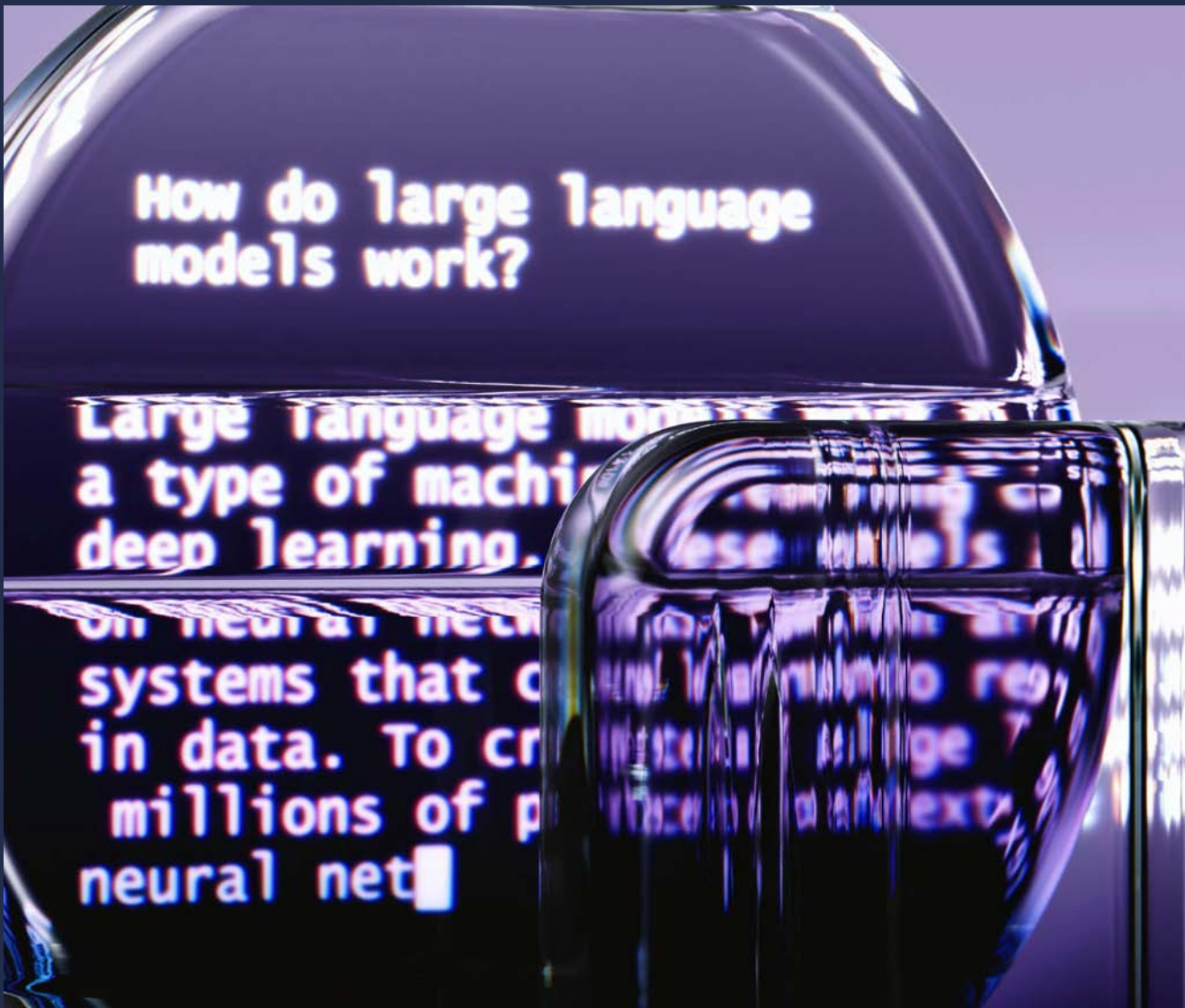


CAPZA

Sustainability Report

2024



About CAPZA

2024 Highlights

Building Value through Sustainability

The Pillars of Our Sustainability Strategy

Supporting our Portfolio Companies

Providing Sustainable Investment Solutions to our Investors

Leading by Example

Collaborating with our Ecosystem

Intertwining Sustainability & Governance

Managing Risks & Generating Positive Impact

Pre-investment / Select Wisely

Closing Negotiation / Formalize our Intent

Holding / Monitor and Accelerate

Exit / Sustain our Actions

Our 3 Sustainability Priorities

Carbon Neutrality

Biodiversity and Water Preservation

Inclusion and Value Sharing

Appendices

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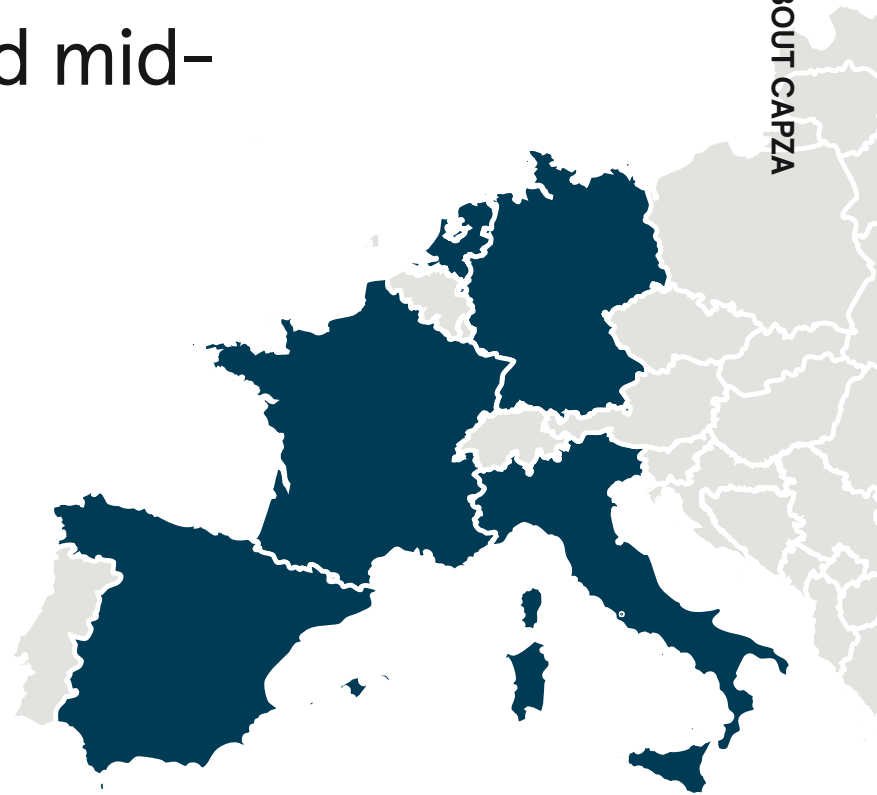
51

56

CAPZA is a leading private investment manager focused on small and mid-caps in continental Europe.

Since 2004, we have developed significant expertise in financing small and mid-cap companies at every stage of their development, supporting them over the long term by providing flexible financing solutions (majority capital, minority capital, subordinated debt, senior debt, etc.). CAPZA is a generalist manager but has special expertise in the health, technology and B2B services sectors.

Based on our passion for businesses and our ability to challenge ourselves, we have designed CAPZA as a flexible investment platform that adapts to the needs of entrepreneurs. This flexible and entrepreneur-driven approach is anchored in our value-focused ESG strategy where we combine ambition and pragmatism to deliver impact.



2004

CAPZA
CREATED

140+

COMPANIES IN OUR
PORTFOLIO

115+

PROFESSIONALS IN
THE GROUP

€9,1bn

ASSETS MANAGED
OR ADVISED
as of 31 December 2024

320+

INVESTMENTS
SINCE 2004

Signatory of:



SINCE 2011

Amsterdam

Munich

Paris

Madrid

Milan

Private Debt

ARRANGER

Unitranche / Senior-secured, mezzanine

Companies
EBITDA > €12m

Artemid Senior Loans¹

ARRANGER

Senior, syndicated financing

Companies
EBITDA > €8m and
moderate leverage

Transition²

LEAD INVESTOR

Bond instruments and/or
equity (minority or majority)

Companies
EBITDA generally €2m to €8m

Growth Tech

LEAD INVESTOR

Equity (mainly minority)

Companies
double-digit growth
& profitable

Flex Equity

LEAD INVESTOR

Equity (majority, minority),
convertible bonds and mezzanine

Companies
EBITDA generally €5m to €20m

Flex Equity Mid-Market

LEAD/CO-LEAD INVESTOR

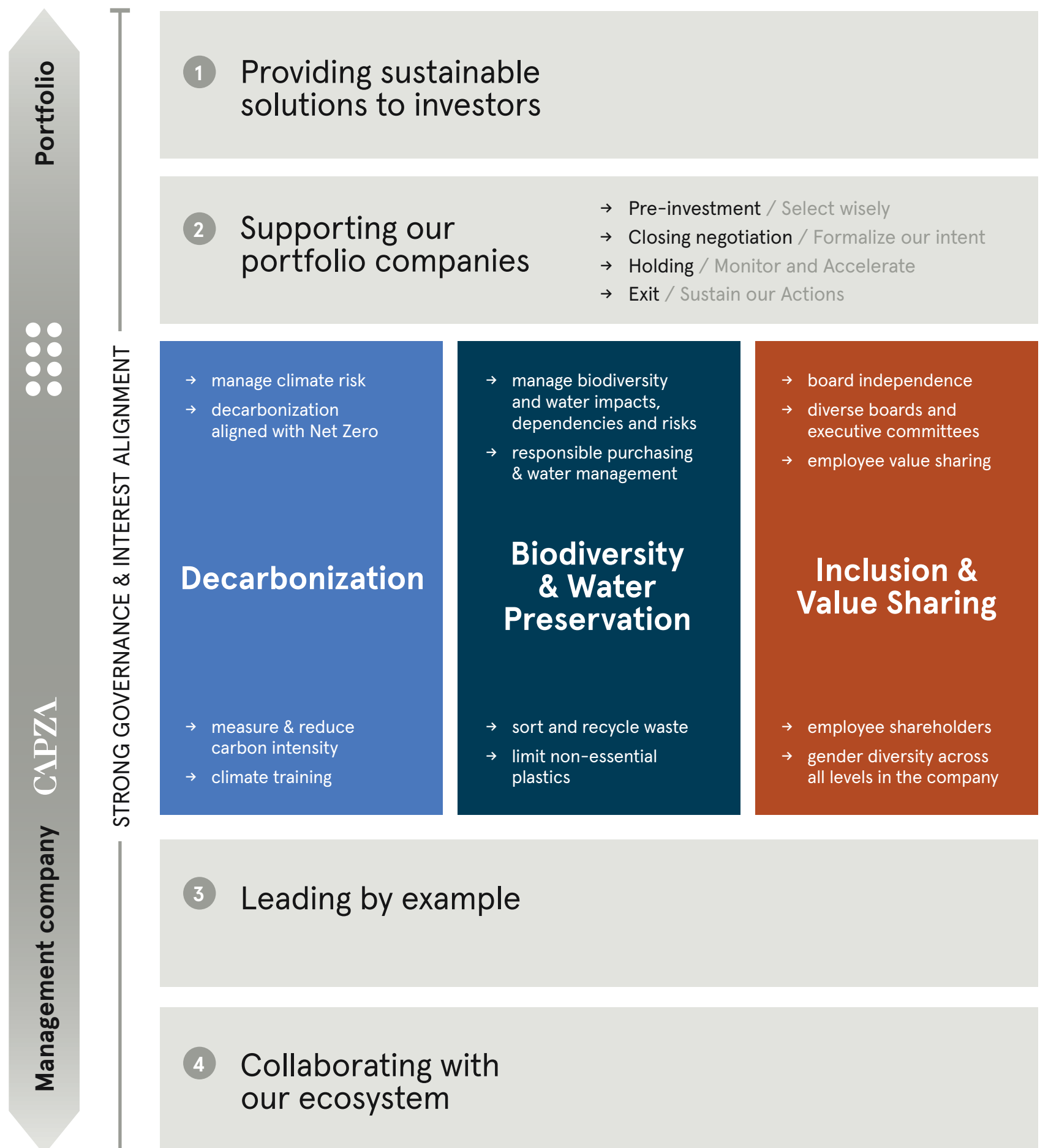
Equity (majority, minority)
and convertible bonds

Companies
EBITDA mainly > €20m

1. The funds of the Artemid range are managed by CAPZA and advised respectively by Artemid SAS which, as a fully owned subsidiary of CAPZA, is a financial investment advisor (CIF in France) registered by the Orias under the number 14003497 since the 28/05/2014.

2. The Transition strategy will shortly be renamed "Initiatives". It will include the funds managed by CAPZA and advised by CAPZA Transition SAS which has a financial investment advisor status (CIF in France) and is registered by the Orias under the number 18001601 since the 23/03/2018.




Our 4 pillar approach to sustainability holds us as a management company to the **same standards** on our 3 sustainability priorities as our portfolio.



2024 marked significant progress in the implementation of our sustainability strategy.

85%

OF PORTFOLIO COMPANIES HAVE ESG MANAGERS

Portfolio	<div>79%</div> <div>OF PORTFOLIO HAS AN ACTION PLAN TO REDUCE EMISSIONS</div>		<div>2365</div> <div>NET JOBS CREATED ACROSS OUR PORTFOLIO</div>
	<div>37%</div> <div>OF THE PORTFOLIO IS ALIGNED ON A NET ZERO TRAJECTORY</div>	<div>0%</div> <div>OF PORTFOLIO HAS A VERY HIGH BIODIVERSITY RISK</div>	<div>62%</div> <div>OF PORTFOLIO COMPANIES HAVE EXTRA-LEGAL PROFIT SHARING</div>
	<div>0%</div> <div>OF PORTFOLIO HAS A VERY HIGH CLIMATE RISK</div>	<div> Climate</div> <div>DEPLOYED ACROSS ALL STRATEGIES (climate and nature-related risks evaluation)</div>	<div>65%</div> <div>OF PORTFOLIO COMPANIES HAVE AT LEAST ONE WOMAN ON THE BOARD</div>
CAPZA	<div>Decarbonization</div>	<div>Biodiversity & Water Preservation</div>	<div>Inclusion & Value Sharing</div>
	<div>14%</div> <div>REDUCTION IN CARBON INTENSITY PER FTE IN ONE YEAR</div>	<div>37%</div> <div>OF SORTED RECYCLABLE WASTE</div>	<div>62%</div> <div>EMPLOYEE SHAREHOLDERS</div>
	<div>13</div> <div> CLIMATE FRESK</div> <div>INTERNAL CLIMATE FRESK FACILITATORS</div>		<div>86</div> <div>PENICAUD INDEX</div> <div></div>
Management company	<div>92%</div> <div>OF EMPLOYEES RECEIVED CLIMATE TRAINING</div>		<div>WOMEN AT CAPZA</div>
			<div>45%</div> ON THE EXECUTIVE COMMITTEE
			<div>16%</div> OF PARTNERS
			<div>28%</div> IN INVESTMENT TEAMS vs. 20% sector average

In 2024 we continued our efforts across the 4 pillars of our sustainability strategy

76

AVERAGE ESG
RATING FOR OUR
PORTFOLIO↑ 4% progress at constant
perimeter from 2023

87

ESG RATING
FOR CAPZA
MANAGEMENT
COMPANY

↑ 2% from 2023

75%

OF INVESTED CAPITAL IN 2024
SUSTAINABILITY-LINKED

9

PARTNERSHIPS TO SUPPORT OUR COMPANIES
UNDER THE SUSTAINABILITY AND IMPACT
ACCELERATION PROGRAM

100%

OF ARTICLE 8 OR 9 FUNDS

4

FTEs IN CAPZA'S SUSTAINABILITY TEAM

100%

OF CAPZA EMPLOYEES WITH VARIABLE
REMUNERATION LINKED TO ESG OBJECTIVES

2

INDUSTRY GROUPS WITH WHICH WE
COLLABORATE

Implementation of our exclusive
partnerships with CITECO
and Fondation Florence to
foster financial inclusivity
and accessibility for all



FONDATION FLORENCE



4

CLIMATE FRESKS FACILITATED FOR OUR
PORTFOLIO COMPANIESAI TRAINING PROGRAM FOR
OUR PORTFOLIO COMPANIESLAUNCH OF OUR SUSTAINABILITY
AND IMPACT DATAROOM

And our progress has been
recognized externally

#1

5-10BN€ AUM GP
IN THE ARMEN HEC VALUE SHARING INDEXLUXFLAG
Label

ESG

FLEX EQUITY MID MARKET II
FCPR PRIVATE DEBTGOLDING
Make a difference.FEATURED AS ONE OF TWO PRIVATE CREDIT GPS
RECOGNIZED FOR ESG LEADERSHIP
IN GOLDING'S SUSTAINABILITY REPORTFRANCE
INVESTCOPRESIDENCY OF THE SUSTAINABILITY
COMMISSION STARTING JUNE 2025RealDeals
SUSTAINABLE
INVESTMENT
AWARDS 2025FINALIST MID CAP PRIVATE EQUITY
HOUSE AND LENDER OF THE YEAR

99/100

PE MODULE

88/100

GOVERNANCE & STRATEGY

87/100

PRIVATE DEBT

85/100

CONFIDENCE BUILDING MEASURES



Building Value through Sustainability

Sustainable development has been a major concern for CAPZA for many years. When we began our ESG journey in 2011, we were among the first to commit to integrating non-financial criteria into our investment analysis and management. In 2016, we introduced non-financial reporting and annual analysis of the non-financial risk and maturity of our portfolio companies with the help of Reporting 21. Embedding ESG criteria and risks at every stage of the investment process is a fundamental aspect of our fiduciary duty.



2011

Signatory of the United Nations Principles for Responsible Investment (PRI)

Adoption of a RI Policy



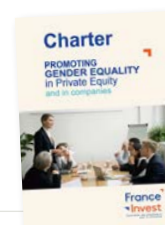
2012

Signatory of the France Invest Charter



2015

First annual ESG analysis and report



2019

Launch of CAPZA4GOOD: a Corporate and Social Responsibility Committee

Signature of the France Invest Diversity Charter



2020

CAPZA becomes signatory and member of ICI (International Climate Initiative)

Partnership with Project Rescue Ocean



2021

Appointment of Head of Sustainability and Impact

Signatory of Finance for Tomorrow

Launch of our 360° ESG strategy



2022

Launch of two funds focused on decarbonization, one of which is Article 9

Launch of our climate training program

Full biodiversity analysis and commitment on water



2023

Launch of our Sustainability and Impact Awards

Sustainability objectives to account for 15% of Partners' variable remuneration

Signed the France Invest charter on value sharing



2024

Launch of our philanthropic program aimed at contributing to financial education for all and fostering a more inclusive finance sector

Sustainability objectives to account for 15% of investment teams' variable remuneration

First TCFD aligned report

Signatory of the UN Global Compact

“Today, ESG has evolved to encompass the pursuit of sustainability. Moving beyond a risk-focused perspective, it now drives the creation of both financial and extra-financial value.



Benoit Choppin
Head of Private Equity, CAPZA



2025

Launch of our AI training program

Sustainability objectives to account in the variable remuneration of all teams

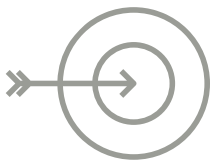
Promotion to Partner of our Head of Sustainability and Impact

Launch of C6FE and C7PD with an enhanced sustainability strategy

Copresidency of the sustainability commission France Invest

The Four Pillars of Our Sustainability Strategy

Since 2016, we have been collecting non-financial data and have developed internal tools for analyzing and benchmarking this data. These tools enable us to meet regulatory reporting requirements, the demands of our investors and those of our portfolio companies to measure and benchmark their actions. This data-driven approach characterizes CAPZA's ESG expertise, ensuring that we maintain transparency, accuracy, and efficiency in our reporting processes, and reinforcing our commitment to excellence and accountability.



1

Supporting our Portfolio Companies



2

Providing Sustainable Solutions to Investors



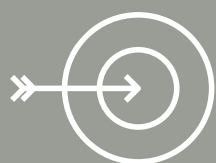
3

Leading by Example



4

Collaborating with our Ecosystem



1

Supporting our Portfolio Companies

To meet our standards of sustainability, we ensure that portfolio companies are on track towards their ESG roadmaps. We not only monitor ESG progress – benchmarking more than 100 KPIs annually with peers – and make recommendations, but we also support our portfolio companies in navigating the moving regulatory framework, adapting business models to the green and sustainable transition, fulfilling client requirements such as RFPs and ESG data, and becoming responsible employers focused on talent retention.

To support our companies, we have developed both internal sustainability expertise and an ecosystem of third-party service providers. However, the extent of our influence with companies differs according to which strategy is concerned and our role in the company's governance.

We are committed to fueling sustainable growth at our portfolio companies by helping them put sustainability at the heart of their business model.

ESG best practices and standards

CAPZA ensures that portfolio companies have access to regulatory updates and best-in-class ESG policies, including Codes of Ethics, Responsible Supply and Water Management Policies. These can be implemented directly or used as a basis to be adapted to their specific situation. These policies are available in our Sustainability & Impact dataroom, where we share training materials, best-in-class policies and tools, webinars, contact information and survey data with our companies.

ESG awareness and education

We offer our portfolio companies and investors training and awareness-raising events on sustainability:

- Sustainability lunch debates, to provide a deeper understanding of specific topics
- Sustainability webinars, to provide information on sustainable development regulations as well as aid schemes and subsidies to finance transition, or to explore case studies on implementing an ESG roadmap
- Climate Fresk workshops



Connecting with ESG providers and financial aids

We facilitate connections with recognized ESG solution providers through referencing and master agreements. Additionally, we assist in mapping public financial support to further aid our companies in their sustainability efforts.

Sectorial and thematic sustainability workshops

We work on sector-specific issues and foster collective intelligence and best practices within the sector.

We launched a training program on AI (cf. Page 19).

Building a sustainability-linked community & recognizing Achievements

We encourage the sharing of best practices between portfolio companies. In 2023, we launched the CAPZA Sustainability and Impact awards to recognize outstanding contributions and innovations in ESG practices.



Watch the 2024 awards



2025 AWARDS

This year, the event took on a new dimension thanks to the sponsorship of Thierry Marx, who presented the awards, and to the partnership with Indefi and Les Échos.



The winners in 2025 were:

BEST
FOOTPRINT

Magellan

BEST FOOTPRINT
BUSINESSES IN REGIONS

Luxcarta

BEST
PROGRESSION

Sewan

BEST
INITIATIVE

Eurofeu and Mayoly

In 2024:



BEST
FOOTPRINT

Questel

BEST FOOTPRINT
BUSINESSES IN REGIONS

LPG and Groupe Saint Aubin

BEST
PROGRESSION

Aercal

BEST
INITIATIVE

La Fée Maraboutée

In 2023:



BEST
FOOTPRINT

Questel and Audensiel

BEST
PROGRESSION

Eternity Systems

BEST
INITIATIVE

Advens



2

Providing Sustainable Investment Solutions to our Investors

We create funds that meet **investors' growing ESG expectations**, and provide high-quality annual reporting using proprietary tools and resources to give an accurate picture of the impact of our investments. All funds managed by CAPZA are classified under Article 8 or 9 of the Sustainable Finance Disclosure Regulation (SFDR).

In 2022, we launched two funds dedicated to decarbonization, aligning them with the goals of the Paris Agreement.

By serving as both lender and shareholder, we identified the most effective ways to support companies in this critical endeavor.

Flex Equity Mid Market II

In 2022, we launched our mid-cap LBO fund to help companies accelerate their international growth while working towards carbon neutrality by 2050. Our goal is to create "best-in-class" assets by the time we exit each investment. To achieve this we:

- Ensure that governance and strong **alignment of incentives related to ESG and decarbonization** are in place when we invest
- Provide financial and human resources to **help define and implement each company's ESG and decarbonization roadmap**
- Integrate ESG into our investment processes and include our **Head of Sustainability & Impact as a voting member** of our investment committee
- 20% of our carried interest is linked to the fund's extra-financial performance, including achieving a minimum decarbonization rate (decarbonization hurdle)

5%-7%

ANNUAL CARBON INTENSITY
REDUCTION TARGET OF THE FUND

MAIF Dette à Impact Environnemental

MAIF, a leading French insurer with a 15 year commitment to responsible investment, has appointed CAPZA and our subsidiary Artemid to manage an evergreen Article 9 environmental impact senior debt mandate which:

- Targets companies with **strong governance and the capacity to decarbonize** and improve their environmental impact more broadly
- Provides **incentives to pursue carbon neutrality by 2050**, linking the pricing of loans to progress in decarbonization (sustainability/decarbonization-linked loans or bonds)
- Requires management teams to implement a **robust roadmap** to improve ESG performance
- Contributes to the development of a group of companies that **share a genuine desire for sustainability and for concrete objectives leading to carbon neutrality**
- Incorporates an **innovative impact bonus**, designed by CAPZA, based on the achievement of the fund's impact targets

Turning commitments into action: case studies from our decarbonization funds

Flex Equity Mid Market II

Mayoly



- Implementing dedicated CSR governance and contributing to financing the CSR strategy
- Funding the carbon footprint assessment, decarbonization plan, and SBTi validation
- Partially financing the replacement of an air handling unit (CTA), enabling a 1% reduction in direct emissions

IMDEV



- Implementing a CSR governance, including support for the recruitment of a CSR Manager
- Financing the advisory services supporting IMDEV's transition to a mission-driven company
- Facilitating three Climate Fresk workshops with IMDEV's management and support teams
- Measuring the company's carbon footprint and implementing GHG emissions targets aligned with a Net-Zero trajectory

TravelSoft



- Defining and measuring revenues related to sustainable tourism
- Financing the development of a carbon footprint calculator for travel packages, certified under the GHG Protocol
- Measuring the company's carbon footprint and implementing GHG emissions targets aligned with a Net-Zero trajectory

MAIF Dette à Impact Environnemental

Eurogerm



Impact on yield between -100 and +50 basis points. Its sustainability ambition is reflected through 5 key pillars:

- Customer Products Decarbonization: Avoid 5,000+ tCO₂e in 2025 via sustainable solutions and innovation
- Responsible Purchasing: Implement a sourcing policy across all categories, integrating ESG criteria
- Excellence in ESG Ratings: Maintain ESG score above 82 in 2025 and aim for Ecovadis Gold rating by 2026
- CSRD Readiness: Strengthen practices and reporting to meet CSRD requirements
- Wellness at Work: Target 85%+ employee engagement and promote health, inclusion, and purpose at work

Amexio



Impact on yield between -127.5 and +52.5 basis points. Amexio has recently achieved the following milestones:

- Full measurement of its carbon footprint
- Certified great place to work
- 25% of women in leadership positions
- Over 98% of developers trained in eco-design
- Ecovadis Platinum rating for 2025

ADF



Impact on yield between -75 and +35 basis points. ADF has recently achieved the following milestones:

- ISO 14001 Certification
- Measuring Exposure to physical and transition climate risks
- Fleet electrification
- Female talent development program
- Completion of double materiality matrix



3

Leading by Example

We believe that to be credible we must hold ourselves to the same standards and use the same tools we deploy with our portfolio companies. CAPZA is a mid-sized company, much like those in which we invest, and we adhere to the same rigorous standards of transparency and alignment of interest we promote, and deploy the same transformation levers that we expect of our portfolio companies. This approach reinforces our credibility and differentiation within our investment ecosystem. We are convinced that demonstrating consistent commitment to sustainable practices and responsible business conduct reinforces trust among our portfolio companies. This is why we have:

- Defined **robust governance for ESG and Sustainability matters**
- Set **internal objectives that mirror** the ESG goals we have defined with our portfolio companies on our three sustainability priorities
- Applied the **same measurement and monitoring process** to CAPZA that we use with our portfolio companies (identical survey, deadline and scoring framework)
- Included **ESG performance targets in our remuneration** schemes

Aligning interests on sustainability both internally and in our portfolio companies is a powerful catalyst for positive change.

Remuneration Aligned with Sustainability Targets

The EU's SFDR has underscored the imperative for financial institutions to integrate ESG considerations into all aspects of their operations, including remuneration policies. Aligning compensation with ESG performance also serves the best interests of stakeholders by incentivising sustainable business practices and long-term value creation.

We intend to link the variable component of all CAPZA employees' remuneration to sustainability targets. We initiated this process in 2023 with the partners, followed in 2024 by the investment teams and have extended it to cover all employees in 2025.

In 2025, we will link the variable component of all CAPZA employees' remuneration to sustainability targets.

Objectives for all:

- Completion of the "IBF accredited Introduction to CSR and ESG Investing" certification by 01/12/2025

Additional Objectives for Partners:

1. **Mandatory:** At least one independent board member in equity within 2 years after investment when majority shareholder (exceptions on a case-by-case basis)
2. **Best effort:** Structuring Management Packages with ESG objectives when majority shareholder

Objectives for Investment Teams:

- Climate analysis included in all one-pagers and investment notes
- ESG clause and ESG-related incentives included in Letters of Intent
- Engagement with portfolio companies in ESG reporting campaign
- Structuring sustainability-linked financing and management packages
- Board independence and diversity
- Deployment of Climate Fresk in portfolio companies
- Carbon footprint assessment of the portfolio companies
- Participation in ESG committees and training sessions
- Systematic inclusion of the decarbonization clause in the SHA



One year of progress of our philanthropic program: financial education for all and a more inclusive financial sector

Pressing social needs exist in areas where CAPZA can contribute knowledge and resources. To maximize our impact, we decided to partner with one institution for each priority area.



Learn more about
the launch of our
philanthropic
program



Méline Amayéné
Intern in the Sustainability & Impact team

Christian Tiemele
Intern in the Private Debt team

A MORE INCLUSIVE FINANCE SECTOR

Fondation Florence

Fondation Florence helps young people from disadvantaged backgrounds succeed in higher education and access professional jobs. It supports students at top-tier schools with CROUS scholarship levels 4-7 through mentoring, scholarships, internships, and socio-cultural support.

The foundation currently supports 319 students with 297 mentors, organizing 64 events and 19 webinars. Our grant funds operations and scholarships, while senior professionals mentor students and young professionals assist with recruitment process.

InvestClub

CREATION OF A PROFESSIONAL CLUB
AROUND PRIVATE EQUITY
IN PARTNERSHIP WITH CAPZA

€30k

GRANT PER YEAR FOR THREE YEARS

2

INTERNSHIPS PER YEAR AT CAPZA
We will also develop internship
opportunities at our portfolio companies

10

CAPZA MENTORS



FINANCIAL EDUCATION FOR ALL

Citéco

Cité de l'Économie, Europe's first economics museum, offers an interactive exhibition and cultural program to educate all ages. CAPZA is the first private company to partner with Citéco, contributing our finance and sustainability knowledge to enhance financial education and career pathways for schoolchildren.

We support the exhibition overhaul with a section on entrepreneurship and midcap financing, and fund a forum theatre show on entrepreneurship, directed by Jérémy Le Breton. We also sponsor admissions for 997 young people from priority education areas out of 25,000 schoolchildren visitors in 2024.

€70k

GRANT PER YEAR FOR THREE YEARS

6

CAPZA EMPLOYEES INVOLVED

CAPZA ALSO SUPPORTS

Finance for schools project

Project that aims to address Italy's critical financial literacy gap by offering interactive seminars to 12,000 students across 100 schools, with a particular focus on underserved communities.



Launch of a Training Program on AI

Artificial Intelligence represents a major strategic lever for companies, both in terms of productivity and process optimization, as well as in helping employees adapt to major technological and ESG transitions.

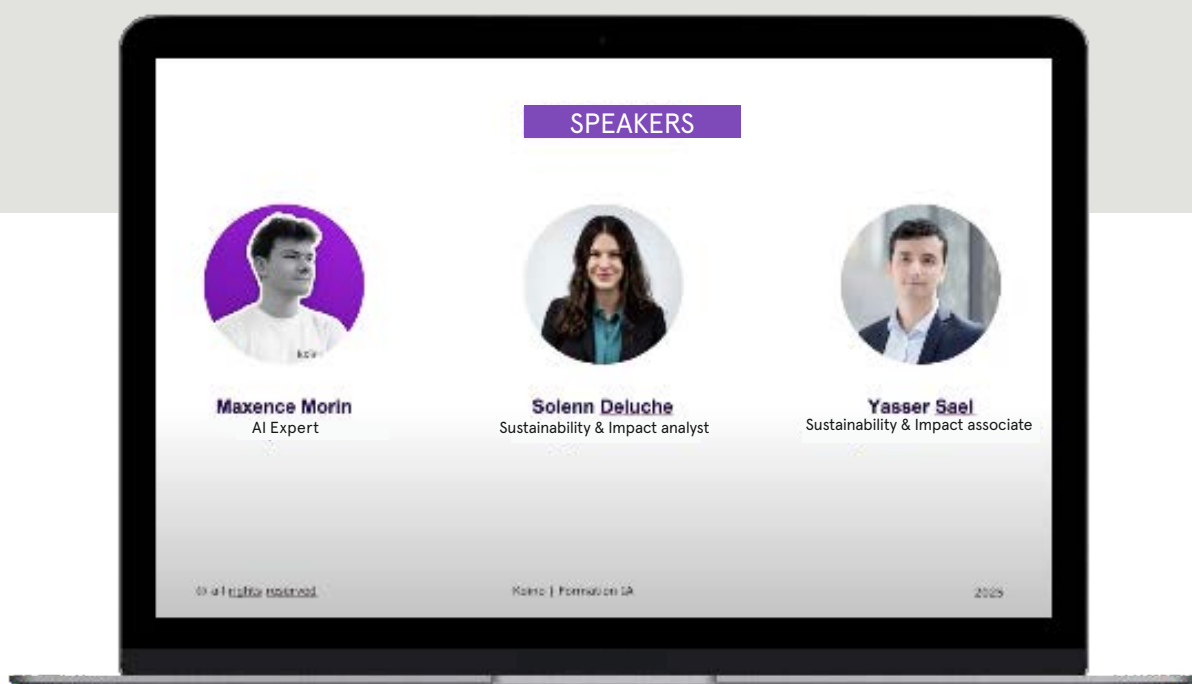
In this context, we have decided to launch an AI training program for companies within the CAPZA ecosystem, with the following objectives:

- Raise awareness among all employees in the CAPZA ecosystem about the opportunities and challenges of AI
- Accelerate the adoption of high-impact AI solutions within companies through practical workshops and feedback sessions
- Help reduce inequalities in access to digital skills by making training accessible to all employees, regardless of their role or level
- Promote responsible and ethical use of AI, with a focus on data protection, fairness, transparency, and the alignment of AI practices with ESG goals

The program is structured around two steps:

- 1 **INTRODUCTORY WEBINAR**
(opened to all employees)
- 2 **JOB-SPECIFIC BOOTCAMPS**
(on a voluntary registration basis, in person at CAPZA)

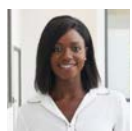
- **Objective:** Deepen the integration of AI into specific roles through interactive workshops and case studies
- **Identified topics:** Finance, HR, Marketing, RFPs, Legal...
- **Ethics & ESG focus:** Each bootcamp will include a segment on ethical considerations and ESG implications relevant to the specific function, such as bias mitigation in HR tools, responsible AI in financial decision-making, or transparency in automated legal analysis



Replay here

We firmly believe that investing in our employees' development is key to driving positive impact and maintaining our competitive edge.

“It was important for me to get involved as an ESG lead to disseminate our approach within the team and build our collective intelligence.



Mariama Jassigui
Director, Growth Tech, CAPZA

Training and raising awareness among staff are essential for the success of our ESG strategy and policies. Our training policy emphasizes continuous learning and professional growth, offering targeted programs, workshops, courses, exchanges with the Sustainability & Impact team and presentations by external speakers to ensure that our people are equipped with the latest insights and skills in sustainable development and finance. In 2024, training covered topics such as Regulation (SFDR, Taxonomy, CSRD), Climate, Biodiversity, Diversity, and Female Leadership. By fostering a culture of continuous learning, we empower our employees to make informed decisions and deliver on our commitment to responsible and ethical business practices.



In 2024, a video training on our sustainability strategy and processes was made available to all new employees as part of their onboarding.

We empower employees to drive climate action and raise awareness across our organization and beyond

We organize sustainability lunch debates for employees, investors, and portfolio managers to deepen our understanding of environmental and social issues and explore solutions.

We offer our employees climate training as well as the opportunity to become Climate Fresk workshop facilitators within CAPZA and at our portfolio companies. By empowering our employees to become trainers, we create a ripple effect, fostering a culture of environmental awareness and action throughout our organisation and beyond.

13

FACILITATORS AT CAPZA, REPRESENTING AROUND 11% OF OUR EMPLOYEES who can run Climate Fresk workshops for our portfolio companies

50%

OF PORTFOLIO COMPANIES THAT RESPONDED INDICATED THEY WANTED US TO FACILITATE A CLIMATE FRESK WORKSHOP FOR THEM

4

WORKSHOPS ORGANIZED IN 2024 IN RESPONSE TO COMPANIES' REQUESTS accompanied by a 30-minute session aimed at sharing the company's ESG footprint and collectively brainstorming actionable steps





4

Collaborating with our Ecosystem

Sustainability is a shared responsibility: while individual companies can have an impact, **collective action is much more powerful**. Therefore, we strive to forge stronger links with our broader ecosystem. We share our vision of sustainability in higher education and industry conferences, have developed a sustainability-linked community and seek to facilitate cross fertilization, and are involved in various industry groups and we promote ESG best practices when we act as a co-investor or lender.

CAPZA's involvement in industry working groups



CAPZA is a member of France Invest, the professional association representing the private equity and private debt industry in France, as well as a member of the Initiative Climat International (ICI).

As part of our commitment to responsible investment, we have actively contributed to the development of collective market positions in response to both national and European regulatory consultations. This includes our involvement in shaping positions on the French "label ISR non coté" and the evolution of the EU Sustainable Finance Disclosure Regulation (SFDR). Through our participation in industry working groups and professional associations, we seek to ensure that ESG frameworks remain both ambitious and pragmatic for investors and portfolio companies.

Since June 2025, Aurore Gauffre has been co-chairing the Sustainability Commission of France Invest, further reinforcing our leadership and engagement on ESG matters within the private markets industry.

CAPZA's contributions to media publications

We strive to share our expertise on sustainability and our initiatives widely through media channels.



LesEchos

La durabilité, un levier stratégique pour les PME-ETI : CAPZA célèbre les entreprises engagées

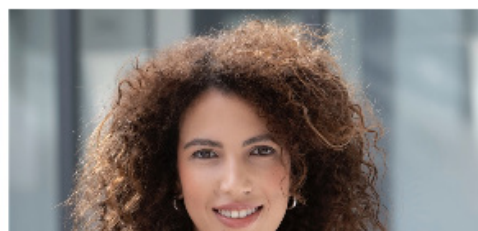


FINANCIAL INVESTIGATOR

NEWS MAGAZINE EVENTS COLUMNS RESEARCH DOSSIERS

AXA IM Alts: Beyond financing - the rise of direct lenders as catalysts for impact

May 7, 2025



Les management packages se mettent au vert

Longtemps basée sur des objectifs de TRI, Ebitda, chiffre d'affaires... la rémunération des managers sous LBO intègre désormais des critères ESG.

Ajouter à mes articles Commenter Partager Dossiers



CAPZA's involvement with private equity sponsor when acting as a lender

As a lender financing a leveraged buyout for a private equity sponsor, our role extends beyond traditional financial considerations to encompass a comprehensive assessment of the sustainability practices. By holding both the target company and the sponsor accountable for their sustainability commitments, we aim to foster responsible investment practices and drive long-term value creation and influence the ecosystem. That is why we assess the ESG maturity of the sponsor alongside the company before investing and actively engage during the holding period.

CAPZA's academic involvement

Despite growing awareness, sustainable finance has yet to achieve mainstream adoption. CAPZA firmly believes that a transformation of the finance industry will require concerted efforts to train the next generation of finance professionals. This is why Aurore Gauffre and Constantin Kryvian have teaching roles at Sciences Po and Dauphine respectively, helping to develop a cohort of future finance leaders equipped to navigate and address sustainability issues.

Dauphine
UNIVERSITÉ PARIS

SciencesPo

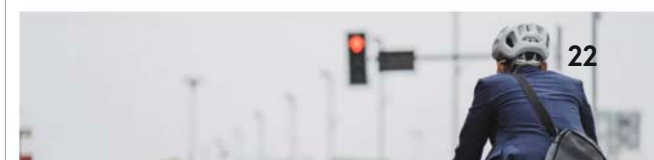
Dans les entreprises françaises, le vélo de fonction prend son envol

Analyse Le phénomène reste marginal en France, beaucoup moins en Allemagne : de plus en plus d'entreprises proposent à leurs collaborateurs un vélo de fonction, moyennant une participation financière. Ce système de leasing, avec option d'achat par le salarié, permet de réduire leurs émissions.

Denis Peiron, le 03/03/2024 à 10:45

réservé aux abonnés

Lecture en 3 min.



Intertwining Sustainability & Governance

We have established a sustainability and impact governance structure that is both strategic and closely aligned with operational functions, enabling us to influence the organisation's framework while implementing concrete and achievable actions.

Sustainability
& Impact Team

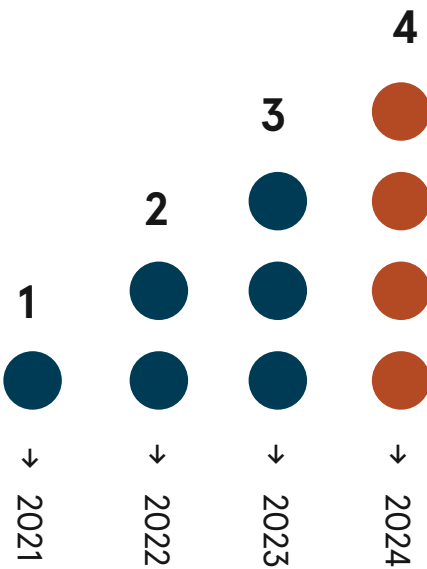
ESG Referents

ESG & Impact
Committees

Governance at Our
Portfolio Companies



Sustainability team as number of Global FTE
(excluding internships)

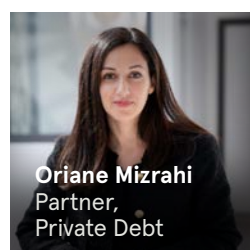


Our Sustainability & Impact team is the link between CAPZA’s general management and our investment and cross-functional teams. The Sustainability & Impact team is headed by Aurore Gauffre (member of the FEMM2 and MAIF Dette à Impact Environnemental investment committees).

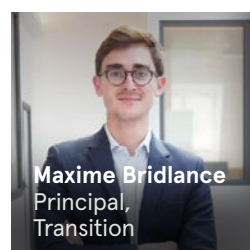
Aurore is supported by one Sustainability & Impact associate, Yasser Sael, and two Sustainability & Impact analysts, Solenn Deluche and Hugo Villain as well as a Sustainability & Impact intern.

Our Sustainability & Impact strategy depends on input from everyone within the company, including all our cross-functional teams, for its success. The compliance and risk management team focuses on 2nd level controls, input on policies and their implementation. Business development and investor relations involve liaising with investors on strategy and reporting. The HR department ensures sustainability values are integrated into recruitment, remuneration, training, and employee engagement. The product team prepares presentation materials and answers investor due diligence questionnaires. The general secretariat and middle office handle annual report preparation and ESG-related flow modifications. The legal team drafts regulatory and fund documents, while the communications team shares sustainability information both internally and externally.

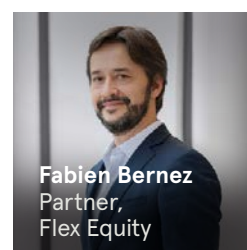
The Sustainability & Impact team operates a network of ESG ambassadors, one in each investment team, that meets monthly. This embeds our ESG priorities within each investment strategy and to shares best practices across our teams.



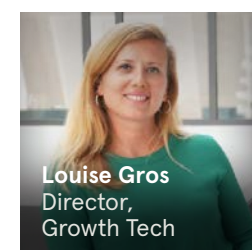
Oriane Mizrahi
Partner,
Private Debt



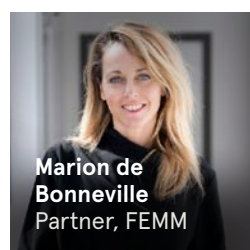
Maxime Bridlance
Principal,
Transition



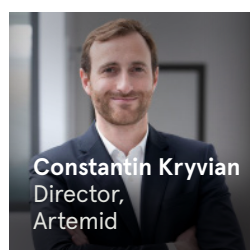
Fabien Bernez
Partner,
Flex Equity



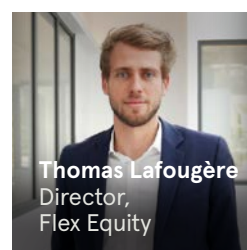
Louise Gros
Director,
Growth Tech



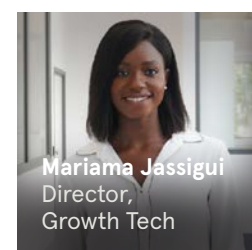
Marion de Bonneville
Partner, FEMM



Constantin Kryvian
Director,
Artemid



Thomas Lafougère
Director,
Flex Equity



Mariama Jassigui
Director,
Growth Tech

“ I am thrilled to be at the forefront of integrating sustainable practices into our investment strategy. My role is not only to ensure that our ESG policies are effectively implemented but also to share our best practices.



Constantin Kryvian
Director, Artemid, CAPZA

ESG & Impact Committees

The Global ESG Committee reviews strategy, processes and non-financial performance. It meets twice a year:

- Once to discuss updates to CAPZA's ESG strategy and processes and regulations, frameworks and initiatives. This meeting also agrees the scope of reporting for the year ahead
- Once to receive the results of our annual ESG reporting exercise and to discuss updates to ESG strategy and policy

Equity strategy-specific ESG committees review the extra-financial performance of each fund in detail and determine priorities and action plans for each company. They meet at least once a year.

Funds committed to a minimum of 30% sustainable investments as defined by SFDR are also subject to stringent oversight by an Impact Committee, augmented by an independent third-party entity. This collaborative effort ensures meticulous monitoring of non-financial performance metrics and facilitates informed decisions regarding supplementary measures.

CAPZA4GOOD

Guiding our own sustainability & impact

This committee is responsible for improving our own sustainability practices. CAPZA4GOOD approves initiatives that support our sustainability and impact strategy and are consistent with CAPZA's brand image. Although initiated in 2019, we decided, in 2023, to strengthen the committee's governance structures and provide substantial new resources:

€210k

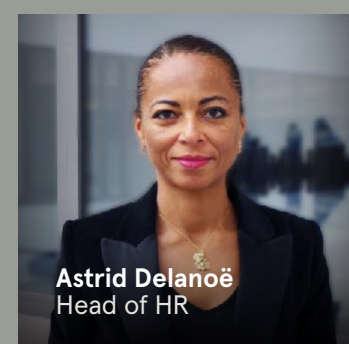
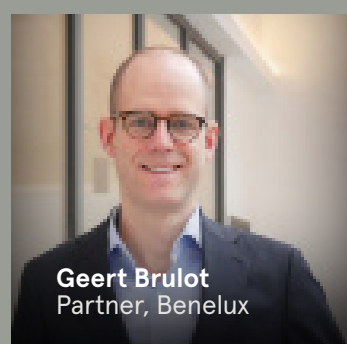
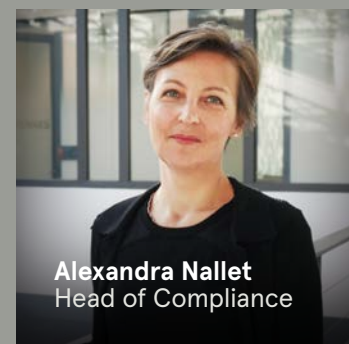
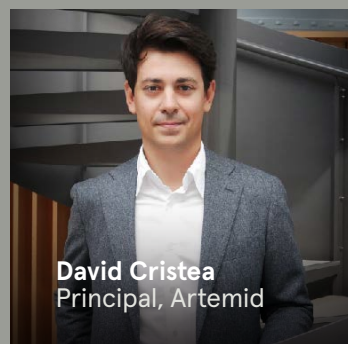
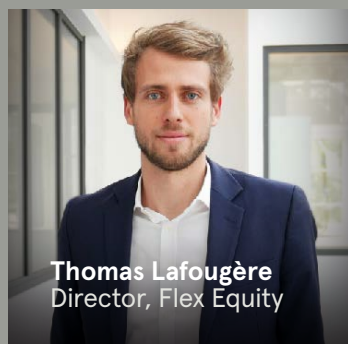
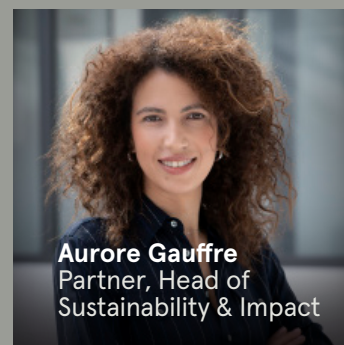
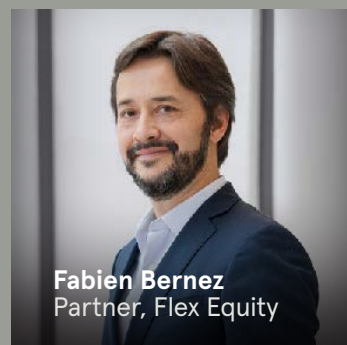
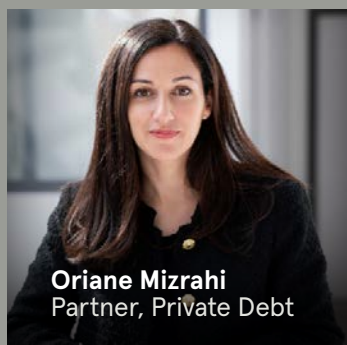
ANNUAL BUDGET APPROVED FOR 3 YEARS

1

SOLIDARITY DAY PER EMPLOYEE PER YEAR
FOR CAUSES CHOSEN BY CAPZA4GOOD

11

VOTING MEMBERS NOMINATED BY THE MANAGEMENT BOARD
ensuring representation across our various functions and regions.
It meets monthly



Governance at Our Portfolio Companies

It was very insightful to meet with CAPZA during my recruitment process and to understand the role of shareholders in IMDEV, especially regarding CSR. Knowing that I would have the full support of both management and the shareholders to implement an ambitious sustainability strategy gave me great confidence and motivation.



Théo Riou,
CSR Manager,
IMDEV

Effective corporate governance is essential for the success and sustainability of any company. It ensures transparency, accountability and ethical decision-making, which are crucial for maintaining investor confidence and achieving long-term growth. Furthermore, good governance must also encompass ESG aspects, integrating social, environmental, and economic considerations into the company's strategic framework to promote a positive impact on society and the environment

0% OF OUR INVESTMENTS VIOLATED UNGC PRINCIPLES OR OECD GUIDELINES
5% did not have policies to monitor compliance with guidelines

61% ↑ OF OUR COMPANIES HAD AT LEAST ONE INDEPENDENT BOARD MEMBER
9% increase since 2023 at constant perimeter

85% OF OUR COMPANIES HAD AN ESG MANAGER

91% ↑ OF OUR COMPANIES HAD ESG DISCUSSED AT THE BOARD
3% increase since 2023 at constant perimeter



Decarbonization workshop with the Executive Committee and operational managers of IMDEV on March 5, 2025, facilitated in collaboration with CAPZA

Note: At constant perimeter since 2023

Managing Risks & Generating Positive Impact

throughout the
investment process



- Exclusion Policy
- Screening
- Due Diligence

Pre-investment /
Select Wisely

- ESG Roadmap
- ESG Provisions in Documentation
- Sustainability-linked Investments

Closing negotiation /
Formalize our Intent

- Monitoring ESG Risks and Impacts
- Specifics According to Strategies
- Sustainability and Impact Acceleration
- Voting Policy
- Information for Investors

Holding /
Monitor and
Accelerate

- Process Specifications
- ESG Reporting
- ESG Vendor Due Diligence

Exit /
Sustain our Action

	Private Equity	Private Debt
Pre-investment		
→ One Pager ESG analysis (climate included) of the target and the sponsor if applicable	SYSTEMATICALLY	SYSTEMATICALLY
→ LOI/Termsheet includes one paragraph on CAPZA's commitment to sustainability, mention of our capacity to put in place sustainability-linked management package or financing	SYSTEMATICALLY	BEST EFFORT
→ Extensive ESG Analysis carried out internally or externally depending on the materiality of ESG aspects	SYSTEMATICALLY	SYSTEMATICALLY
→ A minimum ESG Rating of 10 out of 20 is required	SYSTEMATICALLY	SYSTEMATICALLY
→ The Commitment Letter includes a sustainability-driven management package (KPIs can be defined later)	BEST EFFORT	N.A.
Closing negotiation		
→ The final documentation includes a sustainability-driven management package or bonds/loans	BEST EFFORT	BEST EFFORT
→ Net Zero provision and reporting requirements	SYSTEMATICALLY	BEST EFFORT
Holding		
→ Collection of ESG reporting with Reporting 21 or through the sponsor	BEST EFFORT	BEST EFFORT
→ ESG Rating based on ESG reporting	SYSTEMATICALLY	SYSTEMATICALLY
→ Annual ESG meeting in May/June on ESG with the company and Reporting 21	BEST EFFORT	BEST EFFORT
→ Transmission of the ESG reporting to the company	SYSTEMATICALLY	SYSTEMATICALLY
→ ESG analysis and roadmap in the agenda in the shareholder management meeting	SYSTEMATICALLY	N.A.
Exit		
→ Include ESG reporting and KPIs in the data room	SYSTEMATICALLY	N.A.
→ Sustainability included in the process specifications	SYSTEMATICALLY	N.A.
→ ESG Vendor Due Diligence	IF RELEVANT	N.A.

Pre-investment / Select Wisely

- Exclusion Policy
- Screening
- Due Diligence

1 Exclude the most harmful activities

CAPZA does not invest in companies that do not comply with international standards such as the United Nations Global Compact. We also avoid sectors and activities proven to have significant impacts on the environment and society, or that generate additional risks (reputational, ethical, legal, etc.).

Our exclusion policy rules out activities that seriously harm the climate and biodiversity or raise major ethical issues. It comprises three types of exclusions and restrictions:

- **Norm-based exclusions:** This category includes illegal economic activity and activity that results in severe breaches of international standards, conventions, norms, or protocols to which France is a signatory, including the UN Global Compact.
- **Sectorial exclusion and restriction concerning environmental commitments focusing on climate change and biodiversity:** (i) thermal coal activities; (ii) conventional and unconventional fossil fuels exploration, development, and production; (iii) extraction, production, and distribution of palm oil and wood pulp, active contribution to deforestation; the trade of unauthorized plant or animal species or products governed by CITES; land grabbing practices or the development of farming projects in national parks considered protected areas; activities that generate more than 5% of their consolidated revenues from products containing polychlorinated biphenyls, asbestos fibers, drift nets over 2.5 kilometers in length; and activities that focus substantially on the production and trade of pesticides.
- **Sectorial exclusions and restrictions concerning social commitments:** production and trade of tobacco-related products and services (representing more than 5% of the company's consolidated revenues), production and trade of weapons (including white phosphorus weapons) and ammunition – It being understood that such restrictions do not apply to the extent such activities are part of or accessory to explicit European Union policies, gambling activities, pornography, recreational drug use, human cloning.

2

Assess the materiality of sustainability issues

The investment teams then assess the materiality of sustainability issues, leveraging three tools:

- The SASB (Sustainability Accounting Standard Board) framework.
- An internal rating based on Principal Adverse Impacts and other criteria, rating should be superior or equal to 10/20 to pursue the investment.
- Predefined high-stakes sectors, with high impact on the environment or society (agriculture, forestry and fishing; mining and quarrying; manufacturing; energy; water supply, sewerage and waste management; construction; wholesale and retail trade; transport and warehousing; accommodation and catering; real estate; healthcare).

3

Conduct comprehensive due diligence

When the ESG challenges or opportunities are identified as **significant**

Debt

Detailed due diligence is carried out by the Sustainability & Impact team, including discussions with the management or/and sponsor of the target company. The in-depth ESG analysis covers climate (physical and transitional) and biodiversity risks, as well as potential and contingent PAIs.

An analysis of the sponsor's PRI rating and, where applicable, a summary of the sponsor's ESG due diligence report are included in the investment memorandum.

Equity

Detailed due diligence is carried out with a third party, including discussions with the management of the target company. The analysis covers climate (physical and transitional) and biodiversity risks.

A preliminary ESG roadmap is drawn up and included in the investment memorandum. Where possible, we integrate the investments and costs required to implement the ESG roadmap and value creation opportunities into our business plan.

When the ESG challenges or opportunities are identified as **non-significant**

The investment team carries out double ESG materiality analysis, using the SASB analytical framework and external and internal tools. The Altitude tool, developed by AXA Climate, which enables climate and biodiversity analysis based on sectoral and geographical data, is used in debt and is now available for equity.

Closing Negotiation / Formalize our intent

- ESG roadmap
- ESG provisions in Documentation
- Sustainability-Linked Investments

As investors in private assets, we can exert significant influence on the deal documentation, allowing us to set ESG targets and commitments at the outset. By integrating ESG considerations into the initial agreements and frameworks, we both align the company with ESG principles from the beginning and actively contribute to positive social and environmental outcomes as stewards of capital.

Strengthen ESG specific clauses

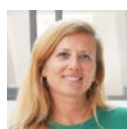
We seek to include investment-specific sustainability clauses in shareholder agreements or debt contracts. We look to add clauses that reflect the potential risks and impacts that we identified during our due diligence.

- For example, if the company's Penicaud index is below the legal minimum, we add a clause to the shareholders' agreement requiring measures to advance **gender equality** within the company.
- **Decarbonization**: Since July 2023 we have included a clause in all our investments through equity funds committing the company to make its best efforts to reduce its greenhouse gas emissions in line with the objective of Decarbonization by 2050. We also include this clause in all our debt contracts for the MAIF Debt with MAIF Dette à Impact Environnemental fund.

EXAMPLE CLAUSE

The shareholders and management are committed to setting the Group on a path to reduce its greenhouse gas emissions, in line with the ambition of a Net Zero economy by 2050 and limiting global warming to 1.5°C by 2100. To this end, a group-wide carbon assessment (scope 1, 2, 3) will be carried out within 6 months of the investment to define quantified reduction targets.

“ The systematic inclusion of this decarbonization clause, aligned with Net Zero targets, alongside standard provisions, necessitates that we provide comprehensive education to ensure that management fully understands this ambition from the outset of our engagement.



Louise Gros
Director, Growth Tech, CAPZA

Sustainability-linked transactions

We are convinced that incorporating ESG objectives into incentive schemes, such as debt pricing mechanisms or management compensation packages, for debt or equity investments, enables the achievement of these objectives by aligning stakeholders' interests with sustainable practices. Moreover, linking financial incentives to ESG performance fosters accountability and transparency, driving continuous improvement in environmental and social practices.

These ESG objectives are defined based on our due diligence and on discussion with the management to assess feasibility and cost implications. We are working to integrate ESG considerations into our 100-day post-investment plans.

By integrating ESG targets into contractual agreements we incentivize companies to target sustainability as well as financial performance.

In 2024, we kept supporting the inclusion of **Sustainable Performance Targets (SPTs)** in new transactions.

75%[↑]

OF INVESTED CAPITAL IN 2024 HAD SPTs
compared to 79% in 2023

41%

IN EQUITY

87%

IN DEBT

100%

OF THE INVESTED CAPITAL IN 2024 WITH SPTs
HAVE AT LEAST ONE ENVIRONMENTAL OBJECTIVE

178

KPIS FOLLOWED OR
IMPLEMENTED IN 2024

Contribution to the
Sustainable Development
Goals (SDGs)



Note: At constant perimeter since 2023

Holding / Monitor and Accelerate

- Monitoring ESG Risks and Impacts
- Specifics According to Strategies
- Sustainability and Impact Acceleration
- Voting Policy
- Information for Investors

CAPZA's portfolio companies primarily depend on or can influence the outcome of five Sustainable Development Goals



ESG risk analysis and scoring (1/2)

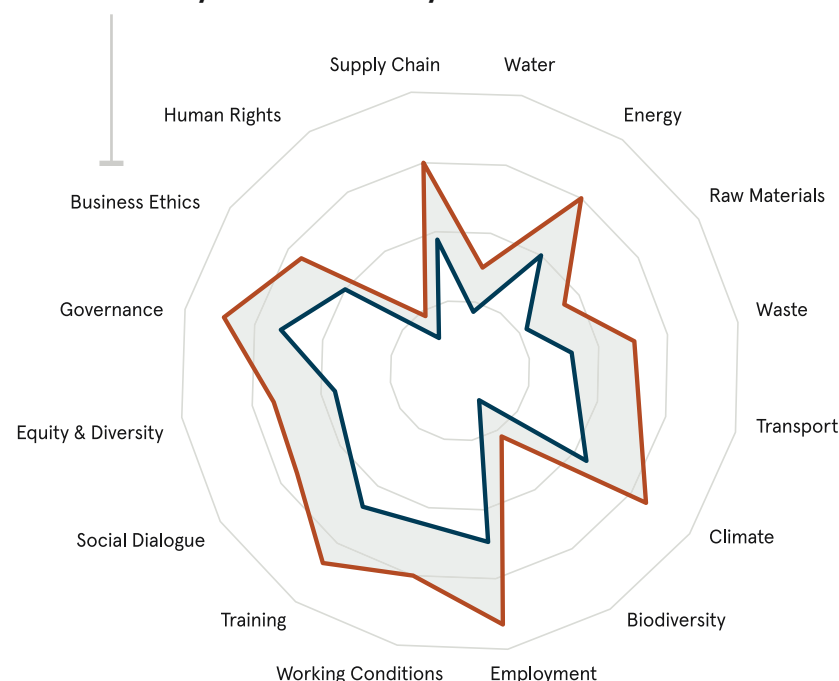
We worked with Cority (ex Sirsa) and its platform Reporting 21 to create our own ESG analysis process, which we continue to enhance every year.

For each of **16 ESG issues**, we assess the **materiality** to each portfolio company based on the company's size, business sector, countries of operation, reported data, and to a lesser extent in relation to other companies in the portfolio.

The combination of qualitative and quantitative data from the 150 collected KPIs allows us to evaluate each company's **maturity** on each topic in terms of awareness and commitment.

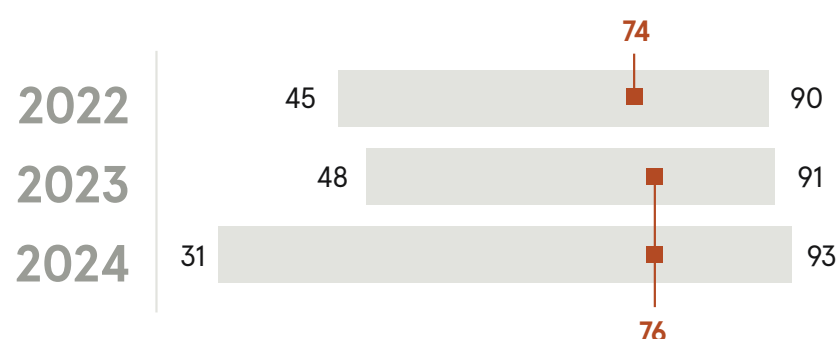
With these two scores, we calculate the company's **risk** on each topic: the difference between the materiality of the issue and the company's maturity on that issue. If an ESG risk is greater than 4, we discuss remediation actions in a dedicated committee with senior management, the risk director, and the partner responsible for the investment.

Portfolio ESG materiality & maturity 2024



Overall scores are calculated by dividing the total **maturity** by the total **materiality**.

Portfolio ESG scoring range & average evolution



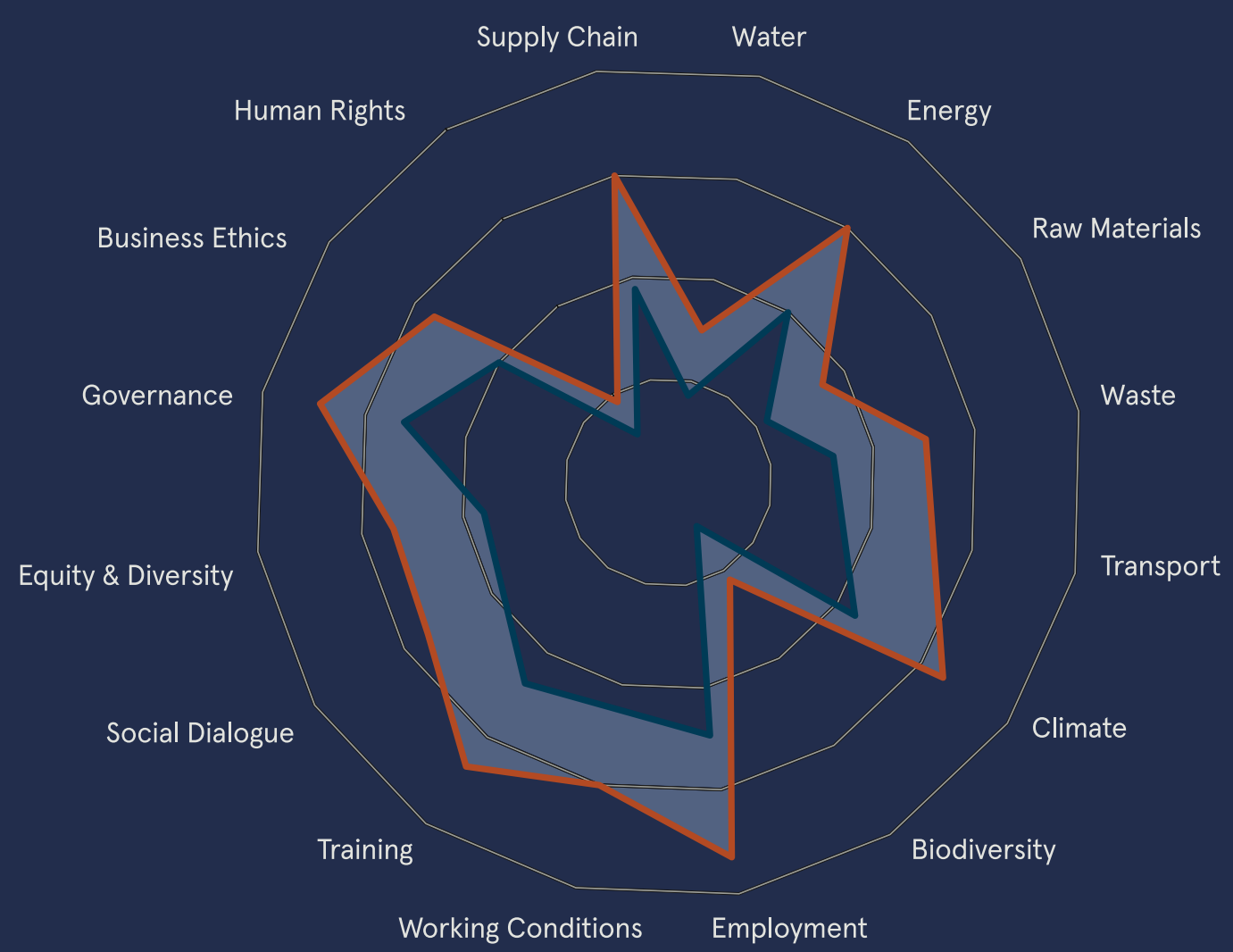
CAPZA's ESG materiality & maturity 2024

We follow the same ESG reporting process as our companies, completing an annual survey questionnaire that is scored by Reporting 21.

CAPZA has a Risk Management committee that oversees all business risks, including ESG and climate risks. The risk & compliance committee reports these risks to the Board.

87

OVERALL ESG SCORE
+2 points from 2023



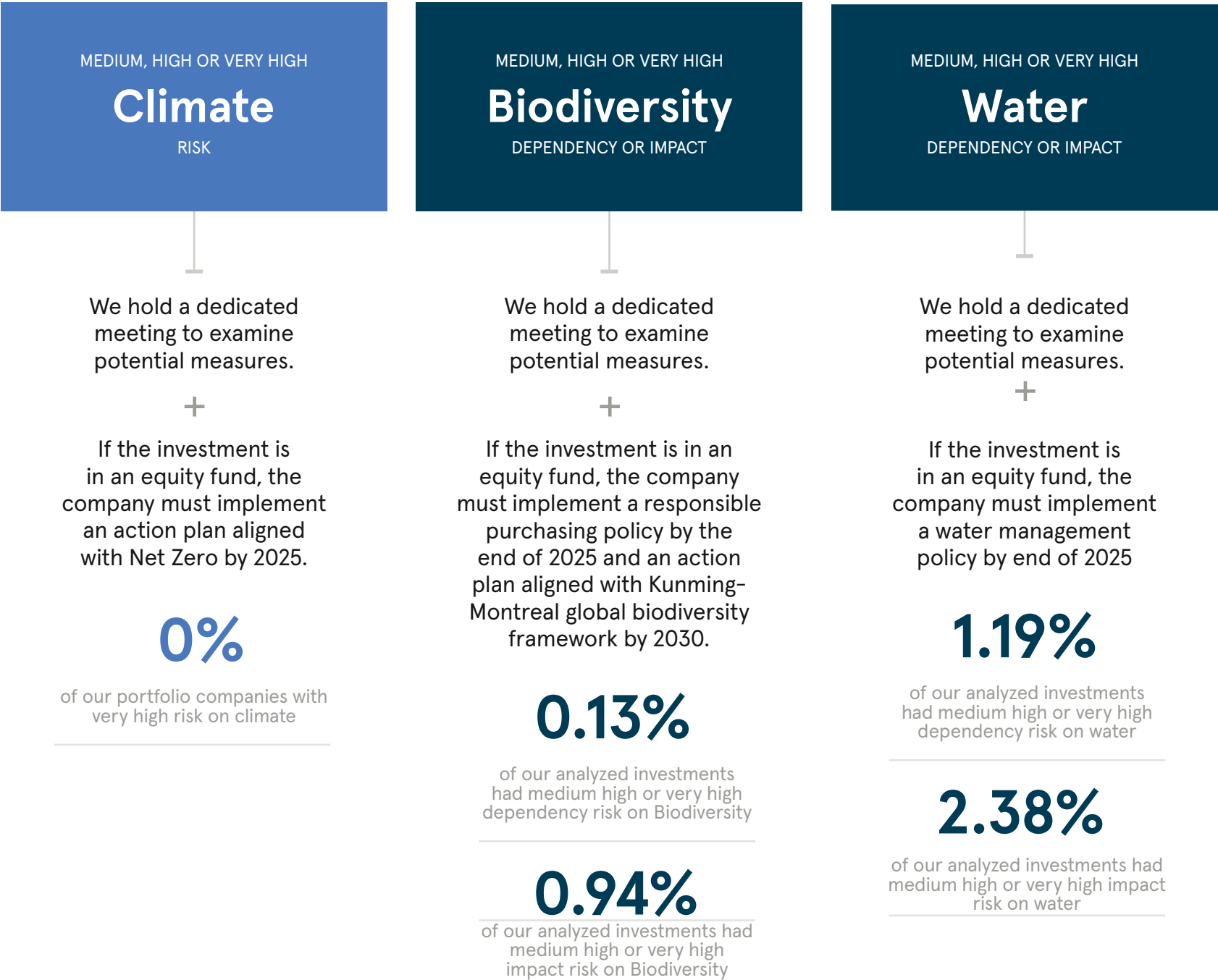
Adopting the same process as our companies, from data collection to scoring and analysis with Cority, enhances our credibility in setting realistic goals and supporting them in achieving those goals.



Oriane Mizrahi
Partner, Private Debt, CAPZA

ESG risk analysis and scoring (2/2)

Our objective is to ensure that no companies in our private equity portfolios have very high climate, biodiversity and water risks, as assessed by a third party. For each investment that has a medium, high or very high risk, we emphasize the materiality with the investment team during an ESG committee and examine potential mitigation measures. We integrate them into our sustainability-climate roadmaps and discuss them with the concerned company. We promote training on biodiversity and water and the implementation of responsible procurement policies, biodiversity policies, water management policies and water saving solutions across our portfolio.



Annual reporting and action plans

We deliver a report to each company, that summarizes their score, and a progress update on the company's action plan, detailing ESG actions already implemented, those currently being implemented and future planned actions. The report also provides an update on progress towards any Sustainability Performance Targets (SPTs) associated with the investment.

A meeting with the company's management and members of CAPZA's investment and Sustainability & Impact team is scheduled to review the report and discuss best practices; commit the company to its annual action plan; and respond to the company's questions and needs in terms of service providers, costs and methods for implementing specific actions.

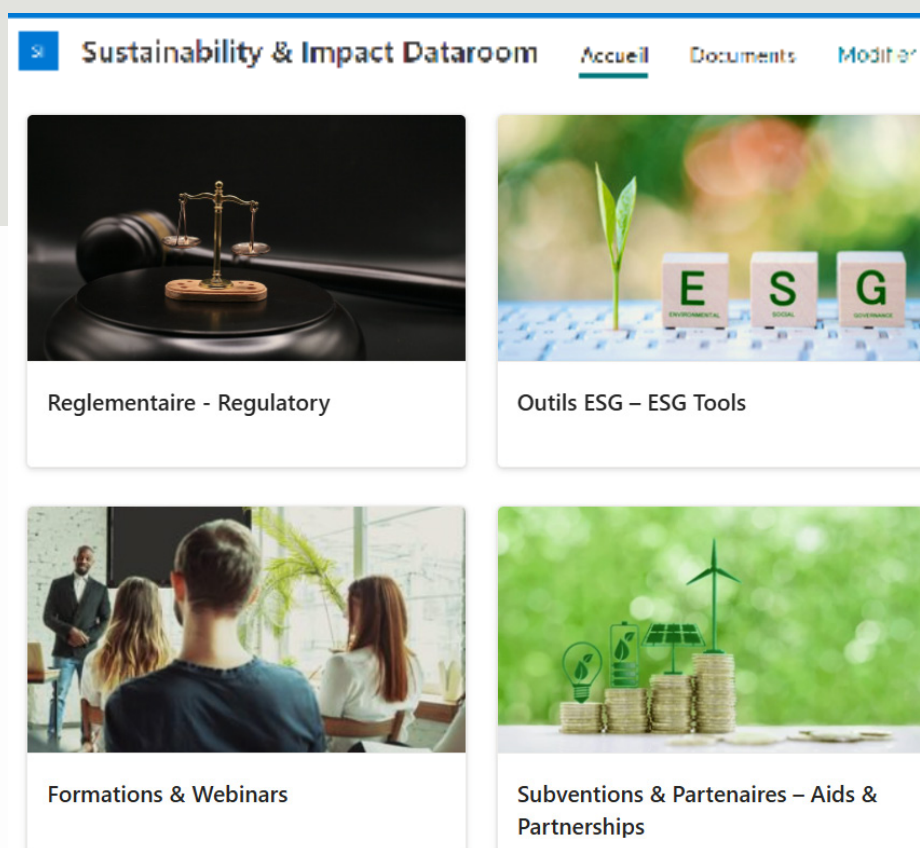
The ESG data collected, including PAIs, is then consolidated at portfolio and management company levels. CAPZA prepares an ESG report for each investment fund, which is made available to investors through the investor portal.

Our sustainability and impact acceleration Program

Our companies need support on sustainability to navigate the complexities of ESG regulation, integrate the environmental transition into their business model, meet customer requirements (such as calls for tender and ESG data), and be responsible employers to retain talent. To support our companies, we have developed both internal sustainability expertise and an ecosystem of third-party service providers.

- **ESG awareness and education**
- **ESG best practices and standards**
- **Sectorial sustainability workshops**
- **Connecting with ESG providers and financial aids**
- **Building a sustainability-linked community and recognizing achievements**

We have built a dataroom where our portfolio companies can find resources on sustainability



Exit / Sustain our Actions

- Process Specifications
- ESG Reporting
- ESG Vendor Due Diligence

At CAPZA, we believe that our ESG responsibility extends beyond our investment holding period. This is why, at the time of divestment, we can provide an ESG and impact report that covers the evolution of relevant sustainability indicators during our holding period. We systematically include sustainability in the items that must be addressed in the Intent and Confirmatory Offer.

When value creation linked to the sustainability roadmap or sustainability risks is material, an ESG Vendor Due Diligence may be carried out.

In the matters that need to be addressed by the bidder, we include sustainability in the investment rationale and strategic view as follows:

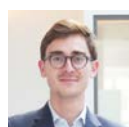
Strategic Rationale: To the extent relevant, please provide any changes to or an update on:

- (i) the background of your interest in the Group and the relevant group,
- (ii) your strategic rationale for the Proposed Transaction, and
- (iii) your views on the business model, how you see the development of the Group, including sustainability aspects, after the Proposed Transaction;



Our six last exits in equity where we were lead investors have seen their **ESG scoring progress 25%** on average between entry and exit.

“ When we initiated Groupe Saint Aubin’s exit, we, with the management, wanted to ensure that the future acquirer fully understood and appreciated the ESG efforts and was committed to continuing this work.



Maxime Bridlance
Principal, Transition, CAPZA

Our 3 Sustainability Priorities

We have set three priorities to drive positive impact, translated into concrete targets both for our portfolio companies and for us at CAPZA.

Portfolio	COMMITMENTS	2024
Carbon Neutrality	Commitment to align with Net Zero in all our investments in equity funds	ACHIEVED
	0% portfolio companies with very high risk on climate	ACHIEVED
	70% of investments in Equity funds on a Net Zero trajectory ¹ by 2030, 85% by 2040, and 100% by 2050	IN PROGRESS 63%
	50% amount invested in Debt funds on a Net Zero trajectory ¹ by 2030, 75% by 2040, and 100% by 2050	IN PROGRESS 23%
	100% of companies in equity funds with medium, or high climate risks must implement an action plan aligned with Net Zero by the end of 2025	ACHIEVED 0 companies concerned
Biodiversity & Water Preservation	0% portfolio companies with very high risk on biodiversity or water	ACHIEVED
	100% of companies in Equity funds with a dependency or impact rating on biodiversity that is medium or higher → will have responsible purchasing policy by the end of 2025 → will have an action plan aligned with the Kunming-Montreal global biodiversity framework by 2030	IN PROGRESS 66% have a responsible purchasing policy
	100% of companies in Equity funds with medium, high or very high impact or dependency on water must have a water management policy by the end of 2025	ACHIEVED 0 companies concerned
Inclusion & Value Sharing	Within two years of our investment in Equity funds, every company should → have at least one independent board member → aim to increase board diversity	IN PROGRESS 61% have at least one independent board member 65% have at least one woman at the board
	For companies with over 500 employees, have more than 30% of seats on Executive Committees held by women by 2030	IN PROGRESS 20% have over 30% of seats held by women
	Promote employee shareholding	IN PROGRESS 8% of employees ² are shareholders on average

1. Committed to align, SBTi validated, or with a decarbonization plan aligned with Net Zero

2. Outside management

We have set three priorities to drive positive impact, translated into concrete targets both for our portfolio companies and for us at CAPZA.

	COMMITMENTS	2024
Carbon Neutrality	Annually measure our carbon footprint	ACHIEVED
	5% decarbonization per FTE per year	ACHIEVED 14.2%
	Provide climate training (Climate Fresk) to all employees and offer them to become facilitators	ACHIEVED 13 facilitators 92% of employees effectively trained
Biodiversity & Water Preservation	Implementation of a waste treatment solution with customized reporting	ACHIEVED
	Limit the use of nonessential plastics	ACHIEVED
Inclusion & Value Sharing	A large majority of employee shareholders	ACHIEVED 62%
	More than 30% of women on the Executive committee	ACHIEVED 45%
	A gender diversity index (Penicaud-Schiappa) over 85	ACHIEVED 86%
	30% women partners and 40% women in investment teams by 2030	IN PROGRESS 16% women partners 28% women in investment teams

Carbon Neutrality

Carbon Neutrality / Portfolio

TARGETS

We are committed to progressively aligning our portfolios with the Paris Agreement and have defined, in 2022-2023, a climate strategy with key targets to achieve “carbon neutrality” by 2050:

100% of our investments in Equity funds include a clause in the shareholder agreement committing the company to making its best efforts to reduce its GHG emissions in line with the ambition of carbon neutrality by 2050

0% OF PORTFOLIO COMPANIES WITH VERY HIGH RISK ON CLIMATE

100% OF EQUITY COMPANIES WITH MEDIUM OR HIGH CLIMATE RISK
implement an action plan aligned with Net Zero by the end of 2025

% INVESTMENTS ON A NET ZERO TRAJECTORY:

EQUITY FUNDS



DEBT FUNDS



Our commitment is demonstrated through investments in companies that are committed to or already aligned with a Net Zero trajectory, or aligned with the European taxonomy.

1 Measurement

90%

OF OUR INVESTMENTS HAD
MEASURED THEIR CARBON
FOOTPRINT IN 2024
5% increase at constant
perimeter vs. 2023

Measuring greenhouse gas emissions is essential to understanding climate risk. We assess the greenhouse gas emissions of all our investments. This information is derived from carbon audits carried out by the companies we finance, or from estimates made by an independent service provider. Using the energy, fuel and activity data we collect in our annual ESG questionnaire, we check our companies' scope 1 and 2 emissions every year.

We invite companies to carry out a full carbon assessment, including Scope 3 when it is possible. Some of our funds have dedicated pockets for operational support and can finance companies' carbon footprint assessments.

9t

CO₂e/€M REVENUE CARBON
INTENSITY, SCOPE 1 & 2

616t

CO₂e/€M REVENUE CARBON
INTENSITY, SCOPE 1, 2 & 3

2 Reduction

14%↑

OF THE ENERGY CONSUMPTION
OF OUR INVESTMENTS CAME FROM
RENEWABLE SOURCES IN 2024
-2% decrease at constant
perimeter vs. 2023



We support the companies we finance to decarbonize their activities and build a roadmap consisting of 5 to 10 operational levers that can deliver significant emissions reductions. We aim to have our portfolio companies' carbon reduction targets validated by the Science Based Targets initiative (SBTi).

79%↑

OF OUR INVESTMENTS HAVE ADOPTED AN ACTION PLAN TO REDUCE GHG EMISSIONS
15% increase vs. 2023

53%

OF OUR INVESTMENTS
ENGAGED IN THE SBTi PROCESS

22%

OF THEM SUBMITTED
THEIR OBJECTIVES
OR HAD THEM VALIDATED

We have built partnerships with service providers to implement these operational levers, which include PV solar projects, energy efficiency measures and electric vehicle schemes.

All companies held in CAPZA's Flex Equity Mid Market II and MAIF Dette à Impact Environnemental mandate, both launched in 2022, have set ambitious targets for reducing greenhouse gas emissions, in line with the Paris Agreement. We consistently propose management incentive mechanisms linked to success in obtaining SBTi validation at these companies.

3 Positive contribution

We also need to contribute to global carbon neutrality through removals and avoidances. By pursuing initiatives such as carbon sequestration, afforestation and renewable energy projects, we can enhance our efforts to combat climate change and promote environmental sustainability. These measures not only offset emissions but also help to restore ecosystems and support the transition to a greener economy.

Our climate strategy includes giving our companies access to carbon sequestration projects once they have achieved emissions reductions targets linked to their value chain.

Carbon Neutrality / CAPZA

TARGETS

GHG Footprint undertaken annually

14%

ANNUAL REDUCTION IN
CARBON INTENSITY PER FTE

92%

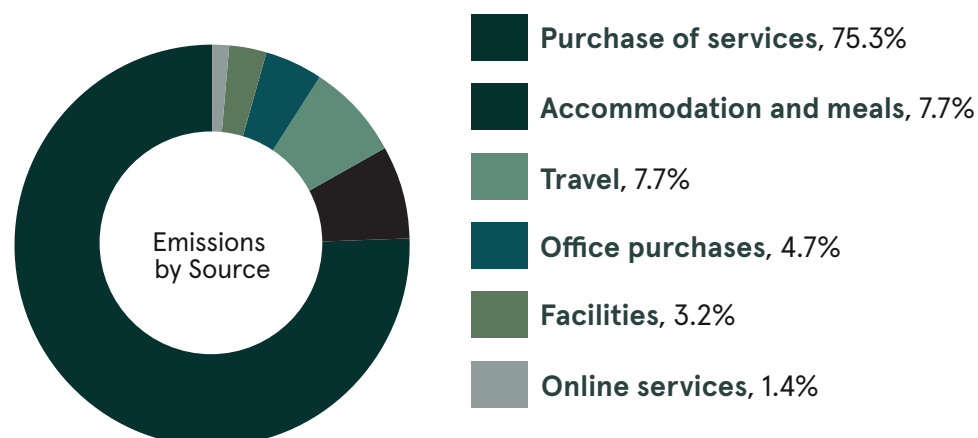
OF EMPLOYEES TRAINED WITH CLIMATE FRESH
offering employees to become facilitators

2024 GHG Footprint

4↓ tCO₂e SCOPE 1
50% reduction vs. 2023

15↑ tCO₂e SCOPE 2
50% increase vs. 2023

2140↓ tCO₂e SCOPE 3
6% reduction vs. 2023



We have prioritized initiatives that enhance employee comfort, and other that may temporarily reduce employee comfort, for which we provide educational information to help everyone understand the concept of frugality and the challenges that some households face due to the cost of energy.

To achieve our targets, we have set out a comprehensive action plan with specific initiatives:

- Promote soft mobility with company bikes offer
- Limit heating and air-conditioning in offices
- Favour train transportation
- Promote responsible catering and low-carbon foods
- Integrate ESG criteria into our expense reimbursement policy, particularly for hotels
- Promote soft mobility and remote meetings, measure the carbon footprint of our visitors
- Extend the lifespan of our equipment, particularly IT equipment
- Offer all employees the opportunity to become a Climate Fresh facilitator

Note: At constant perimeter since 2023

Biodiversity & Water Preservation

Biodiversity & Water Preservation / Portfolio

TARGETS

0%

OF PORTFOLIO COMPANIES WITH
VERY HIGH RISK ON BIODIVERSITY OR WATER

100%

OF EQUITY COMPANIES WITH A DEPENDENCY
OR IMPACT RATING ON BIODIVERSITY THAT IS
MEDIUM OR HIGHER

have an action plan aligned with
the Kunming-Montreal global
biodiversity framework by 2030

have a responsible
purchasing policy by
the end of 2025

100%

OF EQUITY COMPANIES WITH A
DEPENDENCY OR IMPACT RATING ON
WATER THAT IS MEDIUM OR HIGHER

have a water management
policy by the end of 2025



CAPZA is formalizing a comprehensive and coherent biodiversity strategy. We are committed to regular monitoring, evaluation and disclosure of risks, dependencies and impacts on biodiversity within our investment portfolios, in line with Target 15 of the Kunming-Montreal Global Biodiversity Framework. The measurement exercise we are undertaking is a precursor to setting specific, time-bound objectives by 2030. We will focus our actions on private equity investments that have major impacts on biodiversity and water. As these are few in number, we can implement dedicated and specific support tailored to the sector and the company.

CLIMATE AND BIODIVERSITY RISK MANAGEMENT

We have begun assessing the physical and transition climate risks to our portfolio companies. We use AXA Climate’s Altitude tool to deliver a risk score, for acute or chronic physical and transition risks, as well as biodiversity risks. Altitude was first deployed in the pre-investment phase for Debt funds in 2023, and is now being rolled out for Debt and Equity funds, for use in pre-investment assessments and throughout the holding period.

Our major areas of action are:

- Conduct biodiversity and water impact and dependence assessments.
- Hold annual discussions with portfolio companies to reduce negative impacts on biodiversity and improve operational circularity.
- Partner with specialist suppliers to support companies on specific operational issues.
- Promote targets aligned with the Kunming-Montréal Global Biodiversity Framework.
- Raise awareness of water issues.
- Promote adoption of a water management strategy by drafting a CAPZA Charter on Water.
- Encourage best practices in value chains by drafting a Responsible Procurement Policy template.



0%

OF OUR INVESTMENTS HAD OPERATIONS OR SITES
NEGATIVELY IMPACT BIODIVERSITY-SENSITIVE AREAS

0.13%

OF OUR ANALYSED
INVESTMENTS HAD MEDIUM
OR HIGHER DEPENDENCIES
ON BIODIVERSITY

0.94%

OF OUR ANALYSED
INVESTMENTS HAD
MEDIUM OR HIGHER
IMPACT ON BIODIVERSITY

20%

OF OUR INVESTMENTS HAD IMPLEMENTED A
BIODIVERSITY POLICY OR ACTION PLAN
40% increase at constant perimeter vs. 2023

21%

OF OUR INVESTMENTS HAD IMPLEMENTED A WATER
MANAGEMENT POLICY OR ACTION PLAN
25% increase at constant perimeter vs. 2023



100%

OF OUR EQUITY INVESTMENTS WITH HIGH OR
VERY HIGH MATERIALITY ON WATER HAD A WATER
MANAGEMENT POLICY

3.5%

OF WATER WAS REUSED OR RECYCLED
8% increase at constant perimeter vs. 2023



In 2024, we calculated that a 50% increase in the cost of water would impact the EBITDA of our portfolio companies by an average of -0.35%, with a maximum impact of -5.05% on one company.

Two companies in our portfolio have water costs representing more than 3% of their EBITDA and are therefore financially vulnerable to such an increase. Both companies have implemented a water management policy.

Biodiversity & Water Preservation / CAPZA

TARGET

Waste Treatment Solution

WITH CUSTOMIZED REPORTING

LIMIT THE USE OF

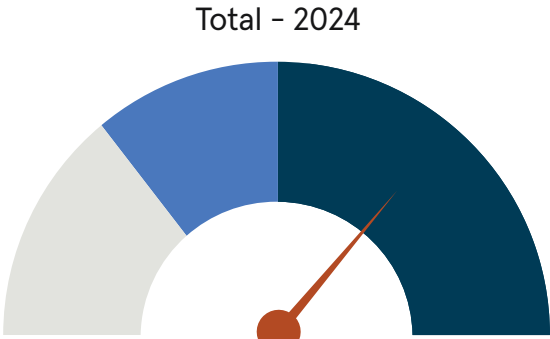
Nonessential Plastics



We have improved the way we manage waste in our Paris office and we monitor performance monthly. We quickly realized that much of our waste was not recycled because it was not sorted, so we acted to increase awareness of this important issue.

We have set targets related to paper consumption and use of color in printing. We are engaging with employees to increase awareness on this topic.

Share of recyclable waste among total waste generated by Capza in 2024



37%

Performance of C+Net portfolio¹ : 30%

The sorting performance results in energy savings, illustrated as follows:



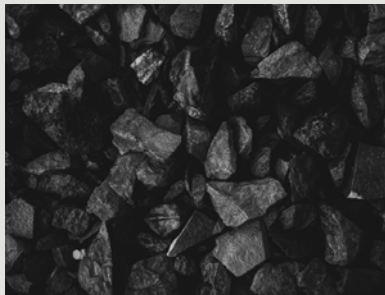
CO₂ (tons)
2.44



Energy (MWh)
2.85



Trees
12.37



Coal (tons)
0.01

Note: (1) C+Net is our waste collection & sorting services provider. Performance based on C+Net client portfolio

Inclusion & Value Sharing

Inclusion & Value Sharing / Portfolio

TARGETS

1

INDEPENDENT BOARD MEMBER AT LEAST, WITHIN TWO YEARS OF INVESTMENT IN EQUITY

+ increase board diversity

30%

OF EXECUTIVE COMMITTEE SEATS HELD BY WOMEN IN COMPANIES WITH OVER 500 EMPLOYEES BY 2030

Value Sharing

INCREASE THE PROPORTION OF EMPLOYEES COVERED BY AT LEAST ONE ANNUAL VALUE-SHARING SCHEME

+ promote employee shareholding

In 2023, CAPZA joined France Invest's Value Sharing Charter, alongside 100 other French private equity and private debt managers. The charter aims to promote value sharing at portfolio companies. By signing the charter, CAPZA publicly acknowledges the significance and benefits of implementing value-sharing initiatives within businesses. The Charter emphasizes the importance of these initiatives in attracting and retaining talent, thereby fostering growth. Additionally, it underscores that profit-sharing initiatives are integral to a company's social agenda, ensuring fair rewards for employees.

In addition, CAPZA signed France Invest's Charter on Gender Parity, which engages financial actors to promote gender parity in their workforce.

We partnered with Leyders Associates, the headhunting firm committed to diversity and gender equality to help our portfolio companies find female independent board members.

“Women will go nowhere without men, and men will go no further without women. It is therefore high time to act together for a visible performance. It is with this conviction that we have established this partnership with CAPZA aimed at promoting diversity on the boards of mid-sized companies.



Lucille Desjonquères,
Leyders Associates

“Profit sharing isn't just a financial incentive; it's a vital strategy for enhancing the attractiveness and retention of talent within our portfolio companies. By aligning employees' interests with the success of the company, we foster a more engaged and motivated workforce, which strengthens our ability to deliver the expected financial performance, seeds growth and ensures long-term value creation.



Marion de Bonneville
Partner, Flex Equity Mid Market II

Inclusion & value sharing in the portfolio in 2024

Women & diversity



47%

AVERAGE SHARE OF WOMEN IN THE WORKFORCE

19%

WOMEN IN C-SUITE POSITIONS ON AVERAGE

12%

OF OUR PORTFOLIO COMPANIES WITH A FEMALE CEO

65%↑

OF OUR PORTFOLIO COMPANIES HAD AT LEAST ONE FEMALE BOARD MEMBER
9% increase at a constant perimeter since 2023

19%↑

UNADJUSTED GENDER PAY GAP
5% increase at a constant perimeter since 2023

77%↑

OF OUR PORTFOLIO COMPANIES HAD A DIVERSITY CHARTER OR MADE DIVERSITY COMMITMENTS

Employee management

95%

AVERAGE SHARE OF PERMANENT CONTRACTS

20%↓

AVERAGE TURNOVER (PERMANENT STAFF)
2% decrease at constant perimeter since 2023

0.9%↑

AVERAGE SHARE OF PAYROLL SPENT ON TRAINING,
9% increase at constant perimeter since 2023



The addition of Natasha Cambriels, CEO of Butagaz, to the Eurofeu board, brings a valuable, positive perspective, particularly on organizational and environmental transition matters that are crucial for Eurofeu.



Fabien Bernez
Partner, Flex Equity, CAPZA

Note: At constant perimeter since 2023



Inclusion & Value Sharing / CAPZA

TARGETS

We strongly believe in the value of aligning interests to achieve collective success and encourage an entrepreneurial mindset.

85+

GENDER DIVERSITY INDEX
(PENICAUD-SCHIAPPA)

Employee Shareholders

LARGE MAJORITY

30%

OR MORE OF WOMEN ON
THE EXECUTIVE COMMITTEE

30%

WOMEN PARTNERS
BY 2030

40%

WOMEN IN INVESTMENT
TEAMS BY 2030

We have taken several measures to build an inclusive work environment:

- encourage flexible working for all employees: we have implemented 2 days of home office per week with full home office possible for pregnant and breastfeeding women
- family-friendly policies
- ensure full wage payment during paternity leave and variable remuneration component based on the full year
- promote a wage policy that respects gender equality by increasing transparency
- implement regular compensation analysis during the Rewards period and hiring processes, to limit any gender pay gap for equivalent position, experience, skills.
- work on diversity and inclusion by introducing unconscious bias training for fund managers and their teams
- webinar for all staff on diversity and inclusion
- partner with Fondation Florence and commit to hire 2 interns per year amongst Fondation Florence's students

62%

OF CAPZA EMPLOYEES ARE SHAREHOLDERS

ACCESS TO CARRIED INTEREST FOR THE
MAJORITY OF EMPLOYEES

PENICAUD INDEX



16%

OF PARTNERS ARE WOMEN

Armen HEC value sharing index 2025 Ranking

N°1

5-10

BN€ AUM GROUP

N°2



MULTI-STRATEGY GROUP



Appendices

Sustainable Investment

We base our definition of sustainable investment on the Sustainable Finance Disclosure Regulation. An investment qualifies as sustainable:

Social or environmental objective

When it contributes to a social or environmental objective through:

- The products and services it offers, if they help meet one of the Sustainable Development Goals (SDGs), and if the products and services concerned account for more than 25% of revenues or are expected to do so within the fund's investment horizon.
- A credible commitment to decarbonize its operations in line with the Paris Agreement. For companies that are not in the scope of CSRD, this commitment may relate solely to scopes 1 and 2, bearing in mind that scope 3 must also be measured and reduced. For companies in the scope of CSRD, the reduction of their carbon footprint in line with the Paris agreements must cover scopes 1, 2 and 3.

Do No Significant Harm

When it contributes to a social or environmental objective without causing significant detriment to other environmental or social objectives, or a clear roadmap to limit or eliminate these negative effects/externalities has been defined and integrated into the transaction documentation.

Governance

When it applies good governance practices, by assessing the main issues through:

- Internal processes/mechanisms to monitor compliance with the UN Global Compact or the OECD Guidelines for Multinational Enterprises
- A written policy (e.g. HR policy, code of ethics, etc.) underlining its commitment to respect human rights, prevent forced labor in its operations and the supply chain, monitor and report its gender pay gap, and comply with tax obligations.

Impact Investment

We follow the definition of Impact Finance set out by the Institut de Finance Durable (IFD).

Impact Finance is an investment or financing strategy that aims to accelerate the just and sustainable transformation of the real economy, by providing evidence of its beneficial effects. It incorporates the principles of intentionality, additionality and impact measurement, to demonstrate:

1. A collaborative effort to achieve ecological and social progress and a financial return, while mitigating any negative externalities;
2. The adoption of a clear and transparent methodology describing the causal mechanisms through which the strategy contributes to the targeted environmental and social objectives, the relevant period of investment or financing, and the measurement methods – according to concept of the Theory of Change.
3. The achievement of environmental and social objectives aligned with frameworks of reference, in particular the Sustainable Development Goals, defined at the international, national and local levels

FOCUS AREA	INDICATOR	2024	COVERAGE	2023
Climate	Share of investments in companies that have conducted a carbon footprint	90%	78%	79%
	GHG emissions (scopes 1, 2 & 3) tCO ₂ e	2 449 743	78%	484 838
	GHG intensity (scopes 1, 2 & 3) tCO ₂ e/€M of revenue	616	78%	186
	Share of investments that have formalized an action plan to reduce GHG emissions	79%	76%	69%
	Share of investments in companies with Paris Agreement alignment objectives	46%	71%	45%
	Share of investments which are preparing or validated SBTi targets	53%	68%	55%
	Share of investments in companies trained on climate	48%	60%	33%
Biodiversity	Share of investments with sites/operations negatively affecting biodiversity-sensitive areas	0%	74%	0%
	Share of investments in companies with very high impact on biodiversity	0%	73%	4%
	Share of investments in companies with very high dependencies on biodiversity	2%	72%	5%
	Share of investments in companies with a water management policy or action plan	21%	67%	21%
	Share of investments in companies with a biodiversity policy or action plan	20%	72%	18%
Inclusion & Diversity	Average workforce	1 308	73%	1 223
	Share of women in workforce	47%	69%	41%
	Share of permanent contract	95%	68%	92%
	Median salary €	35 847	42%	37 157
	Net permanent job creation of all investee companies	1 272	58%	1 763
	Turnover rate - Permanent Staff	20%	54%	22%
	Unadjusted gender pay gap	19%	49%	17%
	Share of investments with employees shareholders outside the top management	63%	59%	57%
	Share of investments with a yearly profit-sharing mechanism above legal requirement	45%	52%	/
Employee Health & Retention	Rate of accidents	7.97	67%	7.31
	Departure rate - Permanent Staff	19%	55%	18%
	Absenteeism rate	4%	58%	5%
	Share of employees who received a training	50%	54%	52%
Governance	Share of investments in companies with a code of conduct	85%	76%	82%
	Share of investments in companies with violations of UNGC principles or OECD Guidelines	0%	79%	0%
	Share of investments without policies to monitor compliance with UNGC/OECD Guidelines	5%	79%	10%
	Average rate of independent board members	21%	73%	17%
	Share of investments in companies with at least one independent member at the board	69%	73%	65%
	Share of women at the board	17%	76%	17%
	Share of investments in companies with at least one woman at the board	65%	76%	65%
	Share of investments in companies with CSR addressed at least once a year at the board	94%	74%	92%
	Share of investments in companies with a woman CEO	5%	76%	3%
	Share of investments in companies with a CSR manager	89%	78%	83%
	Share of investments in companies with an information system security policy	81%	72%	81%
Supply Chain	Share of investments in companies with a responsible purchasing charter formalized	55%	77%	48%

CAPZA Principal Adverse Impacts

INDICATORS	METRICS	2024	2023	EXPLANATION AND TARGETS
GHG Emissions	Scope 1 GHG emissions tCO ₂ e	16 912	22 954	CAPZA is committed to achieving carbon neutrality by 2050 with an alignment on a 1.5°C emissions trajectory, compatible with the Paris Agreements. This commitment is materialized through an intermediary objective of 70% AuM in Equity and 50% AuM in Debt on a net zero trajectory by 2030. CAPZA has launched two funds in 2022 with decarbonization in line with the Paris Agreements as part of their investment strategy : MAIF Dette à Impact Environnemental and Flex Equity Mid Market II.
	Scope 2 GHG emissions tCO ₂ e	11 606	13 812	
	Scope 3 GHG emissions tCO ₂ e	2 395 543	409 847	
	Total GHG emissions tCO ₂ e	2 449 793	484 838	
Carbon Footprint	Carbon Footprint tCO ₂ e/M€	524	124	We offer customized tools and solutions to help portfolio companies measure their carbon footprint, through three levers : transactional, operational and financing. CAPZA also provides climate training at portfolio company level.
GHG Intensity of Investee company	GHG Intensity of investee companies tCO ₂ e/M€	616	186	
Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	We are active members of the Initiative Climat International and signatories of the UN-PRI. We have also implemented the AXA Altitude tool which enhances our climate impact assessments on all strategies
Share of non-renewable energy consumption and production	Share of non-renewable energy consumption	86%	77%	
	Share of non-renewable energy production	4%	6%	
Energy consumption per high impact climate sector	NACE Code C (Manufacturing) GWh/M€	0.09	0.1	
	NACE Code F (Construction) GWh/M€	0.01	0.001	
	NACE Code G (Wholesale and Retail Trade) GWh/M€	0.01	0.02	
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	0%	0%	CAPZA measures the impacts of its investments on biodiversity – as well as the dependencies – by leveraging yearly collected environmental metrics. For each investment that has a medium or higher biodiversity risk, impact, dependance, we hold a dedicated meeting with the investment team to examine potential mitigation measures.
Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.01	0.01	We have also implemented the AXA Altitude tool which enhances our biodiversity impact assessments.
Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.48	0.24	We help our portfolio companies to implement responsible sourcing policies in order to raise awareness of declining biodiversity. We provide them with examples of sustainable procurement policies to facilitate the implementation of these new practices.
Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises		0%	0%	We adhere to and promote the respect of OECD guidelines for Multinational Enterprises, and our goal is that investee companies put in place the necessary processes to ensure the respect of these norms.
Lack of processes to monitor compliance with UNGC & OECD principles		5%	10%	
Unadjusted gender pay gap	Average Unadjusted Gender Pay Gap	19%	17%	"CAPZA promotes inclusion and diversity. In this context, gender diversity is an important part of our strategy. As part of our strategy, we aim to promote and increase board diversity within 2 years after investing for equity investments."
Board gender diversity	Average ratio of female to male board members in investee companies	17%	17%	
Exposure to controversial weapons	% of investments involved in manufacture or selling of controversial weapons	0%	0%	Controversial weapons are part of CAPZA's exclusion policy.
Investments in companies producing chemicals	% of investments that produce pesticides or agro-chemicals	0%	0%	Pesticides and agro-chemicals have the potential to contaminate groundwater and freshwater supplies. Therefore, as part of our biodiversity commitments and our focus on water, we have chosen to monitor this indicator.
Rate of accidents	Rate of accidents in investee companies expressed as a weighted average	0.08	0.07	We prioritize employee well-being, covering both physical and mental health, and actively work to monitor and improve this aspect in our portfolio companies.

TCFD Correspondence Table

TOPIC	DISCLOSURE	CHAPTER IN REPORT
Governance	Describe the board's oversight of climate-related risks and opportunities.	Leading by Example Intertwining Sustainability & Governance
	Describe management's role in assessing and managing climate-related risks and opportunities.	Intertwining Sustainability & Governance Holding / Monitor and Accelerate Biodiversity & Water Preservation
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Managing Risks and Generating Positive Impact
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Managing Risks and Generating Positive Impact
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	About CAPZA The Pillars of Our Sustainability Strategy Managing Risks and Generating Positive Impact Carbon Neutrality
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	Managing Risks and Generating Positive Impact
	Describe the organization's processes for managing climate-related risks.	Managing Risks and Generating Positive Impact Biodiversity & Water Preservation
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Holding / Monitor and Accelerate
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Managing Risks and Generating Positive Impact
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Managing Risks and Generating Positive Impact Carbon Neutrality
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Carbon Neutrality

CAPZA

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