2025
ARTICLE 29 OF THE FRENCH ENERGY AND CLIMATE LAW REPORT

emz

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This report meets the requirements set out in Article 29 of Law no. 2019-1147 of 8 November 2019 and its implementing decree no. 2021-996 published on 27 May 2021. It is based on the structure described in Appendix B of AMF instructions DOC-2008-03 and DOC-2014-01.

1. GENERAL APPROACH TO TAKING ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA INTO ACCOUNT

I a. ESG approach summary

EMZ's approach as a Responsible Investor

EMZ Partners has been present on the French private equity market since 1999. Since then, EMZ Partners has gradually built a unique position among the various market players by placing entrepreneurs and management teams at the heart of its investment strategy. EMZ Partners structures transactions that enable these managers, executives, family shareholders or founders to become or remain the main shareholders in their companies, and as such contributes to the creation of stable, lasting shareholder structures that keep the company's stakeholders involved over the long term to drive lasting value creation. A lasting and balanced partnership with management teams is thus a core component of EMZ's Environmental, Social and Governance and investment policies.

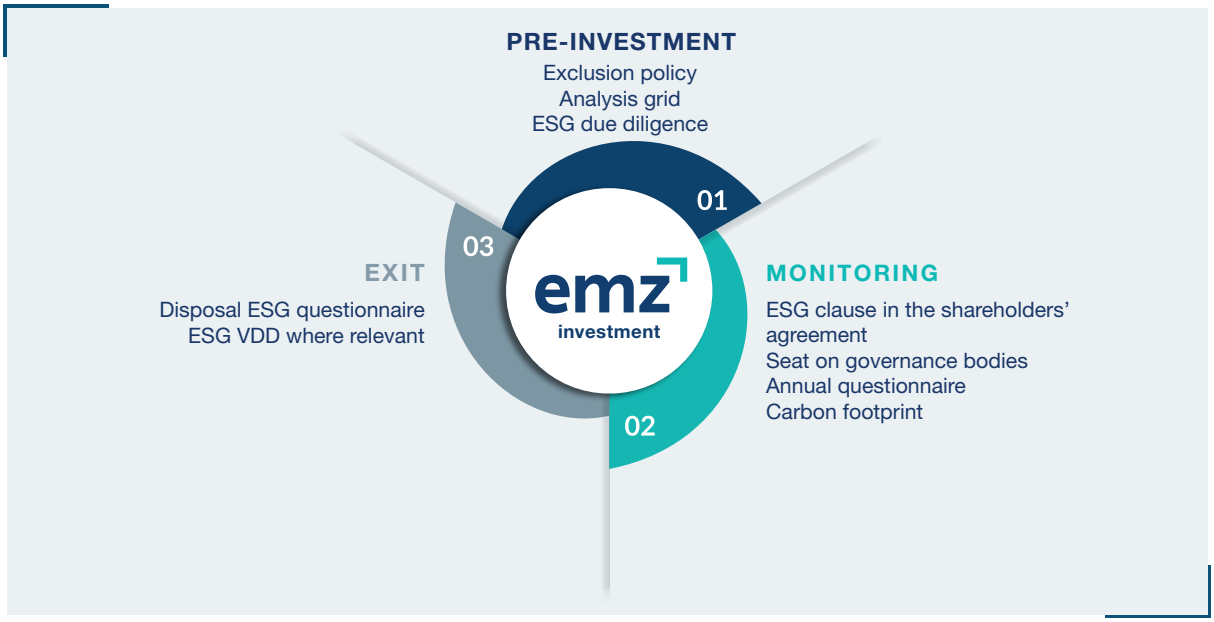
The EMZ team is convinced that an effective ESG framework is consubstantial to long-term value creation. Companies that have integrated ethical environmental, social and governance practices are better managed, tend to have lower risk profiles, and ultimately generate solid financial returns. Fostering the values of good governance, integrity and responsibility, while removing the barriers to implementing a sustainable investment strategy, will help EMZ achieve its objective of conducting business in a responsible manner.

Integrating ESG Principles into the Investment Strategy

EMZ Partners is committed to integrating ESG principles before making any investment decisions and, subsequently, encourages portfolio companies to take ESG factors into account in their activities.

The ESG framework covers the investment-selection phase, continues during the investment-monitoring phase and influences the terms of exit.

ESG PROCESS THE INVESTMENT CYCLE



In the pre-investment phase

EMZ's ESG policy is based on:

1. An exclusion policy

The incorporation of ESG criteria during the investment phase is first and foremost guided by EMZ Partners' exclusion policy, which excludes the following from the scope of potential investments:

- companies directly involved in the manufacture of tobacco and tobacco products and in the wholesale of tobacco and its derivatives;
- companies directly involved in the manufacture or trade of distilled alcoholic beverages and related products;
- companies directly involved in the manufacture, storage, transfer and trade of forbidden weapons (cluster munitions, landmines, chemical and biological weapons);
- casinos and companies directly involved in gambling and online betting;
- companies directly involved in research, development or technical applications in connection with programmes or solutions related to internet gambling, online casinos or pornography;
- companies directly involved in food speculation;
- companies planning to increase their activities in the production, operation, transport and storage of conventional and unconventional fossil fuels (coal, oil and gas), as well as companies directly involved in these activities and without a transition plan (1). EMZ Partners also excludes all investments in the coal sector, including power generation, since the launch of the EMZ 10 Fund.

  Where financing is intended to be used for technical applications relating to human cloning for research or therapeutic purposes, or GMOs, the management company will ensure that all legal, regulatory and ethical issues are duly verified.

(1) EMZ Partners applies the definition of the NGO Urgewald for this exclusion (Global Oil & Gas Exit List and Global Coal Exit List).

2. A pre-investment analysis

The initial analysis also ensures that the target company is not subject to material and proven ESG controversies (violation of UN principles or OECD guidelines), or that if past controversies exist, they have been subject to a suitable action plan.

A detailed analysis of the companies' ESG profiles is then carried out and covers the following topics:

- materiality analysis, taking into account criteria such as sector, size, geography and the company's development stage;
- identification of the Principal Adverse Impacts (PAIs);
- maturity on the themes of decarbonisation and value sharing;
- contribution to the United Nations Sustainable Development Goals.

The analysis is also formally conducted using specific tools developed in collaboration with external service providers specialising in environmental and social issues. This grid includes the following areas:

- governance: EMZ encourages good governance practices, such as diversity, transparency, independent board members and share-based incentive schemes;
- social issues: the company's labour practices (taking into account labour risks, human resources management, diversity, health and safety, dialogue and employee sentiment, along with reporting issues);
- environment: the company's environmental practices (factoring in environmental risks, the environmental management system, energy use and greenhouse gas emissions, soil, water, waste, biodiversity and reporting issues);
- societal issues: risks relating to external stakeholders (monitoring of suppliers and subcontractors, quality approach, risks or benefits of products and services).

3. Investment decisions

The Investment Committee makes all decisions jointly, as a team. To make its final decision, the Investment Committee refers to an "IC memo" that includes the investment opportunity analyses and the conclusions of the ESG analysis. As such, the assessment of ESG risks and opportunities, as well as the materiality of PAIs, are part of the investment decision criteria.

Holding phase

During the holding phase, EMZ relies on:

1. The inclusion of an ESG clause in shareholders' agreements

An ESG clause is included in the shareholder agreement signed by the parties at the time of investment. This clause asserts the importance of environmental, social and societal issues as well as good governance practices for EMZ Partners and the company. It engages the company to commit to ongoing improvement on these issues.

2. ESG performance monitoring, which takes place *via*:

- the systematic participation of EMZ Partners in the supervisory boards of portfolio companies;
- in some cases, financial incentives contingent upon the achievement of quantified ESG objectives in key areas, which are set up (ESG ratchets) and monitored throughout the investment;
- an annual ESG questionnaire sent to all portfolio companies: this questionnaire is used to collect the information necessary to comply with our regulatory obligations, to produce the annual reports of the funds and the management company, and to monitor the ESG performance and maturity of the portfolio companies to fostering dialogue, support and, where applicable, the implementation of ESG targets.

This questionnaire provides a detailed view of ESG integration in portfolio companies in order to assess each one's ESG performance and monitor their progress over time. An analysis of companies' exposure to climate risks and an assessment of their carbon footprint are also carried out, as detailed below. The questionnaires are then analysed and summarised to demonstrate the performance of each of the companies on the various ESG streams.

The exit phase

At the time of exit, EMZ Partners may recommend that the company carry out an external ESG audit to highlight the company's work and progress on these themes over the duration of its partnership with EMZ Partners. In some cases, an exit ESG questionnaire is completed by EMZ Partners at the request of the counterparties.

I b. Content, frequency and means of informing subscribers about the criteria relating to ESG targets considered in the investment policy and strategy

Transparency and communication are key drivers of EMZ Partners' ESG strategy. As such, EMZ Partners endeavours to provide a set of regular communications to its investors:

- EMZ Partners' responsible investment policy is updated annually or as required and is available on its website;
- the ESG performance and progress of portfolio companies are subject to a dedicated annual report shared with investors;
- the ESG report is available on the EMZ Partners website;
- the annual report for each Fund is shared with investors;
- the annual PRI transparency report is available on the dedicated platform;
- regular ESG communications *via ad hoc* ESG meetings and reporting are organised at the request of investors;
- a section related to the ESG Policy is included in the Private Placement Memorandum (PPM) and in the pre-contractual documentation of the funds.

In the event of an incident related to its ESG strategy, EMZ Partners would share any information deemed significant with its investors.

I c. List of financial products mentioned pursuant to Article 8 and Article 9 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019, and the overall percentage of assets under management considering environmental, social and governance quality criteria in the total amount of assets managed by the entity

EMZ Funds are classified under the Sustainable Finance Disclosure Regulation (1) (SFDR) as follows:

FUND NAME	SFDR CLASSIFICATION	AUM (€M)	SHARE TAKING ESG CRITERIA INTO ACCOUNT
EMZ 8	Article 6	299	100%
EMZ 9	Article 6	954	100%
EMZ 10	Article 8	1 696	100%
EMZ Crest	Article 8	113	100%
EMZ Share	Article 8	9	100%
EMZ 11	Article 8	851	100%

The EMZ 10 Fund, EMZ Share, EMZ Crest and EMZ 11 are classified as Article 8 in accordance with the provisions of the SFDR regulation since they promote environmental or social characteristics.

EMZ 8 and 9 funds are classified as Article 6. The subscription period for these financial products was closed before the SFDR entered into force. However, these funds are still part of EMZ's ESG strategy.

In accordance with its responsible investment policy, 100% of the Funds managed by EMZ Partners incorporate ESG criteria into the investment thesis.

(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability disclosure in the financial services sector.

I d. ESG Charters and initiatives

EMZ considers it essential to get involved in initiatives and non-profit organisations dedicated to best practices in responsible investment. This involvement serves as the basis for implementing and improving its ESG strategy.

Signatory of:

PRI Principles for Responsible Investment

EMZ Partners has been a signatory of the **United Nations Principles for Responsible Investment ("UN PRI") since 2016**. As such, EMZ has shaped its strategy to formally incorporate the six Principles:

- incorporating ESG issues into investment decision making processes;
- being active owners and incorporating ESG issues into its ownership policies and practices;
- seeking appropriate disclosure on ESG issues by the entities in which EMZ invests;
- promoting acceptance and implementation of the Principles within the investment industry;
- working collectively to enhance its effectiveness in implementing the Principles;
- committing to individually report on its activities and progress towards implementing the Principles.

FRANCE INVEST Investors for growth

EMZ Partners is also a member of **France Invest** and regularly participates in presentations and workshops dedicated to ESG. The management company contributes to the organization's annual report by sharing the ESG performance of its portfolio companies.

EMZ Partners is also a signatory of the France Invest Gender Equality Charter, demonstrating its commitment to gender equality and inclusion.

Lastly, regarding sharing, EMZ Partners signed the France Invest Value Sharing Commitment Charter in 2023.

IIGCC The Institutional Investors Group on Climate Change

ic initiative climat international Private equity action on climate change

With regard to climate risk, EMZ Partners is a member of:

- **the Institutional Investors Group on Climate Change (IIGCC):**

The mission of the IIGCC is to mobilise capital for the transition to a net-zero and climate-resilient economy by working with companies, policy makers and investors.

- **the International Climate Initiative (iCI):**

The International Climate Initiative (iCI) was the first international private equity initiative aiming to better understand and fight against climate change.

RACE TO ZERO

In 2024, EMZ Partners joined the **Net Zero Asset Management initiative** and has set decarbonization targets for its portfolio, with the ultimate aim of managing 100% of its investments according to these criteria by 2050.

2. INTERNAL ESG RESOURCES WITHIN EMZ

a. Internal and external resources

A dedicated ESG team

EMZ's ESG strategy is based on sound governance. All teams are involved in the implementation of the ESG agenda at different levels. This agenda is steered by a dedicated ESG team responsible for defining the ESG strategy, coordinating and rolling out ESG initiatives, and reporting to the President.

The investment team is responsible for rolling out this strategy with the portfolio companies, an endeavour in which the ESG team plays a supporting role. The investment team benefits from regular awareness campaigns and training on ESG issues.

External support

Depending on the specific requirements, EMZ Partners may call on external service providers chosen for the quality of their expertise to assist with the management company's strategy and regulatory changes in sustainable finance, support for ESG due diligence prior to an investment or during exit, the portfolio's annual ESG assessment or the response to investor questionnaires, for example.

Among its external service providers, EMZ Partners worked in 2025 in collaboration with, notably:

- Apiday for ESG data collection;
- Odéris for the preparation of due diligence reports;
- Carbometrix for the calculation of its carbon footprint.

Technical and financial resources dedicated to ESG

EMZ Partners has not set a fixed ESG budget but commits to use the financial resources deemed necessary to successfully implement its ESG strategy. The financial resources allocated to supplement EMZ Partners' ESG strategy will depend on the requirements and projects validated by the ESG team and by the General Management.

In order to ensure the implementation of its responsible investment policy, EMZ Partners used Apiday in 2025, a web-based platform designed to collect and monitor ESG data from its portfolio companies.

b. Enhancing EMZ Partners' ESG Capabilities

The ESG and management teams at EMZ Partners share the responsibility of ensuring that all employees develop and enhance their knowledge and skills regarding sustainability criteria.

To that end, ESG training is provided on an ad-hoc basis to members of the investment team and members of the operational team on specific topics suited to the needs and requests of the teams.

The investment team can rely on the ESG team to provide them with the latest information, tools and developments on ESG topics, and to share best practices and the analyses they need to address ESG topics in the most effective way.

3. INCORPORATING ESG CRITERIA INTO EMZ'S GOVERNANCE

a. Knowledge, skills and experience of its governing bodies

At EMZ Partners, promoting and developing expertise in ESG practices is emphasised at the highest levels of the governing bodies.

EMZ Partners has been a signatory of the UN PRI since 2016 and places ESG criteria at the heart of its investment policy. EMZ Partners sees ESG as a key aspect of its investment strategy. All strategic investment decisions are made jointly with the investment team, and particularly during investment committee meetings in which the Head of ESG participates.

The ESG team reports directly to the President, who actively participates in defining and rolling out the ESG strategy.

b. EMZ Partners' compensation policy

EMZ Partners' compensation policy sets out the principles linked to compensation, taking into account the group's strategy, objectives and risk policy in order to align the long-term interests of all stakeholders (shareholders, clients, employees and society as a whole).

The main principles of EMZ Partners' compensation policy prevent excessive risk-taking and incorporate quality, performance and non-financial criteria.

The fixed portion of the investment teams' and managers' compensation represents most of the total compensation paid and is not correlated to the number of investments made or the performance of the funds managed. It is set for each employee based on their responsibilities, skill level and experience. It is significant enough not to encourage excessive risk-taking by members of the investment team.

The allocation of the variable portion is correlated to the wealth created by EMZ Partners' activity over the long term. It does not, as such, depend solely on the performance of the funds managed or the number of investments made, and does not encourage risk-taking that is incompatible with financial or sustainability risk profiles (including those relating to principles of good governance and ethics, risks related to climate change, or other environmental or social risks considered to be material).

The qualitative and quantitative criteria which determine individual pay rises and the allocation of the variable portion reflect the investment team's careful consideration of environmental, social and good-governance criteria throughout the various investment phases.

I c. Sustainability criteria in the by-laws of EMZ Partners' Board of Directors and Supervisory Board

There are no sustainability criteria formally incorporated into the by-laws of the management company's governing bodies.

However, EMZ Partners is already promoting best practices in terms of governance, particularly through the diversity of experience and skill sets within its governing bodies. In addition, the ESG team reports to François Carré, President of EMZ Partners, demonstrating that ESG issues are considered at the highest level of the company.

4. ENGAGEMENT STRATEGY WITH ISSUERS AND ASSET MANAGEMENT COMPANIES

a. EMZ Partners' voting and engagement policy

In terms of corporate governance, EMZ Partners has a procedure setting out the conditions for exercising the voting rights of the funds managed.

It is important to note that the investment policy of the funds managed by EMZ Partners is to generally invest 75% in the form of subordinated debt and the remaining 25% in the form of equity. Generally, at the time the investment is made, securities are not admitted to trading on a financial market.

EMZ Partners rarely managed actively listed securities. In all cases, EMZ Partners will exercise the voting rights attached to the securities held in the interest of the investors in the managed funds.

For all unlisted securities held in the various funds managed by EMZ, the voting and engagement policy is inseparable from the investment strategy applied to these funds. EMZ Partners systematically sits on the companies' governing bodies and maintains an ongoing dialogue with the management teams. This position enables EMZ Partners to engage with portfolio companies to encourage and monitor the implementation of best practices, particularly in the areas of independence, diversity and the transparency of management bodies. EMZ Partners undertakes to exercise the voting rights attached to the units held in the funds for the sole purpose of protecting the interests of its investors.

In addition, EMZ Partners recognises the value of collective action in encouraging the ESG development of portfolio companies. Therefore, where possible and relevant, EMZ Partners conducts its ESG engagement policy in collaboration with other stakeholders, and particularly the other financial investors of the portfolio company.

EMZ Partners reports on its responsibilities within the corporate bodies of the portfolio companies in the annual reports of the funds. The procedures for exercising voting rights are described in the "Voting and Shareholder Engagement Policy" available on its website.

EMZ Partners' engagement policy applies to all its portfolio companies.

b. Decisions in terms of engagement strategy

Decisions taken as per the engagement strategy and the voting policy are available on our website.

EMZ Partners' strategy is not to invest in listed equities, which is why EMZ Partners does not have an established process for monitoring all votes. With regard to the voting rights attached to the unlisted securities of the funds managed, EMZ Partners reports on its responsibilities within the governance bodies of the portfolio companies in the annual reports of the funds. EMZ Partners participates in the voting process and exercises its right in accordance with its voting policy, as part of its systematic involvement in the governance bodies of each portfolio company. .

In all cases, EMZ Partners exercises the voting rights attached to the securities held in the interest of the investors in the managed funds.

c. Sector exclusions

The exclusion policy followed by EMZ Partners is described in its responsible investment policy. EMZ Partners excludes the following from the scope of its potential investments:

- companies directly involved in the manufacture of tobacco and tobacco products and in the wholesale of tobacco and its derivatives;
- companies directly involved in the manufacture or trade of distilled alcoholic beverages and related products;
- companies directly involved in the manufacture, storage, transfer and trade of forbidden weapons (cluster munitions, landmines, chemical and biological weapons);
- casinos and companies directly involved in gambling and online betting;
- companies directly involved in research, development or technical applications in connection with programmes or solutions related to internet gambling, online casinos or pornography;
- companies directly involved in food speculation;
- companies planning to increase their activities in the production, operation, transport and storage of conventional and unconventional fossil fuels (coal, oil and gas), as well as companies directly involved in these activities and without a transition plan (1). EMZ Partners also excludes any investment in the coal sector, including for power generation, since the launch of the EMZ 10 Fund;
- where financing is intended to be used for technical applications relating to human cloning for research or therapeutic purposes, or GMOs, the management company will ensure that all legal, regulatory and ethical issues are duly verified.

(1) EMZ Partners applies the definition of the NGO Urgewald for this exclusion (Global Oil & Gas Exit List and Global Coal Exit List).

5. EUROPEAN TAXONOMY AND FOSSIL FUELS

a. Share of Assets Aligned with the EU Taxonomy

The funds managed by EMZ Partners have not established an objective of investing in economic activities qualified as environmentally sustainable in accordance with the EU Taxonomy.

The funds have carried out checks in order to collect indicators related to the Taxonomy from the portfolio companies. However, the information collected does not enable conclusions to be drawn at this stage on the alignment of the funds' investments with the EU Taxonomy. As a result, no investment is qualified as Taxonomy-aligned to date.

EMZ Partners is committed to improving the quality and transparency of data and reporting. When data becomes available and/or more reliable, the alignment of investments with the Taxonomy will be assessed.

b. Share of assets in companies active in the fossil fuel sector

EMZ Partners has an investment policy that excludes investments in fossil fuels, particularly coal.

The share of investments in companies active in the fossil fuel sector is very limited, since only the Jacky Perrenot group and Vulcain are indirectly concerned.

Jacky Perrenot operates downstream in the value chain (domestic fossil fuel transport). As specified in its responsible investment policy, EMZ Partners refers to the Urgewald list to ensure compliance with its exclusion policy on fossil fuels. Jacky Perrenot is not on this list given its business sector and its positioning in the value chain.

The Jacky Perrenot Group is active in road transport and logistics services for a large number of customers, mainly in the retail and food industries. Only a small proportion of the group's business involves the transport of fossil fuels (motor fuels, domestic heating oil), which account for less than 5% of its sales in 2025. In addition, Jacky Perrenot is very active in the ecological transition: annual Ecovadis assessment, around 20% of its fleet using a low-carbon energy source, ambitious project to reduce its carbon emissions, etc.

The Vulcain Group is also indirectly linked to the fossil fuel sector, as a service provider. Vulcain is an engineering group, particularly in the energy sector, which has historically focused on fossil fuels. Vulcain made a strategic shift several years ago towards fossil fuels and other non-fossil fuel verticals. By the end of 2025, this long-standing segment accounted for less than 3% of its turnover.

In 2025, EMZ Partners does not own any companies active in the coal sector, including for electricity generation.

6. STRATEGY FOR ALIGNMENT WITH THE PARIS AGREEMENT

a. EMZ Partners' climate strategy [1]

The implementation of the Paris Agreement requires economic and social transformation based on scientific research and consensus.

EMZ Partners' climate strategy is based on the following:

1/ A policy to exclude sectors whose development is not compatible with the requirements of the Paris Agreement

EMZ Partners thus excludes companies planning to increase their activities in the production, operation, transport and storage of conventional and unconventional fossil fuels (coal, oil and gas), as well as companies directly involved in these activities and without a transition plan.

EMZ Partners has also completely excluded the coal sector since the launch of the EMZ 10 Fund. No company in the total portfolio held in 2025 is active in this sector.

2/ An analysis of the climate and environmental maturity of its companies at the time of investment and annually during the ESG campaign:

- assessing the portfolio companies' climate-risk exposure (physical risks and transition risks) based on EMZ Partners' ESG analysis grid;
- implementing environmental indicators to assess and monitor the environmental performance of portfolio companies through an annual ESG questionnaire that includes indicators specific to climate change and biodiversity;
- measuring the portfolio's carbon footprint on scopes 1, 2 & 3. EMZ Partners aims to increase each year the proportion of portfolio companies that have completed their carbon footprint. 76% of the portfolio have completed a carbon footprint by 2025 (compared with 74% in 2024), representing 88% of the emissions financed (compared with 85% in 2024).
- raising awareness of global warming and the need to assess the carbon footprint and implement climate strategies among employees and portfolio companies which may be less mature on these issues.

3/ An analysis of portfolio companies' exposure to climate risks and opportunities

In 2025, EMZ Partners updated its analysis of its portfolio companies' exposure to climate risks, physical risks and transition risks.

- Physical risks:

Eight key physical risks were assessed, in accordance with the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosures) and the VSME standard. The terminology used is based on the definitions provided by the GFDRR (World Bank Group and the Global Facility for Disaster Reduction and Recovery): acute risks (floods, extreme rainfall, wildfires, landslides, cyclones and storms) and chronic risks (sea-level rise, heatwaves, drought).

(1) From section 6 and unless otherwise stated, "EMZ" applies to both the entity as an asset management company and the EMZ 9 and EMZ 10 funds, for which the publication of an Article 29 report is also a regulatory requirement.

- Transition risks:

Eight key risks were analysed, in accordance with the TCFD's recommendations: rising carbon prices, public policy restrictions, advances in
low-carbon technologies, changing market preferences, increasing pressure from investors, reputational risk, legal risks, and disruptions to the
supply chain.

For each company, the analysis examined – based on its sector and the location of its sites (where information was available) – the probability of occurrence and the potential severity of the impact. The probability of occurrence of physical risks is derived from the ThinkHazard database, published by the World Bank Group based on data from the 'Climate Change Knowledge' portal. The severity of the potential impact took into account any risk mitigation measures that the companies may have put in place.

The analysis also incorporated climate indicators collected from portfolio companies:

- geographical location of companies,
- energy consumption,
- carbon footprint,
- carbon intensity,
- exposure to companies active in the fossil fuels sector,
- on-site renewable energy generation,
- energy consumption intensity by sector with a high climate impact.

The risks identified could translate in practical terms into a fall in revenues or an increase in costs, ultimately leading to a decline in the valuation of the companies concerned.

If it is demonstrated that climate risks are material for a portfolio company, the issue will be prioritised and monitored throughout the investment period, in particular through the governance bodies in which EMZ Partners participates.

The analysis also highlighted opportunities for certain companies.

In 2025:

- 58% of EMZ's portfolio consists of companies operating in sectors with a high climate impact (compared with 48% in 2024). Of these companies, around two-thirds are in the manufacturing sector;
- 60 per cent of the companies have implemented measures to reduce their GHG emissions (compared with 72 per cent in 2024);
- 50 per cent of the companies in the portfolio have carried out a climate risk and opportunity analysis (compared with 59 per cent in 2024).

SECTORS	% AUM	# COMPANIES	PHYSICAL RISKS	TRANSITION RISKS
Steel	< 0.1%	1		
Advisory	11.6%	6		
Construction	7.8%	4		
Education	3.7%	1		
Electronic Equipment & Instruments	9.3%	3		
Priting/Paper products	6.0%	2		
Advertising	9.7%	4		
Healthcare & Pharmaceuticals	16.1%	4		
Secteur Manufacturier	5.1%	3		
Environmental services/ engineering/ installations	5.9%	2		
Financial services/Insurance	5.7%	3		
Commercial companies and distributors	15.5%	3		
Transport	3.5%	1		

Very strong & strong impact Medium impact

According to the analysis carried out by EMZ:

- approximately 4 per cent of the portfolio is exposed to significant physical risks linked to climate change.
- approximately 5 per cent of the portfolio is exposed to significant transition risks linked to climate change.

The main risks identified are as follows:

- Physical risks: forest fires, site flooding risks and extreme rainfall having a direct negative impact on production and the services provided; extreme weather events, the frequency and intensity of which are increasing as a result of climate change.
- Transition risks: supply chain disruptions and public policy restrictions: stricter obligations to measure and report GHG emissions; requirements for certain sectors to adapt their activities and services to prevent and/or adapt to climate change; rising costs associated with the carbon border adjustment mechanism, etc. These constraints may entail additional costs for companies to adapt to regulatory requirements: adjustments to the value chain, changes to product and service offerings, price adjustments…

The companies concerned have implemented measures to prevent and mitigate these risks, notably:

- developing new products and services;
- enhanced risk analysis and monitoring, contingency plans for the sites concerned, production across multiple sites that can take over from one another in the event of a temporary disruption, taking out insurance policies…
- changes to production methods (supplier analysis, the circular economy, recyclability, etc.);
- a plan to reduce GHG emissions.

Opportunity Analysis

The requirements arising from the Paris Agreement also create opportunities for certain companies in the portfolio:

- the development of specific products or services in response to climate change (e.g. low-carbon offerings);
- the development of a competitive advantage for companies that have been able to adapt and evolve earlier than other companies in the same sector.

According to the analysis carried out, the entire portfolio therefore stands to benefit from opportunities linked to climate change.

4/ The measurement of portfolio companies' carbon footprint and trajectory for cutting emissions

EMZ Partners would like to play a role in reducing greenhouse gas emissions, particularly through:

- in-depth knowledge of the negative external impacts of portfolio companies;
- supporting the implementation of an improvement policy to achieve the objectives of the Paris Agreement, by supporting the commitments and efforts of its portfolio companies.

The carbon footprint is measured annually across all portfolios, covering scopes 1, 2 & 3.

In addition, EMZ Partners is committed to helping its portfolio companies implement a suitable GHG emissions reduction plan. In 2025, EMZ Partners worked with three portfolio companies (representing 9 per cent) on climate-related issues, in particular to help them carry out an assessment of their emissions and identify reduction measures. In collaboration with its co-investors, EMZ also carried out engagement activities with three companies (representing 10% of the portfolio) to guide them towards an SBTi pathway.

b. EMZ's alignment plan with the Paris Agreement

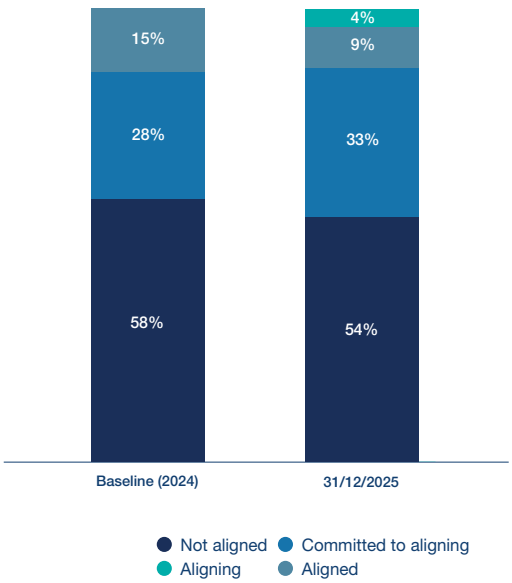
1. Accurately measure its carbon impact and that of its portfolio companies

- EMZ Partners has already carried out numerous measures to better understand the environmental policies of its portfolio companies and assess the materiality of climate issues by analysing their carbon footprints on scopes 1, 2 and 3, and supporting the creation and implementation of suitable action plans, among others. EMZ Partners also measures its own operational carbon impact and update it regularly.

2. Join a net-zero marketplace initiative

- EMZ is committed to progressively aligning our portfolios with the Paris Agreement and we have set up a climate strategy with to achieve Net Zero by 2050. EMZ Partners joined the NZAM initiative in 2024 and published its alignment objectives: 50% of the portfolio managed in alignment by 2030 and 100% by 2050. To do so, EMZ Partners uses the Net Zero Investment Framework methodology applied to Private Equity.

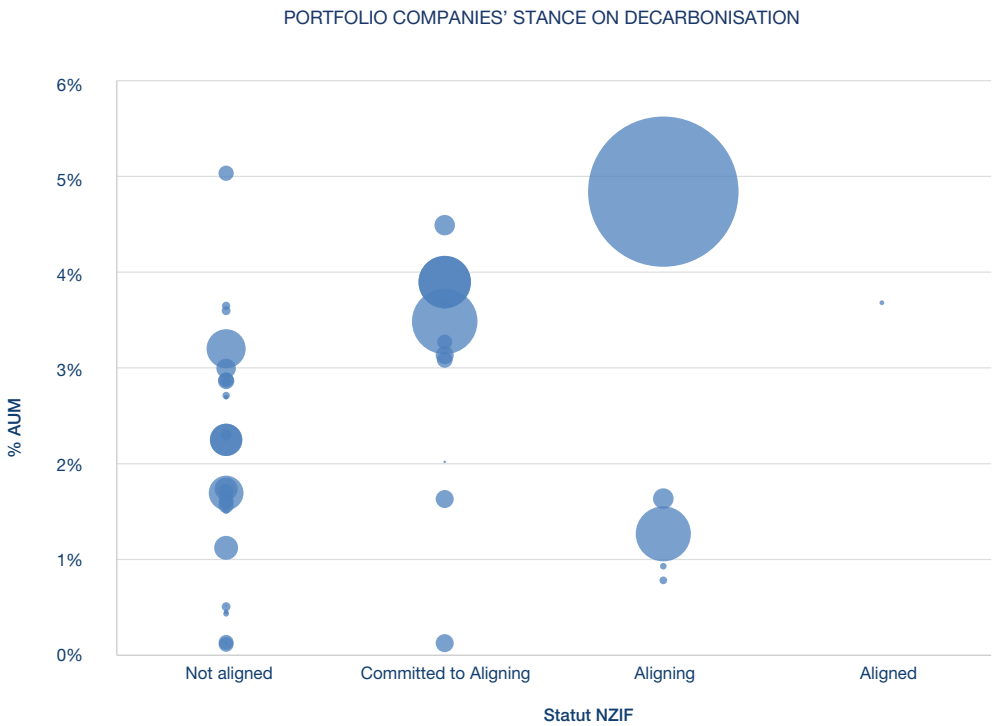
TRENDS IN THE PORTFOLIO'S NET-ZERO ALIGNMENT (2024–2025)



The two charts compare trends in the portfolio's allocation across the four categories defined by the NZIF (Net Zero Investment Framework) methodology. Since EMZ Partners joined the NZAM initiative, the portfolio has progressed along the alignment trajectory:

- *the proportion of 'Not aligned' companies has fallen from 58% to 54%;*
- *overall, the proportion of assets committed to the transition (Committed to Aligning, Aligning and Aligned) has risen from 42% to 46%.*

These developments reflect the initial effects of our Net Zero strategy and need to be consolidated by committing the rest of our portfolio to a robust alignment process.



Each bubble represents an investment, positioned according to its carbon maturity. The reference framework used on the x-axis is the 'Net Zero Investment Framework' published by the IIGCC. The size of each bubble represents the total emissions financed by each investment. This shows that the investments with the highest emissions are well on track towards decarbonisation and helps to identify priorities for EMZ's engagement.

3. Train EMZ teams and portfolio companies on climate issues

- Training all EMZ teams on climate issues: in early 2026, staff undertook training on climate risks. This training covered the fundamentals of climate risks and opportunities, as well as their impact on portfolio decisions. The aim was to help the teams consider how to adapt EMZ's existing processes to better take these risks and opportunities into account.

4. Invest in climate solutions

- EMZ Partners invested in several companies offering solutions to prevent or mitigate climate change. These represented 16% of the portfolio at 31/12/2025.

7. STRATEGY FOR ALIGNMENT WITH LONG-TERM BIODIVERSITY TARGETS

a. The EMZ Partners biodiversity strategy and EMZ Partners' plan for alignment with long-term biodiversity targets

EMZ Partners' biodiversity strategy is based on the following components:

1/ The inclusion of biodiversity criteria in the investment process

The impact of EMZ Partners' investments on biodiversity is first and foremost analysed using the ESG criteria analysis grid used for all investments. This grid includes questions on approximately 10 nature-based indicators, including pollution, air and water emissions, risky (Seveso) sites, specific environmental risks, environmental controversies, the management of natural resources and water, activities having an impact on protected areas, etc.

In addition, the materiality analysis carried out during ESG due diligence enables us to identify whether the issue of biodiversity is material for the company under review. Where applicable, a special analysis of impacts and dependencies is conducted.

2/ The analysis and monitoring of companies during the holding period

EMZ Partners' strategy to align with long-term biodiversity targets is bolstered by the collection and monitoring of KPIs in the ESG questionnaires sent annually to portfolio companies. These key performance indicators integrated into the EMZ Partners analysis grid are used to assess and monitor companies' impact on biodiversity. Examples of biodiversity KPIs collected:

- has the company adopted a formal environmental policy?
- if so, has the company adopted a formal biodiversity conservation policy (commitments and objectives)?
- if so, is the biodiversity conservation policy aligned with international targets?
- has the company mapped its sites and activities to identify its Key Biodiversity Areas? (Key Biodiversity Areas are defined as "sites contributing significantly to the global persistence of biodiversity" in terrestrial, freshwater, and marine ecosystems. A Global Standard for the Identification of Key Biodiversity Areas (IUCN, 2016).
- has the company carried out an assessment of its biodiversity footprint (land occupation and conversion in sq. m)?
- Does the company monitor indicators relating to various aspects of its impact on biodiversity: waste, discharges into water, energy consumption, etc.?

In 2025:

- 15% of portfolio companies reported having a biodiversity policy;
- 15% of the companies reported having carried out an analysis of their impacts and dependencies on biodiversity;
- 24% of companies reported that their activities are close to areas that are sensitive in terms of biodiversity;
- 48% have introduced a waste monitoring system;
- None of our portfolio companies discharge pollutants into water.

3/ The analysis of the portfolio's Principal Adverse Impacts (PAIs) on biodiversity

EMZ Partners measures PAI 7 each year during its ESG campaign. This indicator measures the share of investments with one or more sites negatively affecting sensitive areas in terms of biodiversity, natural species and protected areas.

24% of companies reported having operations near areas of biodiversity concern, but with no identified negative impact.

4/ The analysis of the portfolio's impact

EMZ Partners conducted an analysis of the negative impacts and dependencies on biodiversity of the companies held at 31/12/2025 using the database ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure).

Methodology

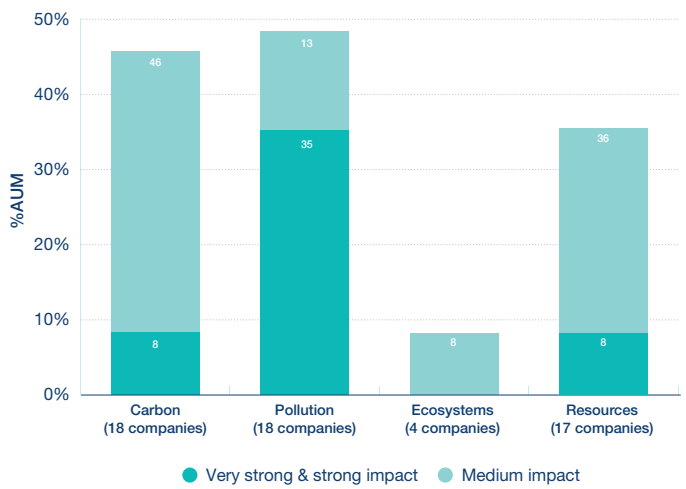
EMZ Partners divided the companies in its portfolio into the sectors identified by the ENCORE methodology. When several sectors could correspond to a company's activity, EMZ Partners selected the most relevant sector/process and analysed its impact.

The impact factors have been grouped into four categories:

1. **Carbon** (GHG emissions);
2. **Pollution** (Disturbances, Emissions of toxic soil and water pollutants, Non-GHG air pollutants, Emissions of nutrient soil and water pollutants, Generation and release of solid waste, Introduction of invasive species);
3. **Ecosystems** (Area of freshwater use, Area of seabed use, Area of land use);
4. **The use of natural resources** (Other biotic resource extraction (*e.g.* fish, timber), Other abiotic resource extraction, Volume of water use).

The impact analysis of the activities is presented below:

CONTRIBUTION OF HOLDINGS TO FACTORS IMPACTING BIODIVERSITY



SECTORS	% AUM	# COMPANIES	CARBON	POLLUTION	ECOSYSTEMS	USE OF NATURAL RESOURCES
Steel	< 1%	1				
Advisory	12%	6				
Construction	8%	4				
Education	4%	1				
Electronic Equipment & Instruments	9%	3				
Priting/Paper products	6%	2				
Advertising	10%	4				
Healthcare & Pharmaceuticals	16%	4				
Manufacturing	5%	3				
Environmental services/ engineering/ installations	6%	2				
Financial services/Insurance	6%	3				
Commercial companies and distributors	16%	3				
Transport	4%	1				

● Very strong & strong impact ● Medium impact

The results of this analysis show that:

- **Greenhouse gas emissions** and **pollution** are the factors most affected by EMZ Partners' holdings, with 35% of companies having a strong or very strong impact on biodiversity through their emissions of greenhouse gases and other pollutants:
  - the sectors in which EMZ Partners invests have a potentially material impact on **water pollution, soil pollution and the discharge of solid waste**, as air pollution is not material for these sectors. The discharge of substances and waste into water or soil can disrupt their balance and contribute to the erosion of biodiversity,
  - the Principal Adverse Impact (PAI) measurement carried out by EMZ Partners for all companies includes monitoring for the "Water Pollution" and "Hazardous Waste" indicators,
  - EMZ Partners also monitors the action plans of companies in this sector on this subject, as detailed below;
- 8% of the assets in EMZ Partners' portfolio have a significant or very significant impact on **resources**, and 37% have a moderate impact, mainly through their water consumption and the use of certain raw materials.
  - The measures implemented by these companies fall into several categories: the roll-out of an environmental policy (67 per cent), the application of circular economy principles (28 per cent), and a plan to reduce water consumption (10 per cent).
- **Terrestrial and marine ecosystems** are moderately affected by four companies in the portfolio, operating in the construction sector, whose activities may have a direct impact on these determinants of biodiversity.

When drawing up an action plan, EMZ Partners focuses on biodiversity impact factors that are 'significantly' or 'very significantly' affected by the sectors in which it invests: greenhouse gas emissions and other polluting emissions; and on sectors that have significant or very significant negative impacts on at least two factors: steel, construction, printing, healthcare and manufacturing.

GHG emissions

The portfolio analysis revealed that the activities of 54% of portfolio companies have a material impact (strong or very strong) on biodiversity through their GHG emissions. Anthropogenic climate change is a risk factor for the deterioration of natural species (conditions favourable to pathogens, disruption of the food chain, disrupted pollination, etc.) and their habitats (ocean acidification, fires, droughts, soil degradation, etc.).

Measures to reduce the associated risk

The decarbonisation of the companies in the portfolio is part of EMZ Partners' commitments to the climate and biodiversity. As such, EMZ Partners supports its portfolio companies in their decarbonisation approach by adapting to their maturity level:

- EMZ Partners assessses each year its financed emissions. In 2025 :
  - 88% of its financed emissions are covered by a carbon footprint,
  - the rest of the financed emissions have been estimated,
- By the end of 2025, 60% of the portfolio had put in place a decarbonisation plan.
  - of these companies, two have submitted a decarbonisation pathway to the SBTi and three others are working towards this certification;
  - as part of its Net Zero commitment, EMZ Partners plans to support its portfolio companies in establishing decarbonisation pathways aligned with the Paris Agreement.

The steel sector

The companies in the sector concerned know that the construction sector uses and has a significant impact on ecosystems and have set up action plans to use resources sustainably, avoid the negative impact on biodiversity where possible or reduce it, and restore ecosystems. Their action plan targets in priority the reduction of energy consumption and of the environmental impact of the activity via the promotion of circular supply chains.

The construction sector

The companies in the portfolio concerned know that the construction sector uses and has a significant impact on ecosystems and have set up action plans to use resources sustainably, avoid the negative impact on biodiversity where possible or reduce it, and restore ecosystems.

This is reflected in strategies and dedicated governance (resource-based economy and circular economy), the development of new services (innovative solutions, products and services with a positive impact) and the consideration of ecosystems in business activities (conservation of biodiversity, adaptation of site schedules, waste management, ecosystem restoration, etc.).

The transport sector

The companies concerned have carried out environmental audits to assess the impact of their sites and activities on biodiversity and its dependencies.

An action plan is currently being drawn up to reduce greenhouse gas emissions, cut waste and hazardous waste and combat air pollution.

5/ The analysis of portfolio dependencies on biodiversity

The portfolio analysis showed that 40.2% of portfolio companies have at least one strong dependency on an ecosystem service, as shown in the table below.

SECTORS	% AUM	# COMPANIES	ECOSYSTEM SERVICES: REGULATING AND MAINTENANCE SERVICES	ECOSYSTEM SERVICES: PROVISIONING SERVICES	ECOSYSTEM SERVICES: CULTURAL SERVICES
Steel	< 1%	1	●	○	
Advisory	12%	6			
Construction	8%	4	○	●	
Education	4%	1			●
Electronic Equipment & Instruments	9%	3	○	○	
Priting/Paper products	6%	2	●	○	
Advertising	10%	4		○	○
Healthcare & Pharmaceuticals	16%	4	●	●	●
Manufacturing	5%	3	○	○	
Environmental services/engineering/ installations	6%	2			
Financial services/Insurance	6%	3			
Commercial companies and distributors	16%	3		○	
Transport	4%	1	○	○	

● Very strong & strong impact ○ Medium impact

The dependencies are explained as follows:

1. REGULATING AND MAINTENANCE SERVICES

Some of the companies in the portfolio are heavily or moderately dependent on ecosystem services that regulate changes in climate, temperature, soil stability and meteorological events. Plant biomass, oceans and soils, which provide long-term carbon dioxide storage, marine currents and winds all contribute to this stability.

Nature, through natural and planted vegetation, also provides protection against floods and storms, offering shelter, buffering and attenuating these extreme phenomena.

The reduction or loss of these protective and mitigating effects can lead to disruptions to worksites, difficulties in the supply of raw materials, delays in the completion of projects, higher insurance premiums, significant costs for the restoration of assets impacted by these phenomena, etc.

2. PROVISIONING SERVICES

Some portfolio companies are heavily or moderately dependent on water supply services. This is because water supplies play a central role in the processes of some companies and have to meet high quality requirements: the manufacture of medicines, the need for clean water to ensure hygiene, the use of water in paper manufacture, the water needed for certain industrial processes and for the detoxification of potential effluents....

Climate change is altering precipitation patterns and the availability of water resources. Altering these services is likely to lead to disruptions in production, higher production costs to guarantee the quality of the water used, and reputational risks if the water is used to the detriment of local communities.

3. CULTURAL SERVICES

Companies involved in organising events may be dependent on the visual and natural aspects offered by ecosystems, which are one of the conditions for attracting visitors. If these conditions deteriorate, the attractiveness of their events could also suffer.

Furthermore, companies in the health sector may be dependent on the benefits of biodiversity, such as scientific innovation.

6/ An action plan and outlook

In order to continue its efforts and fully align with long-term biodiversity targets, EMZ Partners undertakes to:

1. **Develop and implement a biodiversity policy starting :** this policy will describe the company's commitments to protect and conserve biodiversity, including target-setting for biodiversity conservation, the identification of key biodiversity areas and engagement with stakeholders.

   To that end, EMZ Partners signed the Finance For Biodiversity Pledge in 2024 and undertakes to publish a report on its measures;

2. **Assess the materiality of ESG issues for portfolio companies and take action to mitigate pressure on ecosystems:** based on the analysis carried out, the company will select an external service provider capable of establishing a biodiversity footprint indicator;

3. **Support the most at-risk companies** in their own biodiversity strategy and in establishing measures to mitigate potential pressure on ecosystems, where possible and relevant.

8. INCORPORATING ESG CRITERIA INTO RISK MANAGEMENT

I a. EMZ Partners' ESG risk management

A sustainability risk is defined as an environmental, social or governance event or condition that would have a material adverse impact on the value of an investment if it occurred.

In the pre-investment phase

To improve its ESG risk management, EMZ Partners updated its non-financial risk policy in early 2024. It describes how risks are weighed throughout the investment process:

Before each investment decision, EMZ conducts an analysis identifying the potential material risks associated with the investment opportunity.

Prior to the investment decision, ESG risks are identified based on the following steps:

- the sector exclusion policy: EMZ Partners has defined a list of sectors that are excluded from investments because their impacts are deemed negative on the environment and society or because they involve levels of risk deemed unacceptable (types of activities, geographical areas, etc.);
- the identification of material controversies entailing a significant ESG risk that would not be subject to a satisfactory remediation plan;
- the analysis of ESG risks during targeted due diligence on material ESG themes;
- the identification and calculation or estimation of the Principal Adverse Impacts (PAIs) of the investment;
- the use of an ESG risk score based on an internal analysis grid applicable to governance, social, environmental and societal issues.

Holding phase

During the holding phase of the portfolio investment, ESG risks are monitored through:

- a more in-depth ESG analysis if necessary;
- EMZ Partners' systematic participation in the supervisory boards of portfolio companies: this position enables EMZ Partners to assess risks and encourage the implementation of best practices;
- the implementation of a system for reporting ESG incidents where applicable (included in the ESG clause in the shareholders' agreement);
- the dissemination of an annual ESG questionnaire to all portfolio companies to identify any new sustainability risks.

The exit phase

Upon exit, EMZ may recommend that the company have an external ESG audit conducted for use during the sale. In some cases, EMZ may complete a disposal ESG questionnaire.

In 2024, EMZ Partners did not measure the financial impact of the main sustainability risks, or the share of the management company's assets exposed to these risks.

I b. Action plan for incorporating ESG criteria into risk management

To continue to integrate ESG criteria into risk management, EMZ plans to:

1. Refine our ESG risks definition

- Consider conducting a quantitative estimate of the financial impact of these key ESG risks using MSCI's Climate VaR methodology, for example, which aims to provide a future monetary appraisal of climate-related risks and opportunities within a portfolio.

2. Define a strategy to mitigate identified risks

- After understanding all of its ESG risks, develop suitable strategies to manage them and minimise their negative impact on the performance and sustainability of the portfolio companies.

3. Raise the awareness of EMZ Partners' employees and portfolio companies on how to identify and manage ESG risks

- Continue to raise all employees' awareness of ESG issues, train them on the new policies implemented by EMZ, and show them how to manage potential risks when identified.
- Provide interested portfolio companies with training on ESG risks and best practices in their industry.



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