosed to investors in the Funds.

A portfolio company will typically reimburse Eurazeo North America for expenses, including without limitation, travel and travel-related expenses, meals and entertainment expenses (including in connection with service as a director for a portfolio company), expenses relating to hiring portfolio company personnel (including background checks, recruiting and relocation expenses) and expenses incurred in hiring service providers for a portfolio company (including law firms and recruiting firms), incurred by Eurazeo North America in connection with its performance of services for such portfolio company. Such reimbursed expenses are generally not included in the definition of “Service Fees” and such reimbursements do not reduce the Advisory Fee. Because certain expenses are paid for by a Fund and/or its portfolio companies or, if incurred by the Adviser, are reimbursed by a portfolio company, Eurazeo North America may not necessarily seek out the lowest cost options when incurring (or causing a portfolio company to incur) such expenses, which could result in lower returns to investors. As used herein, “travel and travel-related” includes all travel expenses for the use of private aircraft, first class or business class travel, black car ground transportation, accommodations, meals, events and entertainment. Eurazeo North America has in the past and may, again in the future received transaction fees which it retains, and which are expected to offset the Advisory Fee.

In many cases with respect to the implementation of the arrangements described above, there is not an independent third party involved on behalf of the relevant portfolio company and therefore the fees are not subject to a market check. A conflict of interest exists in the determination of any such fees and other related terms in the applicable agreement with the portfolio company.

#### **Allocation of Service Fees and Advisory Fee Offset**

To the extent a Service Fee relates to more than one Fund participating (or expecting to participate) in an investment, the Service Fee is generally allocated among such Funds pro rata based on the capital commitments of such participating Funds (or for an unconsummated investment, the proposed commitments of the Funds), or on such other basis that Eurazeo North America determines to be fair and reasonable in its sole discretion for purposes of determining any Advisory Fee offset. However, in determining how to allocate a Service Fee among more than one participating Fund, Eurazeo North America will also take into account, among other things, the type of transaction (e.g., original acquisition or follow-on), the consideration involved in the transaction (cash or in-kind) and the value of the consideration.

To the extent a Service Fee relates to a Fund, co-investment vehicle or third-party investor that does not pay an Advisory Fee, the portion of such Service Fee allocable to the non-fee paying party will be retained by Eurazeo North America, and such amounts will not offset the Advisory Fee paid to Eurazeo North America.

From time to time, Eurazeo North America (in its sole discretion) may agree to pay a portion of a Service Fee received from an actual or prospective portfolio company to a third party, such as a consultant, advisor, finder, broker, investor, co-investor and/or investment bank. Eurazeo North America is not required to share the portion of the Service Fee paid to a third party with the Funds (or their investors) and, therefore, the portion of a Service Fee paid to such third party will not reduce the Advisory Fee.

## **Expenses**

Eurazeo North America bears its own costs for services provided to the Eurazeo Fund Managers and, indirectly, the Funds pursuant to the Advisory Agreement. Expenses born by the Funds are set forth in the Governing Documents of the applicable Fund.

## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Eurazeo North America does not currently charge a performance-based fee to the Eurazeo Fund Managers or to the Funds. However, certain of the Funds managed by Eurazeo SE or other Eurazeo Fund Managers and that indirectly utilize Eurazeo North America's investment advice and recommendations are charged a performance based-fee by Eurazeo SE and/or the other Eurazeo Fund Manager.

## **ITEM 7: TYPES OF CLIENTS**

As mentioned above, Eurazeo North America's sole direct clients are its parent company, Eurazeo SE, and other Eurazeo Fund Managers. However, the advisory services provided to Eurazeo SE and the other Eurazeo Fund Managers are indirectly utilized by the Funds, which are private funds organized as non-U.S. corporations, limited partnerships, limited liability companies or other legal entities. Such Funds are pooled investment vehicles organized under the laws of Luxembourg or France that are offered to investors in accordance with the private offering exemption or in reliance on Regulation S under the Securities Act of 1933, as amended, and typically are excepted from the definition of an "investment company" pursuant to Section 3(c)(1) and/or Section 3(c)(7) of the Investment Company Act. Investors in the Funds generally include, among others, high net worth individuals, banks, thrift institutions, pension and profit-sharing plans, sovereign wealth funds, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **Methods of Analysis and Investment Strategies**

As described previously in Item 4 above, Eurazeo North America provides nondiscretionary advisory services to Eurazeo SE and other Eurazeo Fund Managers (as described above), which includes (among other things) identifying, appraising and recommending investment opportunities in the United States consistent with the Eurazeo Fund Managers' investment policies. Such investment recommendations may be implemented by Eurazeo within its various Funds in accordance with the investment objectives, strategies and guidelines set forth in such Fund's Governing Documents.

### **Eurazeo SE's Investment Process**



As a general matter, Eurazeo SE's investment process and philosophy is to focus on growth companies with what it believes have significant potential for innovation, development and transformation. Eurazeo's core business consists in the acquisition of investments, mostly in unlisted companies.

The Eurazeo acquisition process is subject to a rigorous approach so as to identify investment opportunities as soon as possible and to seek to minimize risks. Working with its dedicated sourcing team, Eurazeo identifies the underlying trends, sectors and companies that it believes mark long-term structural growth. A due diligence process that includes performance criteria and non-financial components (corporate social responsibility, risks, etc.) then enables an assessment of a company's potential and provides insight for investment decisions.

Eurazeo's investment choices generally are governed by certain selection criteria. Eurazeo's searches focus on growth sectors where it has first-hand experience: technology and technology-related services, business services, consumer goods and services, financial services, healthcare, and the green economy, etc. The selection process also targets specific company profiles: dynamic companies that develop responsibly while delivering the expected growth and performance; companies that Eurazeo believes have substantial transformation potential that will manifest itself in a coherent economic and industrial project; quality, energetic and ambitious management; and Eurazeo's ability to contribute to the developments of these companies.

Eurazeo's divestment decisions take into account several factors, which include the achievement of transformation objectives and the long-term resilience of the transformed company's business model, portfolio balance, etc. The choice is guided by an arbitration between the assessment of the remaining value creation potential in relation to the work already completed and the achievable performance to date, measured in terms of multiples or internal rates of return (IRR).

Investment or divestment propositions are thoroughly examined and determined by the relevant Eurazeo Investment Committee of the various Eurazeo Funds and the Investment Committee final decisions are made in collaboration with Eurazeo SE and the applicable Eurazeo Fund Manager.

## **Material Risks**

Below is a summary of the primary risks related to the significant investment strategies and methods of analysis used by Eurazeo North America in providing non-discretionary advisory services to the Eurazeo Fund Manager.

As a general matter, investing in securities (as well as commodities, derivatives and investment contracts) involves risk of loss that clients should be prepared to bear; however, clients should be aware that not all of the risks listed below will apply to every investment strategy as certain risks may only apply to certain investment strategies or investments in different types of securities. Multiple factors contribute to investment risk for all investment strategies and additional factors contribute to investment risk for specific strategies. Furthermore, the risks listed below are not intended to be a complete description or enumeration of the risks associated with the methods of analysis and investment strategies used by Eurazeo North America.

With regard to the Funds, investors should refer to the risk factors in each Fund's Governing Documents or other documents (as applicable) provided to, or made available to, prospective investors for a more complete description of the risks associated with the investment in such Fund.

- **Manager Risk.** Eurazeo North America's advice to a Eurazeo Fund Manager in respect of investments may not produce the desired results and may have an adverse impact on the client(s). The success of the advisory services provided by Eurazeo North America will depend in part upon the skill and expertise of its investment advisory professionals and a loss of the services of such key personnel could impair Eurazeo North America's ability to provide services to its client. Furthermore, those persons may work on multiple projects for Eurazeo North America and/or Eurazeo and may at times be limited by the internal compliance policies of Eurazeo and its affiliates (including information barriers) or other legal or business considerations or other constraints set forth in the Governing Documents.
- **Unlisted and unregistered securities risk.** Eurazeo's non-discretionary advisory advice may include recommendations to invest in unlisted securities. Unlisted securities generally are not registered under applicable securities laws and tend to be more volatile and have a higher risk profile than listed or other registered securities. There being no recognized market for unlisted securities, it may be difficult for the investor to obtain reliable information about the value of any such security, or the extent of the risks to which it is exposed or to dispose of any such security quickly and/or on terms advantageous to the relevant investor. The attention of investors is drawn to the fact that valuation of unlisted securities and difficult to value securities depends on subjective factors and can be difficult to establish with accuracy.
- **Force Majeure And Terrorism Risks.** Potential portfolio companies recommended by Eurazeo North America may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labor strikes). Some force majeure events may adversely affect the ability of a party to perform its obligations until it is able to remedy the force majeure event. In addition, the cost to a portfolio company of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Fund may invest specifically. Additionally, a major governmental intervention into an industry, including the nationalization of an industry or the assertion of control over one or more portfolio companies or its assets, could result in a loss to the Fund including if its investment in such portfolio company is canceled, unwound or acquired (which could be without what the Fund considers to be adequate compensation). Any of the foregoing may therefore adversely affect the performance of a client's investments. Lastly, terrorist attacks have caused instability in the world financial markets and may generate global economic instability. The continued threat of terrorism and the impact of military or other action could affect a client's financial results.

- **Cyber Security Breaches and Identity Theft Risks.** Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Eurazeo (which includes Eurazeo North America) faces various security threats on a regular basis, including ongoing cyber security threats to and attacks on its information technology infrastructure that are intended to gain access to its proprietary information, destroy data or disable, degrade or sabotage its systems. Although Eurazeo (which includes Eurazeo North America) is not currently aware that it has been subject to cyber-attacks or other cyber incidents which, individually or in the aggregate, have materially affected its operations or financial condition, there can be no assurance that the various procedures and controls utilized to mitigate these threats will be sufficient to prevent disruptions to its systems.

Eurazeo's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Any failure or interruption of those systems, including as a result of the termination of an agreement with any third-party service providers, could cause delays or other problems in its activities, and Eurazeo could suffer substantial financial loss, increased costs, a disruption of its businesses, liability to its investors, regulatory intervention or reputational damage.

A cybersecurity incident could have numerous material adverse effects, including on the operations, liquidity and financial condition of Eurazeo. Cyber threats and/or incidents could cause financial costs from the theft of Eurazeo assets (including proprietary information and intellectual property) as well as numerous unforeseen costs including, but not limited to: litigation costs, preventative and protective costs, remediation costs and costs associated with reputational damage, any one of which, could be materially adverse to Eurazeo. There can be no guarantee that Eurazeo will be able to prevent or mitigate such incidents.

- **General Economic and Market Conditions Risks.** The success of Eurazeo North America's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of recommended investments), trade barriers, currency exchange controls, and national and international political, environmental and socioeconomic circumstances (including wars, terrorist acts, pandemics or security operations).

The turmoil in recent years in global financial markets has illustrated that the current environment continues to be characterized by uncertainty, volatility and instability. Lending and the global credit markets continue to experience substantial volatility, disruption, liquidity shortages and to some extent financial instability. Global financial markets have experienced periodic acute contractions in the availability of credit. There can be no assurances that conditions in the global financial markets will not worsen and/or adversely affect one or more of the portfolio companies (including with respect to performing under or refinancing their existing obligations), its access to capital or leverage, its ability to effectively deploy its capital or realize investments on favorable terms or its overall performance.

- **Financial Market Fluctuations Risk.** The prices of financial instruments that Eurazeo North America may recommend for investment can be highly volatile. Various sectors of the U.S. and global financial markets and the broader current financial environment have been, and continue to be, characterized by uncertainty, volatility and instability. The financial services industry generally and investment activities are affected by general economic and market conditions, including interest rates, availability of credit, lack of price transparency, inflation rates, economic uncertainty, changes in tax and other applicable laws and regulations, trade barriers, national and international and environmental and socioeconomic circumstances. These financial market fluctuations have the tendency to reduce the availability of attractive investment opportunities for the Funds and may affect the Funds' ability to make investments and the value of the investments held by the Funds. Instability in the securities markets and economic conditions generally may also increase the risks inherent in the Funds' investments. The public securities markets have seen increased volatility and the ability of companies to obtain financing for ongoing operations or expansions may be severely hampered by the tightening of the credit markets and the ongoing financial turmoil. It is unclear what the repercussions of this market turmoil may be. Moreover, it remains unknown whether governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) will have a positive or negative effect on market conditions. There can be no assurance that the market will, in the future, become more liquid than it is at present, and it may well continue to be volatile for the foreseeable future. The ability to realize investments depends not only on portfolio companies and their historical results and prospects, but also on political, market and economic conditions at the time of such realizations. In the past, many private equity funds have looked to the public securities markets as a potential exit strategy and there can be no assurance, particularly given the recent volatility in the financial markets and a potential lack of investor appetite for new issues in the public securities markets, that Funds will be able to exit from their investments in portfolio companies by listing their shares on securities exchanges. The trading market, if any, for the securities of any portfolio company may not be sufficiently liquid to enable a Fund to sell these securities when Eurazeo North America believes it is most advantageous to do so, or without adversely affecting the stock price. Continued or renewed volatility in the financial sector may have an adverse material effect on the ability of the Funds to buy, sell and partially dispose of their portfolio company investments. The Funds may be adversely affected to the extent that they seek to dispose of any of their portfolio investments into an illiquid or volatile market, and a Fund may find itself unable to dispose of investments at prices that Eurazeo North America believes reflect the fair value of such investments. The duration and ultimate effect of current market conditions and whether such conditions may worsen cannot be predicted and there can be no assurances that conditions in the financial markets will not worsen or adversely affect one or more of a Fund's portfolio companies. The ability of portfolio companies to refinance debt securities depends on their ability to sell new securities in the public high yield debt market or otherwise.
- **Valuation of Assets.** There is no actively traded market for most of the securities owned by the Funds. When estimating fair value, Eurazeo North America will apply a methodology based on its best judgment that is appropriate in light of the nature, facts and circumstance of the investments. Valuations are subject to multiple levels of review for approval and ensuring that portfolio investments are fairly valued is an

important focus of Eurazeo North America. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and differs from the prices at which such securities may ultimately be sold. Third-party pricing information may at times not be available regarding certain of a Fund's assets. With respect to the Funds, the exercise of discretion in valuation by Eurazeo North America gives rise to conflicts of interest, valuations (including, for instance, determination of when an investment should be written down or written off) impact Eurazeo North America's track record and the performance allocation in certain Funds is calculated based, in part, on these valuations, and such valuations affect the amount and timing of performance fees and calculation of Advisory Fee.

- **Highly Competitive Market for Investment Opportunities Risk.** The activity of identifying, completing and realizing attractive private equity investments is highly competitive, and involves a high degree of uncertainty. The availability of investment opportunities generally will be subject to market conditions. In particular, in light of changes in such conditions, including changes in long-term interest rates, certain types of investments may not be available to client(s) on terms that are as attractive as the terms on which opportunities were available to previous investment programs sponsored by Eurazeo. Consequently, it is possible that competition for appropriate investment opportunities may increase, thus reducing the number of investment opportunities available to Eurazeo North America's client(s) and adversely affecting the terms upon which investments can be made. Such client(s) will incur bid, legal, due diligence and/or other costs on investments which may not be successful.
- **Liquidity and Long-Term Investments Risk.** Liquidity risk exists when particular investments are difficult to purchase or sell (e.g., not publicly traded and/or no market is currently available or may become less liquid in response to market developments). In addition, investment recommendations by Eurazeo North America generally requires a long-term commitment with no certainty of return. Many of Eurazeo North America's recommended investments will be highly illiquid, and there can be no assurance that they can be disposed of in a timely manner. Although investment recommendations by Eurazeo North America may occasionally generate some current income, the return of capital and the realization of gains, if any, from such recommended investment generally will occur only upon its partial or complete disposition or refinancing. It is generally expected that the sale of any recommended investment will occur for a number of years after the investment is made.
- **Leverage.** Investments recommended by Eurazeo North America are expected to involve varying degrees of leverage, which could magnify the impact of circumstances such as unfavorable market or economic conditions, operating problems and other changes that affect the relevant portfolio company or its industry, resulting in a more pronounced effect of such circumstances on the profitability or prospects of such companies. In using leverage, these companies may be subject to terms and conditions that include restrictive financial and operating covenants, which will constrain their ability to finance or otherwise pursue their future operations or otherwise satisfy additional capital needs. Moreover, rising interest rates may significantly increase portfolio companies' interest expense, causing losses and/or the inability to service debt levels, including in circumstances where a portfolio company's creditworthiness is such

that it must borrow at higher interest rates than are available to the relevant Fund. If a portfolio company cannot generate adequate cash flow to meet its debt obligations, the client may suffer a partial or total loss of capital invested in such portfolio company. To the extent there is not ample availability of financing for leveraged transactions (e.g., due to adverse changes in economic or financial market conditions or a decreased appetite for risk by lenders) the client's ability to consummate certain transactions could be impaired. Except where otherwise required by the relevant Governing Documents, a Fund will not be obligated to borrow on behalf of a portfolio company, even in circumstances where the Fund's creditworthiness would permit borrowing at a lower rate than is available to the portfolio company.

- **Investments in Less Established Companies and Risk of Fraud.** Eurazeo North America may recommend its client(s) invest a portion of its assets in the securities of less established, family-owned and/or growth-oriented companies. Investments in such companies may involve greater risks than are generally associated with investments in more established companies. To the extent there is any public market for these securities, such securities may be subject to more abrupt and erratic market price movements than those of larger, more established companies. These companies tend to have lower capitalizations and fewer resources, and therefore, are often more vulnerable to financial failure. Such companies also may have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. In addition, such companies could be deemed to be more susceptible to irregular accounting or other fraudulent practices. There can be no assurance that a client investing in such securities will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase or during its efforts to monitor an investment on an ongoing basis or that any risk management procedures implemented by the client will be adequate.
- **General Legal, Tax and Regulatory Risks.** Legal, tax and regulatory changes could occur in connection with investments recommended by Eurazeo North America. The regulatory environment for private equity is evolving, and changes in regulation may adversely affect the value of investments recommended by Eurazeo North America. Increased scrutiny and newly proposed legislation applicable to private equity may also impose significant administrative burdens on Eurazeo North America and may divert time and attention from portfolio management activities.
- **Environmental, Social and Governance Matters.** While ESG is only one of the many factors Eurazeo North America will consider in making an investment, there is no guarantee that Eurazeo North America will successfully implement and make investments in companies that create positive environmental, social or governance ("ESG") impact while enhancing long-term shareholder value and achieving financial returns. To the extent that Eurazeo North America engages with companies on ESG-related practices and potential enhancements thereto, such engagements may not achieve the desired financial and social results, or the market or society may not view any such changes as desirable. Successful engagement efforts on the part of Eurazeo North America will depend on Eurazeo North America's skill in properly identifying and analyzing material ESG and other factors and their impact-related value, and there can be no assurance that the strategy or techniques employed will be successful. Considering ESG qualities when evaluating an investment may result in the selection or exclusion of certain investments based on Eurazeo North America's view of certain

ESG-related and other factors, and carries the risk that Eurazeo North America may underperform funds that do not take ESG-related factors into account because the market may ultimately have a different view of a particular company's performance than that anticipated by Eurazeo North America.

Consideration of ESG factors may affect Eurazeo North America's exposure to certain companies, sectors, regions, countries or types of investments, which could negatively impact Eurazeo North America's performance depending on whether such investments are in or out of favor. Applying impact investing goals to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Eurazeo North America or any judgment exercised by Eurazeo North America will reflect the beliefs or values of any particular investor. There are also significant differences in interpretations of what ESG characteristics mean by region, industry and topic, as well as the interpretations of their scope and materiality. In evaluating a company, Eurazeo North America is dependent upon information and data obtained through voluntary or third-party reporting that may be incomplete, inaccurate or unavailable, which could cause Eurazeo North America to incorrectly assess a company's ESG practices and/or related risks and opportunities.

Further, ESG practices are evolving rapidly and there are different principles, frameworks, methodologies, and tracking tools being implemented by other asset managers, and Eurazeo North America's adoption and adherence to various such principles, frameworks, methodologies and tools is expected to vary over time. There is also a growing regulatory interest across jurisdictions in improving transparency regarding the definition, measurement and disclosure of ESG factors. Eurazeo North America's ESG policies could become subject to additional regulation in the future, and Eurazeo North America cannot guarantee that its current approach will meet future regulatory requirements or predict the manner in which any such future requirements (including enforcement with respect thereto) could affect a Fund or its investments, including with respect to future administrative burdens and costs.

- **Climate Change.** The Funds may acquire investments that are located in, or have operations in, areas that are subject to climate change. Any investments located in coastal regions may be affected by any future increases in sea levels or in the frequency or severity of hurricanes and tropical storms, whether such increases are caused by global climate changes or other factors. There may be significant physical effects of climate change that have the potential to have a material effect on the Funds' business and operations. Physical impacts of climate change may include increased storm intensity and severity of weather (e.g., floods or hurricanes), sea level rise, fires, and extreme and changing temperatures. As a result of these impacts from climate-related events, the Funds may be vulnerable to the following: risks of property damage to the Funds' investments; indirect financial and operational impacts from disruptions to the operations of the Funds' investments from severe weather; increased insurance premiums and deductibles or a decrease in the availability of coverage for investments in areas subject to severe weather; decreased net migration to areas in which investments are located, resulting in lower than expected demand for both investments and the products and services of the Funds' investments; increased insurance claims and liabilities; increase in energy costs impacting operational returns; changes in the availability or quality of water, food or other natural resources on which the Funds' business depends; decreased consumer demand for consumer products or services

resulting from physical changes associated with climate change (e.g., warmer temperature or decreasing shoreline could reduce demand for residential and commercial properties previously viewed as desirable); incorrect long-term valuation of an equity investment due to changing conditions not previously anticipated at the time of the investment; and economic distributions arising from the foregoing.

- **Possibility of Fraud and Other Misconduct of Employees and Service Providers.** Misconduct by employees of Eurazeo North America, service providers to Eurazeo North America or the Funds and/or their respective affiliates could cause significant losses to such Funds. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by such Funds, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of such Funds and noncompliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption and/or financial losses to such Funds. Eurazeo North America has controls and procedures through which they seek to minimize the risk of such misconduct occurring. However, no assurances can be given that Eurazeo North America will be able to identify or prevent such misconduct.
- **Public Health Emergencies; COVID-19.** Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and COVID-19, have and are resulting in market disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Funds.

In an effort to contain such health emergencies, national, regional and local governments, as well as private businesses and other organizations, have taken or have the potential to take restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home” and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. Any such measures have the potential to significantly diminish economic production and activity of all kinds and contribute to volatility in financial markets, demand across categories of consumers and businesses, as well as in the credit and capital markets. Restrictive measures, whether on an initial or re-imposed basis, also have the potential to cause labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, increases in unemployment levels, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of any such health emergency — and any resulting decline in economic and commercial activity — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, but could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Funds’ and their



portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Funds intend to pursue, all of which could adversely affect the Funds' ability to fulfill their investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Funds, their portfolio companies, the general partners and Eurazeo may be significantly impacted, or even temporarily or permanently halted, as a result of any such health emergencies, or any measures, restrictions, remote-working requirements and other factors related thereto, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

- **Russia-Ukraine Conflict.** The ongoing military conflict between Russia and Ukraine has caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place global sanctions and other severe restrictions or prohibitions on the activities of individuals and businesses connected to Russia. However, the ultimate impact of the Russia-Ukraine conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Funds or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

The Russia-Ukraine conflict may have a significant adverse impact and result in significant losses to the Funds. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which any Fund intends to pursue, all of which could adversely affect the Fund's ability to fulfill its investment objectives.

- **U.S. Taxation of Carried Interest.** Eurazeo North America does not currently charge a performance-based fee to its sole client, Eurazeo SE. However, certain of the Funds managed by Eurazeo SE or its affiliates and that indirectly utilize Eurazeo North America's investment advice and recommendations are charged a performance based-fee. U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Funds as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such

capital gain for more than three years. Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as a Fund (including any carried interest) as ordinary income for U.S. federal income tax purposes that under current law are treated as an allocation of the partnership's income (and which may be taxed at lower rates than ordinary income). Such rules, as well as any such legislation that may be enacted in the future, could apply to reduce the after-tax returns of individuals associated with a Fund, its general partner, or Eurazeo North America who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the relevant general partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund. This creates potential incentives for Eurazeo North America to cause a Fund to hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist.

- **LIBOR and other Benchmark Rates.** To the extent that a Fund's investments, borrowing facilities, hedging activities, or other assets or structures are tied to interest rates based on the London Interbank Offered Rate ("LIBOR") or other benchmark or reference rates (each, a "Benchmark Rate"), the Fund may be subject to certain materials risks, including the risk that a Benchmark Rate is terminated, ceases to be published or otherwise ceases to be broadly used by the market. Regulators, central banks, governments, and other market participants are working to facilitate the transition of existing instruments and contracts away from LIBOR to new Benchmark Rates, and any such transition includes the potential to: increase volatility or illiquidity in markets; cause delays in or reductions to financing options for the Funds and their portfolio companies; increase the cost of borrowing; reduce the value of certain instruments or the effectiveness of certain hedges; cause uncertainty under applicable legal documentation; or otherwise impose costs and administrative burdens relating to factors that include document amendments and changes in systems. Future transitions to and from Benchmark Rates have the potential to have similar effects.

## **ITEM 9: DISCIPLINARY INFORMATION**

Form ADV Part 2 requires investment advisers such as us to disclose certain legal or disciplinary events involving the firm or our directors, officers, or employees that are material to your evaluation of our advisory business or the integrity of our management. We have no information to report that is applicable to this item.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

As mentioned previously, Eurazeo North America is a member of Eurazeo SE group, which through its subsidiaries and affiliates, operates as a global investment company that sponsors and manages several Funds that invest in companies and assets throughout the world. These Funds as well as Eurazeo's proprietary investments are managed by the Eurazeo Fund Managers, which includes Eurazeo Funds Management Luxembourg ("EFML"). EFML acts as an alternative investment fund manager (AIFM) to certain Fund(s) under applicable alternative investment fund manager regulatory requirements in the EU. Four other Eurazeo affiliates, Eurazeo Mid Cap, Eurazeo Investment Manager, Eurazeo Infrastructure Partners and Kurma Partners are licensed as portfolio management companies by the AMF pursuant to the AIFM Directive.

In some cases, Eurazeo may have business arrangements with related persons/companies that are material to their advisory business or to the Funds. In some cases, these business arrangements may create a potential conflict of interest, or appearance of a conflict of interest between Eurazeo North America and a Fund.

In providing investment advice and recommendations to Eurazeo SE or another Eurazeo Fund Manager, Eurazeo North America's personnel devote time to the sourcing of U.S. investment opportunities for multiple Funds, which may impact allocations of management resources. In addition, a Fund may have investment objectives and strategies that are similar to the investment objectives and strategies of other Funds which may create conflicts in the allocation of investment opportunities between Funds. As such, Eurazeo allocates investment opportunities recommended and sourced by Eurazeo North America to one or more Funds and other accounts in accordance with allocation policies adopted by Eurazeo and approved by each Fund, as applicable. (See also Item 11, Participation or Interest in Client Transactions and Mitigation of Potential Conflicts of Interest). As a general matter, Eurazeo North America does not play a role, and does not have any incentives, in how particular investments are allocated among Funds, because its parent company (Eurazeo SE) and certain of its affiliates (including the Eurazeo Fund Managers) directly participate in all investment opportunities, and the compensation of Eurazeo North America is not based on how investments are ultimately allocated. See Item 11 for additional information regarding Eurazeo North America's allocation policy.

## **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code of Ethics**

Eurazeo North America has adopted a Code of Ethics pursuant to the requirements of Rule 204A-1 of the Advisers Act (the "Eurazeo North America Code"). The Eurazeo North America Code sets forth procedures that govern the personal securities transactions of its "access persons" and seeks to mitigate potential conflicts of interests in connection with such transactions. Under the Eurazeo North America Code, all officers, directors, and employees of Eurazeo North America are deemed access persons and are required to comply with applicable U.S. federal securities laws. Clients or prospective clients of Eurazeo North America may obtain a copy of the Eurazeo North America Code by contacting the firm (see this Brochure's cover page for relevant contact information).

In addition, all employees of Eurazeo are subject to the Code of Ethics of Eurazeo SE (the "Group Code"). This Group Code describes the key values and principles formulated by the management of Eurazeo as part of its development, so that the conduct of all Group personnel and stakeholders with whom Eurazeo has a business relation (specifically its partners and shareholders and the companies in which Eurazeo have invested) can be guided by these core values and principles of the Eurazeo group. Among other things, the Group Code contains provisions covering Eurazeo personnel conduct, requirements covering the protection of personal data and privacy, reporting conflicts of interest, use of company assets, and anti-corruption policies.

### **Personal Trading and Insider Trading Policies**

Among other things, the Eurazeo North America Code requires that its access persons, with limited exceptions, obtain preclearance of personal securities transactions in accounts held in their own names as well as accounts in which they have indirect ownership. The Code also contains other restrictions and reporting requirements designed to limit potential conflicts of interest associated with personal trades.

Because the Eurazeo North America Code permits employees to invest in the same securities recommended to the Eurazeo Fund Managers (which Eurazeo SE or another Eurazeo Fund Manager may in turn invest on behalf of the Funds), there is a possibility that employees might benefit from market activity by a Fund in a security or other investment held by an employee. That being said, the personal trades of Eurazeo North America access persons are not expected to be of a value significant or sufficient enough to affect the value of individual securities or the securities markets.

Nonetheless and in an effort to mitigate this possible conflict of interest and others that may arise, the Eurazeo North America Code requires “access persons” to obtain pre-clearance before investing in certain reportable securities such as initial public offerings and private placements (including private equity fund and hedge fund investments). In addition, Eurazeo North America personnel monitor for conflicts of interest on a periodic basis and under certain circumstances place limits on firm access persons from effecting personal securities transactions in securities or other investments that Eurazeo North America may recommend to the Eurazeo Fund Manager for purchase or sale by the Funds.

The Eurazeo North America Code also requires the firm’s access persons to annually certify that they have complied with the Eurazeo North America Code. In addition, the policy requires access persons to make annual reports regarding their personal securities account holdings and quarterly reports regarding their personal securities trading activity.

Lastly, all employees of Eurazeo North America must comply with the Group Code’s insider trading policies and procedures, which seeks to detect and aims to prevent Eurazeo, its affiliates and employees from trading, either personally or on behalf of others, on material non-public information or communicating material non-public information to others in violation of applicable law.

### **Potential Conflicts of Interest**

As previously described in Item 4 above, Eurazeo North America provides non-discretionary advisory services (e.g., the recommendation of potential U.S.-based investment opportunities) solely to its parent company Eurazeo. The recommendations made by Eurazeo North America to its parent company may be implemented by the applicable Eurazeo Fund Manager responsible for managing the portfolio investments of the Funds or Eurazeo’s proprietary investments.

#### *Allocation of Investment Recommendations*

Eurazeo North America is responsible for recommending investments for particular Funds to Eurazeo SE and the other Eurazeo Fund Managers. As a general matter, Eurazeo North America does not play a role in how particular investments are allocated among Funds since those allocation determinations are made by Eurazeo SE and the other Eurazeo Fund Managers in accordance with any relevant requirements or restrictions set forth in the applicable Funds’

Governing Documents. To the extent the investment allocation requirements in the Funds' Governing Documents do not include specific allocation procedures and/or allow Eurazeo SE or the other Eurazeo Fund Managers discretion in making allocation decisions among the Funds, Eurazeo SE and the other Eurazeo Fund Managers will follow the process set forth below.

The relevant Eurazeo Fund Manager must first determine which Funds are eligible to participate in an investment opportunity. The relevant Eurazeo Fund Manager assesses whether an investment opportunity or recommendation is appropriate for a particular Fund(s), based on the Fund's investment objectives, strategies and structure, and other factors determined by the relevant Eurazeo Fund Manager in its discretion, which are typically reflected in such Fund's Governing Documents and the relevant Eurazeo Fund Manager's internal policies and procedures.

Eurazeo SE and/or the relevant other Eurazeo Fund Manager will determine if the amount of an investment opportunity exceeds the amount that would be appropriate for the Funds (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisers to Eurazeo North America, Eurazeo SE and the other Eurazeo Fund Managers and/or the Funds or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by the relevant Eurazeo Fund Manager to be in the best interest of the applicable Fund), and any such excess may be offered to one or more co-investors pursuant to the procedures included in such Funds' Governing Documents. There may be circumstances where Eurazeo SE or the Eurazeo Fund Managers determine, for strategic or other reasons, the amount that could have otherwise been invested by a particular Fund is instead allocated to one or more co-investors.

#### *Allocation of Co-Investment Opportunities and Secondary Transactions*

The relevant Eurazeo Fund Manager will determine if the amount of an investment opportunity exceeds the amount that would be appropriate for the Funds (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisers to Eurazeo North America, Eurazeo SE and the Eurazeo Fund Managers and/or the Funds or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by the relevant Eurazeo Fund Manager to be in the best interest of the applicable Fund), and any such excess may be offered to one or more co-investors pursuant to the procedures included in such Funds' Governing Documents or, to the extent not addressed in such Funds' Governing Documents, in accordance with the following paragraphs. There may be circumstances where the relevant Eurazeo Fund Manager determines, for strategic or other reasons, the amount that could have otherwise been invested by a particular Fund is instead allocated to one or more co-investors.

In addition, co-investment vehicles are typically formed to make investments alongside a Fund. In such cases, the co-investment vehicle will have a priority right to make co-investments in some or all of the investments made by such Fund. The existence of such a priority right will significantly reduce or eliminate co-investment opportunities available to the investors.

Subject to any investment allocation requirements or other specific agreements with an investor, in general, (i) no investor in a Fund has a right to participate in any co-investment

opportunity and investing in a Fund does not give an investor any rights, entitlements or priority to co-investment opportunities, (ii) decisions regarding whether and to whom to offer co-investment opportunities, as well as the applicable terms on which a co-investment is made, are made in the sole discretion of the relevant Eurazeo Fund Manager or its related persons or other participants in the applicable transactions, such as co-sponsors, (iii) co-investment opportunities typically will be offered to some and not other investors in the Funds, in the sole discretion of the relevant Eurazeo Fund Manager or its related persons, investors may be offered a smaller amount of co-investment opportunities than originally requested and an investor may be offered fewer co-investment opportunities than other investors in the same Fund, with the same, larger or smaller capital commitments to such Fund, and (iv) certain persons other than investors in the Funds (e.g., other Funds managed by the relevant Eurazeo Fund Manager, consultants, joint venture partners, Eurazeo Personnel investors, persons associated with a portfolio company and other Third Parties, including persons who the relevant Eurazeo Fund Manager believes will provide a benefit to a Fund and/or one or more portfolio companies or who provide a strategic sourcing or similar benefit to the Advisers, a Fund, and/or a portfolio company and one or more of their respective affiliates, due to industry or regulatory expertise or otherwise), rather than one or more investors in a Fund, will, from time to time be offered co-investment opportunities, in the sole discretion of the relevant Eurazeo Fund Manager or its related persons, and (v) co-investors may purchase their interests in a portfolio company at the same time as the Funds or may purchase their interests from the applicable Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell down or transfer). Each co-investment opportunity (should any exist) is likely to be different and allocation of each such opportunity will be dependent upon the facts and circumstances specific to that unique situation (e.g., timing, industry, size, geography, asset class, projected holding period, exit strategy and counterparty). Additionally, non-binding acknowledgements of interest in co-investment opportunities are not investment allocation requirements and do not require Eurazeo North America to notify the recipients of such acknowledgements if there is a co-investment opportunity. However, the relevant Eurazeo Fund Manager may, in the future, agree to give particular investors, Funds, or other third parties priority access to co-investment opportunities. The existence of such priority or other contractual co-investment access rights could affect the relevant Eurazeo Fund Manager's decision to offer certain opportunities for co-investment and could limit the ability of Funds or their investors to be offered certain co-investment opportunities.

In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the Fund and other potential co-investors, the Advisers may consider some or all of a wide range of factors, which include, but are not limited to, its own interests. The relevant Eurazeo Fund Manager's exercise of its discretion in allocating investment opportunities with respect to a particular investment among the persons, including the Funds, potential co-investors, employees, business associates and other "friends and family" of Eurazeo or their personnel (including any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles) and third parties, and often will not result in proportional allocations among such persons, and such allocations often will be more or less advantageous to some such persons relative to other such persons. For example, the relevant Eurazeo Fund Manager may be incentivized to offer a co-investment opportunity to certain persons over others based on its economic arrangement with such persons (including, for example, whether the relevant Eurazeo Fund Manager, Eurazeo North America and/or the applicable general partners are entitled, under arrangements made with certain potential co-

investment parties, to additional Advisory Fees and/or Carried Interest based on the availability of co-investment opportunities offered to such parties).

In the event the relevant Eurazeo Fund Manager determine to offer an investment opportunity to co-investors, there can be no assurance that Eurazeo SE will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the Fund or that expenses incurred by the Fund with respect to the syndication of the co-investment will not be substantial, and the Funds bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms. Further, it is possible that a potential co-investment party may experience financial, legal or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of a Fund and as a result, may take a different view from Eurazeo SE as to appropriate strategy for an investment or may be in a position to take a contrary action to a Fund's investment objective. In the event that Eurazeo SE is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, the Fund may consequently hold a greater concentration and have more exposure in the related investment opportunity than was initially intended and would bear the entire portion of any fees, costs and expenses related to such investment, which could make the Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. An investment that is not syndicated to co-investors as originally anticipated could significantly reduce a Fund's overall investment returns. Therefore, it is possible that a Fund that overcommits to an investment will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks.

Eurazeo or its affiliates may establish dedicated co-investment vehicles for specific investors in order to facilitate investments by the relevant investors as co-investment parties alongside a Fund which may have more favorable rights and/or terms than the Funds and/or other co-investors. Any such vehicle will be established at Eurazeo or its affiliates' sole discretion and Eurazeo and its affiliates have no obligation to offer a similar opportunity to any other investor.

#### *Conflicts Related to Purchases and Sales*

Funds from time to time invest in conjunction with an investment being made by other Funds, or in a transaction where another Fund has already made an investment. Conflicts may arise in connection with such investments.

Investment opportunities are from time to time appropriate for more than one Fund at the same, different or overlapping levels of a portfolio company's capital structure. Conflicts arise in determining the terms of investments, particularly where these clients may invest in different types of securities in a single portfolio company. Questions arise as to whether payment obligations and covenants should be enforced, modified or waived, whether payments should be accelerated, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, the terms of any work-out or restructuring or other concessions that may be given in such a situation raise conflicts of interest, and Eurazeo North America may be incentivized to recommend a course of action to the relevant Eurazeo Fund Manager that benefits one Fund to the detriment of another Fund.

In the event that one Fund has a controlling or significantly influential position in a portfolio company, it will have the ability to elect some or all of the board of directors of such a portfolio company, thereby controlling the policies and operations, including the appointment of management, future issuances of securities, payment of dividends, incurrence of debt and entering into extraordinary transactions. In addition, a controlling Fund is likely to have the ability to determine, or influence, the outcome of operational matters and to cause, or prevent, a change in control of such a company. Such management and operational decisions may, at times, be in direct conflict with other Funds that have invested in the same portfolio company that do not have the same level of control or influence over the portfolio company.

The relevant Eurazeo Fund Manager and certain Funds may invest in bank debt and securities of companies in which other clients hold securities, including equity securities. Equity holders and debt holders have different (and often competing) motives, incentives, liquidity goals and other interests with respect to a portfolio company. In the event that such investments are made by a Fund, the interests of such Fund will at times conflict with the interest of such other Fund, particularly in circumstances where the underlying company is facing financial distress. In such instances, it may be in the best interest of the Fund holding debt securities to declare a default, accelerate a loan or take other protective actions, while such actions would harm another Fund's equity investment in the portfolio company. The involvement of such Funds at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, the Funds may be prohibited from exercising voting or other rights and may be subject to claims by other creditors with respect to the subordination of their interest.

There may be differences in timing of entry into, or exit from, a portfolio company for reasons such as differences in strategy, existing portfolio or liquidity needs. In addition, where more than one Fund invests in the same portfolio company, there can be no assurance that such parties will dispose of investments at the same time or on the same terms. Investments disposed of at different times will likely be disposed of at different valuations and, as a result, each Fund may realize different returns as compared to the same investment held by another Fund. These variations in timing may be detrimental to a Fund. In addition, investors may receive different consideration (for instance, investors in one Fund may receive cash whereas investors in another Funds may be provided the opportunity to receive distributions in-kind) which may impact the realized return ultimately received by each Fund.

In such circumstances described above, the relevant Eurazeo Fund Manager could take steps to reduce the potential conflicts of interest between the various Funds, including causing a Fund to take certain actions that, in the absence of such conflict, it would not take (e.g., a Fund may divest itself of an asset it otherwise may have retained, the relevant Eurazeo Fund Manager or one of the Eurazeo Fund Managers may (using recommendations from Eurazeo North America) may establish information barriers, certain matters may be referred to an advisory committee or a third-party, or a Fund may only invest in securities that seeks to align the interests with other investing Funds). Any such steps could have the effect of benefiting one Fund or Eurazeo SE, Eurazeo North America or one of the other Eurazeo Fund Managers at the expense of another Fund.

The application of a Fund's Governing Documents and Eurazeo North America's policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Funds in different classes of an issuer's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as



such, there may be a degree of variation and potential inconsistencies, in the manner in which potential or actual conflicts are addressed.

The Funds will, from time to time, enter into equity commitment arrangements whereby, subject to any applicable documentation, a Fund agrees that upon the closing of a transaction with respect to a potential portfolio company, it will purchase equity securities in a transaction. Furthermore, in certain instances the Funds will also enter into (a) limited guarantee arrangements whereby, subject to any applicable documentation, a Fund agrees that if a transaction with respect to a potential portfolio company is not consummated, it will pay a percentage of the total value of the transaction as a “reverse termination fee” to the seller entity and (b) full guarantee arrangements where a Fund agrees to close a transaction even if the debt financing for such transaction is not available or has not been funded. While certain co-investment vehicles with investments contractually tied to the Fund (including co-investment vehicles through which Eurazeo’s partners, officers, principals, employees and other personnel, as well as officers, principals, employees and other personnel of its affiliates and certain independent contractors (collectively, “Eurazeo Personnel”) participate) are generally obligated to pay their proportionate share of the equity purchase price (whether pursuant to the applicable Funds’ Governing Documents or otherwise), such co-investment vehicles are generally not direct parties to the equity commitment arrangements or guarantees and, in any event, are not obligated to pay their proportionate share of any reverse termination fee. Therefore, in the unlikely event that a co-investment vehicle defaults on an arrangement with the Fund to pay its proportionate share of the equity purchase price (if any) or such an arrangement does not exist, the Fund would be held responsible for the entire equity purchase price or other applicable obligations.

The Funds, from time to time, co-invest with third parties through partnerships, joint ventures or other similar entities or arrangements. These investments may involve risks and conflicts that would not otherwise be present in investments where a third party is not involved. Such risks include, among other things, the possibility that the third party may have differing economic or business goals than those of the Fund, or that the third party may be in a position to take actions that are inconsistent with the investment objectives of the Funds. There may also be instances where the Funds will be liable for the actions of such third-party co-investors. There can be no assurance that the return of a Fund participating in a transaction with a third party would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

### *Cross Trades*

In certain cases, Eurazeo SE or one of the other Eurazeo Fund Managers may (using recommendations from Eurazeo North America) cause a Fund to purchase investments from another Fund, or it may cause a Fund to sell investments to another Fund (which include, among other things, cross trades and principal trades between such Funds). Such transactions may create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Fund may not receive the best price otherwise possible, or the Eurazeo Fund Manager might have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund in order, for example, to earn fees. To address potential conflicts of interest in connection with effecting such transactions, the Eurazeo Fund Manager will follow the allocation and any other applicable provisions set forth in each relevant Fund’s Governing Documents.

## *Management of the Funds*

Eurazeo North America expects, in the future, to indirectly provides advisory services to a number of Funds that have investment objectives similar to each other. Eurazeo North America expects that Eurazeo will in the future establish one or more additional investment funds with investment objectives substantially similar to, or different (and potentially conflicting) from, those of the current Funds. Eurazeo North America may give advice to Eurazeo SE and/or an other Eurazeo Fund Manager or take actions with respect to the investments of one or more Fund that may not be given or taken with respect to other Funds with similar investment programs, objectives or strategies. As a result, Funds with similar strategies will not hold the same securities or achieve the same performance. In addition, a Fund generally may not be able to invest through the same investment vehicles, or have access to similar credit or utilize similar investment strategies as another Fund. These differences will result in variations with respect to price, leverage and associated costs of a particular investment opportunity.

In addition, conflicts of interest arise in allocating time, services or functions of these Eurazeo Personnel.

Eurazeo North America will, from time to time, consider, and reject an investment opportunity on behalf of one Fund and the relevant Eurazeo Fund Manager may subsequently determine to have another Fund make an investment in the same company. A conflict of interest arises because one fund will, in such circumstances, benefit from the initial evaluation, investigation and due diligence undertaken by Eurazeo North America on behalf of the original Fund considering the investment. In such circumstances, the benefitting Fund or Funds will not be required to reimburse the original Fund for expenses incurred in connection with researching such investment.

In addition, Eurazeo North America receives and generates various kinds of portfolio company data and other information, including related to or created in connection with financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors, ESG and other metrics, financial information, commercial and transactional information, user data, cost data and related data or information, some of which is sometimes referred to as “big data.” This information may, in certain instances, include confidential and/or sensitive information received or generated in connection with efforts on behalf of one Fund’s investment (or prospective investment) in a portfolio company. As a result, Eurazeo North America is better able to anticipate macroeconomic and other trends and financial opportunities, enhance and improve operations of portfolio companies and otherwise develop investment strategies or identify specific investment or business opportunities. Eurazeo North America also intends to utilize such data for purposes of identifying new investments opportunities for the Funds. Information from a portfolio company owned by a Fund may enable Eurazeo North America to better understand a particular industry and develop and execute investment strategies in reliance on that understanding for Eurazeo North America and other Funds that do not own an interest in such portfolio company, without compensation or benefit to such Fund or its portfolio companies. Further, data is expected to be aggregated across the Funds and their respective portfolio companies and, in connection therewith, Eurazeo North America is expected to serve as the repository for such data, including with ownership, use and distribution rights therein. Eurazeo North America may also share data from a portfolio company of one Fund with a portfolio entity of another Fund, which may increase a competitive disadvantage for, and indirectly harm, such portfolio company. Portfolio companies may incur incremental expenses in collecting and organizing information requested or required to be furnished to

Eurazeo North America (which expenses are indirectly borne by the Funds). Eurazeo North America is likely in the future in certain instances to use this information in a manner that may provide a material benefit to Eurazeo North America, its affiliates, or to certain other Funds without compensating or otherwise benefitting the Fund or Funds from which such information was obtained. In addition, Eurazeo North America may have an incentive to pursue investments in portfolio companies based on the data and information expected to be received or generated. Furthermore, except for (a) contractual obligations to third parties to maintain confidentiality of certain information or otherwise limit the scope and purpose of its use and distribution, (b) policies, practices and procedures designed to ensure confidentiality of trade secrets and (c) compliance with applicable data privacy laws, laws prohibiting insider trading, anti-competition laws and laws protecting national security interests, Eurazeo North America is generally free to use data and information from a Fund's activities in its sole discretion for the benefit of Eurazeo North America and other Funds. The sharing and use of "big data" and other information present potential conflicts of interest and any benefits received by Eurazeo North America or its personnel will not be subject to the Advisory Fee offset provisions or otherwise shared with a Fund or its investors. Eurazeo North America is likely in the future to utilize such information to benefit Eurazeo North America and its Affiliates or certain Funds.

Eurazeo North America and its affiliates may also enter into formal or informal arrangements with portfolio investments to facilitate the sharing of data and/or data analytics. Subject to applicable legal, regulatory and contractual requirements, these information sharing arrangements are designed to allow Eurazeo North America, the Funds and the Funds' portfolio companies to better discern economic or other trends and developments. Eurazeo North America believes that all Funds benefit from these arrangements in ways that would be impossible without the ability to aggregate data from across Eurazeo North America's businesses and the Funds' portfolio companies. However, information sharing may involve conflicts of interest between the Funds and/or between the Funds and Eurazeo North America. For example, data analytics based on inputs from one portfolio company may inform business decisions by other portfolio investments, or investment decisions by Eurazeo North America and its affiliates, without the source of the data being directly compensated. It is difficult, if not impossible, to measure exactly the benefits any particular entity receives from these kinds of arrangements, or to provide specific and direct monetary compensation for such information. Therefore, Eurazeo North America and its affiliates may utilize such data outside of Fund activities in a manner that may provide a material benefit to Eurazeo North America, without directly compensating or otherwise benefitting the Funds. As a result, Eurazeo North America may have an incentive to pursue investments (on its own behalf or on behalf of the Funds) based on the data that may be accessible as a result of owning such investments, and/or to utilize such data in a manner that benefits Eurazeo North America and/or investments held by other Funds.

#### *Follow-on Investments*

Investments to finance follow-on acquisitions may present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Fund in a portfolio company in which another Fund has previously invested. In addition, a Fund may participate in leveraging and recapitalization transactions involving portfolio companies in which another Fund has already invested or will invest. Conflicts of interest arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for

the company or purchasing securities with terms that are more or less favorable than the prevailing market terms.

Furthermore, a conflict of interest also arises because a Fund that participates in a follow-on investment in a portfolio company held by another Fund will benefit from the initial evaluation, investigation and due diligence undertaken by Eurazeo North America on behalf of the original Fund and from operational or other information about such portfolio company acquired from the original Fund's ownership of interests in the portfolio company. In such circumstances, such benefitting Fund or Funds will not be required to reimburse the original Fund for expenses incurred in connection with researching such investment. An investment by a Fund in a portfolio company in which another Fund invests at a later stage may be made at a higher or lower valuation than the investment in such portfolio company by such other Fund and an investment by one or more other Funds in any such portfolio company may dilute the original Fund's interest in such portfolio company.

### *Conflicts Relating to Eurazeo*

Eurazeo and/or Eurazeo Personnel may make capital investments in or alongside certain Funds. These investments may be at different times or in non-pro rata amounts, or in different classes or levels of the capital structure. Such persons therefore have additional conflicting interests in connection with these investments.

By reason of their responsibilities in connection with other activities of Eurazeo, certain Eurazeo Personnel may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Funds will not be free to act upon any such information. Due to these restrictions, the Funds may not be able to initiate a transaction that they otherwise might have initiated and may not be able to sell an investment that they otherwise might have sold.

In addition, Funds from time to time invest in securities of companies in which Eurazeo or Eurazeo Personnel have previously invested for their own accounts. Furthermore, Eurazeo and Eurazeo Personnel from time to time invest for their own accounts in securities of companies in which the Funds have previously invested. While the significant interests of Eurazeo and the Eurazeo Personnel generally align the interest of such persons with the Funds, such persons may have differing interests from the Fund with respect to such investments (for example, with respect to the availability and timing of liquidity), creating conflicts of interest. There can be no assurance that the return of a Fund participating in a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflicts not existed.

Eurazeo and Eurazeo Personnel may buy or sell securities or other instruments that Eurazeo North America has recommended to Funds. Eurazeo and Eurazeo Personnel may also buy securities in transactions offered to but rejected by Funds. A conflict of interest may arise because Eurazeo and/or such investing Eurazeo Personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by Eurazeo North America on behalf of a Fund. In such circumstances, Eurazeo and/or the investing Eurazeo Personnel will not share or reimburse the relevant Fund(s) and/or Eurazeo North America for any expenses incurred in connection with the investment opportunity.

In addition, Eurazeo Personnel may also buy securities and hold interests as passive investors in other investment vehicles (including private equity funds, venture capital funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Funds and/or which may invest in similar industries and sectors as the Funds (including investments for a purpose of sourcing future investment opportunities). Such Eurazeo Personnel have a conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicles invest in the same portfolio companies as the Funds, and there may be situations in which such investment vehicle purchases securities from, or sells securities to, a Fund. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Funds. In the event Eurazeo Personnel make an investment with the intent to source future investments for the Funds, there is a greater likelihood that the Funds will make investments in the same portfolio companies in which Eurazeo Personnel hold an interest as described above. Such personnel may be incentivized to cause a Fund to act in a manner that benefits such other investment vehicles and indirectly, themselves as investors in such investment vehicles.

The transactions described above are subject to the policies and procedures set forth in the Eurazeo North America Code and the Group Code, and investors will not benefit from any such investments.

Eurazeo Personnel have family members that are actively involved in industries and sectors in which the Funds invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors, personnel or owners of companies which are actual or potential investments of the Funds or other counterparties of the Funds and the portfolio companies. Moreover, in certain instances, the Fund or the portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. The fees for services provided by such service providers may or may not be at the same rate charged by other third party service providers and none of Eurazeo SE, an other Eurazeo Fund Manager nor Eurazeo North America is not required to select service providers who may have lower rates (or to engage in any benchmarking of such fees). In most such circumstances, the Funds' Governing Documents will not preclude Funds from undertaking any of these investment activities or transactions.

#### *Diverse Membership*

The investors in the Funds are expected to include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. Such investors often have conflicting investment, tax and other interests with respect to their investments in a Fund. In selecting and structuring investments appropriate for a Fund, Eurazeo North America and its affiliates will consider the investment and tax objectives of the applicable Fund, not the investment, tax or other objectives of any investor individually.

#### *Business With and Among Portfolio Companies and Investors and Prospective Investors*

Portfolio companies controlled by a Fund may, from time to time in the future provide services to Eurazeo, certain Fund investors or prospective investors. This creates a conflict of interest, as Eurazeo North America has an incentive to cause the portfolio company to favor itself, or

those investors or prospective investors relative to other portfolio company clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio company's profitability to the Fund. Additionally, the portfolio company could recommend to its clients or customers that they invest in a Fund.

Current and former officers and executives of portfolio companies may also invest in a Fund. While Eurazeo North America believes this aligns portfolio company management teams with the best interests of the Fund, Eurazeo North America may, in certain circumstances, be incentivized to take (or refrain from taking) certain actions with respect to a portfolio company in order to maintain the goodwill with such portfolio company management team investor.

In certain instances, a Fund's portfolio company competes with, is a customer of, or is a service provider to, another Fund's portfolio company. In providing advice to the relevant Eurazeo Fund Manager in respect of portfolio company's business, Eurazeo North America may consider the interests of one portfolio company or Fund and is not obligated to, and need not, take into consideration the interests of other relevant portfolio companies or Funds. As a result, a conflict of interest may arise in these instances because advice and recommendations provided by Eurazeo North America to the relevant Eurazeo Fund Manager in respect of a portfolio company may have adverse consequences to a separate portfolio company owned by another Fund. The performance and operations of a competitor, customer or service provider portfolio company could conflict with, and adversely affect the performance and operations of another portfolio company, or could adversely affect prices, business opportunities or potential acquisition opportunities. For instance, a portfolio company may seek to expand its market share at the expense of another portfolio company; withdraw business from another portfolio company in favor of another company offering the same product or service at a lower price; increase its own prices, purchase assets from, or sell assets to, another portfolio company; commence litigation against another portfolio company; or prevent one portfolio company from commencing litigation against another portfolio company.

From time to time a Fund's portfolio company will be counterparties or participants in agreements, transactions or other arrangements with other portfolio companies of such Fund or other Funds. These agreements, transactions and other arrangements will involve payment of fees and other amounts, none of which will result in any offset to the Advisory Fee. Such agreements, transactions and other arrangements will generally be entered into without the consent or direct involvement of the Funds and/or the relevant Eurazeo Fund Manager or the consent of any advisory committee.

In addition, certain portfolio companies controlled by a Fund may engage in activities that could adversely affect another Fund and/or its portfolio company, including, for instance, as a result of laws and regulations or certain jurisdictions (such as bankruptcy, environmental, consumer protection and/or labor or union laws) that may not recognize or permit the segregation of assets and liabilities between separate entities. Such jurisdictions may also allow for recourse against assets that are under common control with, or part of the same economic group as the entity that has incurred the liability. This may result in the assets of a Fund and/or a portfolio company being used to satisfy the obligations or liabilities of another Fund or its portfolio company.

### *Service Providers*

Services required by a Fund (including some services historically provided by Eurazeo North America or its affiliates to the Funds) may, for certain reasons including efficiency and economic considerations, be outsourced in whole or in part to third parties or licensed software, in each case in the discretion of Eurazeo North America or its affiliates. This can create a conflict of interest because Eurazeo North America and its affiliates have an incentive to outsource such services at the expense of the Funds to, among other things, leverage the use of Eurazeo Personnel. Such services may include, without limitation, deal sourcing, asset management, information technology, licensed software, depository, data processing, client relations, administration, custodial, marketing and marketing-reviews, accounting, valuation, legal, human resources, client services, compliance, corporate secretarial and tax support, director services and other similar services. Outsourcing may not occur universally for all Funds, and, accordingly, certain costs may be incurred by a Fund for a third-party service provider that are not incurred for comparable services by other Funds. The decision by Eurazeo North America to initially perform a service for a Fund in-house does not preclude a later decision to outsource such services (or any additional services) in whole or in part to a third-party service provider in the future, and Eurazeo North America has no obligation to inform such Funds or investors of such a change. Such services may also supplement or be performed alongside services performed by Eurazeo North America, Eurazeo SE or the other Eurazeo Fund Managers. In addition, certain internal service providers (such as internal accountants) may “shadow” or otherwise review the reports of other services provided by such third parties. The costs and expenses of any such third-party service providers will be borne by the relevant Funds.

Eurazeo North America and/or its affiliates may engage certain service providers to provide services to Eurazeo North America, the Funds and/or the portfolio companies, including services during the due diligence and acquisition process. Such service providers or their affiliates are, in certain circumstances, investors in a Fund or affiliates of such investors and may include, for example, investment or commercial bankers, outside legal counsel pension consultants and/or other investors who provide services (including mezzanine and/or other lending arrangements). The engagement of any such service provider may be concurrent with an investor’s admission to a Fund, or during the term of such investor’s investment in the Fund. Eurazeo North America will have a conflict of interest in recommending the retention or continuation of a service provider to the Funds or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Funds or will provide Eurazeo North America information about markets and industries in which Eurazeo North America operates, will provide other services that are beneficial to Eurazeo North America and/or will provide financial sponsorship of events held by Eurazeo North America (such as transaction closing dinners or outings, or informational summits or training events for Eurazeo North America or portfolio company personnel). Eurazeo North America generally has an incentive to recommend the products or services of certain investors or prospective investors in the Funds to the Funds or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Funds or the portfolio companies.

Eurazeo North America generally may in its discretion, contract directly with, or recommend to a Fund or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with, a related person of Eurazeo North America or an affiliate (including but not limited to a portfolio company of a Fund). When making such a

recommendation, Eurazeo North America, because of its financial or other business interest, has an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Additionally, former Eurazeo North America employees may also become employees, officers or directors of, or otherwise be engaged by, third-party service providers that provide services to Eurazeo North America, the Funds and/or portfolio companies. While employed by Eurazeo North America, the cost of the compensation, benefits and attributable overhead provided to these individuals are paid by Eurazeo North America unless a Fund's Governing Documents permit certain allocations of internal expenses to the Fund. If a former Eurazeo North America employee becomes an employee or consultant of a third party that also provides services to a Fund, such former Eurazeo North America employee may be assigned by such third party to provide services to that account. In such instance, the cost of the third-party service provider attributable to the former Adviser employee working on the Fund will be borne entirely by the Fund and no such amounts will reduce the management fee paid or the carried interest distributed by such Fund on the basis that such person used to be a former Eurazeo North America employee.

Additionally, Eurazeo Personnel, and/or their family members or relatives may have ownership, employment, or other economic or other interests in certain service providers. These relationships can influence Eurazeo North America in determining whether to select or recommend such service provider to perform services for a Fund or a portfolio company. Although Eurazeo North America selects service providers that it believes will enhance portfolio company performance (and, in turn, the performance of the relevant Fund(s)), there is a possibility that Eurazeo North America, because of financial, business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Certain other service providers to Eurazeo North America, the Funds and/or the portfolio companies, or affiliates of such service providers, may also provide goods or services to or have business, personal, financial or other relationships with the Advisers, their affiliates, or the Funds' and/or their portfolio companies. Such service providers (or their employees) may also source investment opportunities, be co-investors or commercial counterparties or entities in which Eurazeo North America and/or the Funds have an investment, and payments by a Fund and/or such portfolio companies may indirectly benefit Eurazeo North America and/or such Fund.

Eurazeo North America, its personnel, the Funds and the portfolio companies of the Funds will, from time to time, engage common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to Eurazeo North America, its personnel, the Funds, and/or the portfolio companies. As a result, Eurazeo North America or its personnel may receive a more favorable rate on services provided to it by such a common service provider than the rates payable by the Funds and/or the portfolio company, or may receive a discount on services even though the Funds and/or the portfolio companies receive a lesser, or no, discount. This creates a conflict of interest between Eurazeo North America and its personnel, on the one hand, and the Funds and/or portfolio companies, on the other hand, in determining whether to engage such service providers, including the possibility that Eurazeo North America will favor the engagement or continued engagement of such persons if it, or its personnel, receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Funds



and/or the portfolio companies. Neither the Funds nor investors in the Funds will receive the benefit of any such favorable rate or discount provided to Eurazeo North America, its personnel or its affiliates, and the Advisory Fee paid to Eurazeo SE and/or an other Eurazeo Fund Manager will not be reduced in connection with such favorable rate or discount.

In addition, service providers often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required, and the time demands of the service provider. As a result, to the extent the services required by Eurazeo North America or its affiliates differ from those required by the Funds and/or its portfolio companies, Eurazeo North America and its affiliates will pay different rates and fees than those paid by the Funds and/or its portfolio companies.

Eurazeo North America or its affiliates engage certain service providers (including law firms) on behalf of the Funds and personnel of such service provider may in the future be seconded to Eurazeo North America or its affiliates on a temporary basis or serve in an internship capacity, pursuant to various arrangements including at cost or at no cost. Eurazeo North America is, from time to time, a beneficiary of these arrangements as well. Such personnel may provide services in respect of multiple matters, including in respect of matters related to Eurazeo North America, its affiliates and/or portfolio companies and in any such circumstance, the benefits or costs of any such personnel will be allocated in Eurazeo North America's discretion taking into consideration the usage of such personnel. The Advisory Fee will not be offset or reduced as a result of these arrangements or any fees, expense reimbursements or other costs related thereto. In such circumstances, a conflict of interest exists because Eurazeo North America or its affiliates have an incentive to select one service provider over another on the basis that Eurazeo North America or its affiliates may receive the benefit of seconded employees from such service provider, particularly where the compensation and expenses for such personnel during the secondment is borne by the service provider and not Eurazeo North America or its affiliates.

Eurazeo North America and the Funds will generally engage common legal counsel and other service providers in a particular transaction, including a transaction in which there may be conflicts of interest (e.g., cross transactions and other affiliated transactions). Members of the law firms engaged to represent the Funds may be investors in a Fund and may also represent one or more portfolio companies or investors in a Fund. In the event of a significant dispute or divergence of interest between Funds, Eurazeo North America and/or its affiliates, the parties may engage separate counsel in the sole discretion of Eurazeo North America and its affiliates, and in litigation and other circumstances, separate representation may be required.

From time to time, a Eurazeo Fund Manager (acting on advice from Eurazeo North America) may cause the Funds to bear the full cost and expense of engaging certain third-party service providers on behalf of a portfolio company. In the event a Fund is not the sole shareholder of the portfolio company, other shareholders will benefit from the costs incurred by such Fund and will not reimburse the Fund for their pro rata portion of the cost of any such service provider.

#### *Positions with Portfolio Companies*

Eurazeo Personnel serve as directors of, or observers on boards with respect to, certain portfolio companies. While conflicts of interest may arise in the event that such Eurazeo Personnel's

fiduciary duties as a director conflicts with those of the Fund, it is expected that generally the interests will be aligned. For instance, such positions could impair the ability of a Fund to sell the securities of an issuer in the event a director receives material non-public information by virtue of his or her role, which would have an adverse effect on the Fund. Furthermore, an Eurazeo Personnel serving as a director to a portfolio company owes a fiduciary duty to the portfolio company, on the one hand, and the relevant Fund, on the other hand, and such Eurazeo Personnel may be in a position where they must make a decision that is either not in the best interest of the Fund, or is not in the best interest of the portfolio company. Eurazeo Personnel serving as directors may make decisions for a portfolio company that negatively impact returns received by a Fund investing in the portfolio company. In addition, to the extent an Eurazeo Personnel serves as a director on the board of more than one portfolio company, such Eurazeo Personnel's fiduciaries duties among the two portfolio companies may create a conflict of interest. Certain decisions made by a director may subject Eurazeo North America, its affiliate or a Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, the Funds will indemnify Eurazeo North America and Eurazeo Personnel from such claims. Eurazeo Personnel serving in a director or observer role are required to remit any remuneration they may receive as directors to the applicable Funds. In addition, Eurazeo Personnel may leave the employment of Eurazeo North America or its affiliates and become an officer or employee of a portfolio company, which may shift the burden of compensating such persons from Eurazeo North America to the applicable portfolio companies, and any fees received by such persons as an employee of the portfolio company will not reduce the Advisory Fee. Eurazeo Personnel are prohibited from receiving consulting, management or other fees personally from portfolio companies.

From time to time, Eurazeo Personnel may also be asked to serve as directors of, or observers with respect to, certain entities in which a Fund has fully exited its ownership interest and/or following the termination of such person's employment with Eurazeo North America. In such circumstances, any compensation or fees received with respect to such exited investment and/or by such former employee is not subject to the Advisory Fee offset described above, or otherwise shared with the Funds and/or investors.

In addition, Eurazeo North America may continue to receive Service Fees from a portfolio company after a Fund has fully exited its ownership interest. In such circumstances, any fees received with respect to such exited investment is not subject to the Advisory Fee offset described above, or otherwise shared with the Funds and/or investors.

Certain personnel of Eurazeo North America or its affiliates may also be temporarily seconded to or otherwise engaged by certain portfolio companies on either a full-time or a part-time basis to provide services to such portfolio companies. In such instances, the portfolio companies will pay such person's directors' fees, salaries, consultant fees, other cash compensation, stock options, other equity grants or other compensation and incentives and may reimburse Eurazeo North America or such persons for any travel costs or other out-of-pocket expenses incurred in connection with the provision of their services. Eurazeo North America may also advance compensation to seconded employees and be subsequently reimbursed by the applicable portfolio companies. Any compensation customarily paid directly by Eurazeo North America or its affiliates to such persons will typically be reduced to reflect amounts paid directly or indirectly by the portfolio company. Any amounts paid to such persons by a portfolio company (or paid by Eurazeo North America and reimbursed by a portfolio company) will not reduce the Advisory Fee otherwise payable to Eurazeo North America. All or a portion of any such

compensation and incentives will be borne by the Fund, directly or indirectly, via its ownership interest in such portfolio company.

## **ITEM 12: BROKERAGE PRACTICES**

Eurazeo North America provides non-discretionary investment advisory services to its parent company regarding U.S. investment opportunities for Eurazeo and the Funds. Should an investment recommendation be approved, the applicable Eurazeo Fund Manager will be ultimately responsible for implementing and structuring the investment transactions, including (if applicable) the selection of broker-dealers, counterparties or other intermediaries and the allocation of investment opportunities among the Funds and applicable Eurazeo affiliates. Investors of the Funds should refer to each Fund's Governing Documents or other documents (as applicable) provided to, or made available to, prospective investors for a description of the methodologies and processes used by the Eurazeo Fund Manager with regard to the execution of investment transactions for the Funds.

## **ITEM 13: REVIEW OF ACCOUNTS**

### **Ongoing Monitoring**

As part of the advisory services provided to Eurazeo, Eurazeo North America monitors and reviews investment opportunities it sourced to a Eurazeo Fund Manager. This may include monitoring the U.S. portfolio companies of the Funds and generally maintaining an ongoing oversight position in such portfolio companies.

Each Eurazeo North America sourced investment is monitored by personnel responsible for performance monitoring and reporting, financial risk management, industry analysis and other applicable aspects (such as corporate, legal, tax, accounting, financing, hedging and cash distribution). Eurazeo North America personnel also monitor the due diligence process applicable to potential U.S. investments for Eurazeo, transaction structuring, acquisition budgets and transaction documentation.

Following a recommendation by Eurazeo North America, Eurazeo's relevant investment committee reviews and approves each investment (or other significant investment-related or corporate activity) made on behalf of a Fund and the allocation of those investments.

### **Reporting**

Eurazeo North America provides periodic reports to the Eurazeo Fund Managers regarding sourced investment opportunities, which includes information regarding ongoing monitoring and performance analysis as described above.

Investors in the Funds typically receive, among other things, a copy of audited financial statements of the relevant Fund generally annually. Eurazeo North America and its affiliates may from time to time, in their sole discretion, provide additional information relating to such Fund to one or more investors in such Fund as they deem appropriate.

## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

Eurazeo North America does not engage any parties to solicit clients, nor does it receive compensation from sources other than the Eurazeo Fund Managers, unless otherwise disclosed

in this Brochure. The Eurazeo Fund Managers, from time to time, engage Placement Agents for the Funds

#### **ITEM 15: CUSTODY**

Item 15 is not applicable to Eurazeo North America.

#### **ITEM 16: INVESTMENT DISCRETION**

Consistent with the Advisory Agreement, Eurazeo North America provides non-discretionary investment advisory services to the Eurazeo Fund Manager and does not have discretionary investment authority over client assets. As part of making indirect investment recommendations to a Fund, Eurazeo North America is guided by the terms of the Advisory Agreements and, indirectly through contracts and agreements between Eurazeo SE or the applicable Eurazeo Fund Manager and a Fund, the mandate selected by the Fund and any investment guidelines or restrictions imposed by the Fund.

#### **ITEM 17: VOTING CLIENT SECURITIES**

Eurazeo North America is not granted authority to vote securities and proxy voting proposals with respect to investments held by Eurazeo and by Funds. Such proxy voting authority is held and exercised by the Eurazeo Fund Manager in accordance with the applicable Governing Documents.

#### **ITEM 18: FINANCIAL INFORMATION**

Not applicable.