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ANNUAL

ESG REPORT – 29 LEC

NAXICAP PARTNERS

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FOREWORD

In application of the Article 29 of the French *Loi Energie Climat* (LEC), Naxicap publishes in this report the key information required under points 1 to 8 regarding the integration of ESG criteria within its investment strategy and processes at the management company level.

This report provides an overview of Naxicap's ESG framework, including governance, risk management, climate-related considerations and alignment with sustainable finance regulations, notably SFDR.

Should you require any additional information or further details regarding our ESG approach or its implementation, please do not hesitate to contact the Naxicap ESG team.

Unless otherwise specified, indicators and coverage ratios presented in this report are calculated in alignment with SFDR methodologies. For investments, coverage is expressed as a percentage of the valuation of Naxicap investment in shares of portfolio companies (excluding convertible bonds, bonds and shareholder loans), referred to as "Equity Value" in this report.

1. ESG APPROACH (ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE APPROACH)

1.1. DESCRIPTION OF THE APPROACH

Naxicap Partners commits to considering material ESG issues in its due diligence and portfolio monitoring processes to maximize economic and social returns.

Naxicap Partners became a PRI signatory in January 2016, formalising its commitment to promoting responsible practices across its portfolio. In October 2016, it joined the ICI (formerly Initiative Climat 2020) to support the COP21 objective of limiting global warming to 2°C. Through this initiative, Naxicap works to reduce emissions in its most carbon-intensive portfolio companies and integrate climate risk into its investment approach.

As presented in its ESG Charter, Naxicap Partners’ responsible investment commitments are as follows:

- i. We undertake to make investments compliant with our values
- ii. We undertake to examine ESG criteria before investing in a company
- iii. We undertake to support and monitor our portfolio’s ESG initiatives from investment to exit
- iv. We undertake to report our ESG actions transparently to our LPs
- v. We undertake to offer our associates the best possible work environment
- vi. We undertake to be law compliant, internally well controlled and to limit our risks
- vii. We undertake to promote responsible behaviour within our profession
- viii. We undertake to support initiatives related to economic progress, our expertise or our values

Naxicap Partners will seek to update its ESG commitments regularly, as appropriate.

1.2. SCOPE OF THE ESG POLICY

Since 2016, this policy has applied to portfolio companies in which the total invested amounts by investment vehicles under management of Naxicap Partners is superior to or equals €5m. Additionally, for companies not covered in the scope as described above, and in instances where Naxicap Partners considers it appropriate, reasonable efforts are made to encourage its portfolio companies to consider relevant ESG-related factors.

<p><u>SHARE OF EQUITY VALUE UNDER ESG SCOPE IN 2025:</u></p> <p>95%</p> <p>(76 companies)</p>
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With the integration of the management companies *Alliance Entrepreneurs* and *Bee-up Capital* in April and June 2022, Naxicap Partners inherited a portfolio of investments (referred in this report as “SMALLCAP portfolio companies”) where the ESG process as defined hereabove was only partially applicable (different ESG analysis processes applied prior investment). However, the rest remains applicable (monitoring and reporting commitments). Also, since 2022, processes for investment in SMALLCAP portfolio companies have been aligned with MIDCAP ESG processes.

The investments under ESG scope abiding our ESG policy (referred to as “Total ESG Scope”) is understood as the companies which invested amounts are above the €5m threshold.

Furthermore, to comply with SFDR calculation methodologies, the ratios of portfolio coverage are not calculated as percentage of invested amounts but as the percentage of valuation of the fund's investments in shares of portfolio companies (excluding convertible bonds, bonds and shareholder loans). This valuation is called "Equity Value" in this report.

Scopes	Scope description	# of portfolio companies as under the scope defined (as of 31/12/2025)	Equity Value under the ESG scope (in % of total Equity Value as of 31/12/2025)
Full ESG Questionnaire	MIDCAP and SMALLCAP portfolio companies in which Naxicap holds a majority stake ¹	55 / 76	88%
Light ESG Questionnaire	<ul style="list-style-type: none"> Companies where Naxicap is a minority shareholder portfolio companies with very limited size and/or limited ESG resources 	21 / 76 <i>(including 20 minority investments)</i>	12%
TOTAL ESG SCOPE	Full & Light ESG Questionnaires	76	100%
Companies eligible to pre-investment ESG and Climate analysis	<ul style="list-style-type: none"> Companies first invested by Naxicap Partners after 2016 <i>(excluding historical portfolio of management companies² acquired in 2022)</i> 	55 / 76	97%
Companies eligible to pre-investment ESG Audits and ESG clause	<ul style="list-style-type: none"> Majority investments in companies first invested by Naxicap Partners after 2016 	47 / 76³	86%
Companies eligible to ESG Roadmaps annual validation	<ul style="list-style-type: none"> Majority investments in companies first invested by Naxicap Partners after 2016 and before October 2025 <i>(three months before end of year)</i> 	46 / 76	86%

¹ Naxicap is considered as Majority shareholder in cases where Naxicap holds the majority of a portfolio company's capital or where Naxicap is the lead investor of a pool of investors holding the majority of a portfolio company's capital.

² Historical portfolio is intended as portfolios invested by either Alliance Entrepreneurs or Bee-Up Capital before April 2022, date of the merger and alignment of all investment processes.

³ Holdings established after 2016, including those consolidating companies acquired prior to 2016, are excluded from this scope. However, they remain eligible for the annual post-investment process, including roadmap validation.

1.3. SUMMARY OF ESG INTEGRATION APPROACH

Naxicap Partners (hereafter “Naxicap”) is deeply convinced by the positive impact of the sustainable growth of its portfolio companies. It considers that a long-term and responsible approach to investment is a key driver of the companies’ expansion and is generator of value.

Focus on Naxicap ESG Policy

For comprehensive procedures governing our ESG approach prior to investment, throughout the holding period, and at exit, please consult [Naxicap ESG Policy](#) available online.

In summary, Naxicap has adopted a set of procedures aimed at integrating ESG considerations throughout the investment cycle, while fostering best ESG practices within the management company:

1. Pre-Investment phase

- **Exclusion of certain industries and activities:** Each transaction is reviewed to ensure that the target’s activities do not fall within (1) Naxicap’s exclusion list or (2) the specific exclusion policies applicable to each fund.
- **Redflag Analysis:** Major ESG Risks that could harm the profitability of the funds under Naxicap’s management or Naxicap Partners’ image are identified within a *Redflag Analysis* framework. Every deal is assessed against this risk grid by the ESG Team.
- **Inclusion of ESG and Climate Analysis in the Investment Note:** Each opportunity undergoes an ESG, climate and, where relevant, biodiversity analysis included in the Investment Note to identify key risks, opportunities and actions points informing investment decisions at the Investment Committee.
- **Conduct of an ESG Due Diligence:** ESG Due Diligences are mandatory for majority investments and are conducted by external advisors. They identify key ESG and sustainability risks, assess the target’s ESG maturity, and collect Principal Adverse Impact indicators. The final report forms the basis for drafting the ESG roadmap.
- **Integration of an ESG Clause in the Shareholders’ Agreement:** An ESG clause is systematically included in the Shareholders’ Agreement for majority investments. Upon signing, portfolio companies commit to implementing an ESG action plan, to keeping Naxicap regularly informed on their progress, and to reporting ESG data on an annual basis.

2. Holding period

- **Definition and annual updated of an ESG Roadmap:** ESG roadmaps are reviewed and approved at least once a year by the Supervisory Board, as set out in the Shareholders’ Agreements for majority investments.
- **ESG reporting:** Progress monitoring through an annual ESG Campaign.
- **Active dialogue:** Tailored, in-depth support provided on a case-by-case basis.






- #### 3. ESG Performance Reporting at exit: ESG vendor due diligences are conducted for all investments where a financial vendor due diligence has been undertaken. The ESG vendor due diligence highlights the key ESG issues identified and managed throughout the ownership period.



1.3.1. Pre-investment analysis

Naxicap’s preinvestment process integrates ESG considerations throughout, ensuring that ESG, climate and biodiversity risks are identified at both sector and company level, and that any red flags or major risks are addressed early. This approach enables the definition of a robust ESG roadmap and commitments from the investment phase. Analyses are carried out internally by Naxicap and complemented by external specialised service providers.

Completion of this process is presented in the table here below:

	Naxicap - 2025 Performance <i>New investments only</i>			Naxicap – Full ESG Scope <i>Current portfolio</i>		
	<i>% of equity value</i>	<i>% of companies</i>	<i># of eligible companies</i>	<i>% of equity value</i>	<i>% of companies</i>	<i># of eligible companies</i>
 EXCLUSION POLICY COMPLIANCE	100%	100%	6	100%	100%	76
 REDFLAG ANALYSIS	100%	100%	5	98%	90%	21
 CLIMATE, ESG AND BIODIVERSITY SLIDES⁴	87%	80%	5	86%	82%	55
 ESG DUE DILIGENCE	100%	100%	3	81%	89%	47
 ESG CLAUSE	100%	100%	3	89%	94%	47

Focus on Naxicap Exclusion Policy

Naxicap’s first commitment is to invest in activities that are coherent with its values and to encourage, beyond the regulatory framework, ethical behaviour. In addition, specific exclusion criteria have been defined at the NIO III fund level.

Naxicap Partners has decided not to invest in:

- illegal economic activities: any production, trade or other activity not permitted by law or regulations
- production of or trade in tobacco
- production or trade of coal and other fossil fuels
- manufacture of or trade in controversial weapons and ammunition
- pornographic activities and prostitution
- casinos, betting enterprises and equivalent




In addition, most of the buy-laws of the funds under Naxicap management include additional limits, related, for example, to companies or other entities whose principal business consists of oil and gas exploration, nuclear power, prisons, military or weapons of any kind, human cloning for research or therapeutic purposes, genetically modified organisms (“GMOs”), etc.

⁴ Pages integrated in the Investment Note.

1.3.2. ESG monitoring during investment

Naxicap encourages close and direct collaboration with the management of the portfolio companies to identify material ESG issues given their sector of activity and to support the development of their ESG roadmap and active dialogue on ESG topics.

Naxicap ESG engagement process completion is described here below:

Naxicap – 2025 Performance Current portfolio			
	% of equity value	% of companies	# of eligible companies
 ESG ROADMAP	96%	78%	46
 ACTIVE DIALOGUE	77%	50%	76
 ESG REPORTING	98%	87%	76

1.3.3. Share information on ESG performance at exit

Naxicap aims to ensure full transparency during the exit process, including on ESG matters. ESG performance, progress against the roadmap, residual risks and ongoing initiatives are systematically reviewed and communicated as part of the exit documentation. This includes an assessment of the company’s ESG maturity at exit, key improvements achieved during the holding period, and any remaining commitments relevant for future shareholders.

Where appropriate, Naxicap undertakes to update buyers on relevant ESG issues enabling them to make informed decisions before acquiring the target company.

No ESG vendor due diligence was conducted in 2025, as there were no exits of portfolio companies eligible for this process.

1.4. CONTENT, FREQUENCY AND MEANS OF INFORMATION TO INVESTORS

1.4.1. Reporting on funds and portfolio ESG performance

Data collected via the Greenscope tool as well as the ESG roadmaps allow Naxicap Partners to:

- Respond to the Funds' investor inquiries;
- Produce detailed ESG reports and reviews throughout the investment cycle;
- Produce the information required by the SFDR regulation.

Naxicap Partners produces every year an Annual ESG report, consolidating portfolio companies’ ESG performance, highlighting achievements and presenting what Naxicap wishes to achieve in the future. This report is published on our website and accessible to all.

Additionally, when specified within Funds’ regulation, ESG reports are produced on an annual basis at Fund level.

1.4.2. *Green Taxonomy reporting (Article 8 of Regulation (EU) 2020-852)*

The investments by Funds under Naxicap management do not take into account the European Union's criteria for environmentally sustainable economic activities. Therefore, there is no obligation to report on portfolio companies' eligibility nor alignment with the first two objectives of the EU Green Taxonomy (Climate change Adaptation and Mitigation).

1.4.3. *SFDR reporting*

Transparency of Principal Adverse impacts at financial product level:

Naxicap Partners, LEI 969500ZHY187JNP24369, considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of **Naxicap portfolio companies under ESG Scope**.

This statement on principal adverse impacts on sustainability factors covers the reference period from January 1st to December 31st, 2025.

The material principal adverse impacts on sustainability factors are identified at the time of the prior investment screening and factored into the ESG action plans to be implemented to reduce the negative impacts of the portfolio companies.

The Management Company has the necessary tools and resources to meet the requirements of the SFDR Regulation regarding the assessment of negative impacts, through the data collected from the portfolio companies.

The Management Company has engaged work with the portfolio companies to put in place processes, information systems and the means to provide reliable and consistent data to meet the reporting requirements of the SFDR Regulation.

- During ESG Due Diligence, the Management Company requires auditors to collect relevant and available Principal Adverse Impacts data and report it in a standardised table;
- During holding period, the Management Company provides portfolio companies with a reporting platform to collect and consolidate PAI indicators;
- Performance on said indicators is presented in the table here after.



Disclaimer

For carbon emissions, when 2024 and/or 2025 data was not available, the latest verified data (as of 31/12/2023 or 31/12/2022) was used and recalculated on a pro-rata basis using activity data—primarily revenues—to ensure consistency in year-on-year comparisons.

In addition, following a methodological review and updated emission factors in 2025, 2024 data may differ from previously reported figures. As the revised approach is more robust, the 2024 data presented in this report should be used as the reference going forward, replacing those disclosed last year.

Adverse sustainability indicator	Metric	Unit	Impact 2024	Impact 2025	Explanation	Actions taken, and actions planned, and targets set for the next reference period	
Greenhouse gas emissions	1.GHG emissions	<i>Scope 1 GHG emissions</i> ⁵	<i>tCO2e</i>	33,239	37,658	Scope 1 emissions are mainly driven by sectors with high fleet mobility, such as logistics, technical services, and on-site operations, due to direct fuel consumption. Additional contributors include manufacturing industries, particularly in food processing, construction, and medical devices. As well as the healthcare sector, where direct emissions are largely linked to the energy needs of infrastructure.	Carbon data was collected for 60 portfolio companies, including 33 that have conducted their own independent carbon footprint. These companies represent 62% of Naxicap Equity Value under ESG scope and 95% of the portfolio Global GHG emissions.
				Scope: 95% of Equity Value	Scope: 97% of Equity Value	Variation between 2024-2025 results from the expansion of certain portfolio companies, a broader reporting scope, and improved data coverage and quality.	24 portfolio companies have defined GHG reduction targets and/or initiatives. Three have committed to the SBTi— one has submitted its target and received SBTi approval, while the others have submitted their targets and are awaiting validation. 22 companies have targets under development.
		<i>Scope 2 GHG emissions</i>	<i>tCO2e</i>	6,560	11,029	Scope 2 emissions are driven by companies that operate extensive physical infrastructure, with energy consumption from purchased electricity, heating, and cooling representing the main sources.	Naxicap aims to support companies that don't have their own carbon footprint to adopt an even more precise understanding of their main scopes of emissions and to define GHG reduction strategies.
				Scope: 90% of Equity Value	Scope: 83% of Equity Value	Variation between 2024-2025 results from the expansion of certain portfolio companies, a broader reporting scope, and improved data coverage and quality.	

⁵ GHG emissions are weighted by the % of ownership (funds' ownership in the company)

Adverse sustainability indicator	Metric	Unit	Impact 2024	Impact 2025	Explanation	Actions taken, and actions planned, and targets set for the next reference period
	<i>Scope 3 GHG emissions</i>	<i>tCO2e</i>	11,356,040	11,452,926	<p>Scope 3 emissions essentially stem from only one portfolio company (QUITO) within the freight industry (representing 80% of portfolio scope 3 emissions).</p> <p>Other portfolio companies with highest Scope 3 mainly operate in the manufacturing industry (chemicals construction, automotive).</p> <p>The increase between 2024 and 2025 is due to a wider reporting scope and improved reporting accuracy. Additionally, the growth of companies within the portfolio contributes to the increase as well.</p>	<p>The one portfolio company (QUITO) that represents the main part of our Scope 3 and total portfolio Green House Gas emissions has conducted carbon footprint and will define continuous reduction objectives in the coming years and update carbon data.</p> <p>The company has developed options to help its customers decarbonize their freight-related emissions, using tools such as:</p> <ul style="list-style-type: none"> - The carbon efficiency score (available on the online booking platform), which indicates the carbon efficiency of a shipment compared to all other available options, based on routes and aircraft information. - The Neste x CargoAi partnership, which enables the freight sector to reduce its fossil fuel consumption through the direct purchase of Neste MY SAF™.
	<i>Total emissions</i>	<i>tCO2e</i>	11,395,839	11,501,613	<p>GHG emissions essentially stem from only one portfolio company within the freight industry (representing 80% of portfolio scope 3 emissions).</p> <p>On a very lower scale, other emissive portfolio companies operate in the manufacturing industry (chemicals, construction, parts for the automotive industry).</p> <p>The increase between 2024 and 2025 is due to a wider reporting scope and improved reporting accuracy. Additionally, the growth of companies within the portfolio contributes to the increase as well.</p>	<p><u>SAF Partnership:</u> Some airlines have committed to adopting sustainable aviation fuels as part of their sustainability programs. They offer their cargo customers (freight forwarders) the opportunity to participate in this initiative by contributing to the purchase of SAF to offset the additional fuel used in transporting their cargo.</p>

Adverse sustainability indicator	Metric	Unit	Impact 2024	Impact 2025	Explanation	Actions taken, and actions planned, and targets set for the next reference period
2. Carbon footprint	Carbon footprint in tonnes of CO2 equivalent per million euros invested	tCO2e/€m invested	1,942 Scope: 97% of Equity Value	1,705 Scope: 97% of Equity Value	One portfolio company accounts for 89% of the portfolio's financed emissions per million euros invested. This indicator is driven by the company's core activity in the air freight sector.	Naxicap aims to support portfolio companies in defining GHG reduction strategy. This will hence help reduce portfolio companies carbon emissions/€m invested, but there is no target defined.
3. GHG intensity of investee companies	GHG intensity of investee companies	tCO2e /€m Revenues	3,395 Scope: 96% of Equity Value	2,874 Scope: 97% of Equity Value	For the same reasons, one portfolio company accounts for 95% of the portfolio's GHG intensity per million euros invested.	Naxicap aims to support portfolio companies in defining GHG reduction strategy. This will hence help reduce investee companies' carbon intensity/€m invested, but there is no target defined.
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	%	0.2% Scope: 100% of Equity Value	0.4% Scope: 100% of Equity Value	As of December 31 st , 2025, only two companies of the portfolio are active in fossil fuel activities (close to 0% of the total Equity Value). The first one manufactures and sells valves for international companies in oil and gas, the second one manufactures and designs tanks and storage facilities, piping and industrial boiler making.	Both companies aim to diversify their revenue streams by securing contracts in other sectors, such as nuclear energy, water storage, and biofuels. The share of revenue derived from the oil and gas sector is expected to remain low in the groups' total turnover and is being closely monitored.

Adverse sustainability indicator	Metric	Unit	Impact 2024	Impact 2025	Explanation	Actions taken, and actions planned, and targets set for the next reference period
5. Share of non-renewable energy consumption and production	Share of energy consumption by investee companies from non-renewable energy sources compared with that from renewable energy sources, expressed as a percentage of total energy sources (%)	%	75% Scope: 95% of Equity Value	72% Scope: 92% of Equity Value	According to 2025 reported data, 34 portfolio companies sourced renewable energy, including 6 sourcing 90–100% of their energy from renewables.	Verify reported data with portfolio companies and promote renewable energy sources.
	Share of energy production of investee companies from non-renewable energy sources compared to that from renewable energy sources, expressed as a percentage of total energy sources (%)	%	0% Scope: 98% of Equity Value	0% Scope: 96% of Equity Value	16 portfolio companies reported energy production exclusively from renewable sources, mainly solar. No other companies produce energy, whether renewable or non-renewable. As a result, the share of non-renewable energy production is 0%.	To date, none of the other portfolio companies plan to install renewable energy production capacities.
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	GWh/€ m invested	0.1234 Scope: 91% of Equity Value	0.1191 Scope: 92% of Equity Value	37 portfolio companies operate in sectors classified as high climate impact (manufacturing, construction, wholesale and retail, transportation and warehousing, real estate) and have reported their energy consumption.	NAXICAP PARTNERS aims to support portfolio companies operating in high climate-impact sectors by helping them reduce and optimize their energy consumption and transition to more sustainable and renewable energy sources. Improving the quality of energy consumption reporting is also a key focus.
	<i>A- Agriculture, forestry and fisheries</i>	<i>GWh/€ m invested</i>	<i>0</i> Scope: 100% of Equity Value	<i>0</i> Scope: 100% of Equity Value	<i>No companies with Agriculture, forestry and fisheries activities</i>	<i>n.a.</i>
	<i>B- Industries extractives</i>	<i>GWh/€ m invested</i>	<i>0</i> Scope: 100% of Equity Value	<i>0</i> Scope: 100% of Equity Value	<i>No companies with Industries extractives activities</i>	<i>n.a.</i>

Adverse sustainability indicator	Metric	Unit	Impact 2024	Impact 2025	Explanation	Actions taken, and actions planned, and targets set for the next reference period
	C- Manufacturing industry	GWh/€ m invested	0.0797 Scope: 98% of Equity Value	0.0702 Scope: 99% of Equity Value	24 portfolio companies with manufacturing activities have reported their energy consumption.	
	D- Production and distribution of electricity, gas, steam and air conditioning	GWh/€ m invested	0 Scope: 100% of Equity Value	0 Scope: 100% of Equity Value	No companies with Production and distribution of electricity, gas, steam and air conditioning activities	n.a.
	E- Water production and distribution; sewerage, waste management and pollution control	GWh/€ m invested	0 Scope: 0% of Equity Value	0 Scope: 0% of Equity Value	One company operates in the waste management and pollution control sector but has not reported its energy consumption.	
	F- Construction	GWh/€ m invested	0.0119 Scope: 100% of Equity Value	0.0114 Scope: 100% of Equity Value	One company has Construction activities.	n.a.
	G- Wholesale and retail trade; repair of motor vehicles and motorbikes	GWh/€ m invested	0.0101 Scope: 92% of Equity Value	0.0098 Scope: 92% of Equity Value	10 portfolio companies with retail and distribution activities have reported their energy consumption.	
	H- Transport and storage	GWh/€ m invested	0.0155 Scope: 100% of Equity Value	0.0187 Scope: 100% of Equity Value	One company has Transport and storage activities.	
	L- Real estate activities	GWh/€ m invested	0.0062 Scope: 61% of Equity Value	0.0090 Scope: 9% of Equity Value	One company with Real estate activities has reported its energy consumption.	

Adverse sustainability indicator	Metric	Unit	Impact 2024	Impact 2025	Explanation	Actions taken, and actions planned, and targets set for the next reference period	
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	%	6%	26%	<p>Since 2025, Naxicap has assessed site proximity (<1 km) to biodiversity-sensitive areas using Altitude, AXA Climate’s geospatial screening tool. This replaces reliance on self-reported data and provides a more consistent and reliable assessment. The methodological change explains variations compared to the previous year.</p> <p>Under this approach, 30 portfolio companies have sites located in or near sensitive areas. While no negative impacts have been identified to date, their activities and locations justify a precautionary classification as potentially impact-generating.</p>	<p>Naxicap seeks to help portfolio companies better understand biodiversity-related challenges and risks while implementing initiatives to mitigate them.</p> <p>For companies with significant biodiversity impacts or sites in sensitive areas, Naxicap aims to support companies in targeting actions to reduce risks and minimize their environmental footprint.</p>
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	t/€m invested	0.0	0.0	<p>3 portfolio companies reported emissions to water. Quantity has been measured but remains minimal.</p> <ul style="list-style-type: none"> - One company specializes in materials transformation for the aeronautics industry and has generated 30 tons of emissions to water in 2025 - The second is a manufactures pharmaceutical ingredients and products and has generated 1.6 tons of emissions to water in 2025. - The third one manufactures automotive and industrial paint booths and has generated 0.009 tons of emissions to water in 2025. <p>2 others portfolio companies reported emissions to water which, although not quantified, are considered minimal.</p>	<p>No specific action is expected beyond continued efforts to improve data collection and support reductions in potential water-emission volumes.</p>

Adverse sustainability indicator	Metric	Unit	Impact 2024	Impact 2025	Explanation	Actions taken, and actions planned, and targets set for the next reference period	
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	t/€m invested	0.3 Scope: 76% of Equity Value	0.3 Scope: 82% of Equity Value	<p>The portfolio company that generated the most hazardous waste in 2025 operates in the sector of paint and resin chemicals, with 1,158 tons of hazardous waste emitted.</p> <p>The second one operates in the healthcare and chemicals sector where the production and use of certain chemicals can result in hazardous waste (370 tons). This waste can originate from the manufacturing process itself, the disposal of expired products or the contamination from chemical treatments they use.</p> <p>Other portfolio companies have also generated hazardous waste due to manufacturing processes or WEE management.</p>	No expected action beyond global efforts to reduce waste production.

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	%	0% Scope: 96% of Equity Value	0% Scope: 96% of Equity Value	No portfolio companies have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.	n.a
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Adverse sustainability indicator	Metric	Unit	Impact 2024	Impact 2025	Explanation	Actions taken, and actions planned, and targets set for the next reference period
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	%	83% Scope: 98% of Equity Value	85% Scope: 97% of Equity Value	10 portfolio companies have implemented a policy or mechanism for dealing with grievances/complaints related to the UN Global Compact principles or the OECD Guidelines. Other companies are small to mid-to-large sized companies. They are not multinational companies. Additionally, 54 companies have a Code of Conduct, and 50 have a whistleblowing mechanism.	Continue supporting portfolio companies in developing or integrating dedicated procedures to monitor compliance with UNGC and OECD principles, complementing existing Codes of Conduct and whistleblowing systems.
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	%	18% Scope: 94% of Equity Value	20% Scope: 94% of Equity Value	15 portfolio companies present high levels of unadjusted gender pay gaps, exceeding 25%. The companies are operating in the industrial, logistics, and financial sectors. Those sectors are structurally more imbalanced in terms of gender representation across job categories, which contributes to the unadjusted pay gap. In average, portfolio companies have low levels of unadjusted pay gaps and are close to national average.	We will further analyse this ratio to have a clearer understanding of pay gaps on similar job positions, and support companies in their approach to improve gender equity.
13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	%	17% Scope: 86% of Equity Value	22% Scope: 92% of Equity Value	23 portfolio companies have more than 30% female Board members, with 4 of these companies having more than 50% female board members. 18 portfolio companies do not have female members at Board level.	Gender equality is part of our commitments. We plan on continuously promoting this topic to portfolio companies in 2026 and onwards.

Adverse sustainability indicator	Metric	Unit	Impact 2024	Impact 2025	Explanation	Actions taken, and actions planned, and targets set for the next reference period	
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	%	0% Scope: 100% of Equity Value	0% Scope: 100% of Equity Value	No portfolio companies are involved in the manufacture or selling of controversial weapons.	n.a	
OTHER INDICATORS FOR PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS							
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investment in companies that have not taken initiatives to reduce their carbon emissions in order to comply with the Paris Agreement (%)	%	71% Scope: 98% of Equity Value	76% Scope: 97% of Equity Value	13 portfolio companies have defined GHG reduction targets and/or initiatives. Three have committed to the SBTi—one has submitted its target and received SBTi approval, while the others have submitted their targets and are awaiting validation. 22 portfolio companies have targets under development.	We plan to engage with other portfolio companies on the definition of reduction objectives in 2025 and 2026.
Social and employee matters	3. Number of days lost to injuries, accidents, fatalities or illness	Number of working days lost due to injury, accident, death or illness in the companies concerned, weighted average	%	1,736 Scope: 94% of Equity Value	1,730 Scope: 97% of Equity Value	One portfolio company accounts for 68% of this ratio. The Company's high share is due to its large workforce, including many non-permanent staff. Its presence in the care industry, known to be physically demanding and short-staffed also highly contributes to this major share.	Ensure all portfolio companies have close monitoring of health and safety KPIs (severity rate, number of absences, etc.).
	5. Lack of grievance/complaints handling mechanism related to employee matters	Share of investment in companies with no mechanism for handling disputes or complaints concerning staff issues expressed as a %.	%	12% Scope: 98% of Equity Value	7% Scope: 97% of Equity Value	15 companies do not have a whistleblowing mechanism in place. The variation between 2024 and 2025 is due to 7 portfolio companies which have implemented a whistleblowing system since last year.	Ensure all portfolio companies are tracking and dealing with disputes or complaints expressed by the employees.

1.4.4. Parity objective at Naxicap level (Rixain Law)

The law aimed at accelerating economic and professional equality, known as the "Loi Rixain" enacted on December 24, 2021, aims to promote gender balance, particularly within portfolio management firms. The regulation specifically mandates that these firms set a goal for balanced representation of women and men among teams, governing bodies, and decision-makers in investment. Results are to be disclosed annually, as outlined in the document referenced in Article L. 533-22-1, and the objective is to be updated yearly.

As of December 31st, 2025, Naxicap's investment team (analysts and financial managers) consists of **34% women**, and the Investment Committee, comprising external experts providing advisory opinions, includes **22% women**.

In compliance with this regulation and in line with Naxicap's intentions regarding parity and equality, the company aims to uphold practices ensuring equal treatment of women and men in recruitment. Whenever possible, Naxicap seeks to align with the goal set by France Invest, aiming to achieve a 40% representation of women in investment teams by 2030.

1.5. ADHERENCE TO ESG CHARTERS AND INITIATIVES

1.5.1. Signatory of the PRI since January 2016

Supported by the United Nations at inception, the Principles for Responsible Investment (PRI) is the world's leading proponent of responsible investment, joined by more than 5,000 investment managers, asset owners and service providers worldwide, representing US\$139.6 trillion AUM (PRI, 2025).

It works to understand the implications of environmental, social and governance factors on investment performance. It supports its investor signatories in incorporating these factors into their investment and ownership decisions.

As a signatory of the PRI, Naxicap undertakes to respect and incorporate the six PRI principles:



Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

For our latest available PRI Assessment (2024), we scored as follows:⁶

⁶ PRI reporting is now biennial; following a full submission in 2024 on 2023 data, the next report will be filed in 2026 based on 2025 data, with updated scores released at year-end 2026.

- Module “Policy, Governance & Strategy”: **81/100**
- Module “Direct - Private Equity”: **87/100**
- Module “Confidence building measures”: **85/100**

1.5.2. *Signatory of “Initiative Climat International” (ICi) since October 2016*

In October 2016, in order to contribute to the COP21 objective of limiting global warming to two degrees Celsius, Naxicap signed the IC20 (2020 Climate Initiative, subsequently renamed the International Climate Initiative in 2019). As a signatory to International Climate Initiative, Naxicap aims to reduce the greenhouse gas emissions of its most carbon intensive portfolio companies and to disclose their direct and indirect carbon emissions. All signatories commit to:

- Engage publicly through the signature of the Climate Initiative
- Include climate issues in the investment process
- Carry out a gradual measurement of the carbon footprint of carbon-material companies
- Define with the management of the companies an emissions reduction action plan and adaptation to climate change measures for these companies.

The Initiative is thus a long-term commitment for Naxicap aiming to reduce the GHG (greenhouse gases) emissions of its investments and to ensure the sustainability of their performance.

2. INTERNAL RESOURCES ALLOCATED TO SUSTAINABLE TRANSITION

2.1. IMPLEMENTATION AND OVERSIGHT RESPONSIBILITIES

2.1.1. *A dedicated ESG team*

The ESG team is responsible for updating and facilitating the implementation of the company’s ESG policy, responding to inquiries from Naxicap’s investors and supporting the portfolio companies in the development of their ESG roadmaps.

Angèle Faugier, Board member and Managing Director at Naxicap Partners, supported the development of Naxicap Partners’ ESG approach and constituted a dedicated ESG team in 2015. The team is today composed of five other members:

- one ESG Director with +10-year-experience in ESG integration, in charge of the definition, implementation and coordination of Naxicap’s ESG strategy;
- two ESG associates fully dedicated to ESG, with minimum two year-experience in ESG consulting and CSR;
- one ESG analyst with senior experience in ESG data collection;
- one Investor Relations Director with 15 years of experience within investment management (part-time);

In addition, two interns were recruited for 6 months internships (January-July 2025). The data presented below is limited to FTEs fully dedicated to ESG, corresponding to the dedicated ESG team.

<p><u>SHARE OF FTEs DEDICATED TO ESG IN 2025:</u></p> <p>4% OF TOTAL FTEs</p> <p>(4 FTEs out of 100⁷)</p>

2.1.2. *Investment Managers*

Naxicap Partners’ investment managers are responsible for ensuring that the consideration of ESG issues is integrated into the investment process and throughout the investment cycle by monitoring the ESG roadmap of the portfolio company.

2.1.3. *Middle Office*

The Middle Office is responsible for controlling the accuracy of the implementation of the measures described in this policy throughout the investment cycle.

2.1.4. *Internal Risk and Compliance (RCCI)*

The Internal Risk and Compliance Team intervene during investment due diligence process and portfolio monitoring to follow-up ESG risks, notably regarding controversies management (risks), to conduct annual internal reviews of our ESG processes and to keep us updated with latest regulatory changes (compliance).

⁷ Permanent staff only, does not include temporary workers such as interns.

2.1.5. External ESG resources

The ESG due diligence is carried out by leading third party ESG due diligence providers. Naxicap will typically engage these providers as part of its due diligence process for investments but may also engage them on other ESG initiatives.

Naxicap has implemented an ESG reporting tool with the purpose of collecting annual ESG data from its portfolio companies (Greenscope). This software is developed by a specialist in extra-financial reporting with a focus on ESG.

BUDGET ALLOCATED TO ESG IN 2025:
1.2% OF TOTAL EXTERNAL EXPENSES⁸

BUDGET ALLOCATED TO ESG RESEARCH IN 2025:
€0

NUMBER OF EXTERNAL ESG CONSULTANTS AND DATA PROVIDERS IN 2025:
13

⁸ Excluding wages and taxes.

2.2. ACTIONS IMPLEMENTED TO REINFORCE INTERNAL CAPACITIES

Over 2021-2025, Naxicap Partners has implemented several measures to reinforce its internal capacities, especially to raise employees and portfolio companies' awareness regarding sustainability risks and opportunities. In details over the last year:

DATE	DESCRIPTION
Q1 2025	<p>Carbon Footprint – Conduct of Naxicap’s 2023 and 2024 carbon footprints (in partnership with Carbometrix), with results shared across the organization.</p> <p>Sustainable Investment Thesis – Designing an ambitious in-house methodology to identify and assess sustainable investments, built through close collaboration with an external expert and a dedicated cross-functional working group bringing together ESG, Investment, and Investor Relations teams.</p>
Q2 2025	<p>Sustainable investment Thesis Training – Launch of Naxicap Sustainable Investment thesis and training of Investment Teams on our in-house methodology.</p> <p>Climate Adaptation Awareness – Introduction to physical climate risks and adaptation through a dedicated conference led by Antoine Poincaré (Head of AXA Climate), bringing together Naxicap’s investment teams and CSR representatives from our portfolio companies.</p>
Q3 2025	<p>Annual ESG Report - Publication of our 10th ESG Annual Report (FY 2024) and diffusion internally to our employees.</p> <p>AXA Climate School – Launch of a new cohort of the Naxicap Climate School for portfolio companies.Adaptation Training - Training of Investment Teams on Climate Change and Adaptation measures, featuring the OCARA Methodology, and portfolio exposure to physical climate risks.</p>
Q4 2025	<p>Launch of our “Performance & Sustainability Club” – a series of events and webinars aimed at bringing together executives and CSR managers from our portfolio companies to foster knowledge sharing and networking on sustainability topics.</p>
Continuous work	<p>Sector-specific leadership – The Naxicap ESG team has joined three France Invest sustainability working groups to exchange best practices and knowledge with sectoral peers and contribute to the development of useful deliverables on adaptation to climate change, biodiversity and CSO Team.</p> <p>Team Impact – Several events organized by our internal Impact Team (charities events, e-learning competition on sustainability themes, etc.)</p>

3. ESG INTEGRATION AT ENTITY’S GOVERNANCE LEVEL

3.1. KNOWLEDGE, COMPETENCIES, AND EXPERIENCE OF GOVERNING BODIES ON ESG

Naxicap’s ESG approach was launched in 2015 by Angèle Faugier, member of the Executive Committee (“Directoire”), Investment Director, Partner and Head of Naxicap Offices in Lyon.

Since 2015, she has been leading the definition of Naxicap’s ESG strategy, ESG integration in investment processes and supervising the ESG Committee supported by all the members of the ESG team, and especially Isabelle Guerin, Investor Relations Director (25-years-experience in Private Equity) and Joanna Tirbakh, ESG Director (12-years-experience in ESG integration for equity and private equity asset managers).

Angèle Faugier advocates for ESG at Executive Board level. Every year, a report is prepared by the ESG team to be presented to the Executive Board. This report highlights key achievements, KPIs of ESG investment process monitoring, ESG reporting of portfolio performances and sets out the different priorities for the coming years. The Executive Committee then discusses the results, defines relevant actions to be undertaken and rules over the roadmap suggested by the ESG team.

3.2. ESG COMMITTEE

NAXICAP Partners has set up the ESG committees to monitor the ESG risks of its portfolio companies and analyse major environmental topics (and climate risk and energy transition risk), social, governance and stakeholder topics of each company within the ESG perimeter.

The Committee brings together ESG and investment team members. The ESG team presents a standardised review of each company, outlining key findings, short-term objectives, and systematically assessing climate and energy transition risks; the investment team then provides additional insights to refine the analysis and align on priorities; finally, minutes are drafted, including company summaries, recommendations and any alerts, and shared with the relevant teams.

As of 31 December 2025, ESG Committees had been conducted for **40** portfolio companies, covering the most recent and/or significant investments.

For each company, the Committee:

- reviews compliance with Naxicap’s pre-investment ESG process;
- assesses key ESG risks and opportunities based on audits and available information through the annual ESG reporting;
- identifies gaps in the management of ESG issues;
- reviews the relevance of the multi-year ESG action plan defined post-investment;
- monitors progress on the action plan, ideally annually (at least every two years).

% OF EQUITY VALUE COVERED BY AN ESG COMMITTEE IN 2025:

87%

(Covering **40** portfolio companies)

3.3. ESG WITHIN REMUNERATION POLICY

Naxicap Partners has updated its procedural framework to clarify the consideration of sustainability risks in its remuneration policy. Naxicap has structured team members' remuneration so that fixed salary represents a significant proportion of total compensation and does not encourage employees to take excessive risks. The structure also provides for deferred payment of any bonus awards over certain thresholds. The deferred element is conditional on continued employment at Naxicap and is indexed to the Firm's EBITDA. The variable remuneration granted is subject to conditions of presence, financial performance, absence of non-standard behaviour (respect of compliance rules, absence of a major sustainability risk i.e., occurrence of an environmental, social or governance event) which may have an impact on the level of risk of Naxicap Partners and/or the products managed.

3.4. ESG AT SUPERVISORY BOARD

Natixis Investment Managers, which is the parent company of Naxicap Partners, has undertaken a review of its rules of governance and the integration of environmental, social and governance quality criteria into the internal regulations of its Board of Directors. It is also planned to deploy these objectives within the supervisory bodies of Natixis Investment Managers' subsidiaries (including Naxicap Partners), adapted to the characteristics of each entity and on a case-by-case basis.

4. RESULTS OF NAXICAP'S ENGAGEMENT STRATEGY

4.1. ACTIVE ENGAGEMENT

Over 2025, the ESG Team has engaged active dialogue on specific topics aside ESG reporting with several portfolio companies.

<p><u>NUMBER OF COMPANIES AND SHARE OF EQUITY VALUE:</u></p> <p>38 COMPANIES</p> <p><i>Representing 77% of Equity Value under our ESG Scope</i></p>
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ESG topics covered with portfolio companies:

portfolio companies	ESG Topics covered
ADDEV MATERIALS	- ESG Roadmap - Sustainability-Linked Loans (support) - Selection of service provider
AMARRIS	- ESG Roadmap
APF AUTOPARTS	- ESG Roadmap
ASTORIA	- ESG Audit - Double Materiality Analysis
DIGISAP	- ESG Roadmap - DE&I Training - Climate School
ECF	- Individual Support : CSRD, Carbon Audit
EMERA	- ESG Roadmap - Trimestrial ESG Comittee - Double Materiality Analysis
ENTREPRENEUR INVEST	- ESG Roadmap - Individual Support
EQWAL	- Impact Committee - Physical Risks Analysis (Climat) - Climate School
EUREKA EDUCATION	- CSRD Training
EUROGERM	- ESG Roadmap - Selection of Carbon service provider - Individual Support: Climate adaptation, Carbon audit, Sustainable Supply - Climate School
EVERAXIS	- ESG Roadmap - Carbon Trajectory & Contribution - Physical Risks Analysis (Climate)
FHI	- ESG Roadmap
FIBUS	- ESG DD Restitution
GLOBAL D	- ESG Roadmap
GROUPE 3R	- ESG Roadmap - Individual Support

portfolio companies	ESG Topics covered
GROUPE ESTEMI	- Workshop on Taxonomy
GROUPE GUÉMAS	- ESG Roadmap
INVESTCO RESOLUTIONS	- ESG Roadmap
IPELEC	- ESG Roadmap
ITAL EXPRESS	- ESG Roadmap - HR Strategy - Carbon Footprint and Trajectory
MANDA	- ESG Roadmap - Individual Support - Climate School
MORIA SURGICAL	- ESG Roadmap - Selection of ESG reporting service provider - Climate School
O2 FEEL	- ESG Roadmap
OBER	- Individual Support : ESG Report
OXY	- Networking
PIECE OF CAKE	- ESG Roadmap
QUALI GROUP	- Carbon footprint
QUARTUS	- Climate School
QUITO	- Selection of DE&I service provider - Double Materiality Analysis - Individual support: CSRD, Ecovadis
SIBLU	- ESG Roadmap
SILAMIR	- ESG Roadmap - Carbon Footprint - Climate School
SOLUTYS	- ESG Roadmap - Carbon Footprint
STELLIANT	- EcoVadis - Climate School
SYNCHRONE	- ESG Roadmap - Individual Support
TEUFEL	- ESG Roadmap - Individual Support
WAT	- ESG Roadmap
WEEZEVENT	- ESG Roadmap - Carbon Footprint

4.2. RESULTS OF ROADMAP VALIDATION

Naxicap encourages collaboration with the company management to identify material ESG issues and to support the development of its ESG roadmap. The roadmap is approved at least once a year during a Supervisory Board, as defined in the Shareholders Agreement.

As a result, at December 31st, 2025, ESG roadmaps had been validated at supervisory board level for **36** of the **46** companies for which the process had been implemented in 2025, considering that

companies from Alliance Entrepreneurs and Bee-up portfolios have not been included in the roadmap validation scope⁹.

4.3. MONITOR THE PROGRESS OF PORTFOLIO COMPANIES

Naxicap requires its portfolio companies¹⁰ to provide annually a set of c. 150 indicators related to their ESG actions and engagements with stakeholders (clients, suppliers, etc.). The selection of these indicators comes from recommendations and studies carried out by industry experts such as the PRI, the Sustainability Commission of France Invest, external consultants as well as peers from the Private Equity sector. It includes Principle Adverse Impacts KPIs from the SFDR.

To collect this data, Naxicap has implemented an online reporting tool - **Greenscope** - available to every portfolio company.

The set of indicators include questions to assess the companies' exposure and adaptation strategies to physical and transition climate-related risks having a potential material impact on their operations, as well as specific indicators to each portfolio company to estimate the carbon emissions of the portfolio's scope 1, 2 and 3 and thus identify the main sources of emissions.

Naxicap has developed its own detailed in-house ESG scoring methodology, based on the companies' answers to the annual questionnaire. The ESG scoring enables an accurate and detailed monitoring of portfolio companies' maturity on environmental, social and governance topics, including their interaction and impact on stakeholders.

Average ESG scores out of 10 (/10) – Constant scope on 2025 basis:

In 2025, changes were conducted on the ESG questionnaire and scoring methodology to review the questions and better integrate regulatory requirements (SFDR, Taxonomy). Therefore, the scores presented here below differ from previous reports. They were calculated using the new methodology for all three years (2023, 2024 and 2025), enabling comparison.

		2023	2024	2025
ESG SCORE <i>Simple average</i>	PORTFOLIO	5.9	6.1	6.4
PORTFOLIO <i>Rating scope</i>	Rated companies as a % of number of portfolio companies	89% ¹¹	92% ¹²	87% ¹³
	Rated companies as % of equity value	99%	99%	99%

The ESG score is composed of three sub-categories: environmental, social and governance. Over 2023-2025, the portfolio has seen a steady improvement in its environmental and social performance. The

⁹ The shareholder agreements of these Portfolio companies do not integrate an obligation to define an ESG roadmap every year as the process was not systematically implemented at the time of investment.

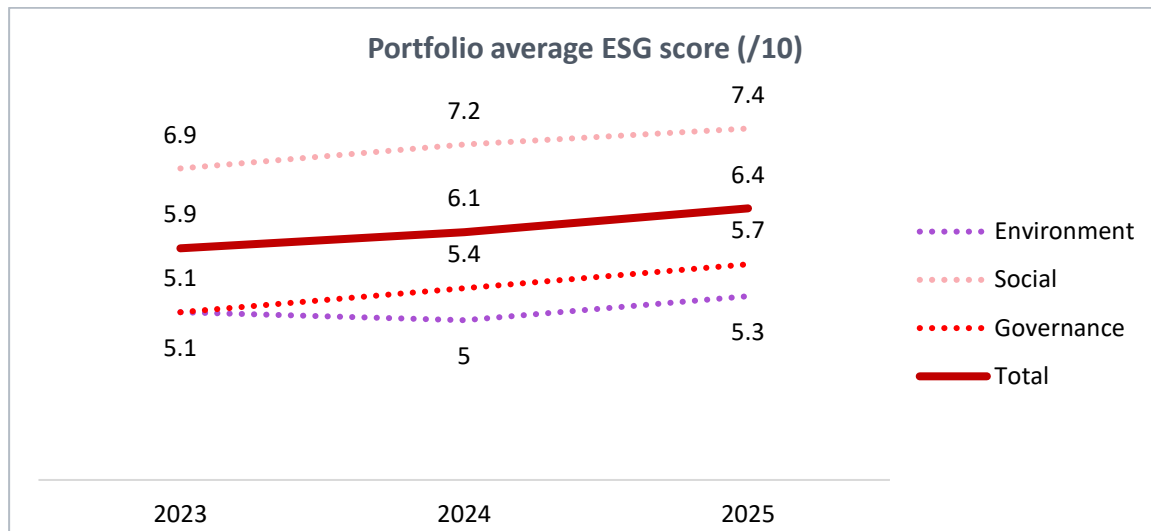
¹⁰ Majority held companies where Naxicap has more than 50% of shares, or where Naxicap is the lead investor in a pool of investors that hold together more than 50% of a company's shares. For Minority held companies, the ESG questionnaire counts 53 indicators and focuses on Principle Adverse Impacts.

¹¹ 40 companies out of the 45 companies answering the *Full ESG Questionnaire* in 2023

¹² 47 companies out of 51 companies answering the *Full ESG Questionnaire* in 2024

¹³ 48 companies out of the 55 companies answering the *Full ESG Questionnaire* in 2025

governance score has increased the most (+0.6 points). The portfolio's social score is the strongest among the three, reflecting a good level of maturity.



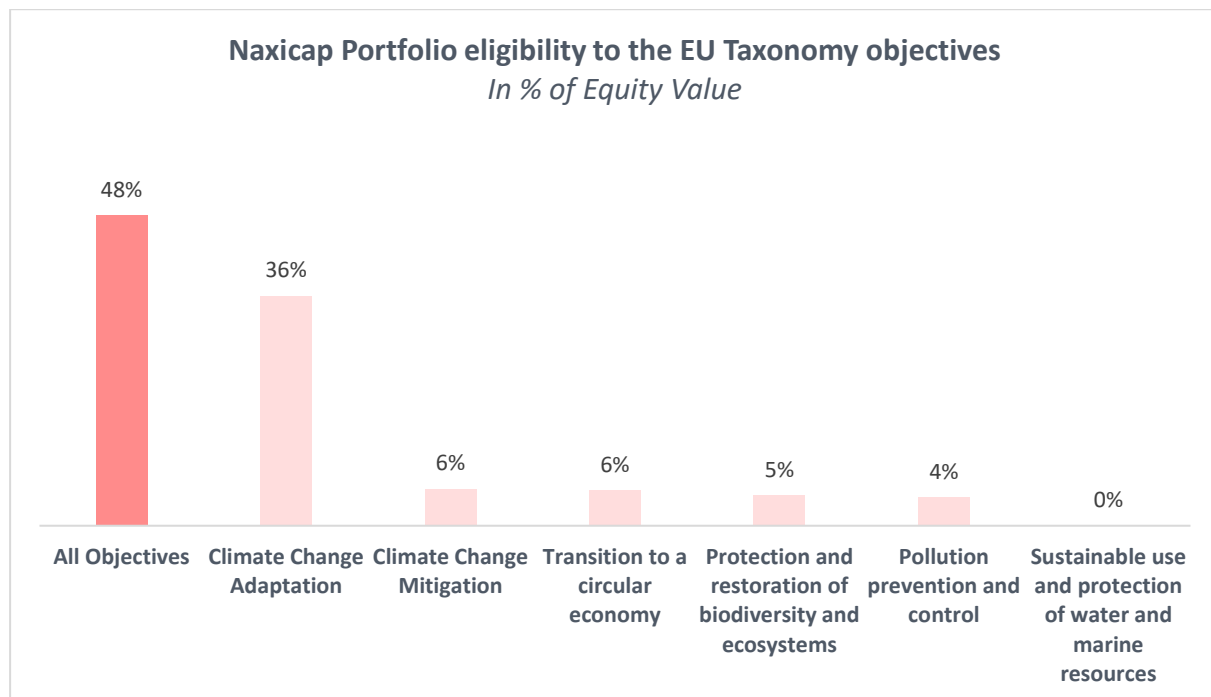
5. CORRELATION WITH EUROPEAN GREEN TAXONOMY AND FOCUS ON FOSSIL ENERGIES

5.1. ELIGIBILITY

As stipulated in the regulation (UE) 2020/852 defined by the European Parliament, in reference to Articles 10 to 15 as published on June 18th 2020, Naxicap publishes the following information:

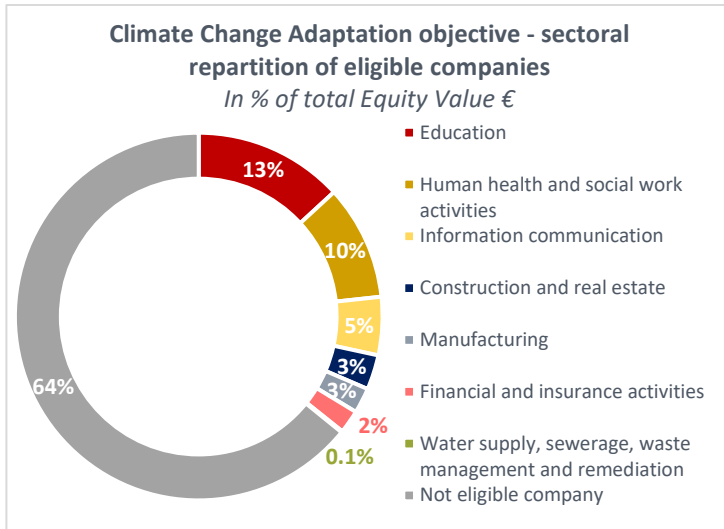
As of December 31st, 2025, **48%** (*in Equity Value*) of Naxicap portfolio companies have activities entering the list of activities defined by the European Parliament as Eligible to at least one of the six objectives defined by the EU Taxonomy.

Naxicap portfolio eligibility to the Taxonomy objectives is presented below:

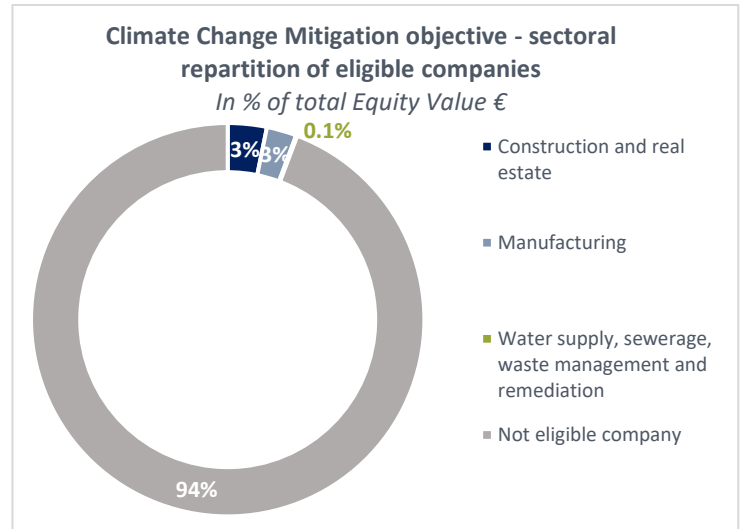


Eligible activities are split as follows:

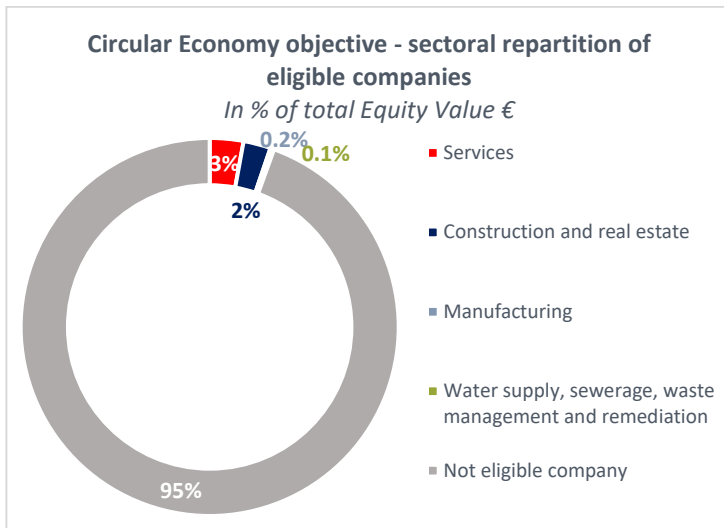
CLIMATE CHANGE ADAPTATION



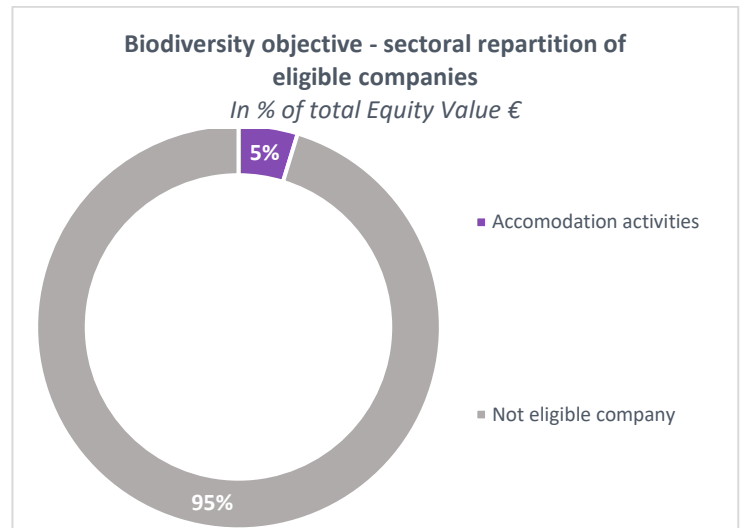
CLIMATE CHANGE MITIGATION



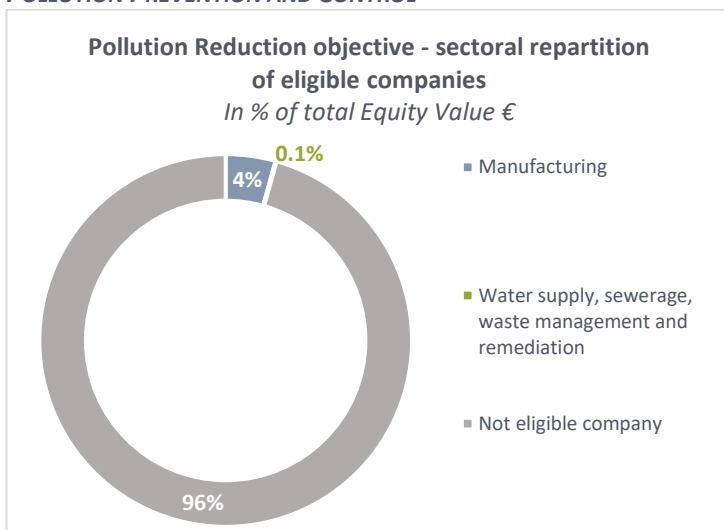
TRANSITION TO A CIRCULAR ECONOMY



PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS



POLLUTION PREVENTION AND CONTROL



5.2. ALIGNMENT

As of the date of this report, we are not required to report the degree of alignment of our portfolio companies as themselves are not required to report these data. In France, only listed companies and companies that enter the scope of the Corporate Sustainability Reporting Disclosure (CSRD) / pending Omnibus regulation are required to report the alignment of their activities, in terms of revenues, OpEx and/or CapEx. None of our portfolio companies are submitted to these regulations yet¹⁴. At the earliest, data related to alignment should be disclosed as of 2028 (on 2027 data), once portfolio companies eligible to the CSRD/Omnibus will have disclose their own Taxonomy data in their CSR Report.

We have not engaged in the calculation of alignment estimations (based on available information), as the current level of information from our portfolio companies was not sufficient to cover the numerous and very specific substantial contribution criteria required by the Taxonomy framework. Yet, we aim to raise eligible companies' awareness about possible eligibility for Taxonomy as it represents a great financial lever to raise debt or capital.

In 2027 and onwards, we will engage in priority with portfolio companies that are eligible to the CSRD / Omnibus on their reporting obligations, including Taxonomy reporting capacities. Depending on ongoing negotiations and validations between the European Commission, Council and Parliament at the date of this report, they should have to report these elements in 2028, based on FY2027 reporting¹⁵.

5.3. SHARE OF ASSETS INVESTED IN FOSSIL FUELS

As of December 31st, 2025, **0.4%** of Naxicap Equity Value is invested in companies with activities related to fossil fuel.

¹⁴ AMF – Dossier thématique [« La réglementation Taxinomie – Article 8 relative aux obligations de reporting des sociétés »](#)

¹⁵ [Entreprendre.service-public.gouv.fr](https://entreprendre.service-public.gouv.fr) – « [Les] dispositions [Omnibus] doivent être transposées en droit français au plus tard le 19 mars 2027 » – <https://entreprendre.service-public.gouv.fr/actualites/A18827>

6. STRATEGY REGARDING PARIS AGREEMENT ALIGNMENT AND LOW CARBON STRATEGY

6.1. OVERALL APPROACH

6.1.1. *Our commitments*

The Paris Agreement sets out a global framework to avoid dangerous climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C. It also aims to strengthen countries' ability to deal with the impacts of climate change and support them in their efforts¹⁶.

At Naxicap Partners, we have embraced the double materiality principle adapted to climate change issues, taking very seriously the potential impacts climate change can have on portfolio companies' value, but also their potential contribution to climate change aggravation (in terms of greenhouse gases emissions), as well as the mitigation and/or adaptation activities they may develop.

That's why we have adopted a two-folded approach to tackle climate change into our investment strategy approach focusing **1) on mitigating and reducing portfolio GHG emissions** (see section [4.2. portfolio Carbon analysis](#)) and **2) on identifying climate risks for our companies to adapt their activities** (see section [4.3. portfolio Climate risks analysis](#)).

6.1.2. *Our objectives*

The objectives of our approach to assess carbon emission estimates and climate risks at portfolio level are three-fold:

- 1. Identify Key Issues**
 - a. Identify primary greenhouse gas (GHG) emission sources.
 - b. Identify major climate risks and assess their potential impacts on activities in terms of revenues and investments.
- 2. Raise Awareness among portfolio companies' Managers**
 - a. Increase awareness regarding carbon emissions and their effects on the climate and the environment.
 - b. Highlight the exposure of their activities, business models, and assets to climate risks.
- 3. Engage portfolio companies**
 - a. Collaborate on reduction pathways for carbon emissions.
 - b. Develop adaptation strategies to address climate risks.

Regarding carbon emissions, the first two objectives were successfully met through carbon estimates and the creation of the two-pager fact sheet. The third objective, which is more ambitious, began to take shape in 2023. For example, some portfolio companies have conducted their own comprehensive carbon footprint assessments using internationally recognized protocols such as the Greenhouse Gas (GHG) Protocol or Bilan Carbone® ADEME, and most advanced ones have started engaging in reduction programs.

Regarding climate risks, progress has been achieved for the first objective. This includes a comprehensive analysis of physical risks at both company and portfolio levels (see section 4.4) and the identification of transition risks using our **Altitude** tool at the company level. Our immediate priority is

¹⁶https://ec.europa.eu/clima/eu-action/international-action-climate-change/climate-negotiations/paris-agreement_fr

to strengthen these analyses further and communicate the findings to each portfolio company, fostering awareness and engaging the most vulnerable entities in adaptation strategies.

To date, there is no quantified objective at Naxicap Partners level regarding the reduction of carbon emissions, aligned with the Paris Agreement.

6.2. PORTFOLIO CARBON ANALYSIS

6.2.1. Methodology used

GHG emissions from portfolio companies are collected according to two main rules:

- If the company has conducted its own carbon footprint assessment on scopes 1, 2, and 3, we directly collect the data from the company.
- If the company has not performed a carbon footprint assessment, we conduct an estimated assessment annually. This estimation is carried out by a carbon consulting firm, which is also responsible for our ESG reporting data collection campaign.

Greenscope uses a simplified approach aiming at identifying the most significant sources of greenhouse gas emissions to reflect a global overview and provide actionable results. We estimate to be able to capture 80% of scope 3 emissions using this methodology, which is based on the ADEME emission factors.



Methodology disclaimer

Calculation methodology

We have aligned our GHG reporting with SFDR reporting standards:

- Total 2024 and 2025 GHG emissions of each portfolio company are divided by the Equity Value of each company to obtain a carbon intensity ratio per entity (tCO₂/€m of Equity Value);
- Intensity ratios are then weighted by the % of ownership (Funds' ownership in each company);
- Finally, the average GHG intensity is the sum of the weighted intensity again weighted by the Equity Value.
- For carbon emissions, when 2024 and/or 2025 data was not available, we used latest available data (31.12.2022 and/or 31.12.2023).

Data source

Data presented in this ESG report are based on the companies' statement and are not part of an audited process. Changes and corrections can occur from one year to another. Past performance is not indicative of future performance.

6.2.2. Scope and results

In 2025, sufficient data was collected for **60** portfolio companies **representing 97% of Naxicap ESG Scope Equity Value**. Amongst these companies, **33** have performed their own carbon footprint.

portfolio companies' individual results are synthesised in a dedicated two-pager carbon factsheet, distributed to portfolio companies.

Consolidated results related to **Naxicap ESG Scope** are summarised in the following page.

2025 results for Naxicap ESG Scope portfolio companies

As one of Naxicap portfolio company, **QUITO**, emits **89%** of total financed emissions (due to its activity of freight management), Naxicap ESG Scope GHG intensity is very different whether we include or not **QUITO** among the scope. The different results (with and without **QUITO**) are summarised here after:

The average carbon intensity of Naxicap ESG scope portfolio companies is **1,705 tCO2e** emitted per million of euros of Equity Value (weighted by% of ownership) with QUITO, and **206 tCO2e** without QUITO. Comparison with 2024 is provided below:

Average GHG intensity - in tCO2e/€m of Equity Value - Weighted by % of ownership

	With Quito		Without Quito	
	2024	2025	2024	2025
ESG Scope – Naxicap average GHG intensity	1,942	1,705	191	206
Scope 1	0%	0%	3%	3%
Scope 2	0%	0%	1%	1%
Scope 3	100%	100%	96%	96%

Portfolio GHG emissions are primarily driven by Scope 3, largely due to QUITO’s air transport-related upstream and downstream logistics. Other portfolio companies in manufacturing, retail, and distribution also contribute significantly through emissions from purchased goods and the use-phase impact of sold products (e.g., electronics, household items, automotive parts, industrial products).

6.3. PORTFOLIO EXPOSURE TO CLIMATE RISKS

6.3.1. Methodology used

For each portfolio company, we calculate a company **Climate Physical Risk Score** and a **Climate Transition Risk Score** ranging from **1** to **9** and categorized into five levels, from **Low** to **Very High**. This score is based on portfolio companies’ level of exposure to climate physical and transition risks as described after.

	LOW	MEDIUM - LOW	MEDIUM	HIGH	VERY HIGH
<i>Climate Physical Risk Score</i>	[1;2[[2;4[[4;6[[6;8[[8;9]

Methodology - Exposure to Climate Physical Risks

The exposure of our portfolio companies to **physical climate risks** is performed through the Altitude tool, considering site-specific characteristics such as location and asset types (e.g., plants, offices, R&D labs). The methodology follows the IPCC (Intergovernmental Panel on Climate Change) three pillars of climate physical risks definition: hazard, vulnerability, and exposure.

21 climate physical risks, comprising **7** chronic risks and **14** acute risks (see details in [Climate and Biodiversity risks details](#)), are evaluated. Exposure to physical climate risks is then assessed under two scenarios:





- **SSP2-4.5 (Middle of the Road):** Realistic scenario projecting a 2.7°C temperature increase by century-end.
- **SSP5-8.5 (High-reference):** Pessimistic scenario with a projected 4.4°C temperature increase by century-end.

Methodology - Exposure to Climate Transition Risks

Transitioning to a lower-carbon economy may involve significant policy, legal, technological, and market changes to address climate mitigation and adaptation. These changes can pose varying levels of financial and reputational risks to organizations, depending on their nature, speed, and focus.

portfolio companies' exposure to climate transition risks is first analysed using the Altitude tool, based on sectoral analyses. This assessment is then refined by the Naxicap ESG Team and during workshops with investment teams, leveraging their specific knowledge of the portfolio company's main challenges, activities, business, and market.

According to the TCFD (Task Force on Climate-related Financial Disclosures) methodology, four main transition risks are analysed, as described below:

Transition Risks	TCFD Risk Definition
 Policy and Legal	<p><i>Policy actions on climate change aim to either mitigate its effects or promote adaptation. The risks and financial impacts of these changes depend on their nature and timing.</i></p> <p><i>Additionally, litigation risk is rising as climate-related lawsuits increase. As climate-related damages grow, so does the risk of litigation.</i></p>
 Technology	<p><i>Technological advancements supporting a lower-carbon, energy-efficient economy can significantly impact organizations. Emerging technologies like renewable energy, battery storage, energy efficiency, and carbon capture will affect competitiveness, production costs, and product demand. This "creative destruction" will create winners and losers. The timing of these technological developments is a key uncertainty in assessing technology risk.</i></p>
 Market	<p><i>While the ways in which markets could be affected by climate change are varied and complex, one of the major ways is through shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly considered.</i></p>
 Reputation	<p><i>Climate change has been identified as a potential source of reputational risk tied to changing customer or community perceptions of an organization's contribution to or detraction from the transition to a lower-carbon economy.</i></p>

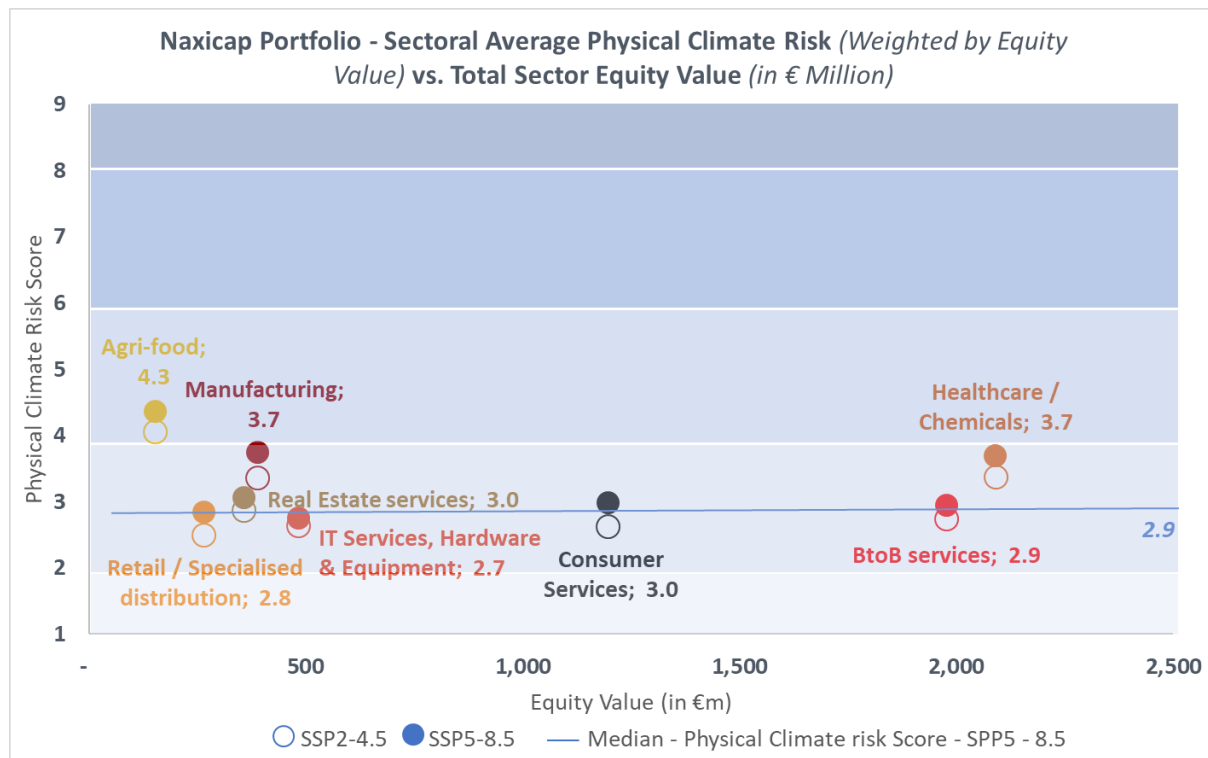
6.3.2. Scope and results

Naxicap portfolio exposure to climate risks focuses on all **76** portfolio companies within the ESG Scope (investment >€5 million at 2025/12/31) and their direct activities, excluding the supply chain. Future analyses will aim to extend this assessment to strategically important supply chains and conduct case-by-case evaluations for companies operating in sectors highly exposed to physical climate risks.

Results - Exposure to Climate Physical Risks

The data presented below has been computed for both scenarios SSP2-4.5 – 2050 and SSP5-8.5 - 2050.

Abiding these scenarios, **Naxicap portfolio companies** exhibit an overall **medium-low** level of exposure to physical climate risks, with none classified as highly exposed. This is reflected in the graph below, with the median level at **2.9 / 9**.



The **Agri-food**, **Manufacturing**, and **Healthcare / Chemicals** sectors are the three most exposed to physical climate risks, with **Healthcare / Chemicals** also representing the most significant share of Naxicap’s portfolio.

Despite representing only **2%** of the portfolio, the **Agri-food** sector shows the highest risk scores. This is driven by exposure to strategic production assets—particularly refrigerated food and beverage facilities—located in areas at risk of water stress and multiple climate hazards by 2030. Given their critical role in ensuring product quality, disruptions could have significant operational and financial impacts, making climate adaptation essential to preserve continuity, supply chains, and reputation.

The **Healthcare / Chemicals** sector is the second most exposed and holds the highest Equity Value within Naxicap’s overall portfolio (**30%**). This exposure comes from risks to infrastructures that hold core business activities, with facilities potentially not designed to withstand extreme weather events like heatwaves or floods. These events can cause severe damage, disrupt medicine supply, delay care delivery and lead to long recovery periods, leaving clients in vulnerable situations. This is especially relevant as some companies operate large real estate portfolio, increasing their level of exposure to physical climate risks.

The **Manufacturing** sector, representing **6%** of Naxicap Equity Value, is particularly exposed to physical hazards which could threaten operational continuity and asset integrity. Many portfolio companies also operate manufacturing plants in locations facing water scarcity, flood and extreme heat, further

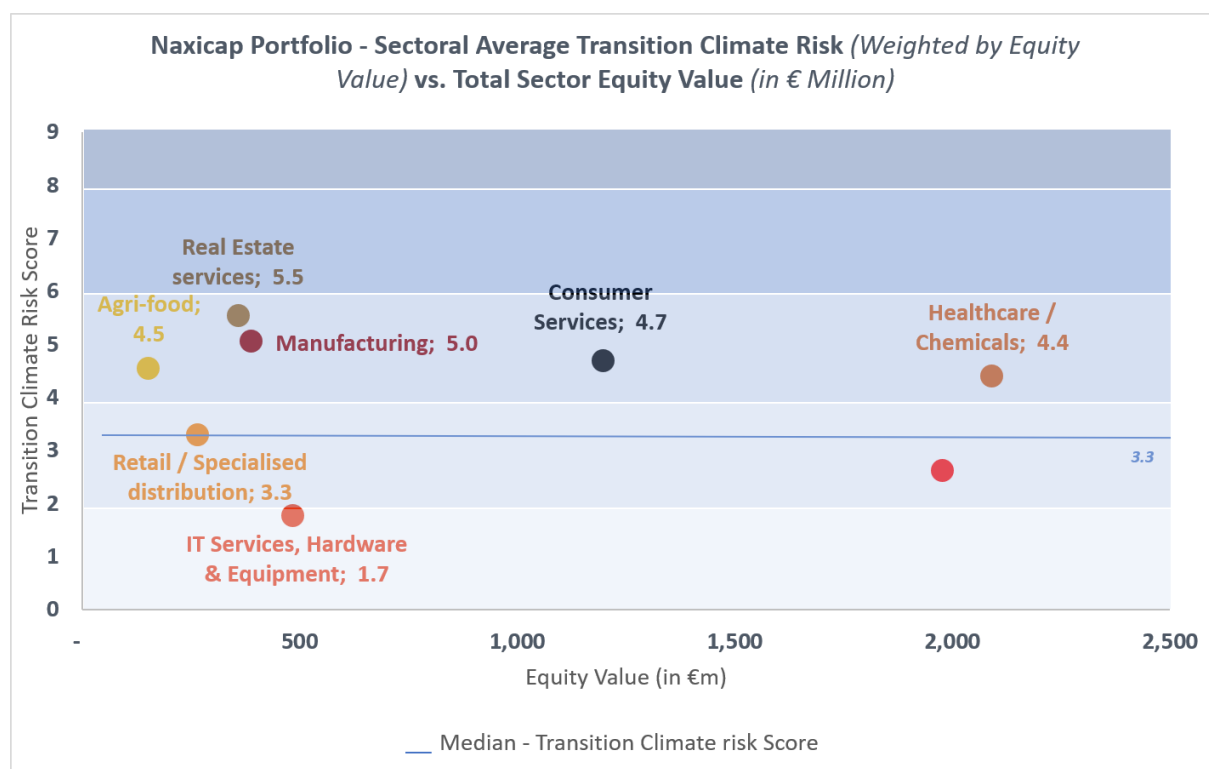
straining local resources. Additionally, some of these plants are in areas with highly carbon-intensive energy sources which participates to the increase of the production processes emissions.

To mitigate these risks, several companies reported adopting adaptation measures for physical climate risks. These range from adapting their buildings to withstand extreme weather events, to implementing teleworking policies in case of an event and securing alternative sources of raw materials to maintain continuity during climate-related disruptions. Additionally, some companies have also assessed the exposure of their sites to physical risks related to climate change.

Results - Exposure to Climate Transition Risks

Naxicap’s portfolio companies show an overall **medium-low level of exposure** to transition climate risks, with no company identified as highly exposed.

- The highest Climate Transition Risk Score reached is **5.5/9 (Real Estate services)**, indicating a medium level of exposure to climate transition risk.
- The median stands at **3.3/9** and the lowest score is **1.7/9 (IT services, Hardware and Equipment)**, indicating a low level of exposure to transition risk.



Real Estate services and **Manufacturing** are the three sectors most exposed to transition risks but only represent **11%** of Naxicap’s total Equity Value.

The **Real Estate services** sector (**5%** of Naxicap Equity Value) highest exposures stem from **Regulatory and Technological transition factors** in the real estate industry. These factors are directly related to increasingly stringent environmental regulations and the growing need to adapt buildings to climate change through the integration of advanced technologies. As clients increasingly prioritize sustainability and climate resilience, Market dynamics driven by shifting customer preferences also have a direct impact on the sector.

The **Manufacturing** sector is the second most exposed sector to transition risk, accounting for **6% of total Equity Value**. This exposure is primarily driven by regulatory and technological transition risks, notably increasingly stringent environmental regulations and the growing need to shift toward lower-emission production processes.

To mitigate these risks, several portfolio companies have begun addressing these topics and implementing initiatives. Some companies have assessed their exposure to transitional risks to integrate these considerations when taking decisions. **34** have integrated a share of renewable energy into their energy mix. These initiatives can help mitigate the impact of rising energy prices and other market fluctuations by reducing reliance on external sources and those dependent on carbon.

6.4. MAIN STEPS OF OUR CLIMATE STRATEGY

Steps	Key Actions	Status
1	Encourage portfolio companies to conduct their own complete Carbon Footprint, using international protocols	✓
2	Dialogue with portfolio companies on their results and find appropriate alignment targets, matching their growth strategy	✓
3	Define reduction objectives to align most emissive portfolio companies on a well-below 2°C or 1.5°C scenario	Continuous
4	Continuously enhance physical risks analysis (Altitude Tool updates)	✓
5	Pursuing analyses of portfolio companies' exposure to transition-related analysis (mapping, TCFD reporting)	✓
6	Define action plans with companies most exposed to physical and/or transition-related risks to mitigate portfolio exposure to climate risks	Ongoing

7. BIODIVERSITY ALIGNMENT STRATEGY

7.1. OVERALL APPROACH

7.1.1. *Our biodiversity strategy*

At Naxicap Partners, we recognise that economic activities rely on ecosystem services that have long been taken for granted. In the context of increasing biodiversity challenges, we aim to strengthen our understanding of biodiversity-related risks across our portfolio and enhance biodiversity preservation.

To this end, **we commit to assess biodiversity-related challenges within our portfolio under the Total ESG Scope** (companies with investments exceeding €5m), using the Altitude tool developed by AXA Climate, and implement tailored action plans within 12 months for companies facing significant risks.

We also seek to align our approach with TNFD recommendations, applying a double materiality perspective by addressing both the impacts of our portfolio companies on biodiversity and their dependence on ecosystem services.

7.1.2. *Our objectives*

According to the double materiality approach, our objective through this analysis is to identify portfolio companies that are i) most vulnerable to biodiversity risks and dependence¹⁷, and ii) companies with sites and activities that could negatively impact biodiversity, potentially leading to biodiversity losses.

By identifying and quantifying these risks, we aim to prioritize companies with the highest biodiversity-related risks within our full ESG portfolio. Subsequently, we intend to accompany them in identifying mitigation actions that could be adopted.

7.2. BIODIVERSITY RISKS – PORTFOLIO ANALYSIS

7.2.1. *Methodology used*

At portfolio level, a Biodiversity Risk Score is calculated by aggregating the company's level of dependency to ecosystem services and its impacts on biodiversity. This score ranges from 1 to 9 and is classified from Low to Very High as detailed in the table below.

	LOW	MEDIUM - LOW	MEDIUM	HIGH	VERY HIGH
<i>Biodiversity Risk Score</i>	[1;2[[2;4[[4;6[[6;8[[8;9]

This score enables us to consolidate biodiversity risks by assessing portfolio companies' dependencies on 25 ecosystem services (see details in [Climate and Biodiversity risks details](#)), their impacts on biodiversity (measured in MSA.ppb - detailed further) and their proximity to threatened species and areas of interest for biodiversity.

¹⁷ The analysis covers i) 5 provisioning services and ii) 16 regulation and maintenance services (see details in [Appendix – Details on Climate and Biodiversity risks](#)).



Methodology disclaimer

Dependence analyses

While the use of the Altitude tool has improved the precision of biodiversity dependence assessments through more granular sectoral and site-level data, the approach remains primarily based on sector analysis. In addition, it does not account for company-specific initiatives aimed at reducing dependencies and impacts on biodiversity.

Impact analyses

The methodology used to assess potential impacts on ecosystems has several limitations.

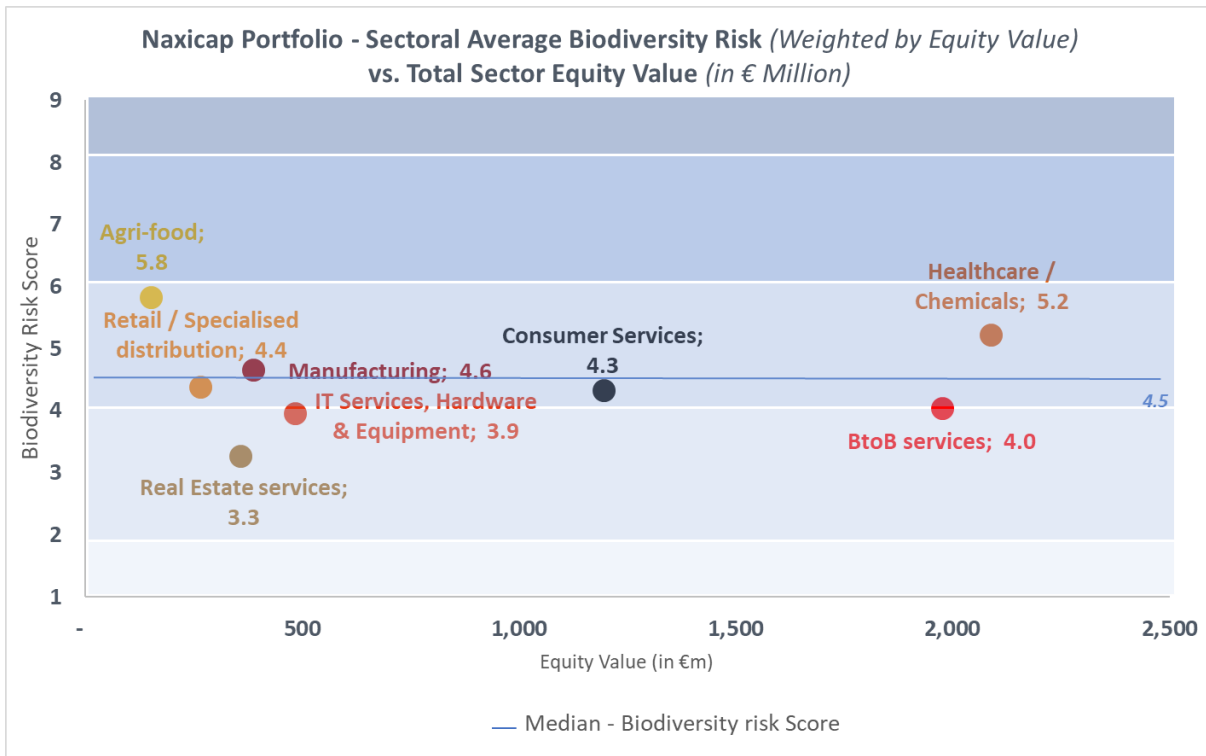
- The **biodiversity footprint** (expressed in MSA-ppb) relies on sector-level estimates, which may not fully reflect the specific activities of individual companies.
- Furthermore, the analysis of **proximity to threatened species and biodiversity-sensitive areas** only considers direct operations and excludes supply chain impacts. It also does not differentiate risks based on the specific activities carried out by portfolio companies.

7.2.2. *Scope and results*

The biodiversity analysis of **Naxicap portfolio companies** focuses on all **76** portfolio companies under ESG Scope (investment >€5 million as of 2025/12/31). Impacts and possible dependencies related to their upstream and downstream value chain is captured in the Altitude assessment.

Naxicap’s portfolio companies show an overall **medium-low level of exposure** to transition climate risks, with no company identified as highly exposed.

The highest Biodiversity Risk Score reached is **5.8/9 (Agri-food)**, and the median stands at **4.5/9** and the lowest score is **3.3/9 (Real Estate Services)**. Detailed biodiversity risk scores by sectors are presented below.



The **Agri-food** and **Healthcare / Chemicals** sectors record the highest biodiversity risk scores, representing **2%** and **30%** of Naxicap’s equity value, respectively.

The **Agri-food** sector (**5.8/9**), which represents around **2%** of the portfolio’s Equity Value, relies heavily on ecosystem services, including water resources (such as water quality, groundwater, and surface water) and biological resources (agri-food raw materials, cattle). The score is also impacted by the location and the type of assets of the companies which are located near biodiversity-sensitive areas and habitats of threatened species (R&D buildings, Agricultural real estate, Food & beverages plants with refrigeration). To mitigate the risks, companies in the sector have developed and implemented biodiversity strategies and initiatives, including the identification of its environmental impact and dependencies with a consulting firm, exploring regenerative agriculture practices, raising employees’ awareness on biodiversity issues, and actively sponsoring associations dedicated to biodiversity preservation. Naxicap teams will continue to engage closely with them to ensure ongoing progress and alignment with biodiversity goals.

The **Healthcare/Chemicals** sector comes next (**5.2/9.0**) and represents **30%** of Naxicap portfolio’s Equity Value. Its score is mainly impacted by companies’ dependence on ecosystem services related to water and natural and biological resources used to manufacture products. The sector is also facing stricter regulations, which could require investments to mitigate and decrease their impacts on biodiversity. Reputational risks must also be considered as potential incidents such as hazardous spills and leakages can impact surrounding biodiversity and damage the company’s public image, leading to regulatory scrutiny and reduced market demand.

Results – Focus on biodiversity footprint (MSA.ppb)



Methodology insights – Calculation of the MSA.ppb

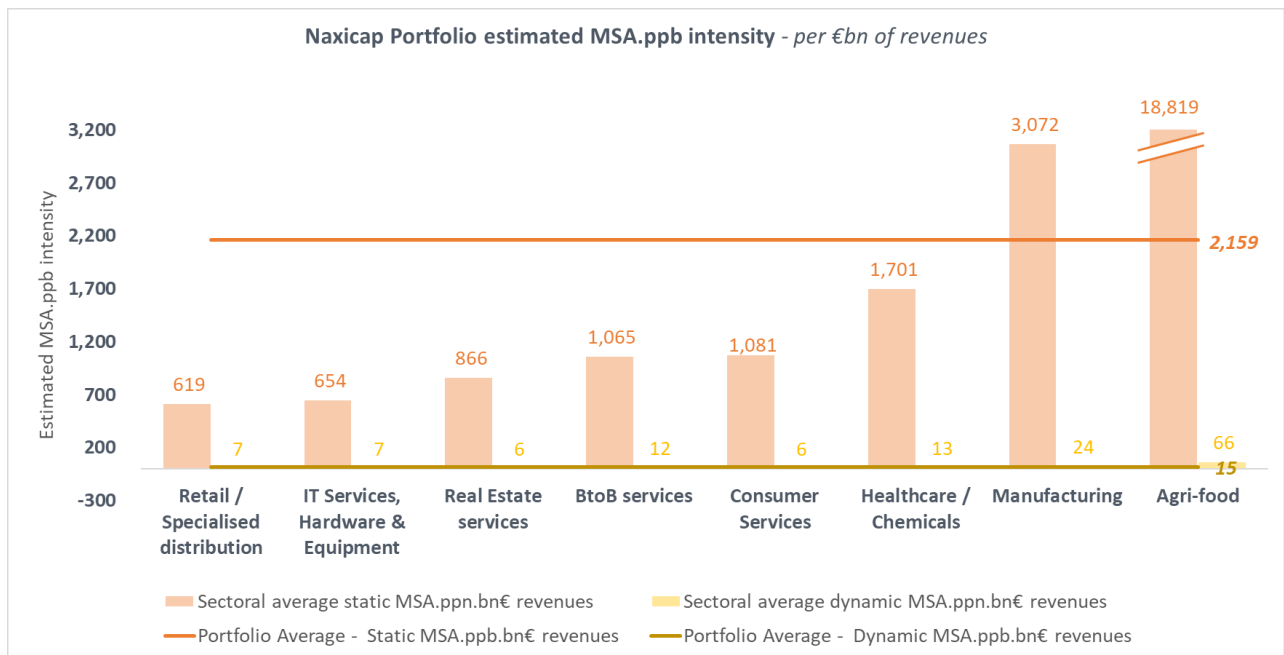
The **Biodiversity Footprint**, estimated using **MSA.ppb**, assesses whether portfolio companies operate in sectors that significantly contribute to biodiversity loss. It is based on MSA·km², an IPBES-recognised metric of ecosystem integrity, where 1 MSA·km² represents the loss of 1 km² of intact ecosystem.

The Altitude assessment covers both static (cumulative) and dynamic (annual) impacts, and considers five main pressures on biodiversity: pollution, climate change, land-use change, natural resource use, and invasive species (the latter assessed qualitatively only).

Key limitations of the methodology used to assess portfolio biodiversity footprint include:

- Local context is not considered, such as water scarcity, proximity to protected areas, presence of threatened species, or soil fertility.
- Invasive species pressure, identified by IPBES as a major driver of biodiversity loss, is not currently quantified.
- Land-use change impacts are assessed for terrestrial and freshwater ecosystems only, excluding marine ecosystems.
- Pressures related to overfishing, hunting, and mineral resource depletion are not covered; only hydrological disturbances linked to water use are included, while deforestation-related impacts are captured under land-use change and climate-related pressures.
- Organic ecotoxicity is included, whereas metal-related ecotoxicity is excluded due to high data uncertainty.

An estimation of the MSA.ppb has been performed for all **76 portfolio companies**. The results of this estimation are presented below.



Agri-food is the sector with the highest MSA.ppb intensity while also being the only sector with a high level of negative impacts. This is primarily due to one company whose assets are located near biodiversity-sensitive areas and habitats of threatened species. The companies of this sector also heavily rely on ecosystem services, including water resources (such as water quality, groundwater, and surface water) and genetic materials (agri-food raw materials). To mitigate this, **Agri-food** portfolio companies are developing and implementing biodiversity strategies. These include assessing environmental impacts with expert support, conducting studies of their value chain dependencies on natural resources and sponsoring biodiversity preservation organizations. Ongoing collaboration with stakeholders ensures continuous progress toward biodiversity goals.

Other sectors are considered by the Altitude Tool to have low impacts on biodiversity related to their MSA.ppb.

7.3. MAIN STEPS OF OUR BIODIVERSITY STRATEGY

Steps	Key Actions	Status
1	Update our biodiversity dependencies and impact mapping based on available methodology updates and portfolio modifications	✓
2	Improve portfolio companies' assessment of MSA.ppb by covering the entire portfolio	✓
3	Raise collective awareness on biodiversity responsible management	Continuous
4	Assess companies' supply chain biodiversity risks exposure	2027

- 5 Further engage with portfolio companies with highest biodiversity materiality (Agri-food sector), measure their biodiversity footprint and define biodiversity protection roadmaps at portfolio level Continuous

8. ESG RISKS MANAGEMENT

8.1. OBJECTIVES OF NAXICAP ESG RISKS PROCESS

Naxicap recognises the material impact of ESG risks on company performance, as well as the potential financial and reputational consequences of inadequate risk management. Regulatory requirements are also increasing at both French and European levels, notably under SFDR and Article 29 of the Energy and Climate Law, which set expectations for ESG risk disclosure. In parallel, institutional investors and shareholders are strengthening their requirements in this area.

In response, Naxicap Partners formalised a dedicated ESG risk management procedure in December 2021. As part of its broader risk management framework, this procedure aims to ensure appropriate monitoring of ESG risks, in line with the management company's commitments, and is fully integrated into Naxicap's overall risk policy.

The internal ESG risk monitoring system is characterised by:

- The nomination of a permanent team to monitor extra-financial issues and risks.
- The development, updating and sharing of normative documents (procedures and mapping) to measure the extra-financial risks to which portfolio companies are exposed or likely to be exposed to.
- The implementation of information systems on the extra-financial risks of the portfolio and control:
 - o the extra-financial risks borne by the companies are well identified and measured,
 - o ESG risk mapping at Naxicap level ensures a sufficient level of vigilance on identification of ESG risks and processes implemented to manage these risks,
 - o in the event of the identification of risks that could have a negative and material impact on the performance of the shareholder funds or on the management company, appropriate corrective measures are taken.

The procedure aims to assess overall portfolio exposure to ESG risks while also identifying risks specific to private equity activities, including reputational and financial risks. It further defines the tools used, the allocation of risk management responsibilities within the management company, and the content and frequency of reporting to governance bodies.

8.2. ESG RISKS PROCESS

8.2.1. A dedicated team

The ESG team coordinates and facilitates the integration of the ESG approach in portfolio companies. It ensures the implementation and ongoing updating of the ESG policy and responds to investor requests.

The team counts 4 Full-Time Employees, including an experienced Director who reports to a member of the Executive Board. The team also benefits from the support of the Risk, Compliance, and Internal Control Department.

8.2.2. *General missions of the ESG team*

The ESG team's role is to deploy the ESG strategy at management company level (assisting with pre-investment ESG analysis, audits, processes and monitoring indicators, support investment teams), as well as at portfolio company level (monitoring individual indicators, awareness-raising, support in setting up ESG roadmaps).

The ESG team also implements the extra-financial risk management procedure post-investment. The Middle Office is responsible for overseeing specific operational controls as part of the investment procedure.

Regarding ESG risk monitoring, the team is responsible for:

- Analysing and synthesizing audit reports, indicators and comments collected periodically from portfolio companies, so as to present to the investment team during ESG Committees conclusions and recommendations for each portfolio company. These conclusions and recommendations include a risk component, in particular climate risk and energy transition risk.
- Sending reports to the investment teams, and indirectly to portfolio company's management, including comments on the risks incurred by each portfolio company and recommendations to be translated into action plans.
- Producing an annually updated ESG risk mapping.
- Identifying and reporting any anomalies to the Executive Board and the Risk Department.

8.3. ESG RISKS MAPPING

8.3.1. *Objectives and methodology*

An ESG risk map is developed and updated annually with support from the Risk Department to identify sustainability risk factors that may impact the value and performance of portfolio companies over the short, medium, and long term. It informs the definition of Naxicap's ESG processes and risk management procedures, particularly by highlighting gaps in risk prevention and mitigation at portfolio level.

For each identified ESG risk, a comprehensive assessment of portfolio exposure is conducted, covering financial, reputational, and controversy-related impacts, leading to an initial gross risk level. This is then combined with an evaluation of the existing risk control framework—i.e. internal processes and procedures implemented at Naxicap level—to determine the net ESG risk and identify areas where risk management and mitigation approaches need to be strengthened.

8.3.2. *Main ESG risks description*

ESG risks identified and assessed to perform the ESG risk mapping are described below:

Category	Risk	Description	Potential impact
Governance	Balance of power	<p>Governance aims to ensure the sustainability of the company by enabling strategic directions, taken in the interest of all stakeholders. A balanced governance enables healthy discussion and debate of pros and cons before pursuing a strategic lead.</p> <p>The risk of poor governance may stem from a lack of interest in the company's continuity, conflicts among leaders, or the failure of leaders' virtue, potentially resulting in company devaluation.</p>	Inadequately strategic and financial decision-making, damaged reputation, increased probability for error, theft, fraud, misappropriation of assets.
	ESG governance	<p>A lack of ESG management by companies prevents investors from identifying and assessing their exposure to certain types of risks, potentially threatening the sustainability of the business. Furthermore, effective management serves as evidence of the actual commitments to CSR made by companies and helps avoid the risk of greenwashing.</p>	The lack of an ESG governance structure will delay the integration of ESG considerations at Management Board level, the implementation of ESG risk management at operational level and the diffusion of the necessity to act (climate transition, sustainable business models).
	Business ethics	<p>Business ethics reflects company's internal values. Unethical behaviour, such as regulatory non-compliance, stakeholder trust risks, conflicts of interest, and illegal activities for personal or corporate gain, can jeopardize company activities.</p>	Financial and legal penalties, lawsuits, damaged reputation, name and shame, voided contracts, financial forfeiture, material loss, loss of business opportunities, increased audit costs, loss of license to operate.
Environment	Climate	<p>Climate risk within the portfolio can manifest as supply or activity interruptions due to physical climate events (physical risks), or as decreased revenue from activities due to insufficient anticipation of ecological transition, encompassing regulatory, technological, market, or reputational aspects (transition risks).</p>	Reduced demand, increased raw material costs, asset repricing, changed revenue mix, higher operating costs (compliance, insurance), greenhouse gas emission pricing, legal and financial penalties, increased R&D spending on new technology, direct impact on production, increased capital costs, asset write-offs and early retirement.

Category	Risk	Description	Potential impact
Environment	Resource management	Strategic raw materials should be part of carefully planned procurement management to avoid shortages and prepare for more local, circular economy-oriented, sustainable business and sourcing models. Several raw materials ¹⁸ have already faced shortages and are identified as key by Europe in our strategic autonomy ¹⁹ .	Rising prices, shortages, additional costs due to waste management
Environment	Impact on biodiversity	Biodiversity risk for portfolio companies is mainly reflected in the risk of pollution by industrial companies (direct or indirect if waste management is poor). It can also manifest through artificialisation activities (construction, building), or tourism near protected areas.	Fines (environmental litigation), reputational risk. If a company degrades its immediate environment, it may also threaten its own business continuity.
Social	Employees health and safety	Poor employee health and safety often manifest by: - An increase in the number of accidents at work - Higher absenteeism - Disorganisation of plannings - An increased attrition rate.	Drop in productivity, financial and legal penalties, damaged reputation.
Social	Working conditions and mental health	Poor working conditions and/or a lack of initiatives to promote employee well-being often led to stress, sickness, increased absenteeism or even burnouts.	Drop in productivity, drop in revenues, and in employees' commitment, damaged employer brand.
Social	Training and competence development	Employees competencies should be maintained through training and regular technical updates, knowledge management and management empowering to keep the workforce motivated and operational. Internal training also favours knowledge sharing and implementation of best practices to gain in efficiency.	Loss of business activity, drop in productivity, a drop in the quality of service, weakened strategic and competitive positioning, reduced employee engagement, reduced revenues due to client loss.

¹⁸ Electronics and ICT, batteries and vehicles, packaging, plastics, textiles, construction and buildings, food, water and nutrients

¹⁹ [Circular Economy Action Plan for a Cleaner and More Competitive Europe](#)

Category	Risk	Description	Potential impact
Social	Inequalities of treatment and discrimination	<p>Unequal treatment constitutes unfair treatment independently of how it affects those it concerns, and independently, also, to some extent, of how it affects these people's overall opportunities.</p> <p>Discrimination means treating someone 'less favourably' than someone else, because of <i>age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation</i></p>	Financial and legal penalties, damaged reputation, damaged employer brand, difficulties to attract and retain talents.
External Stakeholders	Supply chain management	<ul style="list-style-type: none"> - Reputational risk: Risk of non-compliance with human rights and/or environmental standards within the value chain. - Commercial risk in the event of a breakdown in the supply chain, particularly where relationships are not sufficiently robust. 	Disruption in supply of goods and raw materials and associated operational impacts, loss of brand value, customer and consumer confidence, damaged reputation.
External Stakeholders	Client satisfaction and relationship	Customer and/or consumer dissatisfaction with the quality and reliability of the products or services offered, with serious consequences.	Complaints, boycotts, loss of loyalty, additional costs associated with reimbursement, damage to brand image
External Stakeholders	Controversies and Relation with civil society	<ul style="list-style-type: none"> - Lack of communication and transparency with non-contractual stakeholders (local residents, authorities), leading to misunderstanding or conflict. - Reputational and commercial issues linked to a possible breakdown in relations with civil society, including aspects such as attracting talent, obtaining operating permits, etc. 	Increasing government restrictions and legislations on business activities, disruption in supply of goods and raw materials and associated operational impacts, damaged reputation.

8.4. RISKS CONTROL SYSTEM

The Risk, Compliance and Internal Control Department ensures that Naxicap Risk policy and risk mapping are in place, updating them regularly and ensuring that they are properly applied.

As part of the implementation of second-level compliance and internal control work, it ensures:

- compliance with ESG risk monitoring procedures,
- reporting to the Management Board of the Investment,
- monitoring ESG risk indicators and compliance with the anomaly response system.

8.5. DESCRIPTION OF THE ANOMALY RESPONSE SYSTEM

The ESG team maintains an anomaly tracking file, which is integrated into the risk monitoring system managed by the Risk Department. Anomaly identification is carried out through comprehensive monitoring of the press and other sources, using a dedicated tool to identify and analyse existing controversies.

Any situation defined as "abnormal" by the ESG Committee is the subject of alerts to the investment team, so that appropriate corrective measures can be implemented by the companies concerned.

If the anomaly is rectified without delay (within one month), the investment teams inform the ESG team by return e-mail.

If not, the ESG team sends a new alert to the Management Board, copying the investment team. to obtain corrective action.

If the identified risk could have a material and negative impact on the performance of shareholder funds, or on the management company (reputational risk, etc.), then the executive Board and the Risk, Compliance and Internal Control Department are consulted for their opinion/decision.

A summary of these anomalies is presented annually to the Naxicap Executive Board, who is responsible for forwarding it to the Supervisory Board.

8.6. MAIN STEPS OF OUR ESG RISKS STRATEGY

Steps	Key Actions	Status
1	Continuously update our risk mapping based on available methodology updates and portfolio modifications	✓
2	Conduct specific risks analyses based on TCFD and TNFD methodologies (physical and transition risks) for high impact companies, based on their activities, size and location (climate and biodiversity)	Ongoing
3	Define and test methodologies to assess financial potential impacts for a limited number of ESG risks	Ongoing

9. SFDR CLASSIFICATION

As of December 31st, 2025, **22** Naxicap Funds out of 62 vehicles enter the application field of SFDR Article 8 (35%, in number of active vehicles).

All other Naxicap Funds enter the application field of SFDR Article 6 (65%, in number of active Funds).

10. APPENDIX

10.1. CLIMATE PHYSICAL RISKS

Climate physical risks analysed are the following:

	TEMPERATURE-RELATED	WIND-RELATED	WATER-RELATED	SOLID-MASS RELATED
Chronic	Changing air temperature	Changing wind patterns	Changing precipitation patterns	Solid Erosion
			Water stress	Clay shrink-swell
			Sea level rise	
Acute	Extreme heat	Tropical cyclone	Drought	Landslide
	Extreme cold - frost	Storm	Extreme precipitation	Earthquake
	Wildfire	Hailstorm	Flood	Subsidence
				Avalanche
				Volcanic eruption

10.2. BIODIVERSITY DEPENDENCE

For each company, the level of dependence to the 21 ecosystem services listed below is assessed. This analysis is based on the Altitude tool analyses integrating the ENCORE tool and Axa Climate expertise.

Biodiversity dependences analysed are the following:

PROVISIONNING	REGULATION & MAINTENANCE	
Animal-based energy	Flood mitigation	Local (micro and meso) climate regulation
Biomass	Global climate regulation	Mediation of sensory impacts
Genetic materials	Rainfall pattern regulation	Nursery population and habitats
Water supply	Solid waste remediation	Pest
CULTURAL	Storm mitigation	Pollination
Recreation-related services	Water flow regulation	Soil and sediment retention

Spiritual, artistic and symbolic	Air filtration	Soil quality regulation
Visual amenity	Dilution by atmosphere and ecosystems	Water purification
Education, scientific and research	Disease control	

10.3. CORRESPONDENCE TABLE

ARTICLE 29 DE LA LOI 2019-1147 RELATIVE A L'ENERGIE ET AU CLIMAT - CODE MONETAIRE ET FINANCIER & MAINTENANCE	NAXICAP ANNUAL ESG REPORT LEC 29
<p>A. DEMARCHE GENERALE DE L'ENTITE SUR LA PRISE EN COMPTE DES CRITERES ENVIRONNEMENTAUX, SOCIAUX ET DE QUALITE DE GOUVERNANCE</p> <p><i>Article 29 de la loi 2019-1147 relative à l'énergie et au climat - Code Monétaire et Financier, Article D. 533-16-1, III, 1°, a), b) et e)</i></p>	<p>1. ESG APPROACH (ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE APPROACH) – p.5 - 21</p>
<p>B. MOYENS INTERNES DEPLOYES PAR L'ENTITE</p> <p><i>Article 29 de la loi 2019-1147 relative à l'énergie et au climat - Code Monétaire et Financier, Article D. 533-16-1, III, 2°</i></p>	<p>2. INTERNAL RESOURCES ALLOCATED TO SUSTAINABLE TRANSITION – p.22 - 24</p>
<p>C. DEMARCHE DE PRISE EN COMPTE DES CRITERES ENVIRONNEMENTAUX, SOCIAUX ET DE QUALITE DE GOUVERNANCE AU NIVEAU DE LA GOUVERNANCE DE L'ENTITE</p> <p><i>Article 29 de la loi 2019-1147 relative à l'énergie et au climat - Code Monétaire et Financier, Article D. 533-16-1, III, 3°</i></p>	<p>3. ESG INTEGRATION AT ENTITY GOVERNANCE LEVEL – p.25 - 26</p>
<p>D. STRATEGIE D'ENGAGEMENT AUPRES DES EMETTEURS OU VIS-A-VIS DES SOCIETES DE GESTION AINSI QUE SUR SA MISE EN ŒUVRE</p> <p><i>Article 29 de la loi 2019-1147 relative à l'énergie et au climat - Code Monétaire et Financier, Article D. 533-16-1, III, 4°</i></p>	<p>4. RESULTS OF NAXICAP'S ENGAGEMENT STRATEGY – p.27 - 39</p>
<p>E. TAXONOMIE EUROPEENNE ET COMBUSTIBLES FOSSILES</p> <p><i>Article 29 de la loi 2019-1147 relative à l'énergie et au climat - Code Monétaire et Financier, Article D. 533-16-1, III, 5°</i></p>	<p>5. CORRELATION WITH EUROPEAN GREEN TAXONOMY AND FOCUS ON FOSSIL ENERGIES – p.31 - 33</p>

<p>F. STRATEGIE D'ALIGNEMENT AVEC LES OBJECTIFS INTERNATIONAUX DES ARTICLES 2 ET 4 DE L'ACCORD DE PARIS RELATIFS A L'ATTENUATION DES EMISSIONS DE GAZ A EFFET DE SERRE ET, LE CAS ECHEANT, POUR LES PRODUITS FINANCIERS DONT LES INVESTISSEMENTS SOUS-JACENTS SONT ENTIEREMENT REALISES SUR LE TERRITOIRE FRANÇAIS, STRATEGIE NATIONALE BAS-CARBONE MENTIONNEE A L'ARTICLE L. 222-1 B DU CODE DE L'ENVIRONNEMENT</p> <p><i>Article 29 de la loi 2019-1147 relative à l'énergie et au climat - Code Monétaire et Financier, Article D. 533-16-1, III, 6°</i></p>	<p>6. STRATEGY REGARDING PARIS AGREEMENT ALIGNMENT AND LOW CARBON STRATEGY – p.34 - 40</p>
<p>G. STRATEGIE D'ALIGNEMENT AVEC LES OBJECTIFS INTERNATIONAUX DES ARTICLES 2 ET 4 DE L'ACCORD DE PARIS RELATIFS A L'ATTENUATION DES EMISSIONS DE GAZ A EFFET DE SERRE ET, LE CAS ECHEANT, POUR LES PRODUITS FINANCIERS DONT LES INVESTISSEMENTS SOUS-JACENTS SONT ENTIEREMENT REALISES SUR LE TERRITOIRE FRANÇAIS, STRATEGIE NATIONALE BAS-CARBONE MENTIONNEE A L'ARTICLE L. 222-1 B DU CODE DE L'ENVIRONNEMENT</p> <p><i>Article 29 de la loi 2019-1147 relative à l'énergie et au climat - Code Monétaire et Financier, Article D. 533-16-1, III, 6°</i></p>	<p>7. BIODIVERSITY ALIGNMENT STRATEGY – p.41-44</p>
<p>H. DEMARCHE DE PRISE EN COMPTE DES CRITERES ENVIRONNEMENTAUX, SOCIAUX ET DE QUALITE DE GOUVERNANCE DANS LA GESTION DES RISQUES, NOTAMMENT LES RISQUES PHYSIQUES, DE TRANSITION ET DE RESPONSABILITE LIES AU CHANGEMENT CLIMATIQUE ET A LA BIODIVERSITE</p> <p><i>Article 29 de la loi 2019-1147 relative à l'énergie et au climat - Code Monétaire et Financier, Article D. 533-16-1, III, 8° et 8° bis</i></p>	<p>8. ESG RISKS MANAGEMENT – p.45 - 50</p>
<p>I. LISTE DES PRODUITS FINANCIERS MENTIONNES EN VERTU DE L'ARTICLE 8 ET 9 DU REGLEMENT DISCLOSURE (SFDR)</p> <p><i>Article 29 de la loi 2019-1147 relative à l'énergie et au climat - Code Monétaire et Financier, Article D. 533-16-1, III, 1°, c)</i></p>	<p>9. SFDR CLASSIFICATION – p.51</p>